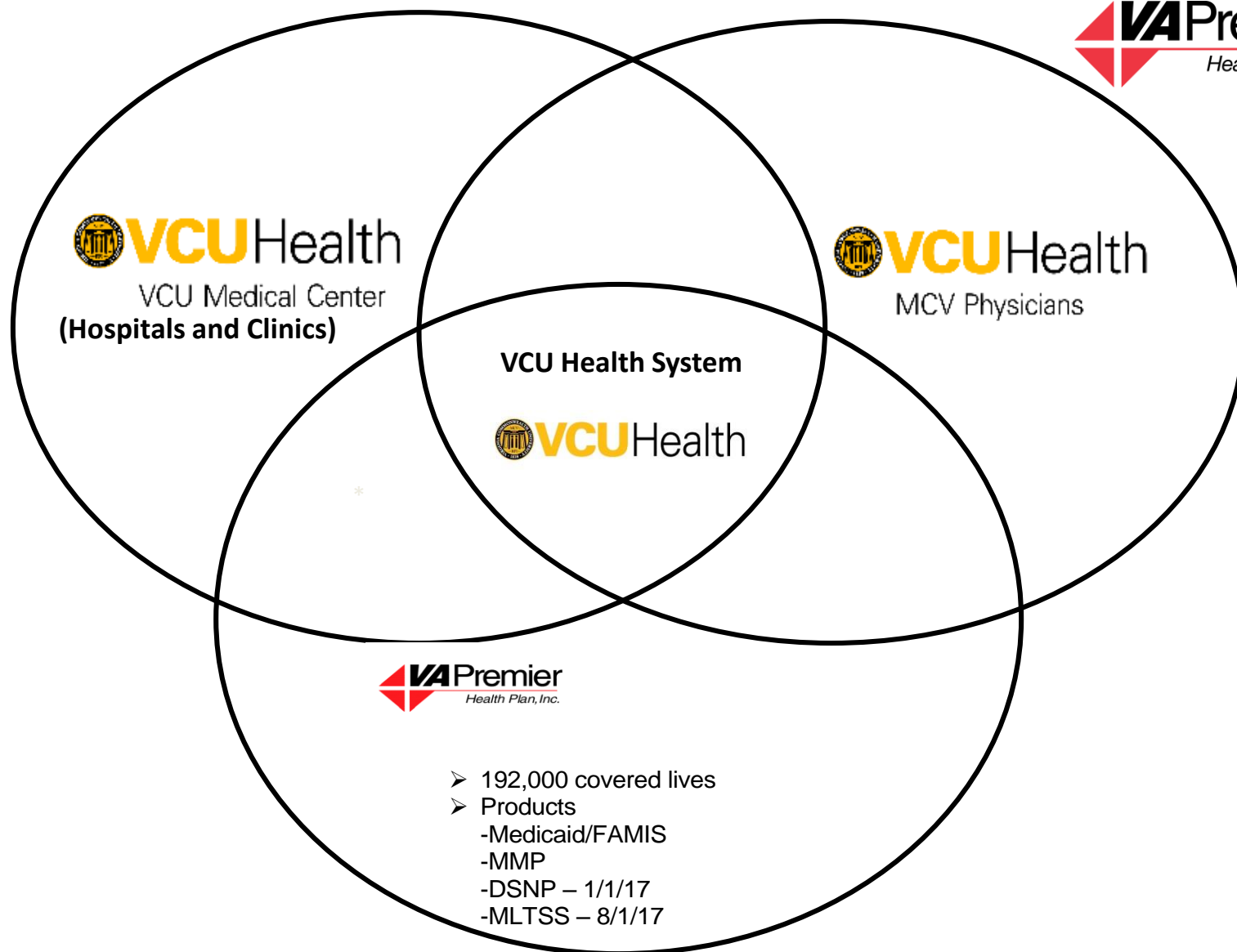


“Addressing Substance Abuse Disorder Through Transformation of the Behavioral Health System”

Linda Hines
June 29, 2017



Key Virginia Opioid Statistics



- Of the 986 deaths from drug overdoses in Virginia in 2014, 80% involved prescription opioids or heroin
- More Virginians die each year from drug overdoses than motor vehicle accidents
- Opioid prescriptions cost Medicaid \$26 million annually
- \$28 million spent on ER and inpatient hospital treatment for Medicaid members with substance use disorders per year

The Opioid Crisis Among Virginia Medicaid Beneficiaries
Prepared for the Senate of Virginia, January 2016

Opioid Crisis – Virginia Medicaid Beneficiaries

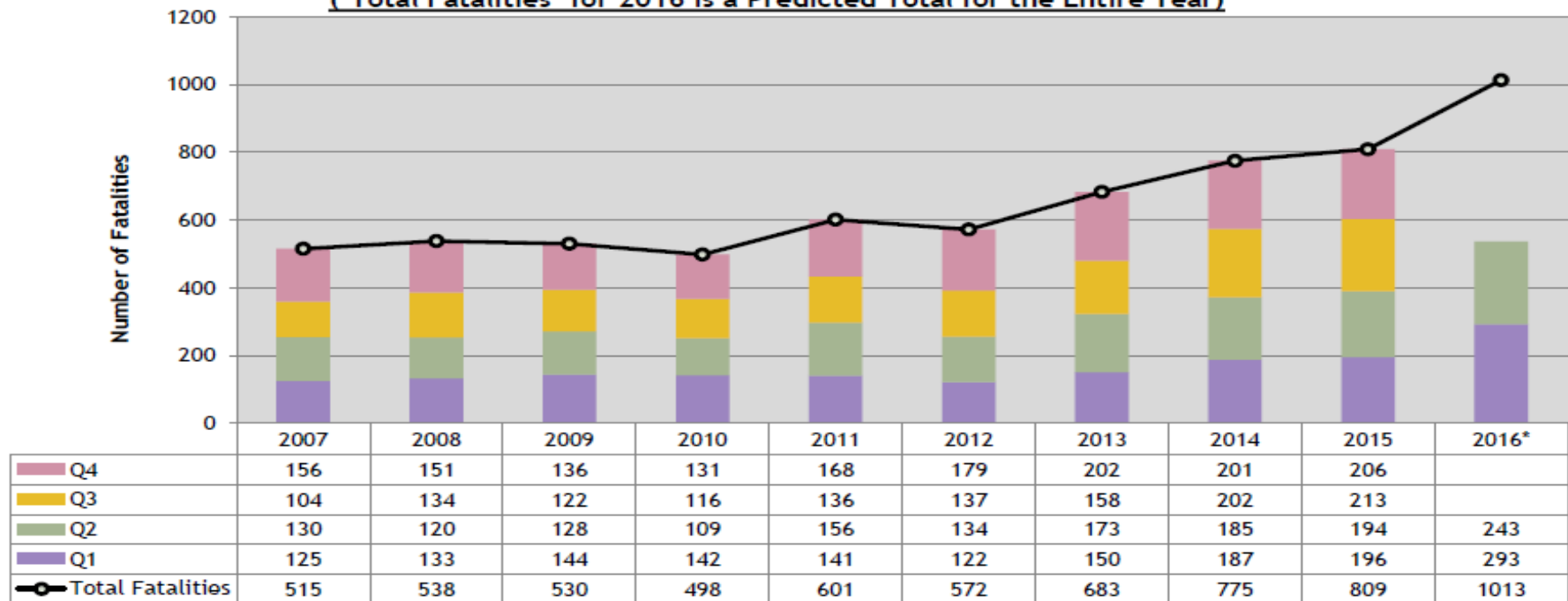


- At least 2 Virginians die from prescription opioid and heroin overdoses every day
- VDH reported a 38% increase in deaths between 2012 and 2014
- At least 40,000 adults in Virginia's Medicaid program have a substance abuse disorder
- Over 50% with a serious mental illness have a substance use disorder

The Growing Epidemic

From 2007-2015, opioids (fentanyl, heroin, and/or one or more prescription opioids) made up approximately 75% of all fatal drug overdoses annually in Virginia. However, this percentage is increasing each year due to the significant increase in fatal fentanyl and/or heroin overdoses beginning in late 2013 and early 2014. Of the fatal opioid overdoses from 2007-2015, 26.8% had one or more benzodiazepines contributing to death.

Total Number of Fatal Opioid Overdoses by Quarter and Year of Death, 2007-2016
(‘Total Fatalities’ for 2016 is a Predicted Total for the Entire Year)



¹ 'All Opioids' include all versions of fentanyl, heroin, prescription opioids, and opioids unspecified

² 'Opioids Unspecified' are a small category of deaths in which the determination of heroin and/or one or more prescription opioids cannot be made due to specific circumstances of the death. Most commonly, these circumstances are a result of death several days after an overdose, in which the OCME cannot test for toxicology because the substances have been metabolized out of the decedent's system.

³ Fatal opioid numbers have changed slightly from past reports due to the removal of fentanyl from the category of prescription opioids, as well as the addition of buprenorphine, levorphanol, meperidine, pentazocine, propoxyphene, and tapentadol added to the list of prescription opioids.

Need for Delivery System Transformation

Incomplete Care Continuum

Limited Coverage

- Residential treatment not covered for non-pregnant adults. Utilizing more expensive inpatient detox. Pregnant women lose eligibility and coverage for treatment 60 days after delivery.
- Fragmented System: Substance use disorder treatment is separated from mental and physical health services

Lack of Providers

- Rates for substance use disorder treatment have not been increased since 2007
- Providers not getting reimbursed for the actual cost of providing care.
- System severely limits number of providers willing to provide services to Medicaid members.
- Providers also struggle to understand who to bill for services. Consumers do not

Limited Access to Services

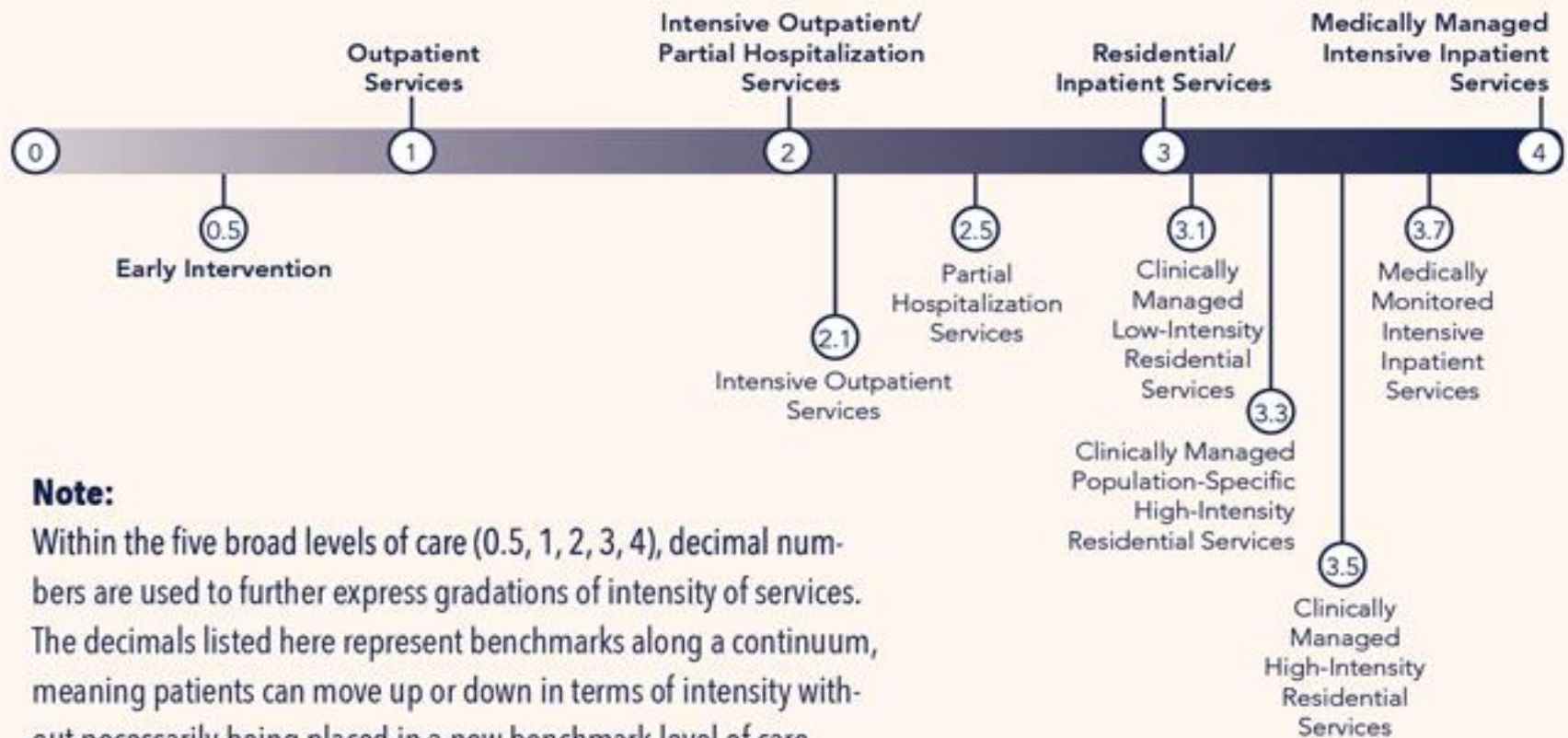
Medicaid 1115 Demonstration Waiver



- Medicaid 1115 Demonstration waiver was approved by CMS
 - Allows federal matching Medicaid dollars for services provided in an IMD, which is currently prohibited for mental health or SUD treatment delivered in facilities with >16 beds
 - Medicaid reimbursement for services provided in residential treatment facilities >16 beds
- Waiver does not change who is eligible for treatment services
- Waiver requires Medicaid health plans and providers to use American Society of Addiction Medicine (ASAM) criteria in all substance use assessment and treatment services

ASAM Levels of Care

REFLECTING A CONTINUUM OF CARE



Note:

Within the five broad levels of care (0.5, 1, 2, 3, 4), decimal numbers are used to further express gradations of intensity of services. The decimals listed here represent benchmarks along a continuum, meaning patients can move up or down in terms of intensity without necessarily being placed in a new benchmark level of care.

Addiction Recovery Treatment Services (ARTS) Benefits



SUD Benefit Transformation



1

Expand short-term SUD inpatient detox to all Medicaid /FAMIS members

2

Expand short-term SUD residential treatment to all Medicaid members

3

Increase rates for existing Medicaid/FAMIS SUD treatment services

4

Add Peer Support services for individuals with SUD and/or mental health conditions

5

Require SUD Care Coordinators at DMAS contracted Managed Care Plans

6

Provide Provider Education, Training, and Recruitment Activities



Linda Hines, CEO
linda.hines@vapremier.com
(804) 819-5163