

State Health Reform Assistance Network
Charting the Road to Coverage

A Robert Wood Johnson Foundation program



Meeting Substance Use Needs with Medicaid Expansion

Webinar to Grantmakers In Health
September 7, 2016

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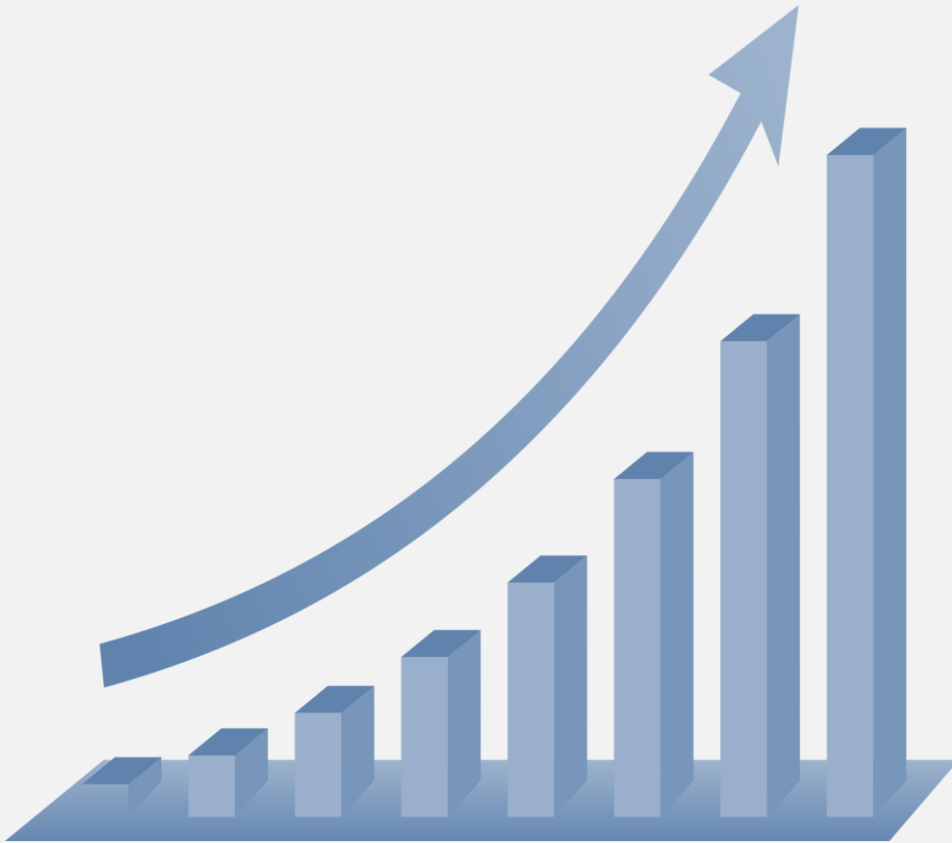
State Health Reform Assistance Network

Charting the Road to Coverage

GIH Medicaid Expansion Webinar Series

- Exploring different aspects of the Medicaid expansion and the potential role of funders
- May 2016: Moving the needle on Medicaid expansion
- August 2016: Meeting substance use needs with Medicaid expansion
- Possible future topics:
 - Impact of Medicaid expansion on county and local governments
 - Impact of Medicaid expansion on hospitals and uncompensated care
 - Alternative expansion models
 - Tracking the impact of the Medicaid expansion through evaluation and data

U.S. Opioid Crisis is Rapidly Worsening



THE FACTS

- As of 2014, 1.9 million Americans had an opioid use disorder
- An additional 19.6 million Americans had a non-opioid substance use disorder (SUD)
- Since 1999, the number of opioid overdoses resulting in death has increased by more than threefold for men and fivefold for women

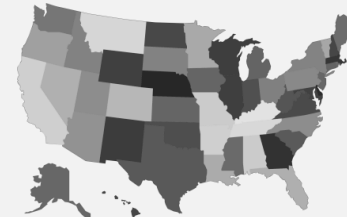
SAMHSA. "Substance Use Disorders." <http://www.samhsa.gov/disorders/substance-use>; SAMHSA, "Mental and Substance Use Disorders." <http://www.samhsa.gov/disorders>.

While Congress Debates, States Can Act



CONGRESS

- In July 2016, the House and Senate passed the Comprehensive Addiction and Recovery Act, which was signed into law by the President.
- The Act **authorized spending of \$905 million** over five years to implement these reforms, **but Congress has not yet appropriated any of this funding.**
- So far, a Senate Appropriations Subcommittee has approved a funding bill that would provide **\$261 million** to fight the opioid epidemic— **23.7% of the \$1.1 billion** requested by President Obama.



STATES

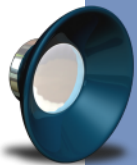
- Medicaid is the largest payer in most states, with total annual spending of nearly \$500 billion nationwide in 2014—including \$47.2 billion for the new adult group
- In 2014, Medicaid spent ~\$60 billion on behavioral health services, including SUD services
- States receive 100% FMAP for expansion adults (decreasing to 95% in 2017); therefore, federal funds pay for **all** SUD services for the expansion population; for previously eligible populations, states receive 50-74.6% FMAP

C. Owens, <https://morningconsult.com/2016/06/07/opioid-bill-include-health-measures-aides-say/>; U.S. Senate Committee on Appropriations, <http://www.appropriations.senate.gov/news/majority/subcommittee-approves-fy2017-labor-hhs-and-education-appropriations-bill>; <http://kff.org/medicaid/issue-brief/medicaid-expansion-spending-and-enrollment-in-context-an-early-look-at-cms-claims-data-for-2014/>; GAO, <http://www.gao.gov/mwg-internal/de5fs23hu73ds/progress?id=0Eg34B33Q-Jdb9-pVEWVJiOoJXRnxf5cWNieB0Qdkd0>; CMS, <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NHE-Fact-Sheet.html>

Medicaid's Imperative to Address the Epidemic



Medicaid is the largest source of coverage and funding for substance use prevention and treatment



Medicaid expansion has amplified Medicaid's role in fighting the epidemic

1.2 million adults with SUD have gained coverage in the 31 expansion states.

At least 1.1 million uninsured adults with SUDs live in states that have not expanded Medicaid.*

*These figures includes the states that had expanded as of November 2015. Since November 2015, Montana and Louisiana have implemented Medicaid expansion.

SAMHSA, http://www.samhsa.gov/data/sites/default/files/report_2073/ShortReport-2073.pdf; Busch et al., <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3672321/>.

Expansion Group May Have Broader SUD Benefits



In expansion states, new adults gain access to comprehensive insurance, including SUD services

- New adults must receive a benefit plan covering the 10 essential health benefits, which include SUD services
- Mental health and SUD services must also be provided in parity with physical health services



For previously eligible adults, SUD coverage is optional

- Some states offer only limited coverage, for example by limiting SUD coverage to pregnant women
- Some states that have expanded are extending the more comprehensive SUD benefits for new adults to these previously eligible populations.

Medicaid Tools to Address the Epidemic



Tailor Medicaid benefits
to bolster SUD prevention and treatment

Implement “Health Homes”
for those with SUD or opioid disorders

Leverage Medicaid’s power in the market
to ensure providers and plans follow best practices

Reform SUD delivery system
to address SUD across physical, behavioral mental dimensions

Tailoring Benefit Design to Bolster SUD Services



Prevention Strategies

- Requiring prior authorization for opioid prescriptions
- Instituting quantity limits for opioid prescriptions
- Strengthening utilization review criteria
- Increasing Medicaid's access to states' Prescription Drug Monitoring Programs



Treatment Strategies

- Promoting use of medication assisted treatment (MAT)
- Adding naloxone to preferred drug lists

**States may amend their Medicaid State Plans to effectuate these changes;
no special approvals are required.**

Implementing Health Homes

The ACA created a State option to implement Health Homes to improve care coordination and care management for targeted high need Medicaid enrollees.

States receive 90% federal match for Health Home coordination services in the first two years of implementation for previously eligible individuals, and 100% federal match (declining to 95% in 2017) for new adults.



Tailoring Health Homes for SUD

States are designing Health Homes targeted to individuals with opioid use disorders and other SUDs.

Program features may include:

- Intensive care management services, including care plan development, patient navigation services, and outreach and enrollment into treatment
- Enhanced provider and workforce education on evidence-based treatment for opioid use disorders

Leveraging Medicaid's Purchasing Power

- Covering case management and home and community based services, targeting the needs of those with SUDs
- Enhancing payment rates for providers meeting best practices in SUD prevention and treatment
- Requiring health plans to contract with certain providers, pay providers more for high-priority services, and provide incentives to plans that meet certain metrics
- Designing special health plans for individuals with serious mental illness and SUD

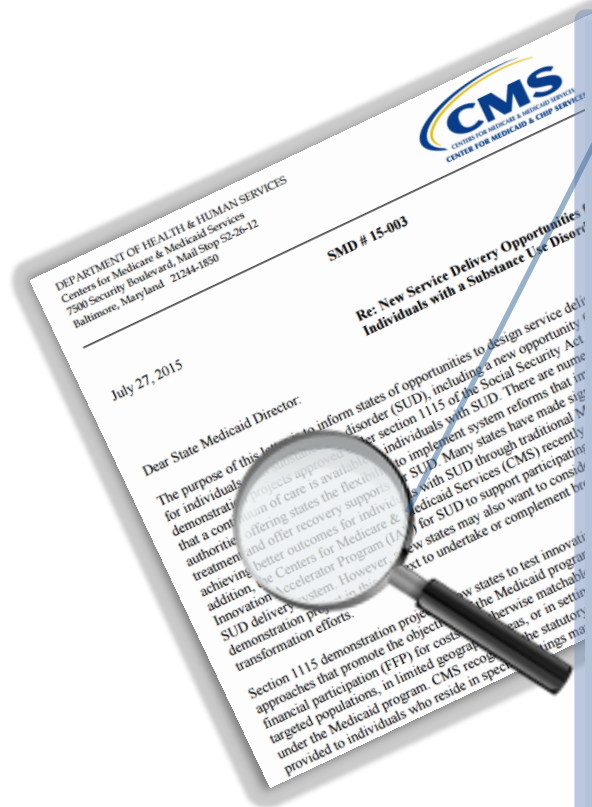
Reforming the SUD Delivery System

CMS is encouraging states to pursue new SUD-focused 1115 waivers to treat SUD across the continuum of care (including across physical, behavioral and mental dimensions)

CMS issued guidance in July 2015 describing these waivers. Waivers must include the following SUD-specific requirements:

- Appropriate Standards of Care
- Strong Network Development Plan
- Care Coordination Design
- Integration of Physical Health and SUD
- Benefit Management
- Strategies to Address Prescription Drug Abuse
- Strategies to Address Opioid Use Disorder

States implementing SUD delivery system transformation may apply for a waiver of the “Institution for Mental Disease (IMD) exclusion” – this would permit states to receive Medicaid match for services delivered in an IMD, which is not otherwise allowable



Demonstration Waiver Strategies

States are pursuing a variety of innovations to transform the way SUD care is delivered



Creating integrated delivery networks of physical health, behavioral health, and social service providers



Strengthening behavioral health workforce capacity



Implementing new clinical programs targeted towards treating beneficiaries with SUDs



Expanding SUD benefits



Increasing access to care management and care coordination services



California

California is implementing the Drug Medi-Cal Organized Delivery System pilot program, which enables counties to provide an enhanced set of evidence-based benefits to Medicaid beneficiaries with SUDs.



New Hampshire

New Hampshire is implementing a five-year \$150 million DSRIP waiver, under which it will create a series of regional integrated delivery networks with a specific focus on improving behavioral healthcare.

Beyond the Opioid Epidemic

Medicaid is positioned to respond to public health crises

9/11 (New York)

Hurricane Katrina (Louisiana)

Lead poisoning (Michigan)

Zika (National)

Thank You!

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RWJF State Network Medicaid Expansion Resources:

www.statenetwork.org/medicaid-expansion-economic-impact/