



Save California's Drug Medi-Cal Program!

We, the undersigned organizations, call on the Governor and the legislative leadership to preserve California's Drug Medi-Cal program as part of any eventual budget deal.

The May Revision proposal to eliminate nearly the entire Drug Medi-Cal program to save \$53.4 million in state General Fund dollars was rightly rejected by the Legislature as a penny wise and pound foolish for the public safety and health of California. Not only will the state forfeit approximately \$150 million in federal matching funds, but more than 35,000 Californians would lose their regular source of drug treatment, leading to a widespread crisis:

- Since 55 percent of patients enrolled in medication-assisted treatment use Drug Medi-Cal to pay for their addiction treatment services, most if not all methadone clinics will close. We anticipate a complete dismantling of the network of 142 statewide clinics that provide methadone treatment to approximately 35,000 patients.
- An estimated 80 percent of the 35,500 people in treatment will **relapse** to drug use within a year, resulting in **increased costs to the state of \$700 million to \$1 billion** in drug-related public safety costs, criminal justice costs, emergency room expenses, and foster care cost, not to mention the lost tax revenue when individuals are no longer able to work. The estimated damage is as follows:
 1. Patients who have lost their treatment source will almost immediately seek out heroin or prescription drugs such as oxycontin to stave off withdrawal symptoms, leaving many to resort to criminal activity.
 2. As research data indicates, many of these patients will wind up in local jails and state prison. The average annual cost per inmate in a county jail is \$40,000 and in state prison \$52,000,

according to 2007-2008 data, compared to an average annual cost of \$5,000 per patient for methadone maintenance in the Drug Medi-Cal program.

3. Patients in withdrawal will also show up in local emergency rooms across the state seeking methadone but will be unable to get it since emergency rooms are not licensed to dispense methadone for opiate dependence. Further, fragile patients will suffer catastrophic reactions causing them to seek hospitalization at public expense.
 4. Some 14,000 patients who are currently employed will have significant difficulty continuing to work without medication-assisted treatment. When treatment is withdrawn, many will likely lose their jobs and 80 percent will relapse to a life of illicit drug use and crime.
- **Approximately 3,000 people working in treatment programs will become unemployed**, adding to ranks of the 2.3 million Californians currently unemployed.
 - The destruction of the clinic network will **significantly impact the growing population of young people between the ages of 18 - 25 who are experiencing an epidemic of prescription drug abuse**. In the past few years, some clinics report that up to 75 percent of new admissions are people who have become dependent on prescription drugs.
 - While the perinatal program is exempt from the cuts, it is limited. New mothers will be forced out of treatment 60 days after delivering their babies, creating a risk of withdrawal for these mothers at a critical time when she and her baby need a stable, healthy environment.

Destroying the clinic network that has taken 30 years to develop will create significant problems when the economy recovers and **tens of thousands of new Medi-Cal beneficiaries become eligible for treatment** under new federal parity and health care reform legislation. These individuals **will have no access to cost-effective addiction treatment services**, putting significant pressure on the rest of the health care system.

For these reasons, the following organizations urge the preservation of the Drug Medi-Cal Program:

California Opioid Maintenance Providers
California Association for Alcohol Drug Program Executives
California Association of Addiction Recovery Resources
California Association for Alcohol /Drug Educators
Southern California Alcohol and Drug Programs
California Society of Addiction Medicine
Drug Policy Alliance
California Medical Association
California Nurses Association
Health Officers Association of California
California State Sheriffs Association
California Narcotic Officers Association
AIDS Project LA
Project Inform