

COLORADO DEPARTMENT OF REGULATORY AGENCIES  
OFFICE OF POLICY AND RESEARCH

# ALCOHOL AND DRUG ABUSE COUNSELORS

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1999 SUNRISE REVIEW



October 15, 1999

Members of the Colorado General Assembly  
c/o the Office of Legislative Legal Services  
State Capitol Building  
Denver, Colorado 80203

Dear Members of the General Assembly:

We have completed our evaluation of the sunrise application for licensure of Alcohol and Drug Abuse Counselors and are pleased to submit this written report which will be the basis for my office's oral testimony before the 2000 Legislative Committee of Reference. The report is submitted pursuant to Section 24-34-104.1, Colorado Revised Statutes, 1988 Repl. Vol., (the "Sunrise Act") which provides that the Department of Regulatory Agencies shall conduct an analysis and evaluation of proposed regulation to determine whether the public needs, and would benefit from, the regulation.

The report discusses the question of whether there is a need for the regulation in order to protect the public from potential harm, whether regulation would serve to mitigate the potential harm and, whether the public can be adequately protected by other means in a more cost effective manner.

Sincerely,

M. Michael Cooke  
Executive Director

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## Introduction

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### Sunrise Process

The Department of Regulatory Agencies (DORA) has completed its evaluation of the application by the Substance Abuse Counselors of Colorado. The applicants seek licensure for alcohol and drug abuse counselors. Pursuant to the Colorado Sunrise Act, the applicant must establish the need for regulation according to the following criteria:

Colorado has three statutory sunrise criteria (§24-34-104.1, C.R.S.) to determine the need for new regulation:

- Whether the unregulated practice of the occupation or profession clearly harms or endangers the health, safety or welfare of the public, and whether the potential for harm is easily recognizable and not remote or dependent on tenuous argument.
- Whether the public needs, and can be reasonably expected to benefit from, an assurance of initial and continuing professional or occupational competence; and
- Whether the public can be adequately protected by other means in a more cost-effective manner.

### Background

A 1996 report of the Colorado State Auditor recommended that the Department of Human Services, Alcohol and Drug Abuse Division, and the Department of Regulatory Agencies evaluate the feasibility of transferring the responsibility for counselor certification to the Department of Regulatory Agencies. The agencies were directed to evaluate staffing reallocations or transfers and recommendations for statutory changes. The report noted that such a change is in keeping with the intent of the 1993 reorganization legislation which emphasized a separation of policy, service provision, and licensing functions among the Departments of Health Care Policy and Financing, Human Services, and Public Health and Environment.

## INTRODUCTION

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The counselor certification program was transferred to the Department of Regulatory Agencies in 1998. This was accomplished by Section 24-34-102 (14) of the Colorado Revised Statutes, which is reproduced in Appendix A. Alcohol and Drug Abuse certification is housed in the Department of Regulatory Agencies, Division of Registrations as depicted in Appendix B.

### Profile of the Occupation in Colorado

Alcohol and drug abuse counselors are known by several other names, including "addiction counselors" and "certified addictions counselors" (CAC). The Alcohol and Drug Abuse Division (ADAD) of the Colorado Department of Human Services currently requires certification of only those individuals who work in ADAD licensed programs. Counselor Certification Regulation 6.1 stipulates that an application for initial certification shall include "verification of current affiliation with an ADAD licensed alcohol and drug treatment program or criminal justice system programs identified in §25-1-201 (4), C.R.S." It is important to note, however, that after initial certification, counselors may be employed in licensed or unlicensed programs.

Specific treatment services can be accessed through detoxification centers, inpatient and outpatient treatment facilities, licensed addiction treatment programs, community centers, hospitals, correctional institutions, private businesses, and not-for-profit treatment centers. An addiction counselor may perform any combination of the following tasks: intake processing of clients, differential assessment (which includes evaluation and testing), diagnosis of substance related disorders, treatment planning, crisis intervention, clinical case management, therapeutic counseling, sobriety monitoring, and vital signs monitoring in detoxification centers. Other mental health practitioners, such as licensed counselors, psychologists, social workers, and marriage and family therapists may also perform some of these functions.

## INTRODUCTION

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Alcohol and Drug Abuse Counselors are currently certified at three levels in Colorado (I, II, and III in ascending order of responsibility and requirements). Depending on level of certification, additional functions may include:

- *Level I Certification (CAC I)*. These entry-level counselors may co-facilitate individual or group counseling sessions; make treatment chart notations under supervision; and note vital signs in licensed treatment programs. CAC I counselors must be supervised by a CAC III counselor for a minimum of three hours per month.
- *Level II Certification (CAC II)*. These are primary counselors and may independently conduct individual and group counseling sessions, and engage in the complete range of therapeutic duties, except clinical supervision. CAC II counselors must be supervised by a CAC III counselor, or other qualified mental health practitioner, for a minimum of two hours per month.
- *Level III Certification (CAC III)*. These are senior counselors able to perform any of the lower-level functions as well as provide clinical supervision. CAC III counselors must have a minimum of one hour per month in clinical consultation by another CAC III or clinical professional.

There are currently 1,777 certified addiction counselors in Colorado. The breakdown by level of certification is as follows:

Level 1	138
Level 2	465
Level 3	1,174

### Other States' Regulation

According to the National Association of Alcoholism and Drug Abuse Counselors, fifteen states regulate addictions counselors. Of these, thirteen employ the term "licensed" in the title of practitioners. Maryland uses the term "certified", while New Mexico simply calls them "Alcohol and Drug Abuse Counselor". The use of different titles raises an important issue: Does the name accurately reflect the level of regulation? The educational requirements for addictions counselors in these fifteen states vary from a high school diploma (Tennessee) to a master's degree (Maryland). However, in Tennessee a regulated practitioner is known as a "Licensed Alcohol and Drug Abuse Counselor", while in Maryland a counterpart would be known as a "Certified Professional Counselor--Alcohol and Drug". Clearly, the level of regulation cannot be determined by the use of titles alone.

By way of comparison, Colorado uses the titles "Certified Assistant Addictions Counselor (CAC I)", "Certified Addictions Counselor (CAC II)", and "Certified Senior Addictions Counselor (CAC III)". However, the hallmark of certification--title protection--is absent in Colorado's regulatory scheme. Neither the activities prohibited by §12-43-222, C.R.S., nor Counselor Certification Regulations prevent the use of these titles. Colorado's regulatory framework more closely resembles a system of registration rather than a regulatory scheme of certification or licensure.

## Proposal for Regulation

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This sunrise review is in response to a request for licensure by the Substance Abuse Counselors of Colorado (SACC). SACC seeks a licensure program for persons who possess a master's degree in the Social Sciences, who pass a national exam developed for addiction counselors, and who hold a CAC III (Colorado Addiction Counselor, Level III) or equivalent training and experience. SACC proposes the creation of a consumer dominated licensing board.

The applicant argues that the state should establish a licensure program because “addiction professionals deserve, and should be granted, parity with other licensed mental health professionals in Colorado.”

The applicant further argues that the benefits of licensure include the following:

- Licensure will assure consumers that treatment is provided by highly trained, tested, and specialized professionals. It is important that practitioners make accurate diagnoses and provide appropriate treatment. A misdiagnosis can lead to erroneous treatment and impact a person's physical, emotional, and financial well being.
- Addiction counselors are excluded from the competitive reimbursement environment due to the lack of a Colorado state license. Licensure is the only accepted “credential” of the health care industry in Colorado to provide reimbursable services.
- Licensure will stimulate competition in both private and managed care reimbursement mechanisms.

The regulatory scheme is envisioned as follows:

- Licensing program administered by the Division of Registrations located within the Department of Regulatory Agencies (DORA).
- Establishment of a consumer dominated licensing board comparable to the four licensed mental health professional boards in DORA.



## PROPOSAL FOR REGULATION

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- Successful passage of a licensing examination developed for addiction counselors.
- Establishment of educational standards requiring a master's degree in the social sciences
- Retain certification for Levels I, II and III as stated in the ADAD 1999 Standards and Regulations for Alcohol and Drug Abuse Counselors

### ***Colorado's Certification Requirements for a CAC III***

Prior to application for certification at the highest (III) level, an addiction counselor must meet the following requirements:

- Verification that the applicant knows of no injunction, disciplinary proceeding, or malpractice claim or judgment against him or her.
- Applicants without a clinical master's or doctoral degree must show proof of a total of 5,000 hours of clinically supervised work experience consisting of counseling, treatment planning, clinical evaluation, case management services and family education.
- Applicants holding a clinical master's or doctoral degree from an accredited institution must show proof of a total of 4,000 or 2,000 hours of clinically supervised work experience respectively.

It is this group of 1,174 certified counselors that has requested licensure. Private credentialing at the national level is available through the National Association of Alcoholism and Drug Abuse Counselors (NAADAC). Requirements for NAADAC certification are outlined in Appendix C.

The Division of Registrations reports that 37 complaints have been filed against certified addiction counselors since the program was transferred to DORA in July 1998. Twenty-four complaints were filed against CAC IIIs resulting in 4 disciplinary actions (stipulation/order) and one confidential letter of concern.

## Sunrise Analysis and Conclusion

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### ***The Need for Additional Public Protection Has Not Been Established***

The applicant, SACC, does not adequately address the question of how licensure would enhance public protection. The purpose of entry qualifications is to ensure that practitioners are competent. Since the applicant proposes to make a master's degree in the social sciences a condition of licensure, there should be a commensurate public protection benefit. The applicant, however, states that "the body of knowledge received by CACs about addiction is not available in graduate-level higher education in Colorado. CACs receive specialized training through ADAD approved courses that are specific to the addiction treatment field. Currently there is no training system at the graduate level of higher learning that provides other mental health practitioners with the knowledge base that is acquired through the complete ADAD Colorado Certification process." Therefore, the requirement for the proposed master's degree in the social sciences cannot be correlated to an increase in public protection.

Furthermore, the current system of certification allows for alternative avenues of competency verification. As noted above, applicants without a clinical master's or doctoral degree must show proof of a total of 5,000 hours of clinically supervised work experience consisting of such tasks as: counseling, treatment planning, and clinical evaluation. In other words, appropriate experience may be used in lieu of a master's degree. This again suggests that a master's degree does not necessarily equate with increased levels of quality assurance.

***Third Party Insurance Payments are not Unduly Prohibitive to the Occupation***

Third party insurance payment is a primary theme in this sunrise application. In addition, the applicant is concerned with parity in relation to the four currently licensed mental health professions in Colorado. The applicant notes, "addiction professionals deserve, and should be granted, parity with other licensed mental health professionals in Colorado. More and more third party payers and employers are seeing the cost-effectiveness of prevention, intervention and treatment of addiction problems." Putting aside for the moment the "cost-effectiveness" capabilities of the market, it is important to note that "some insurance companies mandate that client services be provided only by a licensed professional, still others require that care provided by certified addiction counselors be reviewed and insurance forms be signed by licensed professionals who must then be compensated." In other words, this occupational group can at times receive third party payments provided that claims are verified and processed by a licensed health care professional. What is more, some addictions counselors work in collaborative settings with other mental health practitioners, such as psychiatrists who are authorized to prescribe medication. These factors mitigate against the applicant's position on third party payments.

***Recommendation - No additional regulation is required.***

It is not clear that additional regulation through licensure is necessary to protect the public. The existence of the present regulatory certification scheme and the effectiveness of that scheme in establishing entry requirements, investigating complaints and disciplining certificants precludes the need to establish a licensing board and increase entry requirements at this time.

More specifically, the entry requirement of a master's degree in the social sciences is too general to be positively associated with any public protection benefit. This is compounded by the absence of specific educational or training programs which may be pursued by prospective alcohol and drug abuse counselors. Moreover, a master's degree is unreasonably restrictive and could reduce the supply of counselors in Colorado. The supply of counselors may be limited to those who can afford the extra education.

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## Appendices

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## **Appendix A - Statutory Authority (§24-34-102 (14), C.R.S.)**

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(14) On and after July 1, 1998, the authority vested in the department of human services and the board of human services to certify and discipline certified alcohol and drug abuse counselors is transferred to the director of the division of registrations in the department of regulatory agencies. The department of human services and board of human services shall continue to exercise all other rights, powers, duties, functions, and obligations vested in the those entities concerning certified alcohol and drug abuse counselors pursuant to part 2 of article 1 of title 25, C.R.S. The director of the division of registrations may promulgate rules, which shall include, but shall not be limited to:

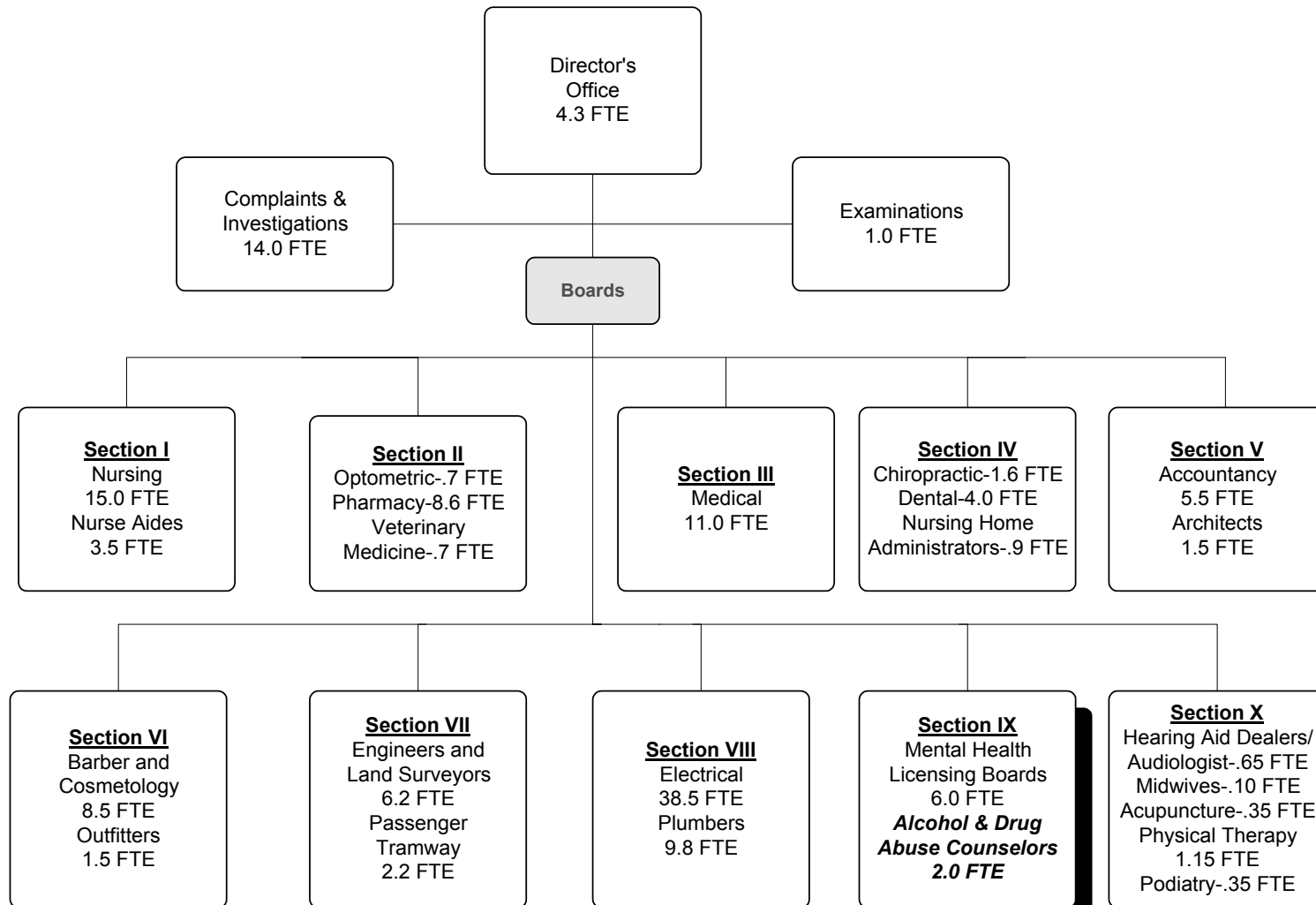
(a) A requirement that alcohol and drug abuse counselors, in order to participate in public programs or to provide purchased services and certification requirements therefor, shall meet standards established by the board of humans services by rule. In addition to alcohol and drug abuse counselors specifically authorized to be certified for approved programs pursuant to part 2 of article 1 of title 25, C.R.S., the director of the division of registrations in the department of regulatory agencies may certify alcohol and drug abuse counselors, upon individual application, in any alcohol or drug abuse treatment program required as a condition of probation under part 2 of article 11 of title 16, C.R.S., any alcohol or drug abuse program administered by the division of adult services under article 2 of title 17, C.R.S., any community corrections facility or program administered under article 27 of title 17, C.R.S., and any alcohol or drug abuse treatment program administered by the division of youth corrections under title 19, C.R.S.

(b) Fees to be charged for alcohol and drug abuse counselor certification and renewal. The amount assessed shall be sufficient to cover a portion of the costs of administering such certification and testing, and the moneys collected after June 30, 1998, shall be deposited in the division of registrations cash fund created in section 24-34-105 (2) (b) (I). Additional funding may be obtained from general, cash, or federal funds otherwise appropriated to the division of registrations in the department of regulatory agencies. A portion of the moneys in the alcohol and drug abuse counselor certification fund, created in section 25-1-211, C.R.S., prior to July 1, 1998, shall remain with the department of human services for transition work, and ninety-six thousand eight hundred eighty dollars shall be transferred to the division of registrations cash fund created in section 24-34-105 (2) (b) (I).

(c) A requirement that alcohol and drug abuse counselors shall comply with section 12-43-222, C.R.S., in order to obtain and maintain certification.

(d) Procedures for disciplinary actions against certified alcohol and drug abuse counselors for prohibited or unlawful acts that are consistent with the procedures established in sections 12-43-212, 12-43-223, 12-43-224, 12-43-225, 12-43-226, and 12-43-227, C.R.S.

## Appendix B - Division of Registrations Organizational Chart



# **Appendix C - Requirements for National Certified Addiction Counselor Certification by the National Association of Alcoholism and Drug Abuse Counselors (NAADAC)**

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## **NCAC Level II**

- A Bachelor's level college degree from a regionally accredited institution of higher learning.
- Current state certification/licensure as an alcoholism and/or drug abuse counselor.
  - Five years' full-time or 10,000 hours of supervised experience as an alcoholism and/or drug abuse counselor.
    - 450 contact hours of education and training in alcoholism and drug abuse or related counseling subjects. Included must be 6 hours of ethics training and 6 hours of HIV/AIDS training.
  - Passing score on the national examination for Level II.

OR

## **NCAC Level I**

- Current state certification/licensure as an alcoholism and/or drug abuse counselor.
  - Three years' full-time or 6,000 hours of supervised experience as an alcoholism and/or drug abuse counselor.
    - 270 contact hours of education and training in alcoholism and drug abuse or related counseling subjects. Included must be 6 hours of ethics training and 6 hours of HIV/AIDS training.
  - Passing score on the national examination for Level I.

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## **NCAC EXAMINATION**

The written exam is composed of 250 multiple-choice, objective questions which test candidates' knowledge in the areas of pharmacology of psychoactive substances, counseling practice, the theoretical base of counseling, and professional issues related to alcoholism and drug abuse treatment.



