

Request for Board Action Details

File #: 2022-458

Type: Administrative Item **Status:** Passed

In control: Board of Commissioners

On agenda: 8/9/2022 **Final action:** 8/9/2022

Title: Detox Services Per Diem Rate Adjustments

Sponsors: Social Services

Indexes:

Code sections:

Attachments: 1. Resolution

Date	Ver.	Action By	Action	Result
8/9/2022	1	Board of Commissioners	approved	Pass

Sponsor: Social Services

Title
Detox Services Per Diem Rate Adjustments

Recommendation

Approve adjustments to the detox services per diem rate, from the current rate of \$258 to the proposed rate of \$395, effective upon board approval, or shortly after.

Background and Rationale

Ramsey County has 40 detoxification beds at the Ramsey County Detoxification Center located at 402 University Avenue East in Saint Paul. This facility provides sub-acute detoxification and detoxification commitments hold services. Sub-acute detoxification services require immediate attention but may not need extremely high levels of medical care. Detoxification commitments hold services require short-term medical services on a 24-hour-a-day basis. The Detox Center is co-located with Ramsey County Urgent Care and Crisis Stabilization for adult mental health, substance use and mental health assessment services and case management services to provide a more integrated approach to health and wellness.

As part of Social Services department’s mental health & crisis suite of services, Ramsey County offers chemical health services that provide drug and alcohol assessments for Ramsey County residents and provides people who are chemically dependent treatment or connects them to other community programs.

The financial responsibility for detoxification services falls to the county in which the client is physically present when the need for professional services and/or intervention is first identified. While it is the intention of the county to recover costs through per diem rates, it is not always practical to do so. There are fixed-costs associated with managing the facility whether the county has federal or out-of-county clients. These fixed costs include building depreciation, maintenance, personnel and administrative costs. The uncompensated care reimbursement for services provided to detox patients by medically licensed providers and counties of financial responsibility create budget gaps that this action will help minimize.

As part of its revenue generation initiatives the Health and Wellness Service Team (HWST) seeks to update

the per diem rate to a rate which is consistent with the rates of the surrounding counties. The current detox per diem rate is \$258 and are proposing to increase that rate to \$395. This rate change, coupled with a revision of the detox intake processes and procedures, should provide the county an opportunity to increase revenue. The Detox leadership team consulted with state officials at the Minnesota Department of Human Services and other not-for-profit entities, including participating in walk-throughs of detox programs operated by neighboring counties.

County Goals (Check those advanced by Action)

- Well-being Prosperity Opportunity Accountability

Racial Equity Impact

Social Services is committed to ending racial disparities occurring within its portfolio of services. This request for board action will help generate revenue and sustain essential detox services for the community. The increase in the detox per diem rates will have no added hardship to individual clients as the fees will be billed directly to the responsible county.

As Detox staff make modifications to the intake processes, staff will continue to evaluate the impacts of existing services for future improvements.

Community Participation Level and Impact

There was no direct community engagement with residents. However, Detox leadership consulted with the Minnesota Department of Human Services and neighboring counties.

- Inform Consult Involve Collaborate Empower

Fiscal Impact

Over the past year, one of HWST's focus was on reviewing revenue generation in various programs. Based on that review, HWST is recommending an increase to the detox per diem fee from \$258 to \$395. The current rates are out of line with neighboring counties and the increase is supported by the Minnesota Department of Human Services. Currently, HWST is only billing those from Dakota, Anoka and Washington counties. This recommendation would apply to all counties, while also bringing the rate in line with the market. Revenue generated from this change will off-set operational costs in the Detox area. Last year a total amount of \$205,270 was collected from these fees. It is anticipated that the change will significantly increase revenues and will be reflected in future budgets.

Below is a breakdown of service per diem rate for a detox operation such as Ramsey County with a hospital setting.

<u>Treatment Setting Descriptions-</u> <u>Hospital</u>	<u>Addiction Only Basic</u> <u>Rate</u>	<u>Co-occurring</u>	<u>Special</u> <u>Populations</u>
Inpatient Per Diem Rates	\$306	+ \$18.36	+ \$9.18
Room and Board Rates	\$55.17	N/A	N/A
Transportation Rates	\$6.76	N/A	N/A

Last Previous Action

On December 21, 2021, the Ramsey County Board approved the 2022-2023 Ramsey County operating budget, which included the rate setting for detox services (Resolution B2022-293).

Attachments

None.