

## 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

- Estimate is based on the results of the results of the DVHA Program Improvement Project (PIP) which opened Rutland, Addison, and Bennington counties (23.19% of Medicaid beneficiaries) for LADC billing on a pilot basis.
- Fewer LADCs applied to participate than anticipated.
- Estimated annualized statewide spending is anticipated to be \$159,000: \$87.5k federal, \$71.5k state

## Recommendations

- Update the Medicaid State Plan to allow private practitioner LADCs to bill Medicaid
- Include the cost to include private practitioner LADCs, estimated at \$159,000 dollars using the mental health rate structure, in the Medicaid budget