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DANE COUNTY

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Dane County Statement on Upcoming Closure of Tellurian Detox Services

DANE COUNTY - Dane County officials today issued the following statement regarding the upcoming closure of Tellurian's detox services. "Detox" is a medically-monitored intoxication monitoring program that manages withdrawal for individuals who are incapacitated by alcohol and other substances in Dane County.

Over the last couple of years the costs to run an overnight detoxification facility have skyrocketed and our community has been impacted by the nation-wide staffing shortages. Dane County must consider the greatest impact for our dollars in helping those who struggle with addiction.

Moving toward Treatment Readiness gives us the opportunity to provide preventative services to more people in need. With this change, if a person is intoxicated to the point where they are unable to take care of themselves, Dane County will do what most other communities are doing and take that person to a hospital for the medical care and supervision that they need.

"The County worked for months to try to reach an agreement with Tellurian. In September, Tellurian's board voted to terminate their contract for detox services with Dane County and issued the required 90-day notice. The County engaged in good-faith discussions to explore whether services could be extended or modified to avoid a disruption in care. Despite those efforts and additional County Board support to try to maintain services, Tellurian declined to continue operating under revised terms.

"While the County cannot require a private provider to continue operating, we remain committed to supporting people seeking recovery and are actively working with community partners to address the impacts and continue treatment readiness services. Ensuring that our most vulnerable residents are cared for remains a priority of Dane County."

"Funding levels for all services are under threat and we must focus on programs that perform at a high level, compliant with their contract, and reach the greatest number of people across all communities of Dane County," Dane County Department of Human Services Director, John Schlueter shared. "The refocus towards treatment readiness allows Dane County Human Services to best utilize available funding and stretch dollars further to reach more people across Dane County than we could otherwise serve in detox."

Dane County remains focused on ensuring access to critical services while responsibly stewarding public resources. The County continues to work with hospitals, law enforcement, and community providers to respond to immediate needs and minimize disruption for individuals seeking care.

Timeline of Events

- **2023:** Tellurian ran a program deficit of \$112,811. The county does not pay an organization for expenses outside of their contract, these expenses were the responsibility of Tellurian.
- **2023:** Tellurian closed 6 nights in November and December in violation of our Agreement.
- **2024:** Tellurian program deficit ballooned to \$773,971. The county does not pay an organization for expenses outside of their contract, these expenses were the responsibility of Tellurian.
- **2024:** Detox experienced intermittent closures, due to staffing shortages. Closing for 34 days, total in total, one month short of the contracted amount. Two notable closures: 22 overnights (March, 17 April, 8); holidays (Dec 24 25).
- **2024:** Tellurian continued to receive monthly 1/12th payments in accordance with their contract.
- **2024**, **November 21**: Tellurian signed a contract with the county to provide detox services in 2025.
- **2025**, **February:** Tellurian shared financial issues with the county about their Nov 2024 contract, suggesting that they may not be able to continue providing services without extra funding. The county had been aware of the 2024 the operational challenges at this point, but not the financial concerns.
- **2025**, **Feb June**: County staff discussed sustainable solutions and clarification about escalating costs with Tellurian. Tellurian's proposed solution was significantly less service for the same amount of money.
- **2025, May:** Tellurian and Dane County negotiated a tentative proposal of reduced capacity and reduced costs. The county was reluctant to formally commit to a reduction without audited financials from Tellurian. Tellurian and Dane County agreed to work together to inform law enforcement and area hospitals.
- **2025**, **June:** Tellurian unilaterally reduced capacity at detox and sent a message to hospital system and law enforcement about the change. The county had not been provided financials for an audit to make a proper assessment of their costs.
- **2025**, **July:** Tellurian audit was received by Dane County. The audit showed that Tellurian had changed their staffing model, without consent from the county. The change increased their costs and made it difficult to remain financially viable under the Nov 2024 contract.
- **2025**, **June**: County allowed Tellurian to operate detox at a lower capacity for approximately one month. Preliminary data showed the detox facility was over the new capacity threshold regularly, producing more law enforcement "turn aways". Tellurian, the County Executive and Human Services met to meet the community need by raising the capacity, County Exec instructed Human Services staff to negotiate a middle ground to raise the lower capacity set by Tellurian, but below the contractual capacity.
- **2025**, **July:** Tellurian notified the county that they were purchasing a property at 702 West Main St and that they could potentially sell a few beds to the county. Such a change would increase the costs to Dane County by moving the service from a rent-free facility owned by the County to a building where Tellurian could charge rent to the contract.
- **2025, September 4:** A formal 90-day notice was submitted by Tellurian to Dane County that they would be terminating services.

- **2025**, **October 3**: Human Services releases a new, two-part, RFP to replace the existing detox and treatment readiness programs.
- **2025, November:** County Executive signs 2026 adopted budget that includes an additional \$300,000 with the hopes of extending the current contract with Tellurian for three months into 2026.
- **2025**, **November 19**: Human Services offers an extension of the current contract for the first three months of 2026. Tellurian's reply is requested by close of business 11/25/2025.
- **2025, November 25:** Following an exchange about the proposal, Tellurian responds that they are disappointed in the proposal.
- **2025**, **December 11**: Tellurian emails saying it is prepared to accept the County's proposal for a threemonth extension of our existing contract, weeks after deadline passed and after the offer had previously been declined.
- **2025**, **December 22**: Human Services shares a memo with Tellurian explaining the decision not to extend for three months, with the steps in how the decision was made through negotiations.
- **2025**, **December 22-30**: Dane County staff work with Tellurian to ensure transition for individuals in treatment.