

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