

Exploring Value-Based Payment for Substance Use Disorder Services in the United States

Substance Abuse and Mental Health Services Administration
U.S. Department of Health and Human Services

Webinar

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SAMHSA
Substance Abuse and Mental Health
Services Administration

Webinar Overview

- I. Opening Remarks
- II. Report Findings
- III. Panel Discussion
- IV. Open Forum Q&A
- V. Closing Remarks

Access the report now:

<https://store.samhsa.gov/product/exploring-value-based-payment-substance-use-disorder-services-united-states/pep23-06-07-001>



Value-Based Payment (VBP)



Fee-For-Service is a method in which doctors and other health care providers are paid for each service performed.



Alternative Payment Model (APM) is a payment approach that considers quality and cost-efficiency of care in determining payments to clinicians.



Value-Based Payment (VBP) is a type of APM that rewards health care providers with incentive payments for the quality of care they give to patients.

Use of VBP for SUD Services

2010

The ACA passes and includes provisions for APMs and establishes a new Centers for Medicare & Medicaid Innovation Center (CMS Innovation Center) with the goal of transitioning the health system to value-based care by developing, testing, and evaluating new payment models.

2015

Passage of Medicare Access & CHIP Reauthorization Act changed the way that Medicare rewards clinicians for value over volume, streamlined multiple quality programs, and gives bonus payments for participation in eligible APMs.

2021

The CMS Innovation Center announces a goal of having every Medicare beneficiary and most Medicaid beneficiaries covered by some type of APM by 2030.

- Evidence around the impact of VBP on SUD services is preliminary but has shown some reduction in health care costs and improved provider performance.
- VBP use for SUD services offers a means to improve the cost-efficiency and quality of care necessary to improve SUD patient outcomes.

Policy and Funding Approaches to VBP for SUD

- Many states are using Section 1115 Demonstrations Waivers or other waiver authority to set VBP goals across their Medicaid program.
- The SUPPORT Act Section 1003 demonstration enables states to use VBPs to expand capacity and increase the quality of SUD care.
- Private providers are partnering with managed care organizations to deliver value-based SUD care regionally.



Overview of State-by-State Review



8

states have well developed and ongoing VBP initiatives for SUD treatment and recovery services

20

states have low or no evidence of VBP programs for SUD treatment and recovery services

24

states have SUD performance measures for quality payment incentives in their Medicaid program

Health Care Payment Learning & Action Network APM Framework



CATEGORY 1

Fee-for-service, no link to quality & value



CATEGORY 2

Fee-for-service, link to quality & value



CATEGORY 3

APMs built on fee-for-service architecture



CATEGORY 4

Population-based payment

- To drive alignment in payment approaches across health care in the US, the CMS Innovation Center created the Health Care Payment Learning & Action Network APM Framework
- This framework simplifies making comparisons and measuring progress
- The state-by-state review for this report classifies state's VBP use for SUD activity using this framework

State Classification of VBP for SUDs



Category 1: Fee-for-Service – no Link to Quality & Value



Combination of Categories 1 and 2



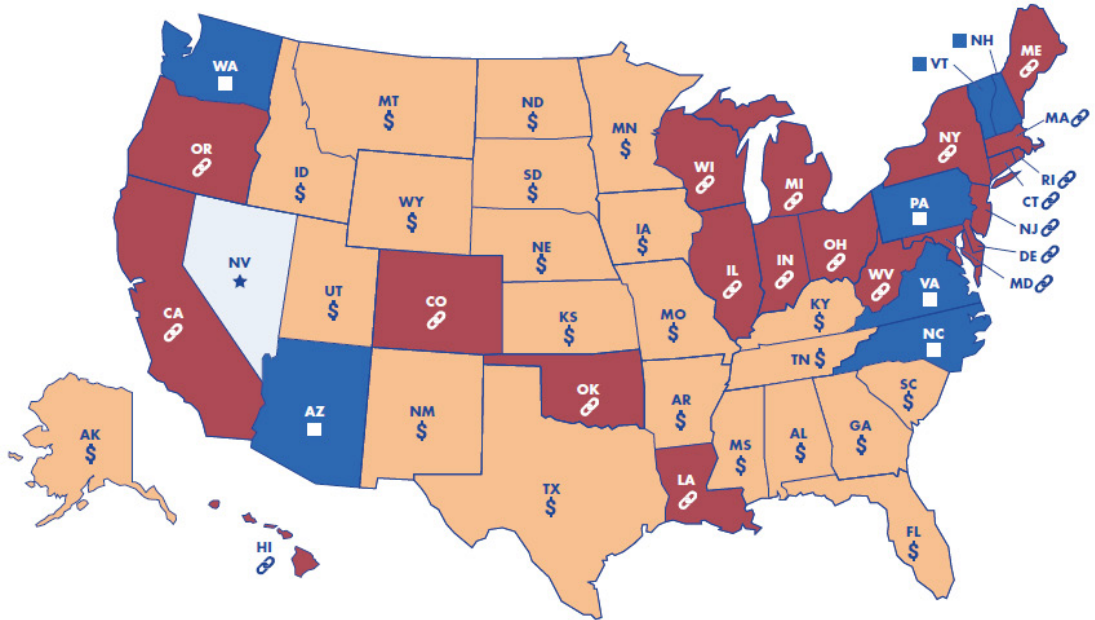
Category 2: Fee-for-Service – Link to Quality & Value



Combination of Categories 2 and 3



Category 3: APMs Built on Fee-for-Service architecture



Innovations in Implementing VBP for SUD Services

- Nonprofit SUD treatment provider entered into a VBP arrangement with private insurance that reimburses a flat fee for treatment and cost risk for readmission within 90 days of discharge.
- State Medicaid directed managed care organization plans to include enhanced payments to providers that become certified in and provide medications for opioid use disorder (MOUD). The state also required that managed care organizations develop at least one VBP model designed to improve access to MOUD.
- State legislature passed a bill to establish a pilot program contracting performance-based residential SUD treatment facilities throughout the state
- Independent practice alliance furnished enhanced payments to primary care providers that provide MOUD and withdrawal management services.

Challenges and Potential Solutions

	Care Fragmentation	Quality Measures	Workforce & Training
Challenges	<ul style="list-style-type: none">Behavioral and physical health care typically take place in different care silos, with different administrative and regulatory structures	<ul style="list-style-type: none">Limited existing SUD treatment quality measuresLack of consensus on which ones can be tied to improved patient outcomes and savings	<ul style="list-style-type: none">Current shortage of SUD providersProviders need training to adopt VBP and funding for necessary professional development is limited
Potential Solutions	<ul style="list-style-type: none">Increase partnership and coordination between state Medicaid leaders and mental health agencies to align efforts, funding, and infrastructure	<ul style="list-style-type: none">Develop consensus on measures that can be linked to improved outcomes and reduced costs	<ul style="list-style-type: none">Support legislative action that increases professional development funding for SUD treatment providers

Challenges and Potential Solutions (cont.)

	IT & Data Sharing	Underinvestment
Challenges	<ul style="list-style-type: none">• There are unique patient privacy regulations for sharing data about SUD treatment	<ul style="list-style-type: none">• SUD services are chronically under-funded• This underlies all other challenges to implementing VBP for SUD services
Potential Solutions	<ul style="list-style-type: none">• The Department of Health and Human Services has proposed legislative changes that would better align SUD confidentiality regulations with HIPAA	<ul style="list-style-type: none">• Allocate opioid settlement funds and state-level SAMHSA funds to support SUD infrastructure development to support the costs of implementing VBP, including IT technical assistance and training

Report Conclusions

Payment models that prioritize care quality and provide coordinated, multilevel treatment are likely to improve the outcomes of individuals with SUD and reduce the health care costs of these disorders.

Issues with care fragmentation, workforce insufficiencies, infrastructure, outcome measurement, and underinvestment could be improved with further guidance from federal and state stakeholders. With this support, the potential for widespread future adoption of VBP for SUD is promising.



Panel Discussion

Open Forum Q&A

Thank You

SAMHSA's mission is to lead public health and service delivery efforts that promote mental health, prevent substance misuse, and provide treatments and supports to foster recovery while ensuring equitable access and better outcomes.

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