

Opioid Treatment Program (OTP) DOH Federal Accreditation

Summary

The Department of Health (department) licenses and regulates OTPs according to chapter 71.24 RCW and under Behavioral Health Agency (BHA) Licensing and Certification Requirements in chapter 246-341 WAC. In addition to state licensure, OTPs are required to obtain accreditation by a Substance Abuse and Mental Health Administration (SAMHSA)-approved accrediting body (AB).

The department is the only state agency in the country that is an active SAMHSA-approved AB and offers accreditation to Washington licensed OTPs free of charge. The remainder pay fees to other approved private national accreditation organizations for this work.

In 2018, licensure and regulatory authority of OTPs was transferred to the department. At the time of the transfer, the department continued the long-standing practice of providing accreditation services without a fee as an important and valued component to the state's effort to combat the opioid crisis and limit disruption to providers. Approval as an AB is a very lengthy and labor-intensive process that must be re-evaluated every four years.

No dedicated fee source or funding was ever established for AB activities and has therefore relied on licensing fees and general state funds intended for the state BHA regulatory program. A cost that has been projected to significantly increase based on the growth of OTPs and the increase in regulatory oversight required by SAMHSA. Providing free AB services has and will continue reduced funding available to support timely inspections and investigations of other BHAs. This has created a funding gap requiring an additional revenue source to sustain accreditation services long-term or consider other options, such as discontinuing AB services.

This document summarizes the cost for providing federal accreditation and the department's decision to seek temporary funding to offset the cost of accreditation activities while exploring options, which would include working with SAMHSA, the State Opioid Treatment Authority (SOTA), tribal partners, and OTPs accredited by the department to develop a transition plan to transfer accreditation of OTPs to other organizations over the next two years.

Revenue

The department assesses a BHA licensing fee upon initial licensure, renewal, and for complaint investigations ([WAC 246-341-0365](#)).

| Fee Type | Fee Amount |
|--|------------|
| Initial licensure | \$1,000 |
| Non-residential services | \$750 |
| Annual renewal | \$750 |
| Annual renewal for deemed agencies | \$200 |
| Tribal attestation | \$261 |
| Tribal attestation renewal – Every three years | \$261 |
| Federal Accreditation by the department | \$0 |

State regulatory oversight of OTPs is funded through licensing and renewal fees and general state funds (GF-S). Federal accreditation work has relied on this funding. However, it was determined that the department does not have the authority to use state licensing fees to pay for OTP federal accreditation services so that practice was stopped. Using these funds for federal accreditation work has created a backlog related to required state regulatory work intended to protect the health and safety of those receiving behavioral health treatment.

Expenditures

With expanded federal requirements, the cost to regulate OTPs has grown each fiscal year, resulting in using the BHA regulatory program budget for this work. Providing free accreditation services to current and new opioid treatment programs (OTPs) has reduced funding available to support timely inspections and investigations of BHAs and created a funding gap. Therefore, an additional revenue source is needed to sustain accreditation services long-term.

Currently, the average OTP survey takes 202 hours and 70% of that (~142 hours) is solely dedicated to conducting AB work. There are currently 38 OTPs, yielding a total of 5,393 hours, which is 1,440 hours divided between 3.75 inspection staff positions.

Financial Forecast

The department currently accredits 28 of the 39 licensed OTPs. OTP expansion, to include fixed-site medication units and mobile units, coupled with new federal rules requiring increased site visits and lack of authority to use licensing fees to pay for accreditation activities, highlights the need for sustainable long-term funding to continue providing this service.

To continue service

To continue providing accreditation services, additional funding is needed to fill the current gap and to continue long-term accreditation services. Based on the existing and projected number of OTPs over the next year, the program would need to charge an annual fee necessary to create at least \$1,023,000 in revenue. Ongoing cost in the form of GF-S would be approximately \$2,046,000 per biennium. This may need to be adjusted for inflation and additional staffing, costing around \$16,600 annually for each new OTP.

Table 1. Estimated cost for staff to administer the accreditation program. Cost includes salaries, benefits (calculated at around 36% of the salaries), IT equipment, goods, and services, as well as indirect rates calculated at 25.7%.

| Classification | Role | Step | #FTE | FY25 | FY26 |
|----------------|--------------------|------|------------|--------------------|--------------------|
| NCA | Survey Manager | U | 1 | \$ 270,000 | \$ 270,000 |
| HSC4 | Surveyor/Reviewers | L | 4 | \$ 664,000 | \$ 664,000 |
| HSC3 | Case Manager | L | 0.5 | \$77,000 | \$77,000 |
| FRA2 | File Maintenance | L | 0.1 | \$12,000 | \$12,000 |
| TOTAL | | | 5.6 | \$1,023,000 | \$1,023,000 |

In light of the current budget forecast and the Governor's directive to capture immediate savings through spending reductions, it's not guaranteed that a department request for either short-term or long-term funding for AB work will be included in the budget.

Discontinuing the service

The department's current SAMHSA AB approval is effective until January 2028. If long-term funding is not available for AB activities, the department will need to transition out of providing AB services by the end of 2027.

For the department to fulfill its remaining 3.5 years, the cost would be \$3,700,000.00. We calculate the need for an additional .10 HSC4 (reviewer) FTE, costing around \$16,600 annually for each new OTP we add to our inventory. Should the department choose to exercise its options to give at least nine months' notice, the cost would be at least \$1,023,000 or more based on a schedule approved by SAMHSA. This option would require OTPs to switch to another AB.

The department recognizes discontinuing AB services will be a large administrative and financial shift for providers. In this scenario, the department, in collaboration with the SOTA, will partner with tribes and work with OTP providers to ensure a collaborative path forward on developing a transition plan. This will include a tribal consultation, roundtables, and other engagement sessions.

For OTPs to switch

If the department discontinues AB services, the majority of Washington OTPs will need to achieve certification requirements through a private AB for a fee.

A typical private AB charges roughly \$4,000 (current charges without factoring in the new CFR requirement) per day for an OTP survey. Considering that an average OTP takes about 3 to 5 days of onsite time, that would equal anywhere from \$12,000 to \$20,000 per survey and the frequency can range anywhere between one and three years depending on their level of compliance. This makes the average annual charge for an OTP anywhere from \$4,000 to \$20,000 per year. The above projected cost does not include any federal investigations which would also be done by the AB and charged extra to the OTP.

Why is the department requesting funding for accreditation activities?

Providing free accreditation services to current and new opioid treatment programs (OTPs) has reduced funding available to support timely inspections and investigations of all BHAs. In addition, the current funding sources are not appropriate or sustainable. Therefore, the department is requesting one-time funding to continue this work for two additional years while also working with partners and OTP providers on an effective path forward.

Is the department considering charging a fee for accreditation services?

Charging a fee may be an option. However, the department currently does not have clear authority to establish a fee. To do so, may require legislation.

Is the department considering discontinuing AB services, if so, why?

Sustainable funding is needed to continue AB services to providers. Current funding sources are not appropriate or sustainable. If funding is not secure, then transitioning out of this unique role as

a federally approved AB is an option. Although the department has been offering accreditation services as an important component to the state's effort to combat the opioid crisis, that commitment has led the department to have to suspend, delay, or reduce other regulatory activities that aim to protect the health and safety of individuals receiving behavioral health services.

If the department transitions out of this role, what does this mean for OTP providers?

Ultimately, this means that OTPs accredited by the department will need to identify a new accreditation organization and pay associated fees to that organization.

If an OTP is accredited by an accreditation organization that has an agreement with the department, they will have the opportunity to request deemed status. Once deemed, the department will not conduct routine on-site reviews unless it is related to a complaint investigation.

When does the department's approval as an AB expire?

The current SAMHSA AB approval will expire January 2028.

What are the next steps?

The department recognizes that transitioning out of this role would be a large administrative and financial shift for providers. Therefore, we will be exploring options, which would include working with SAMHSA, the State Opioid Treatment Authority (SOTA), tribal partners, and OTPs accredited by the department to develop a transition plan and appropriate timeline to transfer accreditation of OTPs to other organizations over the next two years.

The department, in coordination with the State Opioid Treatment Authority, is planning to hold a series of feedback sessions with tribal partners and OTP providers to ensure a collaborative partnership on determining a path forward.

How can I stay informed?

Information will be sent out via GovDelivery and posted to the [OTP Accreditation webpage](#).

If you haven't already done so, please sign up for GovDelivery notifications from the department. To be notified of meetings and information related to OTP accreditation, [subscribe to GovDelivery](#). Enter your email address and then under Health Systems Quality Assurance (HSQA), Community Health Systems, Facilities Licensing and Certificate of Need, **select Opioid Treatment Program (OTP)**.

Additional questions? Contact OTPComments@doh.wa.gov.

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