Healthcare Reform, and Substance Use Disorder (SUD) Treatment

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Disclosures –

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Disclaimer: National Perspective
Let’s look at....

How Parity and Healthcare reform will affect substance abuse treatment in our country and how can treatment providers respond to the new demands of the field?
2 Major Federal Activities Impacting Substance Use Disorder Treatment:

- The Parity Act (MHPEA)
- Federal Healthcare Reform (ACA)
The Parity Act

The Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act (MHPEA)

Signed into law September 23, 2008
Effective January 1, 2010
What is “Parity” anyway?

Insurance plans offering mental health and substance abuse treatment can no longer offer coverage that differs in dose, frequency or quantity from coverage for physical health services such as diabetes or cancer.
But...

Notice the wording – “insurance plans offering mental health and substance abuse treatment.”

The Parity Act doesn’t require that insurance plans include coverage for Substance Abuse and Mental Health treatment.
Healthcare Reform, passed in 2010, mandates the inclusion of substance use treatment as one of the TEN Essential Benefits:

It must be included by all companies offering health insurance.
Essential Health Benefits (EHB’s)

1. Emergency services
2. Hospitalization
3. Outpatient Care
4. Maternity and newborn care
5. Mental health and substance use disorder services
6. Prescription drugs
7. Rehabilitative services and devices (skilled rehab)
8. Laboratory services
9. Pediatric services
10. Preventive/Wellness services (disease mgt)
Healthcare Reform

The Patient Protection and Affordable Care Act
(P-PACA, ACA, Obamacare)

Signed into law by the President
March 23, 2010

Full Implementation will occur by 2014

Or not…
Healthcare Reform

It could just go away, couldn’t it?

Let me show you why....
It won’t just go away

Healthcare 24%

Social Security 21%

Defense 19%

Poverty Assist. 17%
Think you know....

The GOAL of Healthcare Reform?
Healthcare Reform – implemented first

...insurers cannot discontinue insurance once you get sick

...insurers cannot deny coverage for “pre-existing” conditions

...insurers must allows parents to keep kids on their insurance till age 26
Healthcare Reform (ACA)

Two ways Healthcare Reform will make insurance available to more Americans:

1. Expansion of Medicaid
2. Insurance Exchanges
In total, the CBO (Congressional Budget Office) estimates that the ACA will cover 27 million previously uninsured individuals. 12 million more in Medicaid expansion and 15 million in marketplace insurance plans.
Prior to ACA, Medicaid generally wasn’t available to healthy males or singles without children. And – the person/household had to show income below the federal poverty level.

The Federal Poverty Level?
- $11,490 for an Individual
- $23,550 for a Family of 4
1. Expansion of Medicaid

...allows States to expand Medicaid to all Americans @ **138%** of FPL (Federal Poverty Level) beginning in 2014

The Federal Poverty Level?
Individual goes from $11,490 to $15,856
Family of 4 goes from $23,550 to $32,499

However, in 2012, the Supreme Court rendered the expansion **optional** and not all states will participate.
Medicaid Expansion by State

Where the States Stand on Medicaid Expansion
26 states, DC, Expanding Medicaid—May 22, 2014

Notes: Based on literature review as of 5/22/14. All policies subject to change without notice.
HHS has announced that states can obtain a waiver to use federal funds to shift Medicaid-eligible residents into private health plans. The District of Columbia plans to participate in Medicaid expansion and will operate its own exchange.
Under the health care law, the federal government will pay 100% of the costs of covering people newly eligible for Medicaid from 2014 through 2016, ...after 2016, the federal share will diminish until it reaches 90 percent in 2022 and future years.

That compares to an average 60 percent of costs the federal government pays states to cover current Medicaid beneficiaries.
Belief it "expands Medicaid to unsustainable levels." (Tom Corbett, PA)

Covering the additional 10% after 2022: “10 percent is still real money, and state costs could escalate as time goes by”

Belief feds will not hold to promise to cover 90% in future years.
How many have enrolled?

Washington Post, Feb 13, 2014

Six Million new Medicaid enrollees Oct- Dec 2013, (since enrollment available, but..)
2. Insurance Exchanges
2. Insurance Exchanges

Beginning on October 1, 2013, individuals, families, and small businesses were able to purchase private health insurance through competitive marketplaces called Exchanges, now also known as Health Insurance Marketplaces.

There are significant variations in state exchanges
Health Insurance Marketplaces?

Think of Flo

http://kff.org/health-reform/video/health-reform-hits-main-street/
http://kff.org/health-reform/video/youtoons-obamacare-video/
# Types of Plans and % Coverage

<table>
<thead>
<tr>
<th>Plan</th>
<th>Percentage Coverage of the Total Average Costs of Care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catastrophic</td>
<td>&lt;60%</td>
</tr>
<tr>
<td>Bronze</td>
<td>60%</td>
</tr>
<tr>
<td>Silver</td>
<td>70%</td>
</tr>
<tr>
<td>Gold</td>
<td>80%</td>
</tr>
<tr>
<td>Platinum</td>
<td>90%</td>
</tr>
</tbody>
</table>
Who Qualifies for Lower Costs?

Beginning 2014 (?) sliding scale for up to 400% of FPL

<table>
<thead>
<tr>
<th>Number of people in your household</th>
<th>Income range to qualify for lower costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$11,490 to $45,960</td>
</tr>
<tr>
<td>2</td>
<td>$15,510 to $62,040</td>
</tr>
<tr>
<td>3</td>
<td>$19,530 to $78,120</td>
</tr>
<tr>
<td>4</td>
<td>$23,550 to $94,200</td>
</tr>
</tbody>
</table>
The only price bands permitted for insurance coverage will be:

1. Age
2. Tobacco use
3. Geography,

and those bands will be restricted.
<table>
<thead>
<tr>
<th>Plan</th>
<th>Philly Over 50</th>
<th>Philly Under 50</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aetna Basic HMO</td>
<td>$291</td>
<td>$171</td>
</tr>
<tr>
<td>Aetna Basic PPO</td>
<td>$297</td>
<td>$174</td>
</tr>
<tr>
<td>Personal Choice, Independence</td>
<td>$314</td>
<td>$184</td>
</tr>
<tr>
<td>Blue Cross PPO</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plan</td>
<td>Philly Over 50</td>
<td>Philly Under 50</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>----------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Keystone HMO, Independence Blue Cross</td>
<td>$556</td>
<td>$326</td>
</tr>
<tr>
<td>Personal Choice, Independence Blue Cross PPO</td>
<td>$608</td>
<td>$357</td>
</tr>
</tbody>
</table>
April 2, 2014

President Obama on Tuesday announced that at least 7.1 million people had signed up for coverage through the Affordable Care Act's (ACA) federal and state insurance exchanges.

http://www.advisory.com/Daily-Briefing/2014/04/02/Early-numbers-are-in-At-least-7M-have-signed-up-for-Obamacare
It is estimated that 20-40% of substance abuse treatment programs will not be ready for healthcare reform.

Why such an impact specifically on substance abuse treatment in America?
Historical factors that impact the SUD treatment field:

1. Who do we treat?

2. Reliance on The Block Grant
Who do we Treat?

- Low Level Use
  - In treatment: ~2,300,000

- Abuse/Dependent
  - ~23,000,000

- Harmful Users
  - 40,000,000

Little or No Use
Question 1:
What about the 20,700,000 who didn’t get care?
23,000,000 met criteria for substance abuse or dependence...
2,300,000 received treatment...
20,700,000 wanted it & turned away?
800,000 # who say they tried to get treatment and could not.
19,900,000 Didn’t try to get treatment...
Most People in Need of Addiction Treatment Do Not Receive It

Penetration Rate (% with Disorder who receive Treatment)

- Substance Use Disorders: 10%
- Hypertension: 77%
- Diabetes: 73%
- Major Depression: 71%
We owe it to ourselves, our clients and the field to do better
Question 2:
What about those

60,000,000 Harmful Users

1. How do they effect Healthcare?
2. How do they effect our neighborhoods?
3. What are their costs?
4. What are we doing about them?

HINT: THEY PLAY PROMINENTLY IN HCR
The Federal Block Grant

Treatment in “Specialty Care” Programs

Not held to same standards as “healthcare”
Reliance on the Block Grant

Community-based substance abuse treatment providers don’t deliver care, document services, bill, or get paid like other healthcare providers.
## Payments Accepted (2011 data)

<table>
<thead>
<tr>
<th>Accepts</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare</td>
<td>66%</td>
<td>34%</td>
</tr>
<tr>
<td>Medicaid</td>
<td>58%</td>
<td>42%</td>
</tr>
<tr>
<td>Health Insurance</td>
<td>65%</td>
<td>35%</td>
</tr>
<tr>
<td>Cash (Really?)</td>
<td>91%</td>
<td>9%</td>
</tr>
</tbody>
</table>

*2011 N-SSATS Data (N=13,720)*
Opinion

In the next few years – it is highly likely states will receive reduced funding from the Block Grant due to coverage provided by ACA. States will want to move payment from block grant to Medicaid and insurance dollars. Federal forces will continue to push to reduce the 1.6 Billion Block Grant Funds.
Federal forces will continue to push to reduce the 1.6 Billion Block Grant Funds.

After all – there’s no CANCER block Grant, right?
Wow Deni –

That’s amazing!
What should the field do?
(My best guess...)

T0P 6 Activities to Thrive in HCR

1. Deliver effective/Evidence-Based practices
2. By educated, credentialed staff
3. Document and bill insurances and Medicaid like other healthcare providers
4. Partner with other types of providers
5. Integrated Electronic Health Record Systems
6. Develop additional, engaging, new types of interventions.
1. Evidence-Based Practices?
Evidence-Based?

How do we know which treatments work?

Hint – We don’t get to call something Evidence-Based because we think it works, people like it or everyone emotes...
The FDA approves a treatment if:

2 Randomized Clinical Trials,
Usually by Separate investigators
Placebo Control or, in our case – TAU Comparison

Do any substance abuse treatments meet these standards?

SURE...
Evidence-Based Treatments in SA?

Medications for use in Addiction

Alcohol: Disulfiram, Naltrexone, Acamprosate

Opiates: Naltrexone, Methadone, Buprenorphine

Cocaine: Disulfiram, Topiramate, Vaccine (soon).
But what about non-pharmacologic treatment?

Sure...
Therapies

- Cognitive Behavioral Therapy
- Motivational Enhancement Therapy
- Behavioral Couples Therapy
- Multi Systemic Family Therapy
- 12-Step Facilitation
- Individual Drug Counseling
- Dialectical Behavior Therapy
What about EBP Registries?

NREPP
CJS Registries
State Registries
Insurance Registries
What to Look for in SUD Treatment:

1. Do they use Evidence-Based practices?
2. Do they have educated, credentialed staff?
3. Will they partner with you on goals and discharge planning?
4. Do they measure and report on their performance?
5. Are they accredited: JCAHO, CARF?
6. Do they have a Continuum of Care?
5. Use of integrated Electronic Health Record Systems

Fully executed
Electronic Health Record System
Fully Executed Electronic Records

1. Clinical Data Collection
2. Billing
3. Interoperability/EDI’s
4. Reports (Client, Counselor, Referral sources)
5. Management by Performance – Decisions based on data
6. Performance Measurement System
7. Quality Assurance – Reports to regions
Remember the AA line

“All you have to do is: Don’t drink and come to meetings.”
Remember the AA line

And remember the day they told you it’s really:

“Don’t drink, come to meetings and change your whole life”
Transitioning to Electronic Health Records is just like that.
6. Develop additional engaging, effective Substance Abuse Treatment

Increase delivery of new types of services:

Mobile services
Services in schools
Services in medical settings
Increasing use of SA medications
Creating protocols for safe effective management of drug-related offenders in community settings
Facility - Based (Bricks & Morter)
To Delivering Services Here:

- Facility-Based (Bricks & Mortar)
- With ACO’s
- School Based – Home Based
- In Medical Healthcare Settings
- Online Or Web – Based
Provide Services for those here:

- Treating only the most acutely impaired clients
- Low Level Use
- Little or No Use
& Add Services for those Here:

Add treatment options for less severe clients

Low Level Use

Little or No Use
Four “Take-Home’s”

1. “Addiction” treatment will evolve into more comprehensive “Substance Use Disorder Care” and be integrated into healthcare - Partnerships and collaborations will be critical
Four “Take-Home’s”

2. Our Work Impacts:
   the general healthcare field,
   the criminal justice system,
   the foster care system,
   employers, insurers,
   our clients and their families,
   and our neighborhoods.

When someone with a SUD makes progress toward recovery or maintains stable recovery, everyone wins.
3. Now more than ever, our field needs to rise to the challenges and opportunities facing us, to demonstrate our contributions and to show our value.
4. We owe it to ourselves, our clients and the field to keep improving our care delivery and to help others to do the same. So in every town and every program, one more person can get into recovery...
Four “Take-Home’s”

...And live the life of their dreams!
Thank You!