

**PUBLIC NOTICE**  
**DEPARTMENT OF HEALTH**  
**ALCOHOL AND DRUG ABUSE DIVISION**  
**PLANNING, EVALUATION, RESEARCH, AND DATA OFFICE**

**REQUEST FOR INFORMATION (RFI)**  
**RFI # HTH440-19-1-PERD**

**ALTERNATIVE PAYMENT STRUCTURES**  
**FOR**  
**SUBSTANCE ABUSE PREVENTION SERVICES**

March 22, 2019

The State of Hawaii Department of Health (DOH), Alcohol and Drug Abuse Division (ADAD) Planning, Evaluation, Research, and Data (PERD) Office is requesting comments and feedback from the community that will assist in the development of possible Request(s) for Proposals for substance abuse prevention services. ADAD's PERD Office supports planning, policy, program development, and reporting needs of the Division. The office is charged with strategic planning, organizational development, program development, evaluation, identification of community needs, knowledge of best practices, policy research and development.

**ADAD seeks input on the feasibility of moving contracts for substance abuse prevention services from a cost reimbursement payment structure to a fee for service pricing structure and what appropriate rates for services might be. Additionally, ADAD seeks input on the feasibility of an alternative hybrid payment structure(s) that is a combination of the fee for service and capitated rate schedules, and how each payment structure might improve or impede the overall contract management and service delivery activities.**

**Definitions for purposes of this RFI:**

1. "Cost-reimbursement" is a payment made by an external party to a provider for services. The expenses are fronted by the provider/contractor who then bills the external party for payment or "reimbursement" on a regular interval (e.g., monthly invoices).
2. "Fee for service" (FFS) is a pricing structure in which providers/contractors are paid a set rate for each defined service performed by the provider/contractor. The rate is usually set at a per person/per unit structure.
3. A "capitated rate" is a pricing structure in which the service provider/contractor will be paid a set amount determined by the fulfillment of servicing a minimum number of participants (e.g., \$X per month for a minimum of Y participants). The number of participants serviced per month is determined by fidelity to program requirements, a review of data regarding the actual number of participants served in the past twelve (12) months to implement that program with fidelity.

The purpose of ADAD-contracted prevention services is to reduce the prevalence, incidence, and consequences of alcohol, tobacco, and other drug (ATOD) use among youth (ages 12-17) and young adults (18-20) by addressing community conditions that promote substance use and by enhancing community conditions that buffer individuals from the consequences of substance use and abuse. The intent of determining an appropriate pricing structure is to allocate financial resources responsibly and appropriately.

The specific goals of this RFI are:

1. Obtain information from prevention service providers/contractors regarding the feasibility of a fee for service structure.
2. Obtain information regarding prices that would be charged for various substance abuse prevention services.
3. Obtain information of what would be a possible structure if a pure fee for service structure is not the optimal pricing method and if a combination of either capitated rate and fee for service is warranted.

Please respond to the following questions:

1. Currently a cost reimbursement method is used by ADAD for its substance abuse prevention service contracts. What impact would there be on service delivery and community-based agencies and organizations and a provider's/contractor's resources if ADAD implemented a performance-based reimbursement structure such as FFS, capitated rate or combination thereof?
2. As a service provider, what would an effective and efficient fee structure for substance abuse prevention services look like, and how would the fees be determined?
3. Based on past experiences and expenditures in implementing specific substance abuse prevention interventions and strategies, what would be a (projected or actual) cost per participant in prevention services be, how would a cost per participant be calculated, and how might prevention services be defined to fit into a fee structure?
4. What deliverables identified for substance abuse prevention services, based on the six (6) SAMHSA Center for Substance Abuse Prevention (CSAP) strategies, does your organization provide?
5. How might that cost per participant or per CSAP strategy (see Attachment 1) or evidence-based programs, policies, and practices (EBP) be calculated, implemented and defined either as a unit-based fee structure, a capitated rate structure or a combination of both?

To help answer these questions, see **Attachment 1** for a list of the six (6) CSAP strategies used by substance abuse prevention providers in Hawaii.

### **Submission of Information:**

Potential substance abuse prevention applicants (non-profit, community-based agencies), public agencies (local government) and interested stakeholders (other state agencies, coalitions, etc.) are encouraged to submit written comments and suggestions.

**Feedback in writing is appreciated by 4:30pm Friday, March 29, 2019.** Comments may be either submitted (1) by mail to the Department of Health, Alcohol and Drug Abuse Division, 601 Kamokila Boulevard, Room 360, Kapolei, HI 96707, Attn: John Valera; (2) by fax to 808-692-7521; or (3) by emailing your comments to [john.valera@doh.hawaii.gov](mailto:john.valera@doh.hawaii.gov). No public hearings will be held regarding this RFI.

**Contact Information:**

Questions concerning this RFI should be addressed to:

John Valera, Acting Chief  
Department of Health, Alcohol & Drug Abuse Division  
Phone: (808) 692-7507  
Email: [john.valera@doh.hawaii.gov](mailto:john.valera@doh.hawaii.gov)

**PLEASE NOTE:**

**Participation in this RFI is optional and is not required to respond to any subsequent procurement action the Department may take. The Department may engage in further informal discussions to gather additional information and recommendations. The Department reserves the right to incorporate in a solicitation, if issued, any information and recommendations submitted in response to this RFI. Neither the Department nor interested party responding has any obligation under this request for information.**

**RFI # HTH440-19-1-PERD**  
**ATTACHMENT 1**  
**CSAP STRATEGIES**

1. **Dissemination of Information:** Provides information on the nature of drug use, abuse, addiction, the effects on individuals, families, and communities, and available programs and services. The information is characterized by a one-way communication from the source to audience, with limited contact.

Programs include clearinghouse/information resource centers, health fairs and other health promotion (e.g. conferences, meetings, seminars), information lines/hot lines, media campaigns, prevention- focused web sites and focused email blasts, printed materials disseminated, radio and TV public service announcements, resource directories, social media, speaking engagements/presentations.

2. **Prevention Education:** Two-way communication, distinguished from disseminating information in that it is based on an interaction between the educator and participants. Activities under this strategy aim to affect critical life and social skills, including decision-making, refusal skills and critical analysis.

Programs include education programs for adult and youth groups, ongoing classroom and/or small group sessions, parenting and family management, peer leader/helper programs.

3. **Alternative Activities:** Provides for the participation of target populations in activities that exclude drug use. The assumption is that because constructive and healthy activities offset the attraction to drugs, or otherwise meet the needs usually filled by drugs, then the population would avoid using drugs.

Programs include ATOD-free social/recreational activities, community drop-in centers, community service activities, mentoring programs, youth/adult leadership activities.

4. **Community Based Processes:** Enhances the ability of the community to more effectively provide prevention and treatment services for drug abuse disorders. Activities in this strategy include organizing, planning, enhancing the efficiency and effectiveness of service implementation, building coalitions and networking.

Programs include accessing services and funding, community and volunteer training, e.g. neighborhood action training, impactor training, staff/official training, community technical assistance, facilitated community team-building, multi-agency coordination and collaboration/coalition, systemic/strategic planning.

5. **Environmental Approaches:** Seeks to establish or change community standards, codes, and attitudes, thereby influencing the incidence and prevalence of drug abuse in the general population.

Programs include changing local codes, ordinances, regulations, and laws, compliance checks, modifying alcohol and tobacco advertising practices, party patrol/party dispersal, prescription drug drop boxes/take back, prescription drug monitoring programs, product pricing strategies/taxing strategies, promoting the establishment or review of alcohol, tobacco, and drug use policy, public policy efforts, server's training/education and enforcement, sobriety checkpoints, third party transaction enforcement.

6. **Problem Identification and Referral:** Aims to identify those who have indulged in the illegal use of drugs to assess if their behavior can be reversed through education. It should be noted, however, that this strategy does not include any activity designed to determine if an individual needs treatment.

Programs include driving while under the influence/driving while intoxicated education programs, employee assistance programs, prevention assessment and referral, student assistance programs.