

Healthy Louisiana Substance Use Disorder 1115 Demonstration Waiver

DRAFT Renewal Application

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Bureau of Health Services Financing (BHSF)

Office of Behavioral Health (OBH)

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Contents

Introduction	2
Section 1 – Healthy Louisiana Opioid Use Disorder/Substance Use Disorder 1115(a) Demonstration	3
Subsection 1.1 – Methadone and Opioid Treatment Programs (OTPs)	3
Subsection 1.2 – Medication-Assisted Treatment (MAT)	4
Section 2 – Renewal Request.....	6
Section 3 – Goals, Objectives, and Evaluation	6
Section 4 – Budget Neutrality	6
Section 5 – Compliance with Public Notice and Tribal Consultation	7

Introduction

The Louisiana Department of Health (LDH) Bureau of Health Services Financing (BHSF) and Office of Behavioral Health (OBH) is requesting a five-year renewal of the Healthy Louisiana Opioid Use Disorder/Substance Use Disorder 1115(a) Demonstration Waiver. The current 1115 waiver was approved for the period of February 1, 2018, through December 31, 2022. With this application, Louisiana is seeking to renew the waiver for the period of January 1, 2023, through December 31, 2027.

The Healthy Louisiana SUD 1115 waiver currently authorizes the state to provide for expenditures for otherwise covered substance use disorder (SUD) treatment and withdrawal management services furnished to eligible individuals who are short-term residents in facilities that meet the definition of an institution for mental disease (IMD). This 1115 renewal application seeks authority to continue to operate as approved with no changes.

Section 1 – Healthy Louisiana Opioid Use Disorder/Substance Use Disorder 1115(a) Demonstration

Louisiana received approval of the Healthy Louisiana OUD/SUD 1115 demonstration waiver on February 1, 2018. This waiver opportunity allowed Louisiana to make important changes to the state's SUD system to meet six important milestones, which were described in the approved Implementation Plan Protocol. Louisiana completed the action items from the approved Implementation Plan Protocol within the indicated timelines to fulfill the following milestones requirements:

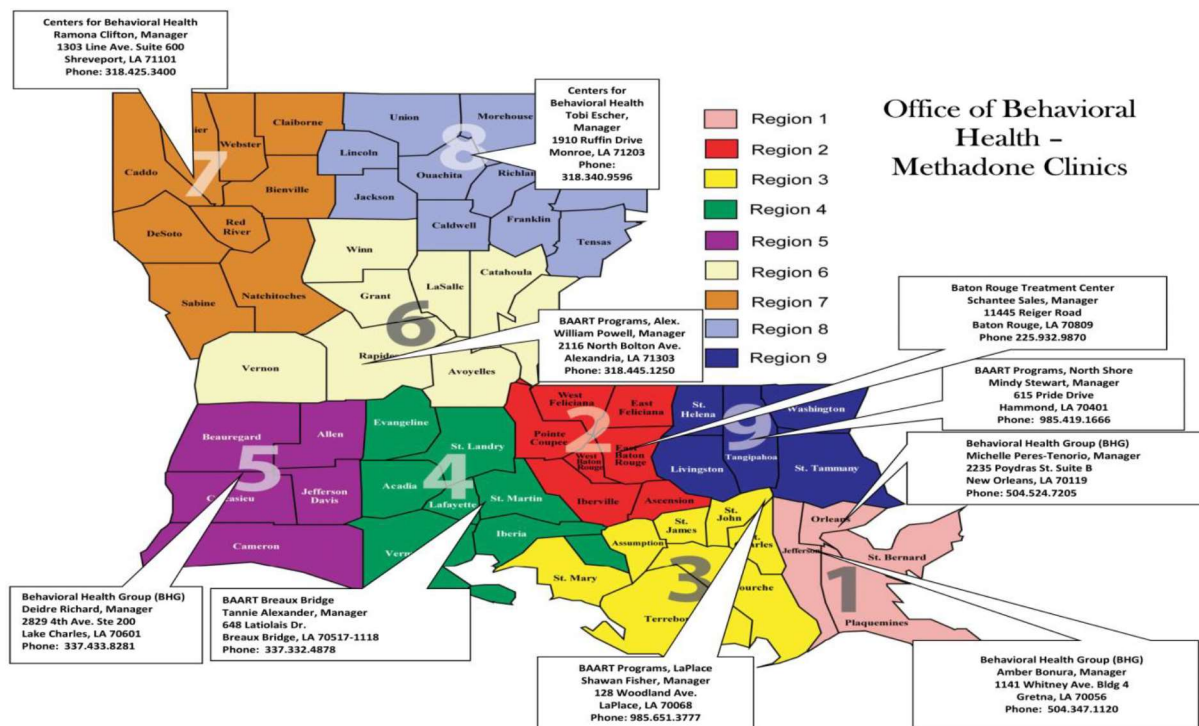
1. Access to critical levels of care for OUD and other SUDs;
2. Widespread use of evidence-based, SUD-specific patient placement criteria;
3. Use of nationally recognized, evidence-based, SUD program standards to set residential treatment provider qualifications;
4. Sufficient provider capacity at each level of care, including MAT;
5. Implementation of comprehensive treatment and prevention strategies to address opioid abuse and OUD; and
6. Improved care coordination and transitions between levels of care.

Louisiana administers its SUD services based on the American Society of Addiction Medicine (ASAM) Patient Placement Criteria. Louisiana continues to offer the full continuum of residential and outpatient care services set forth by the American Society of Addiction Medicine (ASAM) as included in the Medicaid benefits service array. Two key accomplishments that were realized through the activities of the 1115 waiver were the inclusion of Methadone as a Medicaid covered benefit and the MAT referral requirement on residential providers.

Subsection 1.1 – Methadone and Opioid Treatment Programs (OTPs)

When the 1115 waiver was approved in 2018, Louisiana covered Methadone for the treatment of chronic pain conditions, but not for opioid dependence. Effective January 20, 2020, Methadone was added in the State Plan as an authorized medication for OUD treatment provided by the Opioid Treatment Programs (OTPs). A provider subspecialty code 8V was established for the OTP clinics as sole source providers. Using other states as a model, a bundled rate was developed to reimburse for OTP services. Bundled rates for the OTPs facilitate the practical needs of patient-centered treatment in the administration of MAT to integrate the provision of counseling and medical services. This rate is inclusive of the behavioral health treatment components, physical examinations and laboratory services, and ancillary services offered by the OTPs. Prior to Medicaid coverage, this was a self-pay cash business (or OBH grant funded) for every client.

Louisiana's landscape consists of 10 existing OTPs with one in each region of the state. Each facility is privately owned and operated serving approximately 3,000 – 4,000 patients per month during the last six (6) years.



Subsection 1.2 – Medication-Assisted Treatment (MAT)

Milestone 3 which provided for the use of nationally recognized, evidence-based, SUD program standards to set residential treatment provider qualifications included the specification that residential treatment facilities offer Medication-Assisted Treatment (MAT) on-site or facilitate access off-site. Louisiana promulgated rules on April 20, 2019, to provide for this mandate on residential facilities. The following language was included in the Medicaid Behavioral Health Provider Manual:

“SUD providers, when clinically appropriate, shall:

- Educate members on the proven effectiveness, benefits and risks of Food and Drug Administration approved MAT options for their SUD;
- Provide on-site MAT or refer to MAT offsite; and
- Document member education, access to MAT and member response in the progress notes.

Residential SUD providers shall provide MAT onsite or facilitate access to MAT offsite which includes coordinating with the member’s health plan for referring to available MAT provider and arranging Medicaid non-emergency medical transportation if other transportation is not available for the patient.”

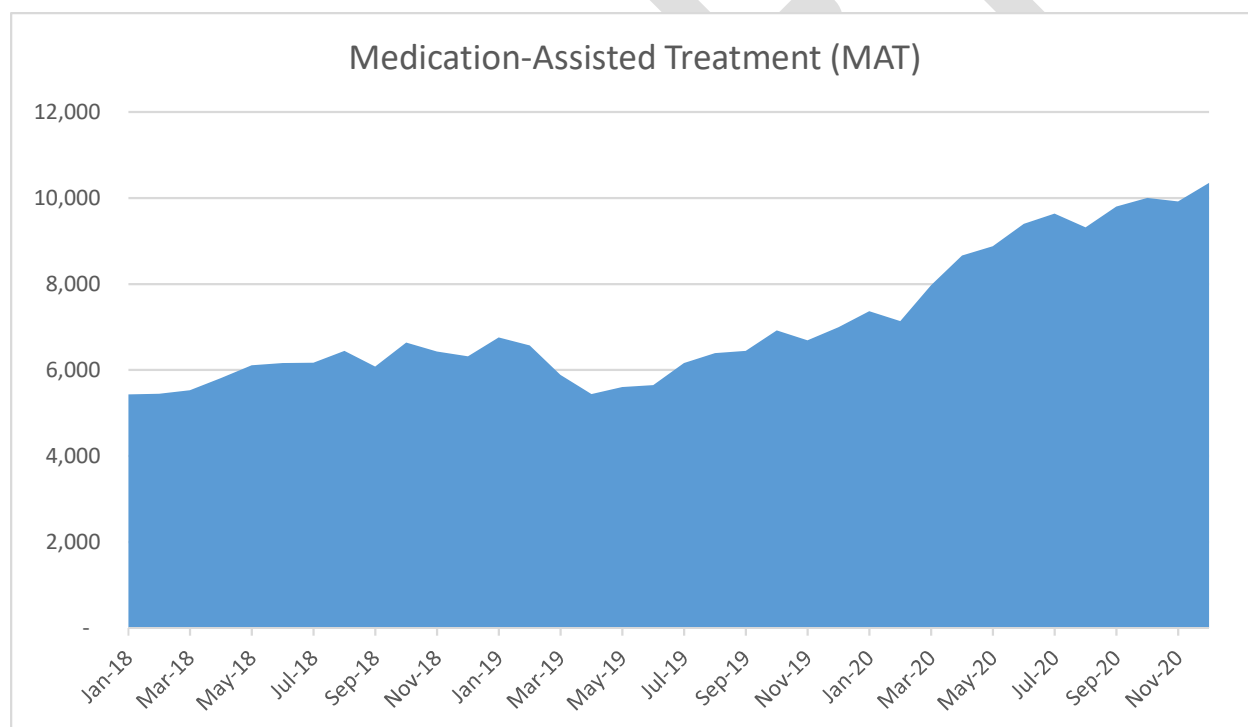
The state has taken measures to increase access to MAT by incorporating language into all behavioral health provider contracts and agreements, whereas providers must provide MAT onsite or initiate a referral to such services, when indicated. This method will ensure that providers move from abstinence based models of care to a no wrong door approach for persons on MAT. The Office of Behavioral Health

(OBH) continues to implement workforce development initiatives to provide training and education on MAT to physicians and clinicians statewide.

Particularly, Louisiana has implemented the Extension for Community Health Outcomes (ECHO) Project, which a virtual online professional development series for educators, University Fellow Programs, physicians, clinicians, BH providers and private practitioners. OBH has also partnered with the Office of Public Health to participate in Symposiums across the state to educate stakeholders and the community on the efficacy of MAT and associated stigma.

In tandem with the 1115 waiver, OBH has worked to expand access to MAT via multiple grant awards, targeting expansion of evidence based treatment for persons with opioid use disorder (OUD). The state is implementing a Hub and Spoke model. This model is utilizing Louisiana’s current ten opioid treatment programs (OTPs) as the “Hub” and mobilizing Drug Addiction Treatment Act (DATA) Waived Physicians as the “Spokes.”

The chart below shows the number of beneficiaries who have a claim for MAT for SUD during a month measurement period, from January 2018 through December 2020. Data was pulled in accordance with CMS-constructed technical specifications.



Section 2 – Renewal Request

The state is requesting a five-year renewal of the Healthy Louisiana Opioid Use Disorder/Substance Use Disorder 1115(a) Demonstration Waiver for the period of January 1, 2023, through December 31, 2027.

The Healthy Louisiana SUD 1115 waiver currently authorizes the state to provide for expenditures for otherwise covered substance use disorder (SUD) treatment and withdrawal management services furnished to eligible individuals who are short-term residents in facilities that meet the definition of an institution for mental disease (IMD). This 1115 renewal application seeks authority to continue to operate as approved with no changes.

Section 3 – Goals, Objectives, and Evaluation

The goal of this demonstration is for Louisiana to maintain critical access to opioid use disorder (OUD) and other substance use disorder (SUD) services and continue delivery system improvements for these services to provide more coordinated and comprehensive OUD/SUD treatment for Medicaid beneficiaries. This demonstration will provide the state with authority to provide high-quality, clinically appropriate SUD treatment services for short-term residents in residential and inpatient treatment settings that qualify as an Institution for Mental Diseases (IMD). It will also build on the state's existing efforts to improve models of care focused on supporting individuals in the community and home, outside of institutions and strengthen a continuum of SUD services based on the American Society of Addiction Medicine (ASAM) criteria or other comparable nationally recognized assessment and placement tools that reflect evidence-based clinical treatment guidelines.

During the demonstration period, Louisiana seeks to achieve the following:

- Increase enrollee access to and utilization of appropriate OUD/SUD treatment services based on the ASAM Criteria;
- Decreased use of medically inappropriate and avoidable high-cost emergency department and hospital services by enrollees with OUD/SUD;
- Increased initiation of follow-up after discharge from emergency department for alcohol or other drug dependence; and
- Reduced readmission rates for OUD/SUD treatment.

The state is not requesting any changes to the research hypotheses and design approach for the demonstration renewal. The Interim Evaluation is provided as Attachment 1 for more information.

Section 4 – Budget Neutrality

Louisiana's 1115 demonstration must be "budget neutral" to the federal government, which means that during the course of the demonstration, federal Medicaid expenditures will not be more than federal spending without the demonstration. The state projects an average annual cost of \$22,130,984 and enrollment of 25,804 (member months) during the five-year demonstration period.

Section 5 – Compliance with Public Notice and Tribal Consultation

A description of the state’s process for public notice and tribal consultation will be added once the public notice period closes.

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