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DCTS Action Memo 2024-11

To: Subscribers of the DCTS Action Memo Email Distribution List

From: Gynger Steele, Administrator

**Funding to Cover Room and Board Costs for Medicaid Members with an
Opioid Use Disorder or At Risk for an Overdose in
Residential Substance Use Disorder Treatment Programs**

Summary

This memo provides instructions on how Tribal nations and counties can apply for funding to cover room and board costs for Medicaid members with an opioid use disorder or at risk for an opioid overdose who are in residential substance use disorder treatment programs. Applications for funding for calendar year 2025 are due by 11:59 p.m. November 1, 2024.

Background

Wisconsin Medicaid has offered a residential substance use disorder treatment benefit since February 2021. This benefit provides treatment for youth and adults to promote recovery from substance use disorder and reduce the incidence and duration of institutional care Medicaid members might otherwise need.

Residential treatment services must be provided by agencies or facilities certified under [Wis. Admin. Code ch. DHS 75, Subchapter V](#). Services may include assessment and treatment planning, individual and group and family counseling, psychoeducation, medication management, nursing services, case management, peer support services, recovery coaching, and drug testing to monitor and reinforce individual progress. Federal law prohibits Medicaid from reimbursing for the costs of room and board.

Covering the costs of room and board has been identified as a barrier to residential substance use disorder treatment for many Medicaid members. To make this benefit more accessible, DHS is using \$2,750,000 of [Wisconsin's share of the National Prescription Opiate Litigation settlement funds](#) to provide Tribal nations and counties funding to cover the room and board costs for individuals with an opioid use disorder or at risk for an opioid overdose in 2025. The Division of Care and Treatment Services is managing this funding opportunity with support from the Office of the Secretary.

Only Medicaid members with a current or prior opioid use disorder diagnosis or who are at risk for an opioid overdose and who are in a Medicaid-enrolled residential substance use disorder treatment program can be supported with funding through this request for applications. The individual could be seeking services for a current opioid use disorder diagnosis or for another substance use disorder while having a history of opioid use disorder. Due to the unpredictability of the drug supply and the increased risk of overdose, people with a stimulant use disorder who have been exposed to opioids (demonstrated through a urine screen or surviving an overdose) can be supported with funding through this request for applications.

Eligibility for funding

Applicants must:

- Be a federally recognized Tribal nation in Wisconsin or a Wisconsin county agency.
- Contract with or plan to contract with a residential substance use disorder treatment program certified under [Wis. Admin. Code ch. DHS 75](#) that is a Medicaid-enrolled provider.

Award and contract terms

Awards will be for calendar year 2025 (January 1, 2025, to December 31, 2025). If funding requests exceed the available funding, awards will be equally prorated.

There is no match requirement for this funding opportunity.

All funds must be spent during calendar year 2025.

The state reserves the right to reject any and all applications. The state may negotiate the terms of the contract, including the award amount, with a successful applicant prior to entering into a contract.

Successful applicants using subcontractors are responsible for ensuring the subcontractors abide by all terms and conditions of this request for applications and resulting contract.

Reporting requirements

Selected applicants must submit four performance reports over the grant period:

- The first report will cover January 1 through March 31. It is due April 30, 2025.
- The second report will cover April 1 through June 30. It is due July 31, 2025.
- The third report will cover July 1 through September 30. It is due October 31, 2025.
- The final report will cover October 1 through December 31. It is due January 31, 2026.

The following information is required in these reports:

- The total number of individuals with any substance use disorder who were in need of and/or requested funds to cover room and board expenses.
- The total number of individuals with an opioid use disorder or at risk for an opioid overdose who were in need of and/or requested funds to cover room and board expenses.
- The number of total days funded for people with Medicaid and an opioid use disorder or at risk of for an opioid overdose, with a breakdown by the rate for each residential substance use disorder treatment agency.

- The total for all funds spent to cover room and board for individuals with Medicaid and an opioid use disorder or at risk for an opioid overdose.
- The total funds spent by the Tribal nation or county in the reporting period to cover room and board expenses for all people with a substance use disorder (noting the proportion of individuals with Medicaid).

Selected applicants must comply with any additional reporting requirements specified by DHS. Failure to report this data on the schedule listed in this memo may result in the loss of funds and repayment of the funds provided to the Tribal nation or county.

Application design

The application for this funding opportunity must include the sections listed below and the information requested for each section. All pages should be single spaced with one-inch margins. No more than two pages may be submitted for this part of the application.

- Population needs assessment: Estimate the number of people in the Tribal nation or county in need of residential substance use disorder treatment.
- Specify the estimated percentage with an opioid use disorder or at risk for an opioid overdose.
- Outline the overall need in the Tribal nation or county for funding to cover residential substance use disorder treatment room and board costs for Medicaid members.
- Specify the estimated percentage of Medicaid members with an opioid use disorder.
- Document how the data cited was estimated, including what sources were consulted.

Some sources for this information may include the statistics available on the [DHS website](#), Program Participation System data, Medicaid data, and agency data of the historic number of people in residential substance use disorder treatment services funded by the tribal nation or county.

Fiscal needs assessment

Estimate how much funding is needed in the Tribal nation or county to cover residential substance use disorder treatment room and board costs for people with Medicaid and an opioid use disorder.

Use this formula:

Estimated number of people with Medicaid and an opioid use disorder or at risk for an opioid overdose in need of residential substance use disorder treatment in a 12-month period.	X (multiplied by)	The estimated average duration or number of days needed in a Medicaid-enrolled residential substance use disorder treatment program.	X (multiplied by)	The estimated average daily rate from Medicaid-enrolled residential substance use disorder treatment providers for room and board costs.
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- Include information on how the daily room and board rate was calculated.
- Include the method by which room and board rates are set (standard rate, negotiated rate, or based on added features such as inclusion of children or family members).

Policy and process

Explain how the Tribal nation or county will provide funding to cover Medicaid-enrolled residential substance use disorder treatment room and board costs to Medicaid-enrolled individuals in need, including outreach activities, how eligibility will be determined, the enrollment process, etc.

Data collection

Explain how the Tribal nation or county will track data regarding people served, days funded, and rates paid to comply with the reporting requirements of this funding opportunity listed on Page 2 of this memo.

Application submission

To apply for this funding, send an email with the following attachments to the [Bureau of Prevention Treatment and Recovery](#) by 11:59 p.m. November 1, 2024.

- Narrative covering the items listed in the application design section of this memo as a Microsoft Word document or a PDF.
- Completed and unprotected [DCTS Annual Grant/Contract Application: Condensed, F-21276C](#).
- Completed and unprotected [DCTS Summary Line Item Budget: Condensed, F-01601C](#).

Applicants will receive an email confirming receipt of their application within three business days. If you do not receive an email confirmation within three business days, contact the [Bureau of Prevention Treatment and Recovery](#).

If you have a question or concern about this memo, email the [Bureau of Prevention Treatment and Recovery](#) no later than 11:59 p.m. October 15, 2024. Answers to the questions submitted will be posted on the [DHS website](#). Questions submitted by phone will not be answered.