MEDICAID OPTIONS FOR SUBSTANCE USE DISORDERS

EMILY BLANFORD – PROGRAM PRINCIPAL, NCSL HEALTH PROGRAM

MEDICAID – A KEY FINANCING OPTION

Figure 3: Proportion of Total Spending on Addiction Treatment Services in 2014, by Payer

MEDICAID – A KEY FINANCING OPTION

Figure 1
Insurance Status of Adults with Opioid Addiction

- Private: 40%
- Medicaid: 30%
- Uninsured: 20%
- Other/Unknown: 10%

Total: 2.2 million people

SOURCE: Kaiser Family Foundation analysis of the 2015 National Survey of Drug Use and Health (NSDUH)

MEDICAID – A KEY FINANCING OPTION

Figure 6
Treatment Among Adults with Opioid Addiction

- Residential treatment
  - Medicaid: 10%
  - Uninsured: 25%
- Outpatient treatment
  - Medicaid: 20%
  - Uninsured: 37%

Total: 1.1 million people

SOURCE: Kaiser Family Foundation analysis of the 2015 National Survey of Drug Use and Health (NSDUH)
The Medicaid State Plan is an agreement between a state and the Federal government describing how that state administers its Medicaid program. Changes to the State Plan are called State Plan Amendments (SPAs).

The State Plan provides coverage options for a variety of services for substance use treatment including:
- Medication-Assisted Treatment (MAT)
- Therapy
- Outpatient services
- Institutes for Mental Disease (IMD)
  - New option allowing for reimbursement of services for up to 30 days in an IMD

**HOME AND COMMUNITY BASED SERVICES (HCBS) WAIVERS**

- Authorized under Section 1915(c) of the Social Security Act
- Option for children and women who meet institutional level of care
  - Hospital, Nursing Facility, Intermediate Care Facility
- Allows states to waive certain provisions in order to:
  - Target populations
  - Target geographic areas
  - Place limits on enrollment
OTHER COVERAGE AND DESIGN OPTIONS

- 1915 (i) – similar to HBCS waivers, but acts more like a State Plan option
  - Can serve targeted populations, but cannot set enrollment limits
  - Potential for an enhanced Federal Medical Assistance Percentage (FMAP) rate
- 1915(b) waivers
  - Allow for the use of managed care organizations

1115 WAIVER AUTHORITY

- Option for experimental, pilot, or demonstration projects that are likely to assist in promoting the objectives of the Medicaid program
  - According to the Centers for Medicare & Medicaid Services (CMS), the purpose of these demonstrations is to demonstrate and evaluate state-specific policy approaches to better serving Medicaid populations.
- Like 1915 waivers, allows states to waive certain provisions but has more flexibility
- Key option for offering supportive employment and housing services
- Requires more time to implement than other “traditional” options
MEDICAID INNOVATIVE ACCELERATOR PROGRAM (IAP)

- Launched in 2014 as a joint initiative between the Centers for Medicaid and CHIP Services (CMCS) and Center for Medicare and Medicaid Innovation (CMMI)
- Provides support to states by offering targeted technical assistance, development of tools (e.g. rate setting tools) and provides a forum for states to learn from each other
- Covers 4 program areas
  - Reducing substance use disorders
  - Improving care for individuals with complex care needs and high costs
  - Promoting community integration through long-term services and supports
  - Supporting physical and mental health integration

INTEGRATION OF PHYSICAL AND MENTAL HEALTH

- Behavioral health services have often been “carved-out” from physical health services under Medicaid and more states are working to fully integrate behavioral and physical health as way to reduce costs and unnecessary utilization
- There are many different approaches for integrating mental health and physical health care
  - Includes options like comprehensive managed care, health homes, and accountable care organizations
- According to the Medicaid and CHIP Payment and Access Commission (MACPAC), integrating physical and mental health has been shown to reduce fragmentation of services and promote patient-centered care for adults with depression and anxiety disorders
  - However, current evidence is limited or inconclusive for children and adolescents and for individuals with substance use disorders or serious mental illness
THANK YOU

CONTACT INFORMATION:

EMILY.BLANFORD@NCSL.ORG

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