MACPAC | Medicaid and CHIP Payment and Access Commission

FOR IMMEDIATE RELEASE
June 15, 2017

CONTACT: **Kathryn Ceja** • 202-350-2033
kathryn.ceja@macpac.gov

MACPAC Highlights Important Role of Medicaid in Responding to the Opioid Epidemic

June 2017 report to Congress details state solutions for care delivery, availability of treatment, and reducing opioid misuse

Washington, DC—State Medicaid programs are responding to the nationwide opioid crisis by covering treatment, innovating in the delivery of care, and working with other state agencies to reduce misuse of prescription opioids, according to the Medicaid and CHIP Payment and Access Commission (MACPAC). The findings are part of Chapter 2 of MACPAC's June 2017 *Report to Congress on Medicaid and CHIP*.

Chapter 2 is one of three chapters in MACPAC's June report focusing on how Medicaid is evolving to keep pace with a changing health care system. Chapter 1 takes an in-depth look at Medicaid coverage and spending for optional eligibility groups and benefits. Chapter 3 assesses federal and state activities to ensure program integrity in Medicaid managed care, now the dominant delivery system in Medicaid.

"The opioid crisis is exacting a terrible toll on families and communities across the nation. State Medicaid programs are combatting the epidemic on a number of fronts, including improving access to treatment, but clearly, more must be done to address these wide-ranging challenges," said MACPAC Chair Penny Thompson. She said that MACPAC will continue its work in this area.

Nationally, Medicaid beneficiaries are disproportionately affected by the opioid epidemic. They are prescribed pain relievers at higher rates than those with other sources of insurance, and have a higher risk of overdose from prescription opioids, heroin, and fentanyl. But they are also more likely to receive treatment. Adults with Medicaid coverage are about three times more likely to have received substance use disorder treatment as inpatients, and almost twice as likely as privately insured adults to have received outpatient treatment.

In addition to covering medication-assisted treatment—the recommended treatment under current evidence-based guidelines—states are working to reduce overprescribing and misuse of opioids. The report highlights how states such as Vermont, Virginia, Ohio, and Texas are making innovative use of Medicaid legal authorities to expand treatment and integrate physical health and substance use disorder delivery systems. Yet because many Medicaid addiction services are optional, states vary considerably in the services they cover and many Medicaid enrollees are still not receiving treatment.

Chapter 1 responds to a request from the chairmen of the U.S. Senate Committee on Finance, the House Energy and Commerce Committee, and the Energy and Commerce subcommittees on Health and Oversight and Investigations for an in-depth look at Medicaid coverage of optional eligibility groups and benefits and the resources associated with them. MACPAC finds that in fiscal year 2013—the most recent year for which data are available—almost half of Medicaid benefit spending was on mandatory populations receiving mandatory services; less than one-third of enrollees across the country were eligible on an optional basis and less than one-third of spending was on services for them.

Chapter 1 describes state decisions to cover optional eligibility pathways and benefits within available parameters and the variation across states in the populations and services they cover. The report notes, however, mandatory and optional designations are not synonymous with necessary or unnecessary, or important or less important. For example, the largest share of optional Medicaid spending is for long-term services and supports—services that other payers (including Medicare) rarely cover—pointing to Medicaid's singular role in covering adults with physical and intellectual disabilities, people with severe mental illness and addictions, children with special health care needs, and frail elderly.

Chapter 3 examines program integrity activities in Medicaid managed care drawn from interviews with states, managed care organizations, relevant agencies within the U.S. Department of Health and Human Services, and other federal and state experts. Comprehensive managed care is the primary Medicaid delivery system in 29 states, accounting for about 60 percent of beneficiaries and nearly half of federal and state spending on Medicaid.

New regulations issued by the Centers for Medicare & Medicaid Services (CMS) in 2016 create a new framework for addressing the program integrity risks specific to managed care. Because CMS is still in the process of implementing major portions of the rule, it is too early to assess the rule's full effect. MACPAC's analysis found states and plans generally supportive of the provisions affecting program integrity but continue to seek more guidance, and are interested in learning more about practices that provide return on investment; state Medicaid personnel indicated that additional guidance, training, and tools to support information sharing could strengthen their managed care program integrity efforts.

Download the June 2017 Report to Congress on Medicaid and CHIP and each of its chapters—Mandatory and Optional Enrollees and Services in Medicaid, Medicaid and the Opioid Epidemic, and Program Integrity in Medicaid Managed Care—at macpac.gov.

###

ABOUT MACPAC

The Medicaid and CHIP Payment and Access Commission is a non-partisan legislative branch agency that provides policy and data analysis and makes recommendations to Congress, the Secretary of the U.S. Department of Health and Human Services, and the states on a wide array of issues affecting Medicaid and the State Children's Health Insurance Program (CHIP). For more information, please visit www.macpac.gov.