



Impact of the Patient Protection and Affordable Care Act on Substance Abuse

Michelle Dirst | Director of Public Policy





Opportunity

- ▶ Addiction is a *treatable* chronic health condition
- ▶ Inclusion of SUD (substance use disorders) services and providers
- ▶ Expansion of SUD coverage



Overview: Affordable Care Act (ACA)



Private Health
Insurance Reforms



Health Insurance
Exchanges



Essential Health
Benefits



MH and SUD Parity



Medicaid Expansion



Health Promotion &
Prevention

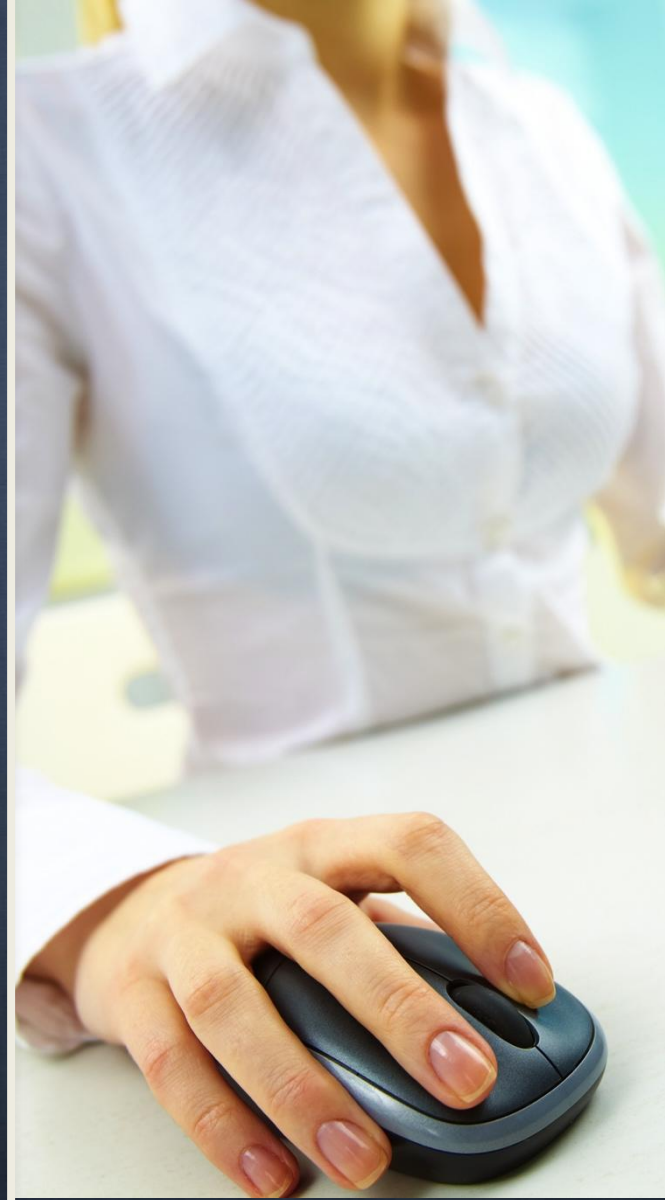
Private Health Insurance Reforms

- ▶ Coverage for dependents through age 26 (*effective September 2010*)
- ▶ Prohibiting Denying Coverage of Children Based on Pre-Existing Conditions (*effective September 2010*)
- ▶ Prohibiting Discrimination Due to Pre-Existing Conditions or Gender (*effective January 2014*)
- ▶ Operational Exchange in all States (*effective January 2014*)



Health Insurance Exchanges

- ▶ By November 16th, States must submit their intent for a:
 - State-Based Exchange
 - Partnership Exchange
 - Federal Exchange
- ▶ HHS must approve or conditionally approval by January 1, 2013
- ▶ Purchasing Coverage
 - Premium and cost-sharing credits
 - Between 100% and 400% of FPL



Essential Health Benefits: What Should be Covered

- ▶ Essential Health Benefits (EHB) applies to non-grandfathered plans in the individual and small group markets both inside and outside the Exchanges in 2014
- ▶ 10 required Essential Health Benefit Categories



10 Essential Health Benefit Categories



State Options for EHB

- ▶ States can “benchmark” to one of ten options:
 - The largest plan in any of the three largest products in sm group market
 - One of the three largest FEHBP plans
 - One of the three largest State-employee plans
 - The largest HMO in the State
- ▶ Deadline for EHB benchmark plan decision is September 30th, 2012
- ▶ Largest plan in largest product is the default plan



Mental Health Parity and Addiction Equity Act

- ▶ Under ACA, Mental Health Parity and Addiction Equity Act (MHPAEA) is expanded to cover:
 - Benefits provided in the new “exchanges”
 - Benefits provided by “new” small group & individual plans
 - Benefits provided to the new Medicaid population



Parity Implementation

- ▶ The Interim Final Regulations went into effect on January 1, 2011
- ▶ Full federal implementation and enforcement is lagging
- ▶ DOL & HHS Secretaries have promised final regulations, but release is not expected until after 11/12/12



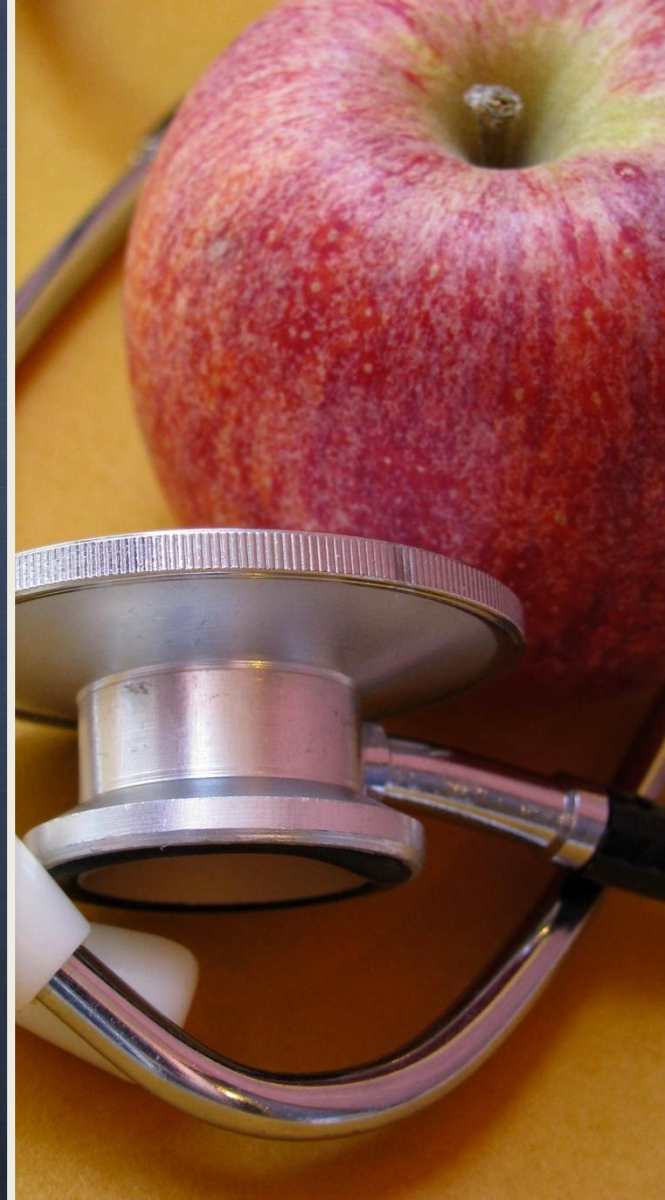
Medicaid Expansion

- ▶ State option to expand Medicaid to individuals with incomes up to 133% (138%) of the federal poverty level (FPL)
- ▶ States that expand, must provide benefits to the newly-eligible adults through a benchmark structure (includes mental health and addiction at parity)
- ▶ Updates to the Medicaid Program, including moving to uniform income methodology – Modified Adjusted Gross Income (MAGI)



Health Promotion & Prevention

- Coverage of Preventive Health Services in Medicare, Medicaid, and Private Insurance with no co-pay
- Included in Essential Health Benefits
- National Prevention and Health Promotion Strategy
 - Priorities include Preventing Drug Abuse and Excessive Alcohol Use; Tobacco Free Living; Mental and Emotional Wellbeing
- Prevention and Public Health Fund
 - \$88 million allocated to SAMHSA in FY 2011 and 2012

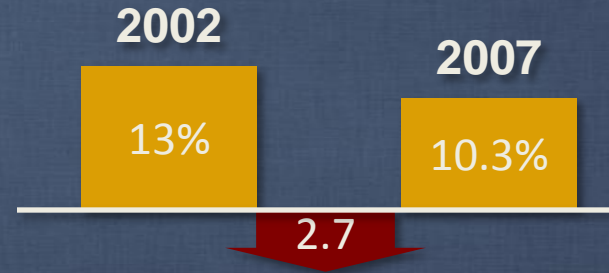


Three State Study: State-Level Health Reform

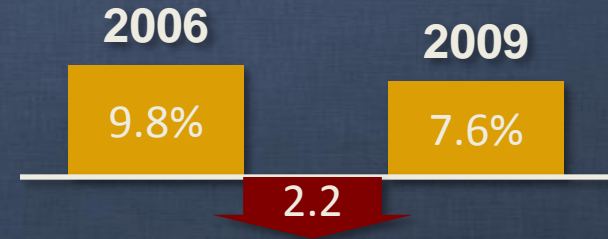


Maine

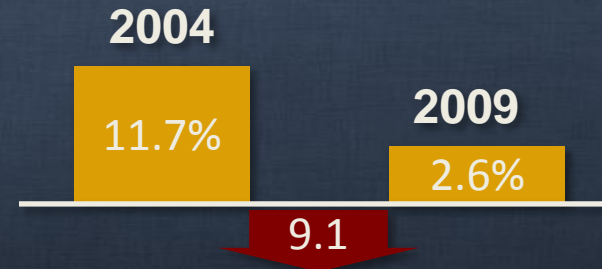
Change: Percent of Uninsured



Vermont



Massachusetts



Three State Study: Findings



- ▶ Substance Abuse Treatment Admissions Rose
- ▶ Public funding increased
 - Medicaid expansions appear more significant than subsidized/private health plans (need to analyze claims)
- ▶ Many uninsured due to “gaps” in coverage
 - Non-completion of re-enrollment forms (Medicaid)
 - Non-payment of premiums (private insurance)
 - May correspond with the client’s increased alcohol/drug use
 - Incarceration

Recommended Sources

- ▶ NASADAD: <http://nasadad.org/healthcare-reform-information>
- ▶ Healthcare.gov: <http://www.healthcare.gov/law/resources/regulations/index.html>
- ▶ State Refor(u)m: <http://www.statereform.org/>
- ▶ Coalition for Whole Health: <http://www.coalitionforwholehealth.org/>
- ▶ Kaiser Family Foundation (KFF): <http://healthreform.kff.org/>
- ▶ National Association of Medicaid Directors (NAMD): <http://medicaiddirectors.org>
- ▶ National Association of Insurance Commissioners (NAIC): <http://www.naic.org/>
- ▶ National Conference of State Legislatures (NCSL): <http://www.ncsl.org/issues-research/health.aspx?tabs=831,139,1156>



Thank You

Questions?

Michelle Dirst | Director of Public Policy
Mdirst@nasadad.org

