

## Issue

At present, private practitioner Licensed Alcohol and Drug Abuse Counselors (LADCs) cannot bill Medicaid for treating clients with primary substance abuse disorders.

## Why Expand the Medicaid State Plan to Include These Providers?

### Regulatory Requirements

- The Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA) requires that mental health and substance abuse services be at parity with medical/surgical services
- The Affordable Care Act (ACA) requires the application of MHPAEA to Medicaid programs

### Substance Abuse Issues are Common:

- 10% of Vermonters age 12+ can be diagnosed with alcohol or drug dependence or abuse.
- Medicaid beneficiaries are currently waiting for substance abuse treatment.

### State Initiatives Will Increase Need for Treatment Capacity

- SBIRT - \$10M over five years to train medical professionals to identify and provide brief intervention and, when required, treatment referrals for substance abuse and dependence.
- IET (Initiation and Engagement in Treatment) – pilot to improve linkage between physicians and private practitioner LADCs.
- VDH Maternal Child Health – encourage pediatricians to screen for substance abuse

### Workforce

- Equivalence in licensure – currently private practitioner mental health service providers – Licensed Independent Clinical Social Workers (LICSW) and Licensed Clinical Mental Health Counselors (LCMHC) – can bill for Medicaid services while LADCs cannot despite similar educational and professional requirements for licensure.
- It is difficult to entice individuals to pursue LADC licensure if they cannot receive payment for their service.

## Methodology for Cost Estimate

- Surveyed all 413 LADCs in the state; 35% (148) responded
- Of those responding, 58% (86) are in private practice.
- 73 dually licensed (LICSW, LCMHC) private practitioners currently bill Medicaid an average of \$15,284 per practitioner
- If 58% (240) of all LADCs (413) are in private practice and 73 are already billing, it means that 167 new practitioners could bill for Medicaid services at an average of \$15,248 each. Potential new cost to the state is \$2,552,428

## Recommendations

- Update the Medicaid State Plan to allow private practitioner LADCs to bill Medicaid
- Include the cost to include private practitioner LADCs, estimated at \$2.6 million dollars using the mental health rate structure, in the Medicaid budget