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February 16, 2018

The Honorable Orrin G. Hatch  
United States Senate  
Washington, D.C. 20510

The Honorable Ron Wyden  
United States Senate  
Washington, D.C. 20510

Dear Chairman Hatch and Ranking Member Wyden:

On behalf of the Medicaid Health Plans of America (MHPA), thank you for the opportunity to provide feedback on approaches to fighting the opioid addiction epidemic as outlined in your February 2, 2018 letter to Medicaid stakeholders.

MHPA represents 139 health plans in 39 states, providing high quality, coordinated health care to nearly 30 million Medicaid enrollees. Three in ten individuals with opioid addiction receive care through Medicaid. Medicaid managed care plan executives are committed to understanding the extent of the devastating effects of the opioid epidemic and, more important, finding ways to identify those at risk, breaking the epidemic's stranglehold on those already afflicted, and halting the growth of those caught in the epidemic's deadly grasp.

Medicaid managed care is now the predominant provider of Medicaid services in 42 states, covering 74% of all Medicaid enrollees. In a number of states, MHPA's managed care plans have successfully implemented innovative programs specifically targeted at improving treatment for those with substance abuse and opioid addiction. A sample of these programs have been featured in two publications: The Institute for Medicaid Innovation's June 2017 publication "Addressing the Opioid Epidemic in Medicaid Managed Care for Women and Newborns" and in MHPA's 2016 and 2017 Best Practices Compendia (copies/links to both attached).

### Integrated Care for Victims of Opioid Abuse

The best practice descriptions mentioned above provide examples of successful treatment/prevention programs. Medicaid's state-based structure supports variations in programs and situations from state to state. Some variations result in great opportunities for innovation, while others create barriers. Our plans strongly believe they could provide better, higher quality care if they had responsibility for providing comprehensive care for the patient, including managing Medicaid's prescription drug benefit and supporting services required for effective treatment of addiction.

We believe the optimum combination of a state-based structure that consistently delivers care through innovative programs that meet nationally recognized metrics and quality standards can best be achieved through the expertise Medicaid managed care plans bring to the table.

As the Committee considers policy solutions to address the opioid epidemic, MHPA urges you to include a close look at how the variations among state programs create both solutions and barriers and how Medicaid managed care has been part of the solution. A few high-level considerations that may provide insight include:

- In states that list substance abuse treatment among the contracted services plans must provide, does the state also allow for the care management and utilization tools the plan needs to manage that benefit effectively?
  - How consistent are states at providing these tools?
  - What are common barriers, and is a change in law or regulation needed to remove the barrier?
- In states that do not include total substance abuse treatment and prevention in the Medicaid MCO's contracts, what challenges do plans face to achieving good outcomes in managing the patient's physical health?
  - What is the impact of this fragmentation on the effective treatment of an addicted person's physical health care?
  - Have plans had any success managing the problem through formulary management tools (assuming the state has delegated the prescription drug benefit to the plans)?

### Re-Structuring the Medicaid Drug Rebate Program (MDRP)

Essential to reducing opioid abuse rates is affording Medicaid MCOs more operational control over the prescription drug benefit which requires a significant restructuring of the Medicaid drug rebate program (MDRP). The current MDRP is based on a fee-for-service model that has long outlived its usefulness. In fact, since enactment in 1990, MDRP has become so outdated it defies effective management of the benefit, and drives up the cost of drugs across all health care sectors. MHPA proposes that in states that use Medicaid managed care as the delivery system for providing care to Medicaid enrollees, states be required to delegate the responsibility for the prescription drug benefit to the managed care plans so that they have the authority to fully manage the program. Such management would include ensuring physician and the pharmacist networks abide by stringent treatment and prescribing protocols specific to opioid medications.

This integrated approach to ensuring access to prescription drugs provides patients and states the greatest value and enables MMCOs to aggressively manage the total health of Medicaid enrollees to achieve better outcomes.

## Opioid Epidemic Not Linked to Medicaid Expansion

MHPA does not believe the ACA's expansion of Medicaid has exacerbated the opioid crisis. In fact, trends in opioid deaths nationally predate the Affordable Care Act (ACA)<sup>1</sup>. On the contrary, Medicaid provides access to services to treat underlying health conditions such as chronic pain and/or mental health issues which may partially contribute to the addiction. Further, in states that have expanded Medicaid, unmet need for the treatment of substance use disorders has fallen by 18 percent<sup>2</sup>.

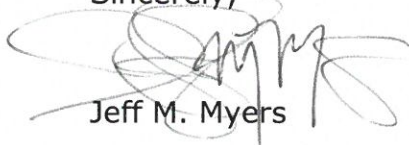
## Additional Funding for Opioid Abuse Treatment and Prevention

MHPA is very glad to hear of broad-based support to increase resources for treating and preventing opioid addiction, especially those efforts that support medication assisted therapy (MAT). We are also grateful when those proposals seek to enlist the help of Medicaid health plans to tackle these issues at the state level.

However, MHPA's member plans firmly believe a real and lasting impact on the opioid epidemic cannot happen without a truly integrated approach to treatment. Integration must encompass addiction treatment, prevention, medical care, and behavioral health services and ensure all resources for Medicaid patients continue to flow through Medicaid MCOs. This broader approach is essential and must be supported by adequate funding across the board. Increasing one siloed program area while cutting the other will not result in long-term meaningful solutions to the opioid epidemic. Integrated service models that address the comprehensive needs of the patient always work best when supported by integrated funding.

Thank you for the opportunity to provide feedback. We look forward to continuing to work with you on approaches to curb the opioid epidemic.

Sincerely,



Jeff M. Myers

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<sup>1</sup> Drug-related mortality rates doubled between 1999 and 2013. In contrast, most states that expanded Medicaid began offering benefits in January 2014. (Six states expanded early but limited coverage.) Andrew Goodman-Bacon, , "Did Medicaid Expansion Cause The Opioid Epidemic? There's Little Evidence That It Did," Health Affairs, April 23, 2017

<sup>2</sup> Department of Health and Human Services, Assistant Secretary for Planning and Evaluation, "Continuing Progress on the Opioid Epidemic: The Role of the Affordable Care Act," January 11, 2017, <https://aspe.hhs.gov/system/files/pdf/255456/ACAOpioid.pdf>

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Links to resources noted in paragraph 3.

<http://www.medicaidinnovation.org/images/content/5. Addressing the Opioid Epidemic in Medicaid Managed Care for Women and Newborns .pdf>

<http://www.medicaidinnovation.org/images/content/2017 Compendium v4 Awarded LT.pdf>

[http://www.medicaidinnovation.org/images/content/IMI-best\\_practices\\_2016-2017.pdf](http://www.medicaidinnovation.org/images/content/IMI-best_practices_2016-2017.pdf)