

Dept. of Health Services: Funding awarded to cover room and board costs for residential opioid use disorder treatment for medicaid members

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An estimated 1,100 Wisconsin Medicaid members with an [opioid use disorder](#) will have access to residential treatment this year, thanks to \$2.5 million in grants from the Department of Health Services (DHS) awarded to agencies serving 54 counties and four tribes. The funding from opioid settlement dollars will be used to cover room and board costs for this benefit. Federal law prohibits Medicaid from reimbursing residential substance use disorder treatment providers for a client's room and board expenses. Lack of funds to cover room and board costs is the primary reason Medicaid members do not enroll in this level of treatment.

Funding for room and board expenses was included in Governor Evers' 2021-23 biennial budget but was not approved by the legislature. These grants awarded today are funded by Wisconsin's share of a multistate settlement with McKinsey & Company, a global consulting firm that for years fueled the opioid epidemic nationwide through its work with the manufacturers of opioid drugs. DHS is receiving \$10.4 million over five years from this settlement. The funds must be invested in strategies to address Wisconsin's opioid epidemic.

"Room and board expenses for residential substance use disorder treatment can be cost prohibitive for Medicaid members, and that means many people cannot get the care they need," said DHS Secretary-designee Karen Timberlake. "Currently, some counties and tribes cover these costs, but not all are able to do so, which results in

uneven and inequitable access to residential treatment services. The flexibilities offered by opioid settlement funds allow us to remove a significant barrier to this critical benefit designed to help Medicaid members move forward in their recovery journey.”

[Residential substance use disorder treatment](#) may include assessment and treatment planning, case management, individual and group counseling, medication-assisted treatment, nursing services, peer support, and recovery coaching. The services provided are tailored to the client’s needs.

[View the list of county and tribal agencies awarded grants.\(link is external\)](#) The grant amounts are based on the estimated number of people to be served by each county or tribe now through the end of 2022, the room and board rate for the contracted residential substance use disorder treatment provider, and the average length of stay for a client from the county or tribe.

All counties and tribes were invited to apply for funding. Requests exceeded available funding. The grant awards were equally prorated to ensure all applicants received funding.

Medicaid members with an opioid use disorder who need financial assistance for room and board costs for residential treatment should contact their county or tribal health and human services agency.

The DHS plan for the McKinsey & Company settlement also includes:

- Prevention programs for Black and Native American communities, which have been disproportionately impacted by the opioid epidemic. This project will address the root causes of harmful opioid use, including stress caused by systemic marginalization, oppression, exclusion, and trauma, through partnerships with groups that work directly with these populations. This funding will be awarded to community organizations through an application process that should open later this year.
- Mobile harm reduction teams to reduce the negative consequences of harmful opioid use. This project will create teams of public health and social services staff that can be sent to areas of the state experiencing a spike in opioid overdoses. These harm reduction teams will focus on strategies to reduce deaths from opioid misuse. They will also work to reduce the spread and harm caused by diseases like Hepatitis C and HIV. The coordinator of this effort has

been hired. The process to hire the staff for each team is underway.

- Short-term and long-term housing for people in recovery. This project will add an option for people in substance use disorder recovery to use the existing housing voucher program managed by the Wisconsin Department of Administration in partnership with continuum of care agencies across the state to better support people's access to affordable, stable, and safe housing. It will also create a housing option that offers additional services such as classes to help people with the activities of daily living, employment education, and support from people who have been successful in sustaining recovery. This funding will be awarded to interested continuum of care agencies and recovery residences through an application process that should open by this fall.