CENTERS FOR MEDICARE & MEDICAID SERVICES

Medicaid Section 1115 Initiative to Address Opioid and Other Substance Use Disorders

State Medicaid Director Letter # 17-003

"Re: Strategies to Address the Opioid Epidemic"

Kirsten Beronio
Senior Policy Advisor on Behavioral Health Care
Center for Medicaid and CHIP Services

Overview

1. Background and Context for Section 1115 Substance Use Disorder (SUD) Demonstrations
2. Goals and Milestones for 1115 SUD Demonstrations
3. 1115 SUD Demonstration Monitoring and Evaluation Approach

Prevalence of SUD/OUD and Treatment Gap

- Drug overdose deaths have continued to increase over past 15 years driven by opioid abuse
  - Only 1 in 5 people who need treatment for opioid use disorder (OUD) receive it
- Medicaid beneficiaries are at higher risk for substance use disorders (SUD) but also often do not receive treatment:
  - Beneficiaries have higher rates of OUD than general population – comprising 25% of adults with OUD in 2015
  - Only about 1/3rd of Medicaid beneficiaries with OUD received treatment in 2015

Key Components of Treatment for OUD and other SUDs

- Important to ensure access to a continuum of care and certain critical services:
  - Outpatient, Intensive Outpatient, Residential/Inpatient, Medically Supervised Withdrawal Management, and Medication Assisted Treatment
  - Residential treatment - targeted to those with serious co-morbid medical, cognitive, or mental health conditions, pregnant, or homeless
  - Intensive outpatient programs - transitional post-acute care and community-based alternative to residential/inpatient
- Care Coordination
  - Between levels of care and regarding co-morbid conditions
- Medication assisted treatment (MAT)
  - Highly effective for treatment of opioid use disorder

SUD Treatment Delivery System Issues

- Follow-up after inpatient care for acute withdrawal management
  - Follow-up within 14 days has been shown to reduce readmissions, but most beneficiaries do not receive it
  - Leading to risk of overdose
  - 2 of top 10 reasons for Medicaid hospital readmissions are SUD-related
- Lack of providers – small minority of psychiatrists accept Medicaid
  - 40% of U.S. counties did not have a single outpatient SUD treatment provider that accepted Medicaid in 2009
  - Only 23% of treatment facilities offer two forms of MAT
  - 14 states lack facilities accepting Medicaid that offer all three forms of MAT
- MAT is underutilized
  - Among 500,000 episodes of OUD treatment in 2014, less than 25% included MAT
- People with SUDs often have serious co-morbid conditions that are not identified or treated
  - Most spending on individuals with SUDs is on treatment for co-morbid physical conditions
  - Some evidence of reductions in medical costs for beneficiaries receiving SUD treatment

Overarching Goals of Section 1115 SUD Demonstration Initiative

- Increased rates of identification, initiation, and engagement in treatment;
- Increased adherence to and retention in treatment;
- Reductions in overdose deaths, particularly due to opioids;
- Reduced utilization of emergency departments and inpatient hospital settings through improved access to continuum of care;
- Fewer readmissions to the same or higher level of care for OUD and other SUD treatment; and
- Improved care coordination for co-morbid conditions.

Six Milestones for 1115 SUD Demonstrations

- Elements of an SUD service delivery system that will achieve the demonstration goals:
  - Access to critical levels of care;
  - Evidence-based, SUD-specific patient placement;
  - SUD-specific program standards for residential treatment;
  - Sufficient provider capacity at critical levels of care, including medication assisted treatment (MAT);
  - Comprehensive opioid prevention and treatment strategies; and
  - Improved care coordination and care transitions
- Implementation Plan
  - Once approved, federal Medicaid match for services in specialty inpatient and residential treatment settings becomes available

Monitoring and Evaluation: Process

- Implementation Plan – generally due within 90 days after approval
- Monitoring Protocol - due 150 days after approval of the demonstration
- Three quarterly reports and 1 annual report - every year
- Mid-Point Assessment, performed by an independent assessor – between years 2 and 3
- Interim Evaluation - with renewal request or one year prior to the end of the demonstration
- Summative Evaluation - 18 months after the end of the demonstration period

Relevant Quality Measures

- Initiation and Engagement of Alcohol and Other Drug Dependence Treatment (NQF #0004)*
- Follow-up after Discharge from Emergency Department for Mental Health or Alcohol or Other Drug Dependence (NQF #2605)*
- Use of Opioids at High Dosage in Persons Without Cancer (NQF # 2940)*
- Concurrent Use of Opioids and Benzodiazepines (PQA)*
- Continuity of Pharmacotherapy for OUD (NQF #3175)
- Use of Opioids from Multiple Providers in Persons Without Cancer (NQF #2950)

*Denotes measures included in the Medicaid Adult Core Measure Set

Other Data of Interest

- Number of beneficiaries receiving outpatient, intensive outpatient, residential treatment, withdrawal management
- Provider availability – including MAT
- Access to physical health care
- Emergency Department utilization for SUD
- Inpatient Admissions for SUD
- Readmissions for SUD
- Overdose death rates

Questions

For Further Information

- The SUD 1115 SMD Letter is posted here: https://www.medicaid.gov/federal-policy-guidance/downloads/smd17003.pdf
- For more information about the section 1115 SUD opportunity described in the SMD Letter, please email Kirsten.Beronio@cms.hhs.gov