



STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

November 5, 2019

SENT VIA ELECTRONIC MAIL

The Honorable Josh Dobson, Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 307B, Legislative Office Building
Raleigh, NC 27603

The Honorable Joyce Krawiec, Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 308, Legislative Office Building
Raleigh, NC 27603

The Honorable Donny Lambeth, Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 303, Legislative Office Building
Raleigh, NC 27603

Dear Chairmen:

Section 11F.14A.(c) of North Carolina Session Law 2017-57, requires the Department of Health and Human Services (Department) to submit a report on the use of funds to address North Carolina's Opioid Crisis. This report is due to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. Pursuant to the provisions of law, the Department is pleased to submit the attached report.

Should you have any questions, please contact Kody Kinsley, Deputy Secretary for Behavioral Health and IDD, at (919) 733-7011.

Sincerely,

Mandy Cohen, MD, MPH
Secretary

Kody Kinsley
Deputy Secretary for Behavioral Health & IDD
North Carolina Department of Health and Human Services

cc:	Kody Kinsley	Susan G. Perry	Dave Richard	Ben Money
	Tara Myers	Rob Kindsvatter	Marjorie Donaldson	Zack Wortman
	Matt Gross	Hattie Gawande	Joyce Jones	Lisa Wilks
	Katherine Restrepo	Deborah Landry	Erin Matteson	Theresa Matula
	Mark Collins	Jessica Meed	reports@ncleg.net	Luke MacDonald

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AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER



STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

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GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

November 5, 2019

SENT VIA ELECTRONIC MAIL

Mr. Mark Trogdon, Director
Fiscal Research Division
Suite 619, Legislative Office Building
Raleigh, NC 27603-5925

Dear Director Trogdon:

Section 11F.14A.(c) of North Carolina Session Law 2017-57, requires the Department of Health and Human Services (Department) to submit a report on the use of funds to address North Carolina's Opioid Crisis. This report is due to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. Pursuant to the provisions of law, the Department is pleased to submit the attached report.

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Kody H. Kinsley
Deputy Secretary for Behavioral Health & IDD
North Carolina Department of Health and Human Services

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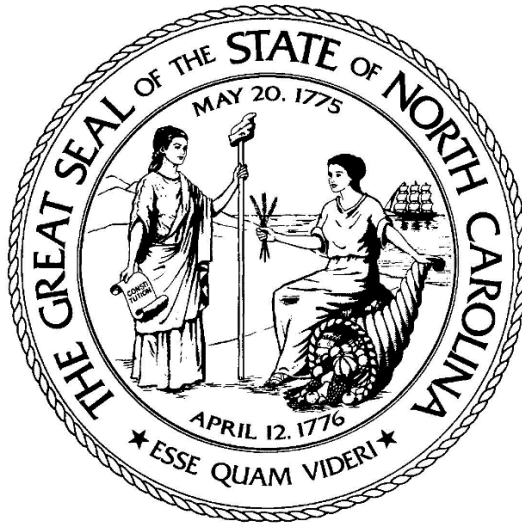
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Funds to Address North Carolina's Opioid Crisis

Session Law 2017-57, Section 11F.14A.(c)



Report to the
Joint Legislative Oversight Committee on Health and
Human Services
and
The Fiscal Research Division
By
North Carolina Department of Health and Human Services

November 5, 2019

Over the past several years, North Carolina has experienced an increase in opioid and heroin use, misuse and overdose. In response, the state has developed strategies and implemented several initiatives to address the problem. In 2014, House Bill 97 was introduced with several sections directly addressing prescription drug abuse. While it did not pass, the Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMHDDSAS), in collaboration with stakeholders from across the state, began the work of developing the North Carolina Strategic Plan to Reduce Prescription Drug Abuse, which was supported by the National Governor's Association and Substance Abuse and Mental Health Services Administration (SAMHSA) policy academies. The following year, Session Law 2015-241, mandated not only the development of the strategic plan, but also the creation of the Prescription Drug Abuse Advisory Committee (PDAAC), which is tasked with implementing activities guided by strategies within the plan. Now called OPDAAC (Opioid and Prescription Drug Abuse Advisory Committee), this group of stakeholders is comprised of a coordinating workgroup that meets monthly to discuss trends, evolving and established best practices, data, input from various stakeholders and interested parties and determine topics for quarterly meetings. Agendas and presentations for the workgroup meetings can be found here: <https://www.ncdhhs.gov/about/departments/initiatives/opioid-epidemic/nc-opioid-and-prescription-drug-abuse-advisory-1>.

Quarterly OPDAAC meetings are typically held at the McKimmon Center in Raleigh, NC, and generally have over 100 participants. Agenda and presentations for these meetings may be found on the NC Department of Health and Human Services (DHHS) website here: <https://www.ncdhhs.gov/about/departments/initiatives/opioid-epidemic/nc-opioid-and-prescription-drug-abuse-advisory-0>.

In June 2017, the Opioid Action Plan was presented at the state's Opioid Misuse and Overdose Prevention Summit. This action plan serves as a guide or blueprint for addressing the many complexities of the opioid epidemic in North Carolina. It also serves to focus the strategies specific to the State Targeted Response to the Opioid Crisis (Opioid STR) grant, as well as the gaps identified in the needs assessment. This approach will not only aid in meeting the deliverables and outcomes identified in the Opioid STR grant, but will also help attain additional systemic and longer-term goals specific to addressing the epidemic. An updated Opioid Action Plan 2.0 was launched in June 2019. Opioid Action Plan 2.0 updates the 2017 plan with feedback from partners and stakeholders. Action Plan 2.0 includes local strategies that counties, coalitions and stakeholders can use to fight the opioid epidemic, which claimed five lives a day in North Carolina to unintentional overdose in 2017. The plan focuses on three areas of concentration to fight the epidemic:

1. Prevention

- Cutting the supply of inappropriate prescriptions and illicit opioids;
- Supporting youth through targeted programs to reduce youth misuse of the drugs;
- Improving maternal and prenatal care for women battling substance abuse.

2. Reducing Harm

- Training systems and pharmacists to connect people to harm reduction services;
- Making the naloxone kits more widely available to the most burdened communities.

3. Connecting to Care

- Expanding access to treatment and recovery support;
- Addressing the needs of justice-involved populations.

The Opioid Action Plan 2.0 may be found here:

<https://www.ncdhhs.gov/about/departments-initiatives/opioid-epidemic/north-carolinas-opioid-action-plan>

The U.S. Department of Health and Human Services describes the rise in deaths from the use and misuse of opioids as an epidemic. Deaths involving opioid pain relievers and heroin increased by 200 percent between 2000 and 2014

(https://www.cdc.gov/mmwr/preview/mmwrhtml/mm6450a3.htm?s_cid=mm6450a3_w).

The surge was largely fueled by the promotion of prescription opioids to treat pain in the late 1990s and early 2000s and the subsequent transition to heroin as a substitute for opioid medications as prescribing practices improved.

North Carolina was one of 22 states that saw statistically significant increases in drug overdose death rates between 2016 and 2017. Epidemiologic data available from the Injury and Violence Prevention Branch, Injury Epidemiology and Surveillance Unit, Division of Public Health, show that prescription opioid poisoning deaths increased by 583 percent between 1999 and 2017, while deaths from heroin overdoses increased by more than 1,000 percent in the same time period, indicating that the state, like the rest of the country, is facing a problem of epidemic proportions. For the first time in five years, unintentional opioid overdose deaths fell 9% from 2017 to 2018. Between the years of 2013 and 2017, the unintentional opioid overdose death rate was 12.1 per 100,000 North Carolina residents.

The prevalence estimate (age-adjusted death rate) from drug overdose deaths for the state was 15.9 per 100,000 residents from 2013-2017. In 2017, the prevalence estimate increased to 24.7 per 100,000, resulting in 2,414 medication or drug overdose deaths in that year. (<https://www.cdc.gov/drugoverdose/data/statedeaths.html>).

The table below indicates the latest prevalence data based on population estimates as of July 2019. It includes separate estimates for individuals aged 12 or older for the non-medical use of prescription pain relievers and heroin use, in the past year. The prevalence rates were derived from the Substance Abuse and Mental Health Services Administration (SAMHSA), Center for Behavioral Health Statistics and Quality, National Survey on Drug Use and Health, 2016 and 2017, published November 28, 2018. Based on a population estimate for North Carolina of 9,021,806 individuals aged 12 or older, the following indicates prevalence of prescription opioid misuse and heroin use, respectively:

		Prescription Opioid Misuse		Heroin Use		
NC	Population Ages 12+	Prevalence	Persons	Prevalence	Persons	Total Persons
	9,021,806	4.28%	386,133	0.45%	40,598	426,731

(Compiled by the Quality Management Section, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services)

It should be noted that these prevalence estimates do not take race, income or other socio-economic factors into consideration, which can and should influence or target areas of greater need for publicly-funded services. While we know where individuals with Medicaid benefits reside, accounting for indigent, uninsured or under-insured individuals is difficult at best.

On May 1, 2017, North Carolina received \$31 million to address the opioid crisis through the 21st Century Cures Act, State Targeted Response to the Opioid Crisis Grants (Opioid STR). SAMHSA awarded the two-year grant to DHHS, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services to increase access to prevention, treatment and recovery supports, reduce unmet treatment need, and reduce opioid-related overdoses and deaths. North Carolina received \$15,586,724 for the period of May 1, 2017 through April 30, 2018, and the same amount for the period of May 1, 2018 through April 30, 2019. At the end of April 2018, \$1,090,618 was unspent. These funds were carried forward into Year 2, allowing for a total of \$16,677,341 to be allocated for prevention, treatment and recovery services.

At the end of April 2019, approximately \$1.2 million was remaining of these funds. The Division applied for and received a “no cost extension” which allowed for an additional ten months to continue initiatives begun during the regular grant period.

During the first year of the grant, 80 percent (80%) of the funds were required to be used to increase access to treatment and recovery services for individuals with an opioid use disorder each year of the grant. No more than five percent (5%) was to be used annually to support state-level administrative costs associated with implementing the grant, and the remaining amount could be utilized to increase access to prevention

services. However, these restrictions were lifted prior to the beginning of the second year of the grant and are not currently required.

As per Session Law 2017-57, Section 11F.14A.(c): *By November 1, 2018, and again by November 1, 2019, the Department of Health and Human Services shall report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on use of the funds described in subsection (a) of this section. The report shall include at least all of the following components:*

(1) A list of expenditures, broken down by the categories described in subdivision (1) through (3) Of subsection (a) of this section.

May 1, 2017 through April 30, 2018	Allocation	Allocation Percentage of Total Award	Expended Amount	Expended Percentage
Treatment	\$12,851,883	83%	\$11,992,608	93%
Prevention	\$ 2,566,735	16%	\$ 2,358,831	92%
Administration	\$ 168,106	1%	\$ 144,667	86%
Totals	\$15,586,724	100%	\$14,496,106	93%

May 1, 2018 through April 30, 2019	Allocation*	Allocation Percentage of Total Award	Expended Amount	Expended Percentage
Treatment	\$14,121,473	85%	\$13,346,216	95%
Prevention	\$ 2,230,771	13%	\$ 1,653,875	74%
Administration	\$ 325,097	2%	\$ 0	0%
Totals	\$16,677,341	100%	\$15,000,091	90%

*Adjusted to include carry forward amount.

Immediately following identifies (i) *the specific services or products, or both, that were purchased and (ii) whether this expenditure should be classified as recurring or nonrecurring.*

Prevention, treatment and recovery services provided with these grant funds will be recurring for the period of May 1, 2018 through April 30, 2019, as this will be Year Two of the Opioid STR grant. The following treatment and recovery services were provided to individuals with an opioid use disorder during the period May 1, 2018 through April 30, 2019:

- Assessment and evaluation

- Basic outpatient services (individual and group therapies)
- Evaluation and management services (services provided by medical professionals)
- Enhanced/intensive outpatient services
- Medication administration (dosing of FDA-approved medications for opioid use disorder, including methadone, buprenorphine products)
- Supported recovery housing (group living, halfway houses)
- Peer support services (recovery coaching, mentoring)
- Medication (FDA-approved medications for opioid use disorder, including methadone, buprenorphine products, naltrexone)

The majority of the funding for prevention services was allocated to the Local Management Entities/Managed Care Organizations (LME/MCOs) to augment and expand community coalition work currently underway through another federal discretionary grant. Prevention funds were also used to purchase naloxone, the medication used for opioid overdoses, as well as to purchase lock boxes for the safe storage of medications. Media campaigns were implemented as well to educate and reduce stigma associated with drug use and encourage individuals to seek treatment.

(2) A status report on the following is provided: *(1) Increase the number of individuals receiving opioid use disorder treatment by nine percent (9%) during each fiscal year of the 2017-2019 fiscal biennium, and (2) Increase the capacity of Medication Assisted Treatment services by five percent (5%) during each fiscal year of the 2017-2019 fiscal biennium.*

For the period of May 1, 2017 through April 30, 2018, compared to the same timeframe one year earlier, there was a 27% increase in the number of individuals with an opioid use disorder who received treatment and/or recovery services for such disorder. A total of 5,796 individuals received treatment services for an opioid use disorder with Opioid STR funds during the first year of the grant. During Year 2 of the grant, a total of 6,817 individuals received opioid use disorder treatment services.

On June 30, 2017, there were 59 opioid treatment programs providing medication assisted treatment to North Carolina residents. As of June 30, 2018, there were an additional 11 opioid treatment programs, bringing the total to 70. This represents an increase of 18.6 percent. As of September 2019, there are a total of 75 opioid treatment programs in North Carolina with a capacity to serve 26,000 individuals daily. This represents an increase of nearly six percent (6%).

(3) The total number and percentage of individuals who received opioid use disorder treatment during each fiscal year of the 2017 – 2019 fiscal biennium.

A total of 10,303 individuals were treated for an opioid use disorder with these funds during the period of May 1, 2017 through April 30, 2019. Funds were not utilized for

individuals who did not have an opioid use disorder; therefore, the percentage is 100 percent (100%).

(4) The total number and percentage of individuals who received opioid use disorder recovery services during each fiscal year of the 2017 – 2019 fiscal biennium.

During the first year of this grant, 2,273 individuals received some type of recovery support service. During the second year of the grant, the following information specific to recovery supports and services was collected from the LME/MCOs:

Recovery/Continuing Care Services	# of Individuals Offered Recovery/Continuing Care	# of Individuals Who Received Recovery/Continuing Care
Relapse Prevention	2,585	3,263
Recovery Coaching, Peer Mentoring	2,269	1,610
Self-Help, Support Groups	1,880	1,011
Recovery Housing	484	126
Continuing Care	2,052	1,888
Other Recovery Supports	1,087	420
TOTAL (duplicated count)	10,357	8,318

(5) The total number and percentage of providers that implemented Medication-Assisted Treatment services during each fiscal year of the 2017 – 2019 fiscal biennium.

As of June 30, 2017, there were 59 opioid treatment programs (OTPs) in North Carolina. At the end of fiscal year 2018, there were 71 OTPs. This represented an increase of slightly over 20 percent with more than 19,500 people receiving medication daily through these programs (all payor sources). As stated earlier, as of mid-September 2019, there were 75 OTPs with the current capacity to treat more than 26,000 individuals.

(6) The total number and percentage of prevention and treatment providers that received training paid for with grant funds during each fiscal year of the 2017 – 2019 fiscal biennium.

A total of 286 individuals received training in medication-assisted treatment and American Society of Addiction Medicine (ASAM) evaluation and placement. Participants included physicians, physician assistants, nurse practitioners, nurses and certified and licensed clinicians in the first year of the grant. In the second year, 3,881 individuals received training in the following categories/topics:

- Opioid Use Disorder and the Science of Recovery
- Opioids and Naloxone Training
- Recovery Messaging Training

- Recovery Coach Academy Training
- Behavioral Treatment for Chronic Pain
- “It’s Just a Pill”

Additionally, over 1000 people were reached through media campaigns such as “Lock Your Meds,” which includes educational components during the second year of the grant.

(7) The total numbers and rates of opioid use during each fiscal year of the 2017 – 2019 fiscal biennium.

The table below indicates the prevalence rates for prescription opioid misuse and heroin use based on the population of North Carolinians aged 12 and older as of July 2017, July 2018 and July 2019.

		Prescription Opioid Misuse		Heroin Use		Total Persons
	Population Ages 12+	Prevalence	Persons	Prevalence	Persons	
July 2017	8,754,236	4.57%	399,795	0.20%	17,508	417,304
July 2018	8,881,636	4.66%	413,884	0.34%	30,198	444,082
July 2019	9,021,806	4.28%	386,133	0.45%	40,598	426,731

(Compiled by the Quality Management Section, DMHDDSAS)

(8) The total numbers and rates of opioid overdose-related deaths during each fiscal year of the 2017 – 2019 fiscal biennium.

Data compiled by the Injury and Violence Prevention Branch of the Division of Public Health reports that nearly 15,000 North Carolinians died from an opioid overdose between 1999 and 2017. In 2017, 1,884 deaths were attributed to unintentional opioid overdose. For calendar year 2018, 1,619 unintentional opioid-related deaths have been confirmed. Although this is still preliminary data, it appears there has been a substantial decrease in deaths compared to 2017.

However, in order to truly and successfully mitigate the opioid crisis, strategies outlined in the Opioid Action Plan must be implemented. While this Opioid Action Plan functions as the strategic plan for the Opioid STR grant because of its comprehensiveness and the collaboration and contributions of numerous people and agencies, it has a much broader scope and applicability. Strategies such as reducing the supply of prescription and illicit opioids, educating youth and their families, advancing harm reduction activities, addressing social determinants of health, eliminating stigma and expanding access to treatment and recovery supports, are all integral components of the plan that must be implemented in order to continue to see improvements and better outcomes. Data and information are collected and reviewed regularly in order to monitor trends and

outcomes, as well as determine if different or additional approaches and/or resources are needed.

Since the launch of the first Opioid Action Plan, and as a result of targeted funding, North Carolina's opioid dispensing has decreased by 24%. Buprenorphine, one of the FDA-approved medications for the treatment of opioid use disorder dispensing has increased by 15%. There has also been a 20% increase in the number of uninsured and Medicaid beneficiaries receiving treatment for an opioid use disorder. All of the results reported in this document indicate that strategies are having a positive impact in addressing the opioid epidemic.

While the number of opioid deaths has dropped, and significant progress has been made, there is still much more work to be done. Long term, sustainable funding is necessary to do this work and truly turn the tide. Based on the National Survey on Drug Use and Health, 2016 and 2017, there are an estimated 426,000 people in North Carolina that misuse prescription opioids or heroin. North Carolina has used the federal opioid dollars to expand evidence-based treatment to over 10,000 people. However, medication assisted treatment is long term, and the grants are just two-year funding cycles. Continued support for people receiving treatment will be needed after the end of the SOR year 2 funding. Treatment providers who predominately serve uninsured populations have also been reluctant to expand and build capacity when the funding is short term, particularly in rural areas where lack of health insurance is higher.

One of the most powerful tools for addressing the opioid epidemic is providing access to health care through affordable insurance coverage, not only to individuals who already have substance use disorders but also to those who are at-risk of developing addictions in the future. Nearly 900,000 North Carolinians are currently uninsured. Ensuring that working-age adults with low incomes have access to health insurance would ensure that up to 150,000 individuals with mental health and/or substance use disorder needs have access to affordable healthcare. Evidence shows that access to coverage is essential to turning the tide against opioid use disorders, overdose and death due to opioids.

The human impact of opioid use is incalculable. The consequences are damaging and long-lasting for the individual, his or her family, and society in general. It is only through comprehensive, multi-pronged and sustained efforts that individuals, families and communities will recover.