



Planning and Financing Complex Case Management for Pre-Arrest Diversion Programs

What is complex case management?

Complex case management is a collaborative approach to delivering participant-centered support, advocacy and connection to services to meet an individual's needs and goals. It goes beyond traditional medical care coordination and supports participants in a variety of settings. Complex case management is an essential core function within [pre-arrest or pre-booking diversion programs](#)¹, which aim to create an alternative path to a healthier life for people with drug and alcohol problems who are at risk of arrest or incarceration.

Complex case management sits at the center of a pre-arrest diversion program's [continuum of services](#). It is the primary point of contact between the participant and each service required to achieve the goals of the program. In pre-arrest diversion programs, case managers bridge across service providers to help participants access what they need in multiple health, housing and social service systems.

Effective complex case management in a pre-arrest diversion program should encompass an initial assessment; a [participant-centered plan of services](#) that includes emergency and stabilization services to meet immediate needs, a full range of health, mental health and recovery services, and long-term social and economic supports such as housing, food, education and job training; service coordination and advocacy; participant engagement; referrals; and monitoring. It should not require abstinence and should focus on reducing harms associated with substance use. Complex case management for many high-risk populations, including individuals with drug and alcohol problems in a pre-arrest diversion program, is characterized by several special attributes:

- Complex case managers are not only facilitating care and services for participants, but are often walking with them through every step. They are actively engaged in a participant's life, supporting them through transitions, providing crisis intervention, resolving conflicts and mentoring, coaching and navigating for them along the way.
- Successful case management hinges on trusted relationships between program participants and their case managers. Case management in a pre-arrest diversion program typically means going out into the community to engage participants and being an active and present advocate. Case managers often accompany participants to court dates, health care appointments, mental health assessments, housing or shelter interviews, or through an eviction process or a job application.
- Case managers must be culturally appropriate, able to follow the practice of [harm reduction](#) and meet individuals entering a pre-arrest diversion program where they are, providing person-centered and trauma-informed help. The Seattle Law Enforcement

¹ In this document, we use pre-arrest diversion as shorthand for pre-arrest or pre-booking diversion.

Assisted Diversion program includes [core principles for case management](#), which outline this kind of case management approach.

- Those with lived experience serve as role models and may be the most effective choice as case manager. The ability to communicate and engage with participants is critical, and many pre-arrest diversion programs focus on peer advocates or peer-led support for case management.
- In Law Enforcement Assisted Diversion (LEAD) models of pre-arrest or pre-bookings diversion, case managers typically collaborate with police officers and work together to engage participants. Protocols that emphasize trust and respect help encourage consistent and productive collaboration.

At least monthly in Seattle LEAD and twice monthly in Santa Fe LEAD, case-coordinating meetings are held to discuss participants' progress. In Seattle, these meetings include LEAD case managers, police, county prosecutors, city attorneys, community representatives and the LEAD program managers at the Public Defender Association. In Santa Fe, meetings include case managers, police, the district attorney's office, LEAD coordinators at the Public Defender's Office, the Drug Policy Alliance, the New Mexico Criminal Defense Lawyers Association, and any other groups that have signed the LEAD Memorandum of Understanding. Attendees discuss whether LEAD participants are making good use of services and how to work collaboratively to overcome challenges. LEAD participants sign waivers authorizing program staff to discuss their cases and progress with these partners.

What complex case management models are being used for pre-arrest diversion?

The [Seattle LEAD](#) program targets low-level drug offenders and sex workers, connecting them to services instead of jail in an effort to improve public safety and reduce criminal activity. The program contracts directly with [Evergreen Treatment Services](#) to provide intensive case management services and support from peer advocates, social workers and other behavioral health professionals.

- Seattle LEAD [case management](#) staff is supervised by a program manager at Evergreen Treatment Services who oversees the case management program. Evergreen Treatment Services offers a full range of substance use disorders services, and case managers provide connections to a wide network of social service, including housing and employment training. In facilitating services, case managers adhere to a non-displacement principle, meaning LEAD participants do not move to the top of a waiting list. Instead, case managers and LEAD staff advocate for expansion of services to ensure the program benefits the overall community as well as participants.
- Fundamental to the Seattle model is its "guerilla approach" to case management, using intensive street outreach to stay in contact with participants and keep them engaged. Case managers spend many hours tracking down participants in addition to accompanying them to apply for services or keep appointments.
- Case managers in Seattle LEAD communicate regularly with law enforcement, and often work together to locate and re-engage participants. This expectation of coordination initially worried case managers concerned about how shared information would be used

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and perceptions of working with law enforcement. Ultimately, case managers and law enforcement developed a highly collaborative and productive relationship.

In Santa Fe, the [LEAD program](#) is targeted at helping nonviolent people who use heroin and other opiates. [The LifeLink](#), a community-based service organization, operates case management for the Santa Fe LEAD program using a certified peer-led support model.

- The LifeLink offers housing, mental health and substance use services, life skills building and employment services. Case managers help facilitate additional services each participant needs through federally qualified health centers and other social service providers.
- As in Seattle, the Santa Fe LEAD program case managers employ a hands-on approach that includes at least weekly contact with participants. Case managers spend some time tracking down participants through street outreach, however not with the same frequency as Seattle, since fewer Santa Fe LEAD clients are homeless.

[Transitions Clinics](#) are a national network of safety net health centers that serve individuals with chronic conditions returning to society after incarceration. Although these clinics are not early diversion programs, they use a culturally appropriate, person-centered medical home model featuring complex peer-led case management that provides an applicable example.

- At Transitions Clinics, each participant is paired with an experienced community health worker who has a history of incarceration. Community health workers engage with participants before release from incarceration and in the community after release, providing a bridge to re-entry and mentorship.
- Community health workers also help participants navigate the medical home for primary and specialty care, and help find housing, employment, education and meet other basic needs.

How is complex case management in a pre-arrest diversion program financed?

Paying for complex case management as part of pre-arrest diversion programs can be complicated. Some financing sources present restrictions, such as not covering a case manager's transportation expenses, time spent traveling or other day-to-day expenses that help facilitate a participant's engagement. Others only pay for services provided face-to-face. Programs may have to tap multiple funding streams to fully finance a complex case management model.

For many programs, Medicaid can be a significant source of funding, if participants qualify for Medicaid coverage.

- Medicaid covers "targeted case management" as an optional benefit for specified populations, including those with substance use disorders, under a [state plan amendment](#). Under Medicaid, case managers can conduct an assessment, work with the person covered by Medicaid to create a service plan, make referrals and assist with scheduling appointments to medical, social and other services, and provide follow-up support. However, some case management activities, such as making phone calls to identify social services or accompanying a participant to an appointment, may not be covered. Also, participants cannot be required to use case management services and must be given free choice of qualified Medicaid providers unless states specify provider criteria for the target population in the state plan amendment or other rules. In Colorado, for example,

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Medicaid pays for targeted case management services for select populations, including those with substance use disorders, at a fee-for-service or negotiated rate under an approved state plan amendment.

- Medicaid [Health Homes](#) are another option available to cover complex case management. In states with an approved Health Home state plan amendment, the federal government will provide 90 percent in matching funds for health home services. A Health Home is designed to provide comprehensive case management, coordination of services, transitional care and referrals to community and social supports for people with chronic or severe mental or physical illness, which can include substance use disorders. The LEAD program in Albany, NY, is investigating a Health Home model for financing services and case management. In some states such as Rhode Island, Maryland and Vermont, Health Homes focus specifically on populations with opioid dependency.
- Medicaid waivers give states permission to “waive” certain rules or restrictions, often expanding what Medicaid will cover. 1115 Demonstration Project Waivers provide flexibility to test new care delivery models. California’s recently renewed 1115 Waiver includes access to housing and supportive services for individuals who require more care than most people and those experiencing or at risk for homelessness. Some providers of complex health care, such as [Commonwealth Care Alliance](#) in Massachusetts, have also created specialized contracts directly with Medicaid to provide complex case management services.
- Some pre-arrest diversion programs are also tapping Medicaid managed care programs, which have the flexibility to pay for a broader range of services in some states, to fund complex case management. In North Carolina, for example, a nonprofit managed care company plans to use savings from efficiencies to help pay for a range of pre-arrest diversion services.

There are several other likely sources to fund case management for participants who don’t qualify for Medicaid or for services not covered by Medicaid.

- Some pre-arrest diversion programs are part of a city or county-wide collaboration and have obtained funding from municipal, county health or state appropriations or grants. In [Santa Fe](#), the city appropriates funding and contracts with The LifeLink to operate case management services for the LEAD program and also covers many non-medical needs such as food, transportation and clothing for participants. In [Seattle, the LEAD program](#) was initially funded through private foundation grants, but is shifting to public funds through sales tax revenue and city budget allocations as a result of [demonstrating positive results](#).
- Another funding option is to seek investments from businesses that may benefit from the positive impact of a pre-arrest diversion program in their community and/or for their employees. Many large retail corporations, for example, have charitable foundations or departments to support community-based initiatives.

Additional Resources

- [Comprehensive Case Management for Substance Abuse Treatment](#): Published by the Substance Abuse and Mental Health Services Administration (SAMHSA). This report provides a comprehensive guide to case management for substance use disorder treatment.
- [Targeted Case Management Rule](#): Published by the Center for Health Care Strategies. This issue brief summarizes requirements issued by the Centers for Medicare and Medicaid Services (CMS) regarding targeted case management for consumers with complex health needs.
- [Designing Medicaid Health Homes for Individuals with Opioid Dependency](#): Published by the Centers for Medicare and Medicaid Services (CMS). This article summarizes the components of approved Medicaid Health Homes and offers examples of these programs.
- [Essential Principals for Successful LEAD Implementation](#): This resource developed by Seattle LEAD highlights key elements of their program and provides implementation guidance.