

**IMPLICATIONS OF THE AFFORDABLE CARE ACT'S MEDICAID
EXPANSION ON LOW-INCOME INDIVIDUALS ON PROBATION**

**MARSHA REGENSTEIN, PhD
LEA NOLAN, MA**

Department of Health Policy
School of Public Health and Health Services
George Washington University

FEBRUARY 2014

Acknowledgments

We gratefully acknowledge support for this project from the Community Oriented Correctional Health Services (COCHS), a non-profit organization established to build partnerships between jails and community health care providers. COCHS' goal is to establish medical homes for offenders in their communities, helping them to stay healthy, support themselves and their families, and stay out of jail. Throughout the project, we received guidance from Steve Rosenberg and are also grateful for very helpful insights from Michael DuBose, Keith Barton, and Ben Butler.

Copyright © 2013 by the Robert Wood Johnson Foundation

Executive Summary

Every year, millions of Americans become involved in the local criminal justice system and are held in jails, placed on probation, or some combination of the two. This paper focuses on the probation population, a group of individuals who receive correctional supervision in communities, generally as an alternative to incarceration. Individuals on probation are disproportionately low-income and uninsured; many are likely to qualify for health coverage through state Medicaid expansions and private insurance Marketplaces that are part of the Patient Protection and Affordable Care Act. Opening up access to affordable health insurance coverage for this vulnerable group of individuals is a critical step to creating coordinated and integrated health care across community settings for people who have high rates of untreated mental illness and substance use disorders. This may also create duplicative or parallel systems of drug use monitoring, calling into question how individuals with drug problems and interactions with the criminal justice system are most effectively monitored and managed within the community.

For this paper, we interviewed administrators who oversee county/city probation departments in three states and experts with knowledge of probation activities across the nation. Criminal justice-involved individuals with a history of drug use are often required to submit to periodic drug tests or to participate in drug or mental health treatment as a condition of their probation orders. Generally, drug tests are not considered a medical service, though some jurisdictions do use them as a tool to measure probationers' compliance with drug treatment. States and localities commonly levy fees on probationers to cover the cost of probation, including supervision and drug testing. Failure to pay these fees can result in some probationers being incarcerated, although most jurisdictions include provisions for indigent probationers to reduce or waive fees. Treatment services, even when court-ordered, can be in short supply, causing people on probation to experience long waits for services or forgo them altogether. Coverage through Medicaid could link eligible probationers with mental health and substance use services consistent with their health needs and criminal justice-related requirements.

Introduction

The Patient Protection and Affordable Care Act (ACA) will offer unprecedented opportunities to provide health coverage to low-income Americans through state Medicaid expansions and private health insurance marketplaces. People on probation – individuals under correctional supervision within the community – are among the most vulnerable individuals who may soon qualify for coverage. Many of these individuals have significant untreated substance use disorders, mental illness, or both. In addition to providing access to critically important health care services, the new coverage options provide other derivative benefits for probationers that should be considered as policy makers and criminal justice, social service, and health care program managers design initiatives in the wake of the new law's implementation. This is particularly true for those on probation whose supervision requirements include mandated drug tests and substance abuse treatment services. Opening up coverage for a broad range of substance abuse and mental health services to individuals on probation has the potential to connect vulnerable populations to community-based services and create coordinated care options that have never before existed. This also has the potential, however, to create duplicative or parallel systems of drug use monitoring, calling into question how individuals with drug problems and interactions with the criminal justice system are most effectively monitored and managed within the community.

This paper begins to examine key issues related to the criminal justice system, individuals on probation, and new coverage opportunities of ACA. Specifically, we explore two principal issues:

- 1. The implications of the ACA's implementation for drug testing broadly.* Currently, many courts and/or probation departments require substance abuse testing for probationers with a history of drug use disorders; however, the Medicaid program often does not provide reimbursement for these services because they have historically not been considered medically necessary and instead reside solely within the criminal justice context. The ACA's implementation could change this and provide a framework under which these services, along with court-ordered substance abuse treatment and monitoring, could be deemed a covered service under Medicaid. If such a change is permitted, it will raise important questions about who will provide these tests and/or treatment, how

providers will communicate probationers' test results to probation officers, and how these tests will be reimbursed.

2. The changing relationship between the criminal justice system and Medicaid programs as the ACA's provisions are implemented over the next decade. Additional questions will need to be addressed as new coverage opportunities become available for persons on probation. For example, it is possible that along with coverage come new partnerships or relationships between the criminal justice system and Medicaid that introduce novel levels of integration that could ultimately reduce duplication of services. If this occurs, it will be important to identify how those linkages are made and how patients/probationers could be affected by the arrangements. One simple question could involve payment and coordination of health and criminal justice services for drug testing for Medicaid-covered individuals. Additional questions could involve information sharing protocols involving Medicaid, criminal justice officials, and community treatment providers and consequential shifts in state or local obligations to provide court-ordered services that may be covered and reimbursed for Medicaid enrollees.

Background

Every year, millions of Americans become involved in the local criminal justice system and are held in jails, placed on probation, or some combination of the two.¹ Like a jail sentence, probation is a court-ordered period of correctional supervision; unlike jail time, however, probation provides supervision within the community and is generally an alternative to incarceration. All states have adult and juvenile probation laws that are designed to ensure the safety of local residents (through various methods of supervision by the criminal justice system) while intervening in an offender's life "in the minimal amount needed to protect society and promote law-abiding behavior."² Probation has certain practical benefits in that it relieves jail crowding and is generally a less costly alternative to incarceration for local criminal justice systems. According to research from the Pew Center on the States, the cost of supervising an individual on probation in 2008 was less than \$3.42 per day while the daily cost of incarceration was 20 times that amount.³

At the end of 2011, there were just under four million adults on probation in the US.⁴ This figure represents a two percent decline from the beginning of the year and marks the first time since 2002 that the probation population dipped below four million. In 2011, two-thirds of probationers completed their term of supervision or were discharged early, which is nearly the

same as the percentages found in 2009 and 2010 (65 percent). The rate of incarceration among probationers at risk for violating conditions of supervision was 5.5 percent in 2011, identical to the rate calculated in 2000.

Nearly 70 percent of people on probation have a history of drug and/or alcohol use that is often inextricably tied to their involvement with the criminal justice system. In a survey of adults on probation conducted by the U.S. Department of Justice's Bureau of Justice Statistics, half of probationers reported being under the influence of alcohol or drugs (or both) at the time of the offense for which they were convicted.⁵ About a third of people on probation (38%) report receiving some treatment for substance use during probation. This number understates the extent to which drug testing or other court-ordered substance abuse monitoring or services are associated with the probation process.⁶ Courts routinely require people on probation to comply with alcohol and drug abuse testing, treatments and interventions. In most jurisdictions, the majority of individuals whose conditions of probation include drug and alcohol testing and/or treatment are uninsured, creating substantial access barriers to effective community based interventions and meaningful treatment options.⁷

Much like people who spend time in jail, individuals who are under community supervision tend to be low-income men who are uninsured, despite having extensive health care needs, including mental illnesses and/or substance use disorders. Coverage has been beyond the reach of many people on probation because they generally do not meet Medicaid eligibility criteria or they lack stable employment in jobs that offer health benefits. Without access to coverage, unmet substance abuse treatment needs – caused and/or exacerbated by mental health conditions – contribute to relapse, an inability to comply with supervision requirements, recidivism, and re-incarceration.

This lack of coverage, within the context of high need for substance abuse, mental health and other health services plus court-mandated drug monitoring and treatment creates an interesting set of challenges for individuals on probation, community supervision programs, and health service providers. Local criminal justice level protocols and program characteristics vary quite a bit across jurisdictions; nevertheless, many local probation systems: 1) provide on-site, real-time drug testing as an integrated component to routine monitoring of probationers; 2) assess court, restitution and other fees to probationers that include the overall costs of drug testing and monitoring, among other probation related expenses; 3) serve as a referral point, liaison and sometimes payer for substance abuse treatment, mental health services, or other court-mandated requirements as conditions of an individual's probation. However, finding

available, timely and high-quality substance abuse care is not an easy task, especially for probationers who are uninsured.

New coverage options through Medicaid or new private health insurance marketplaces (previously referred to as state health insurance exchanges) raise important questions about how the criminal justice and Medicaid systems can potentially intersect, helping to increase probationers' access to and compliance with MH/SA treatment, and potentially help offset local jurisdictions' financial burdens. At the same time, given the limited resources and bureaucratic constrictions of county, city, and other local jurisdictions, these opportunities also pose challenges.

Behavioral Health Needs of Jail and Probation Populations

Many adults involved with the criminal justice system have extensive behavioral health disorders and suffer from mental illness, substance use disorders, or both. Rates of serious mental illness far exceed those seen in the general populations; about 14 percent of male inmates and 38 percent of female inmates are estimated to meet the criteria for serious mental illness (SMI).⁸ Substance use disorders are particularly common, with 68 percent of jail inmates reporting symptoms of an alcohol and/or drug use disorder in the year prior to their admission.⁹ Many jail inmates have both SMI and a history of substance use.¹⁰

Similarly, mental illness and substance use disorders are more common among those on probation than in the general public. A 2011 study of men on probation found that 9 percent reported symptoms of SMI (versus 5 percent in the general population) and 40 percent had abused alcohol or drugs in the past year, compared to 16 percent in the US overall.¹¹ Finally, nearly half of those on probation have been diagnosed with both a SMI and a co-occurring substance use disorder.¹²

New Coverage Opportunities under the Affordable Care Act

The ACA provides an historic opportunity to provide health care to millions of Americans, especially those with low incomes through Medicaid expansions or via private health insurance marketplaces. Under the ACA, states have the option to increase Medicaid coverage to adults without dependent children up to 138 percent of the federal poverty level, without regard to disability. The federal government will provide a 100 percent federal match for this new expansion population through 2016, and then phase down to 90 percent by 2020 and beyond.¹³

Private health insurance marketplaces will be made available to those who are not eligible for public coverage and who do not have access to health care offered by an employer. Subsidies for coverage purchased through these marketplaces will be offered on a sliding scale for those with incomes between 133 and 400 percent of poverty.

As of December 2013, 25 states and the District of Columbia have chosen to expand their Medicaid programs and two more states had plans to expand in 2014.¹⁴ Several studies indicate that the criminal justice-involved population will make up a significant percentage of the newly eligible population. For example, one national study estimated that 33.6 percent of prison inmates released to the community will be eligible for Medicaid, while 23.5 percent will be eligible for subsidies through private health insurance marketplaces.¹⁵ While prison and jail populations are not identical, these estimates may be relevant for released jail inmates as well.

Mandated Benefits

Aside from expanding coverage to unprecedented populations, the ACA will also dramatically increase the breadth and depth of services available to low-income individuals on probation. The ACA requires that all Medicaid state plans and certified private health care plans included in private health insurance marketplaces provide the following ten essential health benefits:

- Ambulatory patient services
- Emergency services
- Hospitalization
- Laboratory services
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment
- Pediatric services, including oral and vision care
- Prescription drugs
- Preventive and wellness services and chronic disease management
- Rehabilitative and habilitative services and devices

By requiring a minimum benchmark of covered services, ACA guarantees that each enrollee will have access to a set of comprehensive benefits, though states will be permitted to define the length and scope of each of the services provided in their plans. In addition, the ACA

effectively mandates parity between medical/surgical benefits and mental health/addiction services by extending the provisions of The Mental Health Parity and Addiction Equity Act of 2008.¹⁶

The change is essential. Prior to the Mental Health Parity and Addiction Equity Act, these services were either explicitly excluded from Medicaid benefit packages or significantly limited in terms of number of visits allowed. Beyond basic primary and secondary care, this new coverage will provide many justice-involved individuals with their first access to treatment for mental health and substance use disorders, conditions which contribute to their criminal activity.¹⁷

These coverage and benefits changes could have dramatic effects on the criminal justice and supervisory populations. Large segments of the criminal justice-involved population, including those on probation, lack stable housing and employment, and have untreated mental illness or substance use disorders. Many have not had access to health insurance plans that provided services to address their many health care needs. Because many are low-income, they often lack the resources to pay for needed services and instead rely on community safety net providers, emergency departments, or forgo care entirely.¹⁸ The ACA's Medicaid expansion, benchmark benefits package, and other requirements such as the development of electronic health record systems will create an opportunity to create a continuum of care. Furthermore, the parity mandate offers the potential to impact individuals' recovery from their continuing and unaddressed mental health and substance use disorders.¹⁹

Probation and Medicaid

For this paper, we interviewed three administrators who oversee county/city probation departments in three different states²⁰ and additional experts with knowledge of probation activities across the nation. These interviews provided information on the ways that probation activities intersect with the medical system and the extent to which the impending changes made possible by the ACA raise opportunities or present challenges to how probation requirements are carried out. Though jurisdictions' experiences vary greatly, some common themes emerged.

According to our interviewees, many criminal justice-involved individuals are required to participate in a variety of health-related activities as a condition of their probation orders. For example, probationers with a history of drug use may be compelled to submit to periodic drug tests or to participate in drug or mental health treatment. These requirements may be ordered by

a judge at sentencing in lieu of jail time; imposed after the inmate has served some portion of his sentence; or suggested by a probation officer based on prior history.

Drug tests

The use of court-mandated drug testing is itself a controversial issue, although some research suggests that drug tests can play an important role in probationers' adherence to substance use treatment, and can help reduce crime and recidivism.^{21,22,23} According to the interviewees, drug tests are not considered a medical service per se, though some jurisdictions do employ them to as a tool to measure probationers' compliance with a drug treatment program, or to determine the need for such a program. Other jurisdictions include them as a standard component of supervision as a means to keep the probationer mindful of his responsibility to adhere to the terms of probation. While some judges mandate drug tests for those with serious, long-term addiction disorders, these periodic tests are more commonly required by a probation officer after a careful assessment of a probationer's history. Drug tests—either urinalysis or cheek swabs—are often administered in the field by a probation officer. Many tests provide a real-time, instant result; failed tests are sent to a state laboratory for confirmation. Failed tests can result in returning a probationer to jail, though due to the high occurrence of relapse in the probation population, this is not always the case. In fact, probation officers are often given discretion about whether or not to report the first failed test.

Fees

Many states and localities levy fees on probationers and other criminal justice-involved individuals and require them to cover the cost of probation, including supervision and drug testing, restitution, and fees to a Crime Victim's Fund. For example, one study found a dramatic increase in the number of probation and parole agencies that collect one or more types of correctional fees, and a striking increase in the number and total dollar amount of fees the typical offender is required to pay.²⁴ Another survey shows that state charges for probationers vary significantly and range from as little as \$4 to \$135 per month.²⁵

Failure to pay these fees can result in some probationers being incarcerated. A study published in 1995 found that 12 percent of probation revocations were due at least in part to a failure to meet the financial portion of probation supervision requirements.²⁶ However, in practice, this is often not the case for the poorest of those on probation because provisions in state laws allow fees to be waived for low-income individuals. This is borne out by research that

shows that people released from jails and prisons typically have insufficient resources to pay their debts and their financial obligations often go unfulfilled.²⁷ Other anecdotal reports, however, indicate that fee obligations, often managed under contractual arrangements with private probation companies, effectively constitute a modern-day “debtor’s prison,” with indigent individuals who are unable to pay probation-related fines forced into jail, regardless of the seriousness of the offense or the legal culpability of the probationer.²⁸

We asked our interviewees whether people on probation are assessed a fee to cover the cost associated with administering drug tests specifically. Of the three probation officials we spoke with, only one in Dallas County, Texas, reported imposing a \$200 fee to cover probation costs, which includes the cost of administering drug tests. Still, though the county levies this fee, it nevertheless frequently goes unpaid. Our interviewee reported, “A lot of people don’t pay it. Some counties charge the fee up front but Dallas doesn’t. Some people pay over time, some pay when they’re hoping to be released from probation, some don’t pay at all.” Though Camden, New Jersey, does impose average fees in excess of \$1,000 per probationer, drug tests are covered by Department of Corrections funds. In New York, only fees approved by the legislature can be imposed; since no such law has been enacted, the state cannot levy a fee for drug tests; for this reason, costs associated with administering drug tests are covered by county Department of Corrections funds.

While many of the fees listed above pertain to supervision activities, drug tests stand out as a potential service that could be deemed medically necessary and therefore subject to Medicaid reimbursement. This is particularly true of jurisdictions that use drug test results to determine a probationer’s compliance with a substance abuse treatment program. If these costs were reimbursed by state Medicaid agencies, jurisdictions could stand to recoup significant funding that is currently borne almost exclusively by the local jurisdiction.

Court-ordered treatment

Court ordered mental health and/or drug treatment is usually reserved for those with the most serious conditions, and those who have been deemed to be at high risk of committing another crime. Those who are at lower risk, but who still suffer from mental illness and/or drug use disorders, may not receive the care they need due to uninsurance, limited resources, and/or scarce treatment providers and available placement slots.²⁹ In fact, research shows that slightly less than ten percent of supervisees (which include probationers, parolees, and others requiring

supervision) participate in some type of substance abuse treatment service in community correction programs.³⁰

Even when court mandated, treatment services may not be available and probationers may have to wait to obtain treatment. In some cases, failure to comply with court-ordered treatment may result in incarceration, though judges and probation officers may exercise discretion when treatment, providers, and funding is limited.

According to our interviewees, probation officers complete a needs assessment for each of their clients and determine their need for mental health and/or substance use services. In some cases, as in Westchester County, the probation officer's report is presented to the sentencing judge who can mandate treatment services during probation if necessary. In Camden, probation officers refer probationers out to service providers in the community and keep track of their progress, but probationers themselves are responsible for contacting providers, and setting up and keeping their appointments. This raises confidentiality issues because while Camden probation officers can obtain information directly related to a probationer's treatment, they cannot receive other potentially pertinent health-related information.

Despite the high need for effective and affordable mental health services among the probationer population, the interviewees indicated that many jurisdictions have difficulties finding treatment placements, especially if the probationer is low-income and uninsured. Since local jurisdictions do not cover the cost of treatment for those on probation, probationers themselves must cover the cost either through private insurance, obtaining publicly funded-coverage, or paying out-of-pocket. This can result in long wait times to receive treatment, obtaining treatment in less-than-optimal outpatient settings, increased supervision by probation officers and more frequent drug tests, or foregoing care all together. Even when payment can be arranged, finding a placement in a treatment facility can be difficult. Importantly, our informants sounded a cautionary note: while all of the interviewees underscored the importance of new coverage and treatment options for this population, they also questioned the capacity of the current behavioral health workforce to handle what could be a significant increase in demand for mental health and substance use services and treatments. Several interviewees mentioned their concerns about an inadequate provider supply and the consequences for probationers' access to services.

Coverage for Court Ordered Treatment

Though the ACA will provide Medicaid coverage or subsidies for private health insurance marketplace plans to those who are determined to be eligible, questions arise as to whether mental health and/or substance use treatment services will be covered under these programs if they are court ordered, or merely recommended, as opposed to being referred by a certified Medicaid provider.

The Medicaid program has long debated this issue. The Centers for Medicare and Medicaid Services (CMS) has never issued any ruling that definitively addresses whether court-ordered treatments must be covered by state Medicaid programs. Some states and jurisdictions have opted to allow payment for court-ordered services, while others have explicitly refused such payments. However, since there is no federal guidance prohibiting coverage of court-ordered services, states are free to include them among their covered benefits.³¹

Commercial health plans generally contain criminal acts exclusion provisions that exempt plans from having to pay for health care services that are required due to a criminal act. Technically, the fee-for-service Medicaid program contains no such specific exclusions. And though Medicaid law does not specifically address agency obligations to cover medically necessary court-ordered treatment, Medicaid anti-discrimination rules appear to prohibit exclusion simply because the condition and services were identified as needed by a court.³² However, this is not the case with Medicaid managed care plans, some of which explicitly limit or exclude coverage for court-ordered treatment. For example, a landmark study of Medicaid managed care plans found that for services in court orders, or for plan members otherwise involved in the justice system, some contracts specify that coverage duties may be limited to *coordination* with social service agencies and/or probation services or a court, or participation with these entities in developing a treatment plan.³³ In these cases, plans may be required to coordinate with other agencies but are not required to provide other coverage related to court-ordered services or treatments. Other contracts require plans to actually cover the services by providing them directly or through subcontracts with specialized plans. Virtually all contracts permit plans to exclude services on a discretionary basis through medical necessity determinations. Some state Medicaid managed care contracts included language excluding services recommended to a court by county social workers and/or probation officers if the plan disagreed with the conclusion of the medical necessity determination after conducting its own review.

Prudence and history suggest that qualified health plans that participate in the private health insurance marketplaces will likewise limit or exclude coverage for court-ordered treatment due to the criminal acts exclusions. These historical exclusions, plus the Medicaid program's lack of guidance related to coverage of court-ordered treatments and services, raise important questions about how low-income individuals on probation will be able to access needed substance abuse and mental health care services even after they obtain health coverage.

One might assume that individuals on probation who are enrolled in Medicaid will need to obtain referrals from certified Medicaid providers in order to reduce coverage limits or avoid exclusions for court-ordered services. This will require coordination and cooperation between already stretched probation departments and medical providers. However, referrals from established Medicaid providers may be the only mechanism to ensure that necessary mental health and substance abuse services are delivered to vulnerable individuals on probation.

Even when mental health and substance use services are referred by certified Medicaid providers, these benefits could be limited or refused altogether based on program funding rules and medical necessity criteria.³⁴ State Medicaid agencies are responsible for developing their own criteria for reimbursement as well as their own definitions of medical necessity. These administrative decisions could have a significant impact on whether and how individuals on probation access these services. Additionally, since so many states are heavily engaged in moving Medicaid beneficiaries into managed care plans, these arrangements will dictate how those services are delivered and by whom, the types of services covered, and the length of treatment.³⁵

Opportunities Presented by ACA's Implementation

ACA's implementation and expansion of covered population and benefits present important opportunities for localities and criminal justice departments to alleviate costs and recoup expenses. Departments that are currently providing drug tests could, over time, seek to shift these costs to Medicaid thereby achieving substantial cost reductions. Any jurisdictions currently covering substance use services, mental health treatment, and other related services could also seek to obtain Medicaid reimbursement and therefore reduce administrative costs. This scenario is possible but unlikely, however, since our research indicates that most jurisdictions serve as referral points rather than direct service providers for probationers who need mental health/substance abuse treatment services. Nevertheless, criminal justice agencies and local jurisdictions may wish to establish relationships with their state Medicaid agency to

consider the potential for probation functions related to case management and care coordination to qualify for Medicaid administrative matching dollars.

Health reform's changes also provide real opportunities to improve the overall health care of people on probation. By integrating health-related services currently provided in a criminal justice context into the Medicaid system, and tapping into well-established supportive services like primary care case management, individuals on probation have the potential to obtain better, more comprehensive care, and achieve significantly improved health outcomes.

Questions to be Considered vis-à-vis the ACA's Expansion of Coverage and Benefits

Despite the opportunities presented by the ACA, significant questions remain that should be considered when determining whether to seek Medicaid reimbursement for some services currently provided by the criminal justice system. Some jail and probation advocates have suggested that Medicaid could potentially be held responsible for drug-related testing that is court ordered as part of a community supervision program. Medicaid covered labs could provide these tests as one of a range of diagnostics ordered through Medicaid-covered substance abuse treatment services. However, there may be significant challenges involved in obtaining Medicaid reimbursement for drug and alcohol tests. The following issues should be carefully considered when pursuing this course of action:

- State Medicaid programs, and in some cases, state legislatures will be required to enact changes to state Medicaid plans. Medicaid coverage for drug tests for people under community supervision may not be politically feasible in some states.
- If Medicaid reimbursement is permitted for drug tests, states will need to address questions about which providers are approved to provide these services as well as how billing will be operationalized for drug tests performed in a criminal justice context.
- Drug tests administered by probation officers could be duplicative with the tests provided by substance abuse treatment centers. Medicaid and criminal justice programs will need to determine how drug testing can be completed effectively and efficiently to serve the needs of both.

- Drug and alcohol tests conducted by Medicaid-contracted laboratories, and not state crime labs, may break the chain of evidence and may not be held valid for court proceedings or for probation officer use.
- Existing state and county contracts with state crime laboratories may preclude localities from using Medicaid certified laboratories, at least for the duration of those contracts.
- Shifting drug and alcohol tests to state Medicaid providers could raise significant privacy issues and violate the Health Insurance Portability and Accountability Act of 1996. Will Medicaid laboratories be permitted to divulge substance use tests to probation officers without violating patients' privacy? Will laboratories honor referrals for tests ordered by probation officers or will a medical provider be required to request these tests? How will a laboratory determine which criminal-justice related results to reveal to a probation officer and which to hold back?
- Medicaid coverage for court or probation officer-ordered drug tests will raise important questions about which government entity owns the test. Currently, in most cases, urinalysis or cheek swab tests are performed by probation officers in real-time, on site, and positive tests are sent to state crime labs for confirmation. If these types of drug tests become eligible for Medicaid reimbursement, would these procedures change? Would Medicaid-certified labs require their staff to conduct the preliminary and confirmation tests? Will criminal justice system labs become Medicaid covered labs? And will the courts obtain the results they need from these drug tests?

Though not specifically related to the issue of drug tests, other concerns should be addressed when the ACA's impact on people on probation who have unmet substance use and mental health needs:

Already limited treatment facilities will be pressed to meet the needs of new eligibles. The ACA's benefits expansions offer an unprecedented opportunity to provide low-income Americans with a comprehensive set of benefits including mental health and substance use services. However, inpatient and outpatient service providers that take Medicaid are already sparse and will likely experience high demand for their services as enrollment in new coverage options expands in 2014. Some of the most vulnerable among the newly insured, those with complex mental illness, substance use disorders, and significant psychosocial needs, are likely to

be the least savvy about navigating the system and arranging for their own care. With available resources already hard pressed to meet existing needs, it is logical to assume they will face even greater challenges as more Medicaid enrollees seek services.

Programs' varying priorities and classifications can work at cross-purposes.

Criminal justice professionals prioritize public safety while behavioral healthcare administrators and providers seek to stabilize individuals with disorders that might cause them to harm themselves or others.³⁶ Though these two groups of professionals often serve the same population, their different orientation and resource allocation methods can sometimes lead to disagreements on which individuals should receive program placements. Efforts should be made to align definitions and classifications whenever possible. In addition, criminal justice and treatment facility staff should collaborate where possible to conduct needs assessments, help probationers apply for and obtain Medicaid, and obtain referrals for medical and mental health/substance use services.

¹ Community supervision may also refer to individuals released to the community following a term in state or federal prison. This paper describes local criminal justice issues and therefore focuses on probation rather than parole.

² Position Statement of the American Probation and Parole Association. Enacted January 1997. http://www.appa-net.org/eweb/Dynamicpage.aspx?webcode=IB_PositionStatement&wps_key=dc223702-d690-4830-9295-335366a65d3e

³ Pew Center on the States, *One in 31: The Long Reach of American Corrections* (Washington, DC: The Pew Charitable Trusts, March 2009).

⁴ Maruschak, LM and Parks, E. Probation and Parole in the United States, 2011 Bureau of Justice Statistics, US Department of Justice. November 2012, NCJ 239686. <http://www.bjs.gov/content/pub/pdf/ppus11.pdf>

⁵ Mumola C. Substance Abuse and Treatment of Adults on Probation, 1995. Bureau of Justice Statistics Special Report, March 1998.

⁶ Ibid.

⁷ Californians for Safety and Justice. Enrolling County Jail and Probation Populations in health Coverage: A tool kit for practitioners. September 2013. www.safeandjust.org/resources/HealthEnrollmentToolkit.

⁸ Steadman, Henry J., Fred C. Osher, Pamela Clark Robbins, Brian Case, and Steven Samuels, "Prevalence of Serious Mental Illness Among Jail Inmates," *Psychiatric Services* 60, no. 6 (June 2009): 761–765.

⁹ Karberg, Jennifer C., and Doris J. James, *Substance Dependence, Abuse, and Treatment of Jail Inmates, 2002* (Washington DC: US Department of Justice, Office of Justice Programs, Bureau of Justice Statistics, 2006.).

¹⁰ Abram, Karen M., and Linda A. Teplin, "Co-occurring Disorders Among Mentally Ill Jail Detainees," *American Psychologist* 46, no. 10 (1991): 1036–1045 cited in Osher F. et al. 2012.

¹¹ Feucht, Thomas E., and Joseph Gfroerer, *Mental and Substance Use Disorders among Adult Men on Probation or Parole: Some Success against a Persistent Challenge* (Rockville, MD: Substance Abuse and Mental Health Services Administration, Center for Behavioral Health Statistics and Quality, 2011).

¹² Ditton, PM. *Mental Health and Treatment of Inmates and Probationers* (Washington, D.C.: U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Statistics, 1999); see also Metzner, Jeffrey L., "An Introduction to Correctional Psychiatry: Part I," *Journal of the American Academy of Psychiatry and the Law* 25, no. 3 (1997): 375–381.

¹³ Henry Kaiser Family Foundation. Quick Take: Key Considerations in Evaluating the ACA Medicaid Expansion for States. April 18, 2013. <http://kff.org/medicaid/fact-sheet/key-considerations-in-evaluating-the-aca-medicaid-expansion-for-states-2/>

¹⁴ Kaiser Family Foundation. State Health Facts: status of state action on the Medicaid expansion decision. Available from: <http://kff.org/health-reform/state-indicator/state-activity-around-expanding-medicaid-under-the-affordable-care-act/>

¹⁵ Cuellar AE, Cheema J. As roughly 700,000 prisoners are released annually, about half will gain health coverage and care under federal laws. *Health Affairs*, vol 31, no. 5, 931-938.

¹⁶ The Mental Health Parity and Addiction Equity Act of 2008 did not mandate health plans to provide mental health or substance use services, but it did require that if those benefits were included in a benefits package, they must be delivered “on par” with medical/surgical benefits.

¹⁷ Community Oriented Correctional Health Services. Health Reform and Criminal Justice: Addressing Health Disparities Among the Racial and Ethnic Minority Populations in Jails. A Summary Report. December 6, 2012. Washington, DC. <http://www.aocmhp.org/Portals/7/12-6%20Health%20Disparities%20and%20CJ%20Conference%20Proceedings.pdf>

¹⁸ Osher F. et al. Adults with Behavioral Health Needs Under Correctional Supervision: A Shared Framework for Reducing Recidivism and Promoting Recovery. (New York: The Council of State Governments). 2012. https://www.bja.gov/Publications/CSG_Behavioral_Framework.pdf

¹⁹ Community Oriented Correctional Health Services. December 6, 2012.

²⁰ Interviewees represented counties in New Jersey, New York and Texas.

²¹ McVay D, Schiraldi V, and Ziedenberg J. Treatment or Incarceration? National and State Findings on the Efficacy and Cost Savings of Drug Treatment Versus Imprisonment. Justice Policy Institute. January 2004 http://www.justicepolicy.org/images/upload/04-01_REP_MDTreatmentorIncarceration_AC-DP.pdf

²² King RS and Pasquarella J. Drug Courts: A Review of the Evidence April 2009. The Sentencing Project. http://www.sentencingproject.org/doc/dp_drugcourts.pdf

²³ Center for Substance Abuse Treatment. Substance Abuse Treatment for Adults in the Criminal Justice System. Rockville (MD): Substance Abuse and Mental Health Services Administration (US); 2005. (Treatment Improvement Protocol (TIP) Series, No. 44.) 10 Treatment for Offenders Under Community Supervision. <http://www.ncbi.nlm.nih.gov/books/NBK64141/>

²⁴ American Probation and Parole Association. Supervision Fees. January 2001. <http://csgjusticecenter.org/wp-content/uploads/2013/07/2001-APPA.pdf>

²⁵ Interstate Commission for Adult Offender Supervision. Interstate Compact. Application and Supervision Fees. Survey Report November 2004.

http://www.interstatecompact.org/Portals/0/library/surveys/Application_Supervision_Fees.pdf

²⁶ Cohen R. Probation and Parole Violators in State Prison, 1991, U.S. Department of Justice, Bureau of Justice Statistics, NCJ 149076 (Washington, D.C.: U.S. Department of Justice, 1995) cited in McLean R and Thompson MD. Repaying Debts. Report Summary. Council of State Governments Justice Center.

http://www.colorado.gov/ccjdir/Resources/Resources/Ref/RepayingDebts_Summary.pdf

²⁷ McLean R and Thompson MD. Repaying Debts. Report Summary. Council of State Governments Justice Center. 2007. http://www.colorado.gov/ccjdir/Resources/Resources/Ref/RepayingDebts_Summary.pdf

²⁸ Lacotte T. Opponents say private probation companies create modern-day debtors' prisons. *The Anniston Star*, October 13, 2013.

²⁹ Osher F. et al. 2012.

³⁰ Taxman, Faye S., Matthew L. Perdoni, and Lana D. Harrison, “Drug Treatment Services for Adult Offenders: The State of the State,” *Journal of Substance Abuse Treatment* 32, no. 3 (2007): 239–254 cited in Osher F. et al. 2012.

³¹ Personal communication with Sara Rosenbaum, JD, Harold and Jane Hirsh Professor of Health Law and Policy and Founding Chair of the Department of Health Policy, George Washington University School of Public Health and Health Services, July 2013.

³² Rosenbaum S, et al. Negotiating the New Health System: A Nationwide Study of Medicaid Managed Care Contracts, 2nd Edition. School of Public Health and Health Services, Center for Health Services Research and Policy, The George Washington University Medical Center. 1998.

³³ Rosenbaum S, et al. 1998.

³⁴ Bainbridge AA. The Affordable Care Act and Criminal Justice: Intersections and Implications. Bureau of Justice Assistance, US Department of Justice. July 2012. https://www.bja.gov/Publications/ACA-CJ_WhitePaper.pdf.

³⁵ McDonnell M, Brookes L, Lurigio A, Baille D, Rodriquea P, Palanca P, Heaps M, Eisenberg S. Realizing the Potential of National Health Care Reform to Reduce Criminal Justice Expenditures and Recidivism Among Jail Populations. Community Oriented Correctional Health Services. November 2010.

<http://csgjusticecenter.org/wp-content/uploads/2013/06/CHJFinal.pdf>

³⁶ Osher F. et al. 2012.