NASADAD

National Association of State Alcohol and Drug Abuse Directors, Inc.

Analytic Brief

Understanding the Baseline: Publicly Funded Substance Abuse Providers and Medicaid

Introduction

In recent discussions about needed progress to implement health care reform, concern has been expressed that too few Substance Abuse (SA) providers are enrolled to receive Medicaid reimbursement. This concern has been shared by National Association of State Alcohol and Drug Abuse Directors (NASADAD), the Substance Abuse and Mental Health Services Administration (SAMHSA), and State Associations of Addictions Services (SAAS), among others. The prevailing view was that too few SA clinics are enrolled in Medicaid. As a result SAMHSA asked the States a question about their encouragement of providers' enrollment in Medicaid in the Substance Abuse Prevention and Treatment (SAPT) and Mental Health (MH) Block Grant Addendum (SAPT/MH).

NASADAD has analyzed the SAPT/MH Block Grant Addendum and the National Survey of Substance Abuse Treatment Services (N-SSATS) in order to gain a better understanding of the actual situation. We have determined that the clear majority of public sector SA providers accept Medicaid as a client payment method. The information from the SAPT/MH Addendum revealed that nearly all States (49) already encourage or have plans to encourage SA providers' enrollment in Medicaid. Analysis of N-SSATS also provides us with the national rate and allows us to examine differences across States. It has been determined that there is a great deal of variation across States in the percent of SA facilities enrolled in Medicaid. We estimate that the median value is 71.3% with 25 States above 71.3% and 25 States below 71.3%.

Data from SAPT/MH Block Grant Addendum

SAMHSA requested that States submit an Addendum to the 2011 SAPT and MH Block Grant Applications which was completed by the 50 States and the District of Columbia. Please note that Territories that completed the SAPT/MH Addendum were not included in this sample. The purpose of the SAPT/MH Addendum was to acquire baseline knowledge on the States' status of preparation for Health Care Reform (HCR). In addition, the SAPT/MH Addendum asks, "Are publicly funded SA/MH providers being encouraged to enroll in Medicaid if they are not already?" The information was taken directly from the States' reports, and more specifically this question, to determine the level of encouragement of SA providers to enroll in Medicaid.

Findings: SAPT/MH Block Grant Addendum

Virtually all (49) States reported that they encourage or have plans to encourage SA providers that they fund to enroll in Medicaid. Thirty were able to characterize the proportion of providers currently enrolled in their State.

- 15 States said all of their funded SA providers are enrolled in Medicaid
- 10 States said that the majority are already enrolled in Medicaid
- 5 States said that some providers are enrolled in Medicaid

Among the States that did not characterize providers' level of enrollment in Medicaid:

- 15 States are currently encouraging (14) or strongly encouraging (1) enrollment
- 4 States intend to encourage enrollment in the future
- 2 States did not address plans to encourage providers to enroll in Medicaid

In the SAPT/MH Addendum six States specifically mentioned current efforts in which they offer technical assistance (TA) to help providers enroll in Medicaid, while one State said they have planned for TA that has not yet been implemented. These States, along with encouraging providers, are offering resources to providers relating to enrollment in Medicaid. The other 44 States did not specifically mention providing technical assistance to facilitate providers' enrollment in Medicaid.

The SAPT/MH Addendum also included a section on Technical Assistance and Other Resources. Medicaid was cited as a TA need by twelve states on various topics.

Medicaid Technical Assistance Topics:

- Service delivery gaps analysis (3 States)
- Implementation of home and community based services (3 States)
- Behavioral health standards (2 States)
- Behavioral health/primary care integration (2 States)
- SA readiness (2 States)
- SAMHSA collaboration (1 State)
- Service delivery transition (1 State)
- Defining services/benefits (1 State)
- Financial resources for behavioral health/primary care integration (1 State)

Data from the National Survey of Substance Abuse Treatment Services (N-SSATS)

This analysis examines the proportion of public sector SUD providers State by State. Medicaid is organized and configured somewhat differently across the States. Some State Medicaid plans already address substance use disorders (and specialty providers) in a comprehensive manner, while others do so to lesser degrees. States with lower rates of SUD provider enrollment in Medicaid may want to put a higher priority on this issue than those with higher rates.

It is possible to examine national and State rates of specialty substance abuse provider enrollment in Medicaid using the N-SSATS. The Substance Abuse and Mental Health Services Administration (SAMHSA), through the Drug and Alcohol Services Information System (DASIS), makes available datasets that report on treatment providers nationally. One annual census undertaken is called the N-SSATS, which is a "census" of operating facilities. As N-SSATS is the basis for the national SUD treatment facility locator, SAMHSA puts extensive effort into identifying facilities and ascertaining whether or not they were still in operation on the census date (March 31 of the survey year) as well as their accurate location. Treatment providers have reported data for N-SSATS for more than ten years. Within this census there is a series of questions on client payment methods accepted by the provider, including Medicaid. N-SSATS also identifies providers that receive "public funding" defined by the receipt of funding or grants from the federal government, or State, county or local governments. The use of this filter enables us to identify treatment facilities that are publicly funded and examine whether they accept Medicaid as a payment option (are enrolled to get Medicaid reimbursements). Note that the data from N-SSATS is self-reported and has not been checked by SAMHSA for validity of responses to items about funding sources. For the purpose of this study we have compared the 2000 data to the 2009 data.

In order to check the validity of the 2009 N-SSATS data, we contacted the State Director (SSA) and Treatment Managers in each State. We received feedback from 30 States on their perception of the accuracy of the data for "public sector" providers in their State. Twenty-six of the States responded that they thought the estimate for public sector providers in their State was reasonably accurate. One State noted that the data was quite inaccurate; the number which was taken from N-SSATS was much higher than the number of licensed substance abuse providers receiving Medicaid reimbursement according to the data provided by the State. There are three remaining State respondents that were unsure of the accuracy of the N-SSATS numbers. Additionally, we followed up with the 20 States and the District of Columbia from which we did not hear, but NASADAD determined that due to the State's heavy workload, the follow-up efforts would cease.

Findings for 2009

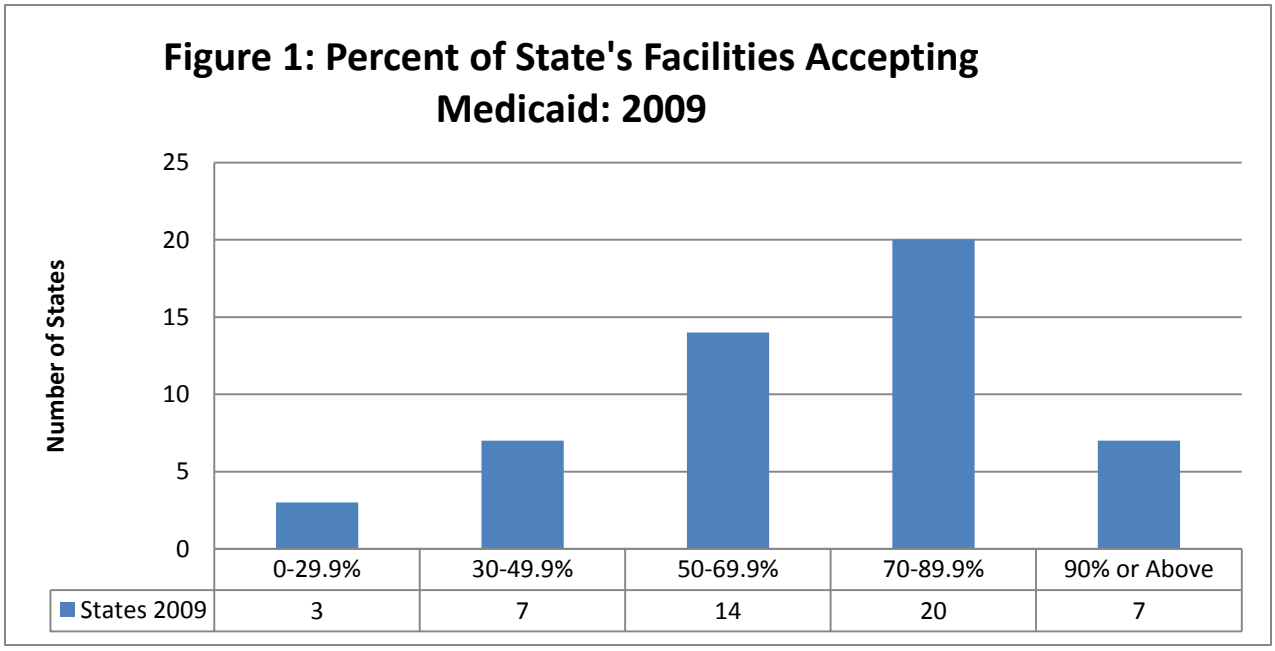
The N-SSATS dataset for 2009 has data on a total of 12,700 facilities that deliver SUD treatment services in the 50 States and the District of Columbia. Just examining providers accepting public funds, there were 7,833 facilities in the 50 States and the District of Columbia. The clear majority of facilities, 4,999 or 64% of publicly funded providers, reported Medicaid as an accepted source of payment. Unfortunately this still leaves 2,834 providers that are not.

The next step is to examine provider enrollment at the State level. When this is done it is apparent that in quite a few States there is already extensive provider Medicaid enrollment (the median State has 71.3% provider enrollment), although there are 10 in which rates are below fifty percent.

- 7 States had over 90% that accepted Medicaid (IA, ME, MT, RI, SC, VT, WA)
- 27 States had 70% or more of the providers report that they accepted Medicaid
- 41 States more than 50% of providers accepted Medicaid

- 3 States fewer than 30% accepted Medicaid
- 0 States reported fewer than 10% of providers that accepted Medicaid

A frequency distribution of State rates of providers Medicaid enrollment is in Figure 1.

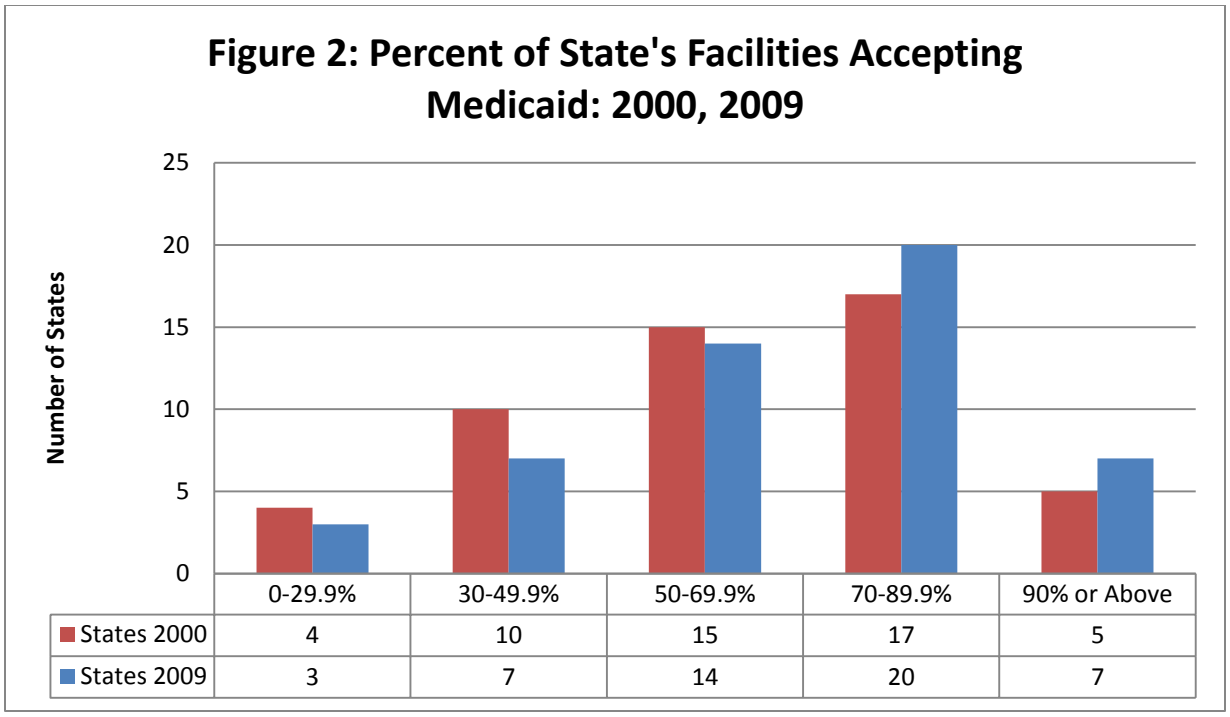


Comparison to 2000

In 2000, N-SSATS had 12,944 facilities in the dataset in the 50 States and the District of Columbia. To analyze this dataset, the same methods were used. There were 8,458 facilities that received federal, State or local funding in the 50 States and the District of Columbia. Thus there was a decrease of 625 SUD facilities (7.4%) between 2000 and 2009.

The overall totals were similar to the 2009 data: 5,311 cases or 63% of providers reported that they accepted Medicaid as a client payment method. In 36 States, more than 50% of providers reported that they accepted Medicaid in 2000. From 2000-2009 the number of States in this category increased by five. Twenty-one States reported 70% or more of providers accepted Medicaid as a payment method in 2000, as compared to 28 States in 2009. By 2009, no States reported fewer than 10% of providers accepting Medicaid, but in 2000, two States reported fewer than 10%enrollment. Four States reported fewer than 30% of providers accepting Medicaid in 2000, while 3 States reported fewer than 30% of providers accepting Medicaid in 2009.

Overall the State's percent of facilities accepting Medicaid is quite similar when comparing 2000 to 2009 (see Figure 2). However, with the implementation of HCR as defined by the Patient Protection and Affordable Care Act, there should be an increase in the number of providers accepting Medicaid for client payment.



Conclusion

Data from two independent sources substantiate that in the clear majority of States, most publicly funded SUD providers accept Medicaid. The evidence is that well over half of States have a majority or even a strong majority of their providers already enrolled in Medicaid. The other providers will probably need to enroll in order to meet the promise of HCR. Nearly all the States reported that they already do or will encourage enrollment in Medicaid for SUD providers.

Thus there may be a utility for technical assistance in order to assist the SA providers in enrollment. Six States reported in the Addendum they have begun the delivery of TA or TA planning around provider enrollment in Medicaid. Twelve States pointed out the need for Medicaid TA in regards to nine different Medicaid related topics. Each State has its own unique challenges when it comes to SA providers enrolling and accepting Medicaid as a client payment. Now that we understand the baseline of providers accepting Medicaid across States, the SAMHSA and the States may want to learn from each other how they do or have promoted provider enrollment in Medicaid.

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