

Medicare Coverage for Substance Use Disorder Care

Medicare Expansion for Services, Providers, and Care Settings and
Application of the Parity Act

April 14, 2021



LEGAL ACTION CENTER

Breaking Barriers. Defending Dignity.

© 2020 This document is informational and does not constitute legal advice.

Slide 1

Medicare Coverage: Crosswalk to ASAM Criteria

ASAM Level	Medicare Coverage
Level 0.5 – Early Intervention	SBIRT; Alcohol Misuse Screening and Counseling; Annual screening for potential SUDs; Initiation of MOUD in EDs
Level 1 – Outpatient Services	Counseling and treatment in office-based settings and hospital outpatient departments; office-based counseling and care management; Opioid Treatment Programs; telehealth
Level 2 – Intensive Outpatient/Partial Hospitalization Services	Partial Hospitalization Programs in hospital outpatient departments and Community Mental Health Centers
Level 3 – Residential/Inpatient Services	Medically Monitored Intensive Inpatient Services in hospital settings
Level 4 – Medically Managed Intensive Inpatient Services	Hospital-based intensive inpatient SUD treatment in hospital settings
Withdrawal Management	Office- and hospital-based withdrawal management

Medicare Gaps: Crosswalk to ASAM Criteria

ASAM Level	Medicare Coverage Gaps
Level 0.5 – Early Intervention	Limited providers
Level 1 – Outpatient Services	Limited providers and settings
Level 2 – Intensive Outpatient/Partial Hospitalization Services	No coverage of Intensive Outpatient Programs; Partial Hospitalization Programs are effectively not available to patients with a primary diagnosis of a SUD; Limited providers and settings
Level 3 – Residential/Inpatient Services	No coverage of residential services; Limited providers and settings
Level 4 – Medically Managed Intensive Inpatient Services	190-day lifetime limit for inpatient psychiatric care
Withdrawal Management	Limited providers and settings

Medicare Gaps: Other Barriers to SUD Care

- Affordability of Medicare
- Access to Providers
 - Inadequate Reimbursement Rates for SUD and Mental Health Providers
 - Limited Networks of SUD and Mental Health Providers
 - Shortage of Culturally Effective SUD Providers
- Utilization Management Practices (Parts C and D)
- Telehealth Limitations
- Custody Exclusion

Amendments to the Social Security Act

- Congress must authorize coverage of freestanding community-based SUD treatment facilities
- Congress must authorize the full range of provider types that make up the addiction treatment workforce
- Congress must authorize the full continuum of care for SUD, including
 - Intensive Outpatient Programs
 - Residential Treatment Programs

Application of the Parity Act to Medicare

Applying the Parity Act to Medicare, as it is currently applied to private insurance and Medicaid, would:

- Eliminate coverage exclusions for ASAM Levels of Care
 - Similar levels of care are available for medical/surgical conditions
- Require coverage and reimbursement for freestanding community-based SUD treatment facilities
 - Similar settings are available for medical/surgical conditions
- Require coverage of and reimbursement for licensed professional counselors and reimbursement for certified counselors and peers comparable to medical services
- Require adequate networks of SUD providers for Part C plans

Application of the Parity Act to Medicare Continued...

- Eliminate the lifetime limit on inpatient psychiatric hospitalization days
 - No such limit exists for medical/surgical hospitals or conditions
- Prevent utilization management practices for SUD services and medications that are not comparable to, or more stringently applied than those used for medical/surgical services and medications
- Require the establishment of reimbursement rates and policies for SUD providers and services to be comparable to and no more stringently applied than those used for medical/surgical providers and services

Learning Collaborative

- Goal

- Educate broad base of SUD treatment providers and associations, Medicare rights organizations, older American advocacy organizations and health equity groups about gaps in Medicare SUD care
- Build consensus around Medicare reform priorities
- Collaborate on advocacy

- Content

- Roadmap for Medicare Reform
- Education and Advocacy Materials - Policymakers
- Consumer Guides