

# Medicaid Must Play a Central Role in Combating Substance Use Disorder

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## KEY TAKEAWAYS

- » Medicaid coverage is essential to providing access to Medication Assisted Treatment (MAT), the gold standard for evidence-based treatment of Substance Use Disorder (SUD)
- » No new allocation of funding specifically for opioid treatment is a substitute for comprehensive coverage offered under Medicaid
- » To effectively combat the opioid epidemic, Congress and the administration should:
  - » Allocate resources sufficient to meet the overwhelming need, with a focus on Medicaid-based resources that are straightforward for states to access
  - » Prioritize Medicaid expansion in all 50 states
  - » Reject barriers to Medicaid coverage, including work requirements, mandatory drug testing, and coverage time limits

*“Thank God we expanded Medicaid because that Medicaid money is helping to rehab people.”*

– Ohio Governor John Kasich<sup>1</sup>

## Substance Use Disorder is a Public Health Crisis

Substance Use Disorder is perhaps the most significant public health emergency facing the United States since the first wave of the AIDS epidemic in the 1980s and 1990s. Indeed, its mortality rates rival those of AIDS at its peak in the 1990s. In 2016, nearly 64,000 Americans – more than 175 per day – died of drug overdoses. Of these, more than 42,000 were attributable to opioids. Last year, the White House Council of Economic Advisors estimated the

economic impact of the opioid epidemic at more than \$500 billion in 2015.<sup>2</sup> The opioid addiction epidemic knows no boundaries. It affects people from across the nation, crossing all socioeconomic backgrounds.

## How States are Currently Leveraging Medicaid to Address SUD

As the largest single source of health insurance and coverage for behavioral health services in the country, Medicaid plays a pivotal role in addressing SUD. Medicaid covers nearly 4 in 10 non-elderly adults in

the country with opioid addiction. But this coverage could go further: at least 17 percent of opioid addicts are uninsured, a rate nearly 50 percent higher than the general population.<sup>3</sup>

State Medicaid programs are effective in providing access to MAT medications. Of the three MAT medications—Buprenorphine, Methadone, and Naltrexone—every state program covers Buprenorphine, and a majority of state Medicaid programs cover all three.<sup>4</sup> Medicaid programs cover a wide variety of behavioral health treatment services, although there is important and problematic variation among states: more than half of states cover detoxification and other inpatient services, and half of states cover care coordination. Access to all of these lifesaving services is substantially curtailed for those who remain uninsured. The percentage of adults with SUDs is about the same among Medicaid-covered and uninsured adults,<sup>5</sup> but Medicaid-covered adults are more than twice as likely to receive outpatient SUD rehabilitation as uninsured adults. Medicaid beneficiaries are three times as likely to receive care at an outpatient mental health center, and more than eight times as likely to receive SUD treatment in an inpatient setting as uninsured adults.<sup>6</sup>

Evidence is clear that the Affordable Care Act's Medicaid expansion has made a difference in access to care for those with SUD. According to the Department of Health and Human Services' assistant secretary for planning and evaluation, "In states that expanded Medicaid under the ACA, the uninsured share of substance use or mental health disorder hospitalizations fell from about 20 percent in the fourth quarter of 2013 to about 5 percent by mid-2015."<sup>7</sup> And Louisiana reported that total opioid prescriptions dropped significantly after the implementation of Medicaid expansion in 2016, as insurance oversight became possible with greater coverage.<sup>8</sup>

## **Congress' Current Efforts are a Positive Step, but Insufficient to Match the Problem**

The House Energy and Commerce Committee, as well as the Senate HELP and Finance Committees, are working in a bipartisan fashion to craft legislation to address the opioid crisis. These efforts are promising and provide a step in the right direction. In particular, several bills before the Energy and Commerce Committee seek to improve access to care for children who are likely to be affected by SUD, including the CHIP Mental Health Parity Act, the Health Insurance for Former Foster Youth Act, and the At Risk Youth Medicaid Protection Act.

However, in combating an epidemic that claims the lives of roughly 175 Americans every day—the equivalent of a fully loaded Boeing 737—the comparatively paltry resources allocated under these draft bills are woefully inadequate.

Policymakers have, in many cases, focused on allocation of discrete funding to combat the opioid epidemic. The funding is welcome: it is needed to treat people who still do not have access to Medicaid or other coverage, and also to increase provider capacity and evidence-based treatment. But siloed funding for substance abuse treatment is not a substitute for the comprehensive coverage and care coordination offered by Medicaid coverage. The Substance Abuse and Mental Health Services Administration defines MAT as "the use of medications, in combination with counseling and behavioral therapies, to provide a 'whole-patient' approach to the treatment of substance use disorders."<sup>9</sup> Used effectively, MAT "provides a more comprehensive, individually tailored program of medication and behavioral therapy. MAT also includes support services that address the needs of most patients." This set of services can only be delivered successfully if a patient has access to stable health care coverage such as Medicaid.

While Congress appears genuinely interested in addressing the opioid crisis, some federal and state policymakers have advanced Medicaid policies that would place significant barriers to Medicaid coverage that would disproportionately affect those suffering from SUD. In particular, work requirements, mandatory drug testing, and time limitations for Medicaid coverage—all of which are under consideration for current and future Medicaid waivers—would place counterproductive barriers to coverage and access for people addicted to opioids and other substances. These barriers could drive people away from seeking treatment, making substance use epidemics worse. Rather than connecting individuals with treatment, drug testing especially would deter individuals who are wary of the invasive process and fearful of legal repercussions from the state.

## Recommendations for Congress and the Administration

- » Policymakers must recognize that tweaks to existing health care systems, while commendable, are insufficient to fully address the most significant public health crisis of this generation. To truly make an impact on the opioid crisis, Congress must allocate significant new funding.
- » Medicaid coverage is the most important tool available to policymakers to combat the opioid crisis. Congress and the administration should prioritize and support Medicaid expansion in all 50 states and maximize the use of Medicaid as the vehicle for getting new SUD resources to states.
- » Congress and the administration should reject barriers to Medicaid coverage that would significantly limit access for those suffering from SUD. These barriers include Medicaid work requirements, mandatory drug testing, and time limits for Medicaid coverage.

### Endnotes

<sup>1</sup>Jo Ingles, Gov. *Kasich Credits Medicaid Expansion For Helping Ohio Fight Drug Abuse Problem* (Statehouse News Bureau, January 4, 2017). Available online at <http://statenews.org/post/gov-kasich-credits-medicaid-expansion-helping-ohio-fight-drug-abuse-problem>.

<sup>2</sup>The White House Council of Economic Advisors, *The Underestimated Cost of the Opioid Crisis* (Washington, DC: The White House Council of Economic Advisors, November 2017). Available online at <https://www.whitehouse.gov/sites/whitehouse.gov/files/images/The%20Underestimated%20Cost%20of%20the%20Opioid%20Crisis.pdf>.

<sup>3</sup>Kaiser Family Foundation, *Medicaid's Role in Addressing the Opioid Epidemic* (Washington, DC: Kaiser Family Foundation, February 27, 2018). Available online at <https://www.kff.org/infographic/medicaids-role-in-addressing-opioid-epidemic/>.

<sup>4</sup>Ibid.

<sup>5</sup>Substance Abuse and Mental Health Services Administration (SAMHSA), *Results from the 2016 National Survey on Drug Use and Health: Detailed Tables* (Rockville, MD: SAMHSA, September 7, 2017). Available online at <https://www.samhsa.gov/data/sites/default/>

<files/NSDUJH-DetTabs-2016/NSDUJH-DetTabs-2016.pdf>.

<sup>6</sup>Kaiser Family Foundation, *Medicaid's Role in Addressing the Opioid Epidemic*.

<sup>7</sup>Department of Health and Human Services, *Continuing Progress on the Opioid Epidemic: The Role of the Affordable Care Act* (Washington, DC: January 11, 2017). Available online at <https://aspe.hhs.gov/system/files/pdf/255456/ACAOpoid.pdf>, page 1.

<sup>8</sup>Office of the Governor, State of Louisiana, *Fewer Opioids Prescribed Since Medicaid Expansion Started* (Baton Rouge, LA: Office of the Governor, State of Louisiana, November 10, 2017). Available online at <http://gov.louisiana.gov/index.cfm/communication/viewcampaign/1186?&uid=g%3CkjmXipnd&nowrap=1>.

<sup>9</sup>SAMHSA, *Medication and Counseling Treatment* (Rockville, MD: SAMHSA, September 28, 2015). Available online at <https://www.samhsa.gov/medication-assisted-treatment/treatment#medications-used-in-mat>.