Examining the Use of Braided Funding for Substance Use Disorder Services

Substance Abuse and Mental Health Services Administration
U.S. Department of Health and Human Services

Webinar
3:30-4:30pm EST, February 29th, 2024
CFRI is a SAMHSA contract with Westat that seeks to understand financing mechanisms of behavioral health care to identify opportunities, innovations, and challenges to service delivery and access.

CFRI provides SAMHSA with a dynamic mechanism to further its leadership and the field on immediate and relevant behavioral health financing and delivery issues.

Topics covered through CFRI include Financing Coordinated Specialty Care for first-episode psychosis, Value-Based Payment for SUD treatment, and many others.

https://www.samhsa.gov/cfri
Webinar Speakers

Opening and Closing Remarks
Yngvild K. Olsen, M.D., M.P.H.
Director, Center for Substance Abuse Treatment, SAMHSA

Report Overview
Mustafa Karakus, Ph.D.
Associate Vice President, Westat

Panel Moderator
John Easterday, Ph.D.
Former Commissioner of Wisconsin’s Division of Mental Health and Substance Use Services and SSA, WI DHS
Webinar Overview

I. Opening Remarks

II. Report Overview

III. Panel Discussion

IV. Open Forum Q&A

V. Closing Remarks
Braided funding occurs when one or more sources of funding are used in a coordinated fashion to support a single individual or program. The different sources retain their specific spending requirements and are kept separate for reporting purposes.

Blended funding occurs when dollars from multiple funding sources are combined to create a single pool subject to a single set of spending and reporting requirements that is used to fund a program or to purchase one or more specific services to support individuals with SUD.
This report presents case studies from eight U.S. states:

- Arizona
- Kansas
- Maryland
- Michigan
- Ohio
- New Mexico
- New York
- Nevada

The case studies illustrate how states and programs use braided funding to fund SUD services.
Braided Funds May...

**Optimize Resources**
by layering different funding sources in a way that maximizes available funding.

**Aid Sustainability**
by diversifying revenue streams and aligning partnerships for long-term stability.

**Improve Outcomes**
by creating integrated and flexible systems of care for patients with SUD and funding prevention services that reduce the incidence of substance misuse and SUD.

**Address Service Gaps**
by working with administrative authorities to monitor spending data and adjusting funding allocations.
Braided Funds May Lead To...

**Administrative Burden**
associated with fulfilling a multitude of data collection and reporting requirements. Providers may need additional training or support to bill correctly for each service and client type and to avoid duplicate billing.

**Unpredictability**
of grants or time-limited state or local funding that makes it difficult to plan far ahead.

**Reduced Fungibility**
of funds because of administrative requirements associated with one or more funding sources.

**Evaluation Challenges**
associated with measuring return on investment when multiple funding sources are used.
Where are you in the process of implementing braided funding for SUD services?

a) Considering braided funding
b) In the planning stages
c) Implementing
d) This does not apply to me
Participant Activity: Poll Results

Where are you in the process of implementing braided funding for SUD services?

a) Considering braided funding – 39%
b) In the planning stages – 9%
c) Implementing – 22%
d) This does not apply to me – 30%
Panelists

New Mexico

Stanford Kemp
Operations Director
Behavioral Health Collaborative

Arizona

CJ Loiselle
Deputy Assistant Director
Arizona Health Care Cost Containment System

Maryland

Vickie Walters
Executive Director
REACH Health Services
SAMHSA’s mission is to lead public health and service delivery efforts that promote mental health, prevent substance misuse, and provide treatments and supports to foster recovery while ensuring equitable access and better outcomes.

www.samhsa.gov/cfri
1-877-SAMHSA-7 (1-877-726-4727) • 1-800-487-4889 (TDD)

Photos are for illustrative purposes only. All persons depicted, unless otherwise stated, are models.