



# **Connecticut Substance Use Disorder (SUD) 1115 Medicaid Demonstration Waiver**

Behavioral Health Partnership Oversight Council: June 9, 2021

Medical Assistance Program Oversight Council: June 11, 2021

Appropriations and Human Services Hearing: June 11, 2021



- Waiver Overview
- Goals of the Waiver
- Waiver Milestones
- Federal Budget Neutrality
- Evaluation Requirements
- Public and Provider Input
- Procedural Steps



The state agency partners of the Behavioral Health Partnership [the Departments of Social Services (DSS), Mental Health and Addiction Services (DMHAS), and Children and Families (DCF)], together with the Judicial Branch Court Support Services Division (CSSD) and the Department of Correction (DOC) are seeking approval of the committees of cognizance (Appropriations and Human Services Committees) to submit a Medicaid substance use disorder demonstration waiver under section 1115 of the Social Security Act (SUD demo waiver) to the U.S. Centers for Medicare and Medicaid Services (CMS).



## The SUD demo waiver:

- reflects federal intent to help states in addressing the opioid crisis
- is a systems transformation project that will improve services and outcomes for adolescent and adult Medicaid and CHIP members with SUD
- will support enhanced practice standards for providers
- will allow the state to receive new federal reimbursement for services provided in residential SUD treatment settings that have historically been entirely state funded and only open to HUSKY D members
- will enable reinvestment in provider rates



The SUD demo waiver has been developed through active collaboration and shared expertise of the following state agencies, each of which are currently responsible for paying for SUD residential treatment services:

- Department of Social Services
- Department of Mental Health and Addiction Services
- Department of Children and Families
- Judicial Branch Court Support Services Division
- Department of Correction



- Expansion of access to SUD residential treatment for all Medicaid and CHIP coverage groups
- Improvement in outcomes for adolescents and adults with substance use disorders
- Reduction in rates of readmission to acute levels of care
- Improvement in coordination/linkages between levels of care
- Reduction in overdose deaths
- Improvement of clinical treatment services through compliance with the most current edition of the American Society of Addiction Medicine (ASAM 3<sup>rd</sup> Edition) provider standards and increases in provider rates to enable adoption of those standards



There are six federally required milestones of the SUD Demo Waiver:

1. Access to Critical Levels of Care for SUD
2. Use of ASAM Placement Criteria
3. Use of ASAM Program Standards for Residential Provider Qualification (Provider Credentialing)
4. Provider Capacity of SUD Treatment including Medication Assisted Treatment (MAT)
5. Implementation of Opioid Use Disorder (OUD) Comprehensive Treatment and Prevention Strategies
6. Improve Care Coordination and Transitions between Levels of Care



The waiver is required to be budget neutral to the federal government on a per member per month (per capita) basis by Medicaid eligibility group over the five-year period of the waiver.

This means that, with limited exceptions, spending under the program cannot exceed expected Medicaid spending absent the demonstration.

**Without  
Waiver  $\geq$  With  
Waiver**





## These are the exceptions:

- Current SUD spending is compared to future SUD spending, as if the state already has the waiver in place
- CMS allows states to treat costs for residents in an IMD as if those costs were allowable under Medicaid (hypothetical costs)
- SUD residential treatment costs, which are now state funded, may be counted as hypothetical Medicaid costs for the purposes of budget neutrality
- Annual growth rate in population and cost trends are negotiated with CMS for the life of the five-year waiver



SUD 1115 Demonstration Waivers require formal evaluation of metrics including, but not limited to:

- Reduction in emergency department utilization
- Reduction in inpatient hospital utilization
- Improvement in rates of initiation and engagement of alcohol and other drug use treatment
- Improvement in access for youth through early intervention and SUD treatment in ambulatory settings
- Increased access to Medication Assisted Treatment (MAT)
- Reduction in overdose deaths
- Improved discharge planning and continuity of care



- DSS has held two public hearings on the waiver on February 10 and February 18, 2021
- Comments received during these hearings, and DSS responses, are included in the materials that were provided to the legislative committees of cognizance
- The state agencies have held extensive meetings with providers to review draft standards and rates and will continue these throughout the summer
- Feedback was also solicited through these groups:
  - Behavioral Health Child and Family Advisory Council
  - Children's Behavioral Health Advisory Council
  - Alcohol and Drug Policy Council and Recovery and Treatment sub-committees



- State law in section 17b-8 of the Connecticut General Statutes requires DSS to submit the Medicaid waiver to the committees of cognizance for approval before submitting to CMS
- Following review and approval of the committees of cognizance, DSS will formally submit the waiver & implementation plan, as well as a State Plan Amendment to CMS. In general, CMS will review the waiver & implementation Plan over a 120-day period and has a 90-day initial period to review the State Plan Amendment
- The state agency partners will continue to meet with providers regarding standards and rates
- Services will be implemented once CMS approval is received



# Questions?