

# Leveraging Opioid Settlements to Support Sustainable Community-Based SUD Treatment and Recovery Infrastructure

February 24, 2023  
10:30AM – 12:30PM ET

# Goals of Today's Convening

Discussion on priority investment strategies and current financial systems and opportunities to sustain opioid abatement investments through value-based payments

- Seek feedback on interactive data tool
- Identify the strategic investment priorities for stakeholders influencing the use of opioid settlement dollars
- Understand a potential path for the use of value-based payments to sustain investments beyond settlement dollars

# Agenda

Time	Topic	Lead
10:30am ET	Welcome Attendees & Project Overview	Frank McStay Sam Repka
10:45am ET	Feedback Session on Opioid Abatement Needs and Investment Tool	Sam Repka
11:15am ET	Strategic Prioritization of Settlement Dollars and Clarification on Existing Financial Support Mechanisms	Frank McStay Andrew Whitacre
11:45am ET	Sustainability of Opioid Settlement Funds Spending: Leveraging Value-based Payment Models	Mark McClellan Greg Williams
12:15pm ET	Looking Ahead: Measurement Toolkit	Sam Repka
12:25pm ET	Wrap-up and Next Steps	Frank McStay

# Virtual Roundtable Reminders

- This meeting is being recorded for note-taking purposes only.
- Please mute when not speaking.
- Please use the “raise your hand” function to indicate that you would like to speak.
- We also welcome you to chat in questions or comments in the Zoom chat box.
- If you have any technical difficulties, please contact **Kristen Ukeomah** via the Zoom chat box or via email ([Kristen.Ukeomah@duke.edu](mailto:Kristen.Ukeomah@duke.edu)).

# Project Team

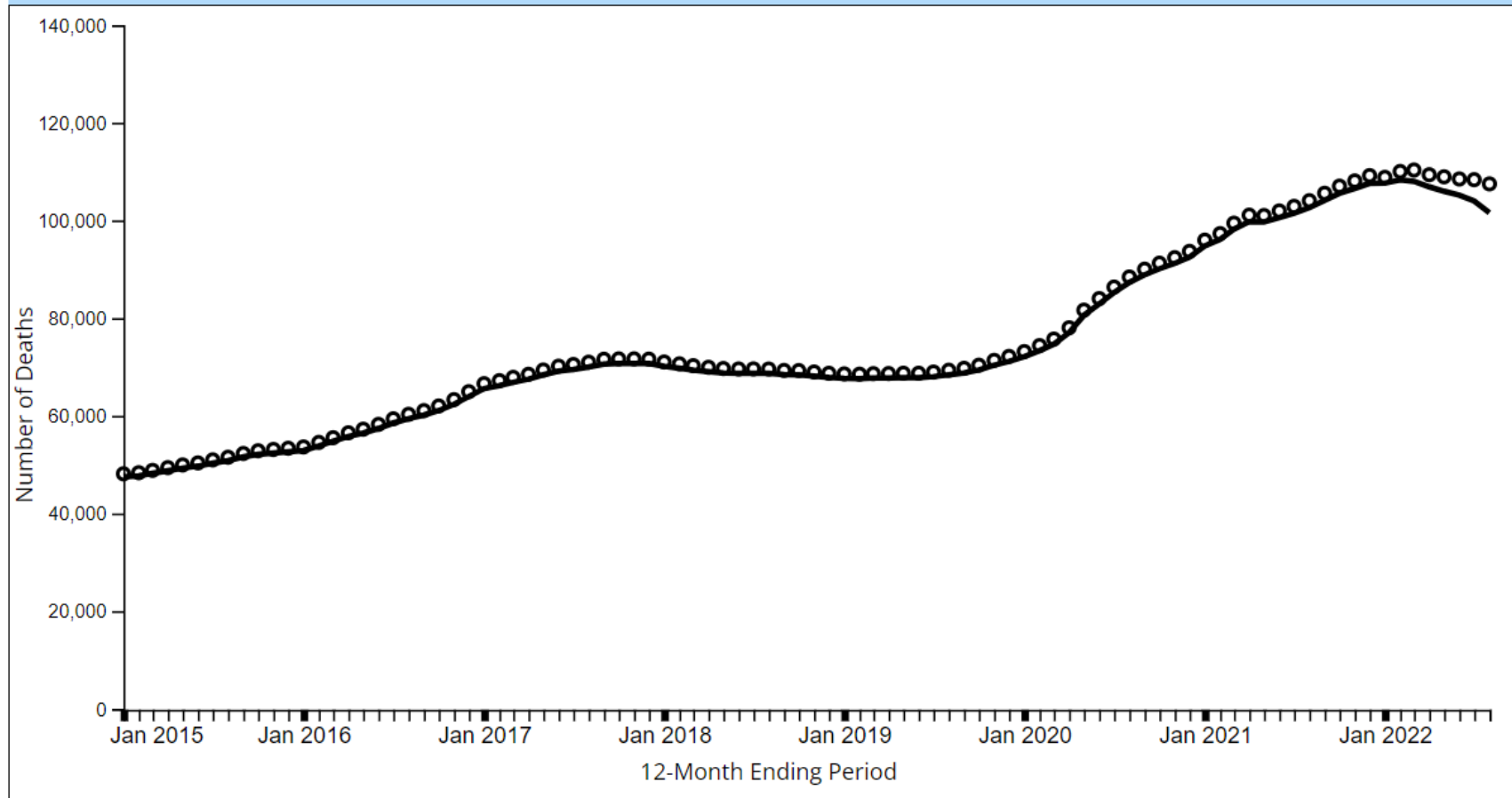


This project is supported by the  
**Elevance Health Foundation**



# Overdose deaths reached an all-time high during the COVID-19 pandemic

Figure 1a. 12 Month-ending Provisional Counts of Drug Overdose Deaths: United States



- Based on data available for analysis on 02/17/23 at <https://www.cdc.gov/nchs/nvss/vsrr/drug-overdose-data.htm>

# Current fragmented SUD treatment system often fails to meet those most in need of services

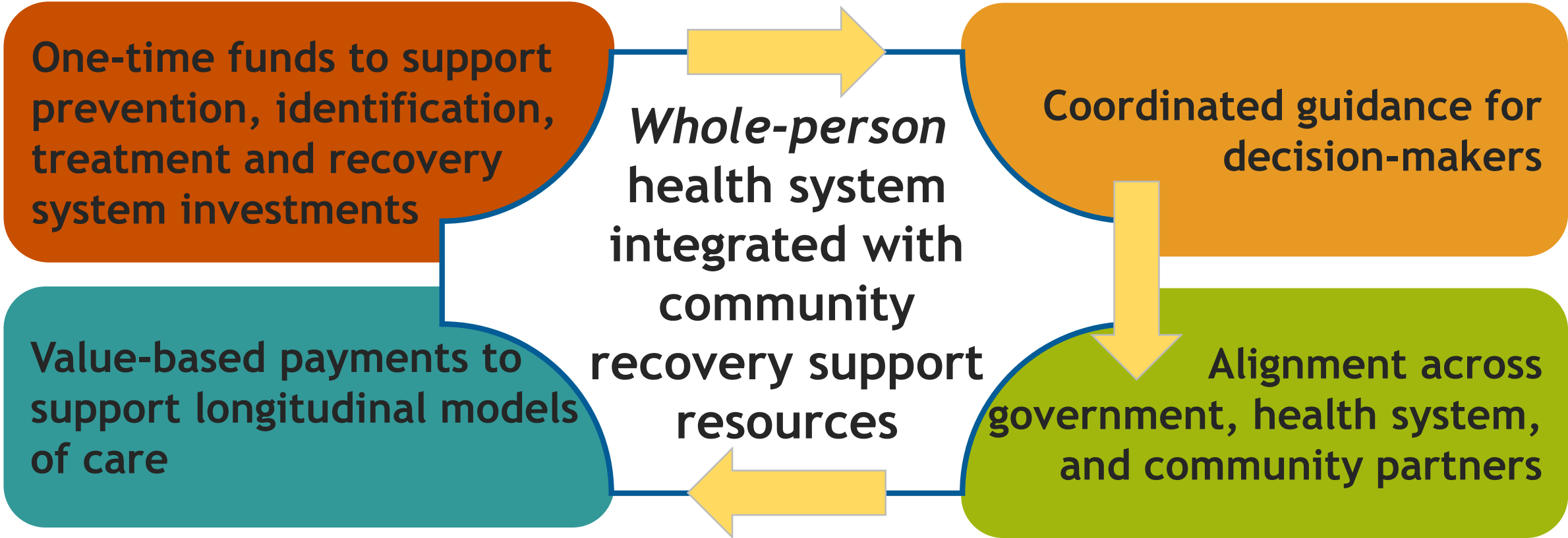
- Among existing SUD treatment programs, **only 36%** offered at least one medication to treat opioid use disorder (MOUD)<sup>1</sup>
- Only **6.5% percent** of individuals 12 or older who have a substance use disorder (SUD) received any sort of treatment.<sup>2</sup>
- Persistent **racial and ethnic disparities** in SUD treatment, access, utilization and outcomes exist resulting from stigma, structural racism and other systemic barriers within communities.<sup>3</sup>
- Access to and utilization of behavioral health services were challenged by the pandemic, with demand for services at an all time high.

(1) Mojtabai, R., C. Mauro, M. M. Wall, C. L. Barry, and M. Olfson. 2019. Medication treatment for opioid use disorders in substance use treatment facilities. *Health Affairs* 38(1):14-23

(2) <https://store.samhsa.gov/sites/default/files/pep20-05-02-001.pdf>; [https://www.cdc.gov/drugoverdose/pdf/pubs/linkage-to-care\\_edited.pdf\\_508-3-15-2022.pdf](https://www.cdc.gov/drugoverdose/pdf/pubs/linkage-to-care_edited.pdf_508-3-15-2022.pdf)

(3) <https://www.apa.org/pubs/reports/practitioner/2022-covid-psychologist-workload>

# Opportunity to build sustainable, recovery-oriented systems of care



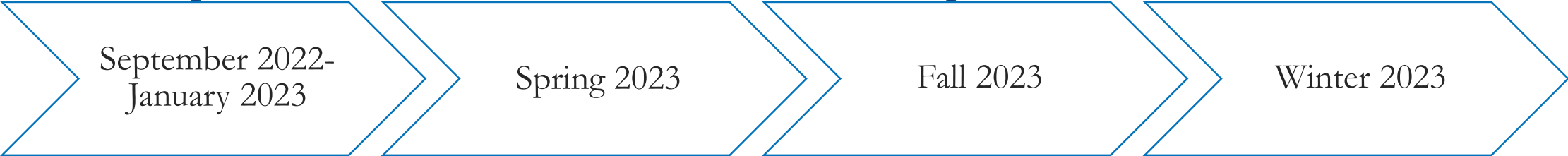


# Project Overview

- Our project aims to develop and disseminate resources and tools to guide state, county, and municipal investments of opioid settlement resources that are in support of sustainable, recovery-oriented systems of care responsive to community needs.

Interviews with state and local policymakers, associations, addiction policy SMEs, and advocates

Playbook for Investing the Opioid Settlement Funds



Opioid Abatement Needs and Investment Tool

Measurement Toolkit

# Feedback Session: Opioid Abatement Needs and Investment Tool

Frank McStay, Duke-Margolis

# Opioid Abatement Needs and Investment Tool

- **Overview of tool purpose, audience, and demonstration** (5 minutes)
- **Discussion** (25 minutes)
  - Are there any components of the tool that **need improvement**? For example, any features of the tool you found hard to use or not intuitive?
  - On the **Report** page, are there any recovery investment areas missing or program examples we should highlight?
  - Are there additional audiences or use-cases we should consider?
  - What **data** are missing from this tool that would be valuable to add?

# Strategic Prioritization of Settlement Dollars and Clarification on Existing Financial Support Mechanisms

Frank McStay, Duke-Margolis

Andrew Whitacre, The Pew Charitable Trusts

# Large boost in funding for addiction treatment, states create opportunities to support transformation

Funding sources for SUD treatment and recovery outside of Medicaid or 3<sup>rd</sup> party reimbursement include:

- **American Rescue Plan Act (ARPA) of 2021**
  - \$3 billion to SAMHSA to fund Substance Abuse Prevention and Treatment block grant and the Community Mental Health Services block grant (\$1.5 billion each)
- **President Biden's FY 2022 budget**
  - \$10.7 billion for SAMHSA prevention and treatment programs, an increase of \$3.9 billion over the 2021 enacted level
- **President Biden's FY 2023 budget**
  - \$19 million in additional funding for SAMSHA prevention programs; \$1.58 billion for State Opioid Response Grants
  - \$633 million for the VA's Opioid Treatment and Prevention Program
  - \$7.5 billion to establish Medicaid provider capacity grants for mental health & substance use disorder treatment
- **Ongoing Opioid Litigation Settlements**
  - States, cities and counties will receive ~\$50 billion (and counting) total in funding intended to address the harms of the opioid crisis

# Funding streams supporting SUD prevention, treatment, and recovery



<ul style="list-style-type: none"> <li>• <b>Treatment and supportive services</b> for <u>covered populations</u></li> <li>• FDA-approved <b>MOUD</b></li> <li>• Limited social supports/wrap around services</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Workforce supports</b> (National Health Service Corps Repayment)</li> <li>• <b>Rural community support</b> (e.g., Opioid Response Program)</li> </ul>	<ul style="list-style-type: none"> <li>• SOR/STR Grants</li> <li>• Substance Use Prevention, Treatment, and Recovery Services Block Grants</li> </ul>	<ul style="list-style-type: none"> <li>• <b>CDC</b> Support for opioid overdose tracking and prevention in states</li> <li>• <b>DOJ</b> support of drug courts and veterans treatment courts</li> <li>• State level funding efforts</li> </ul>	<ul style="list-style-type: none"> <li>• Treatment and supportive services</li> <li>• Research and Evaluation</li> <li>• Advocacy, stakeholder convening</li> </ul>	<ul style="list-style-type: none"> <li>• Prevention</li> <li>• Treatment</li> <li>• Recovery Supports</li> <li>• Recovery Housing</li> <li>• Physical Infrastructure</li> <li>• Data Infrastructure</li> <li>• Supports for underserved populations (e.g., justice-involved)</li> </ul>
---	---	---	--	---	---

**Blend and braid funding to maximize use to address gaps and breakdown existing silos through alignment**

# Our interviews with stakeholders highlighted six key opportunities for strategic prioritization

- **Resources Deficit**

- States and associations felt that their constituents lacked the resources to address the epidemic, e.g. lack of measurement tools

- **Misuse of Settlement Dollars**

- Interviewees warned about the worrisome interest of stakeholders to misappropriate settlement dollars for capital projects not directly tied to opioid abatement

- **Improved Data Collection and Reporting**

- Several state, county, and local governments noted the lack of infrastructure to effectively collect data, the inability to flow data to other entities, and limited data and outcome reporting

- **Accountability and Sustainability**

- There were cross-cutting themes about the need for sustainable initiatives to address the opioid epidemic beyond the life of the settlement distributions and concerns about tracking uses

- **Collaboration**

- There was incongruence across interviews about the level of local integration that should be implemented in the distribution of settlement dollars

## **Stigma**

- Stigma has pervasive impacts on the effectiveness of abatement initiatives, from stifling the concern of government officials to prevent in-need populations from seeking help



# Group Discussion

- What investments are highest priorities for local, county, and state policymakers and which funding streams are best aligned to support besides settlement dollars?
- What obstacles are preventing communities from currently using existing funding streams, such as those from HRSA, AHRQ, SAMHSA, the CDC, etc.? Are there opportunities to reduce these burdens and challenges?
- How can there be accountability for settlement dollar outcomes without introducing significant burden?



# Sustainability of Opioid Settlement Funds Spending: Leveraging Value-based Payment Models

Mark McClellan, Duke-Margolis

Greg Williams, Third Horizon Strategies

# Substantial Spending on SUD services

- Substance misuse is estimated to cost society \$442 billion each year in health care costs, lost productivity, and criminal justice costs
- Annual medical cost associated with substance use disorder in US emergency departments and inpatient settings exceeded \$13 billion in 2017. According to the Agency for Healthcare Research and Quality's Healthcare Cost and Utilization Project:
  - Government payers—Medicare and Medicaid—pay for more than half of all inpatient stays for mental disorder and substance abuse disorder diagnoses
  - About 23 percent of inpatient stays for SUDs alone were not covered by health insurance
- Systems of care are do not optimally support *longitudinal* treatment or recovery for patients.
  - Current financing mechanism largely remains under fee-for-service
  - Reimbursement is often limited in commercial and government payers
  - Providers systems are fragmented or nonexistent, especially outpatient care for rural and underserved populations
- **Settlement dollars represent strategic opportunity to invest in infrastructure necessary to create longitudinal care systems that can be supported by value-based payments in long run**

## Sources

- 1) <https://www.hcup-us.ahrq.gov/reports/statbriefs/sb191-Hospitalization-Mental-Substance-Use-Disorders-2012.jsp>
- 2) <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2777032>
- 3) <https://addiction.surgeongeneral.gov/vision-future/time-for-a-change>

# Growing Momentum for Value-Based Approaches

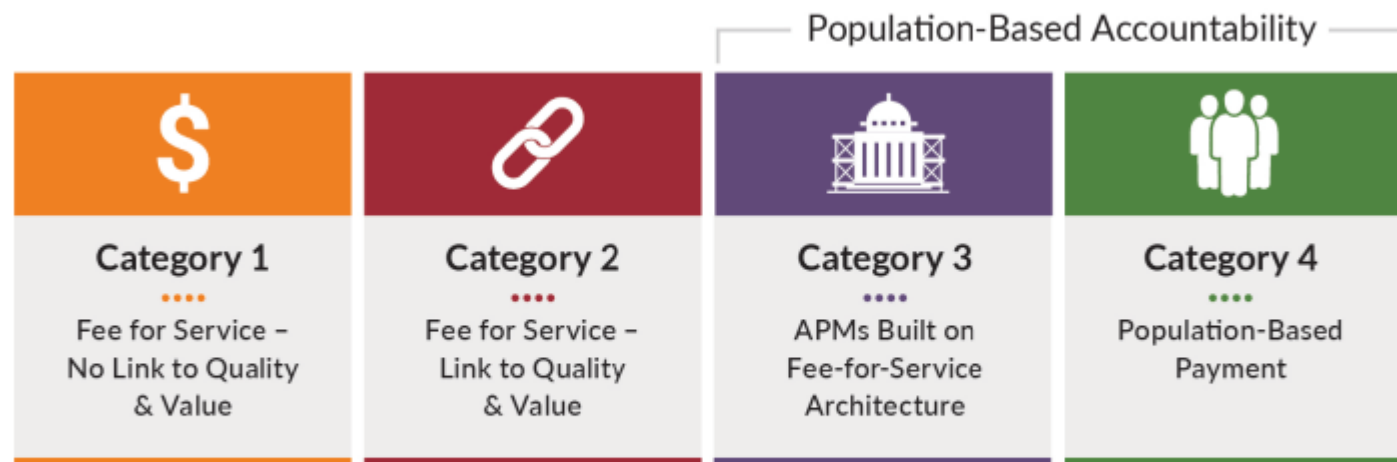
- Health care payers are increasingly moving away from FFS and toward value-based approaches that reward high-value, cost-effective care
- Value-based payment (VBP) models have the potential to incentivize high-quality care, encourage longitudinal care coordination, and ensure appropriate linkages to support services as patients move through the continuum of care
- VBP models present unique opportunities to sustain the efforts supported by Opioid Settlement Funds
- Similarly, Opioid Settlement Funds can help build strengthen the infrastructure needed to advance adoption of VBP models (e.g., workforce support, data infrastructure)

CMS Innovation Center Policy Refresh



# Leveraging Value-Based Payments to Sustain SUD Treatment & Recovery

- The Health Care Payment Learning & Action Network (HCP-LAN) categorizes alternative payment models (APMs) that increasingly promote accountability for health care outcomes and cost savings.
- There is federal commitment to payment reform through APM targets
- However, despite their potential to improve care, improve access, and reduce costs, APMs for SUD treatment are not widespread



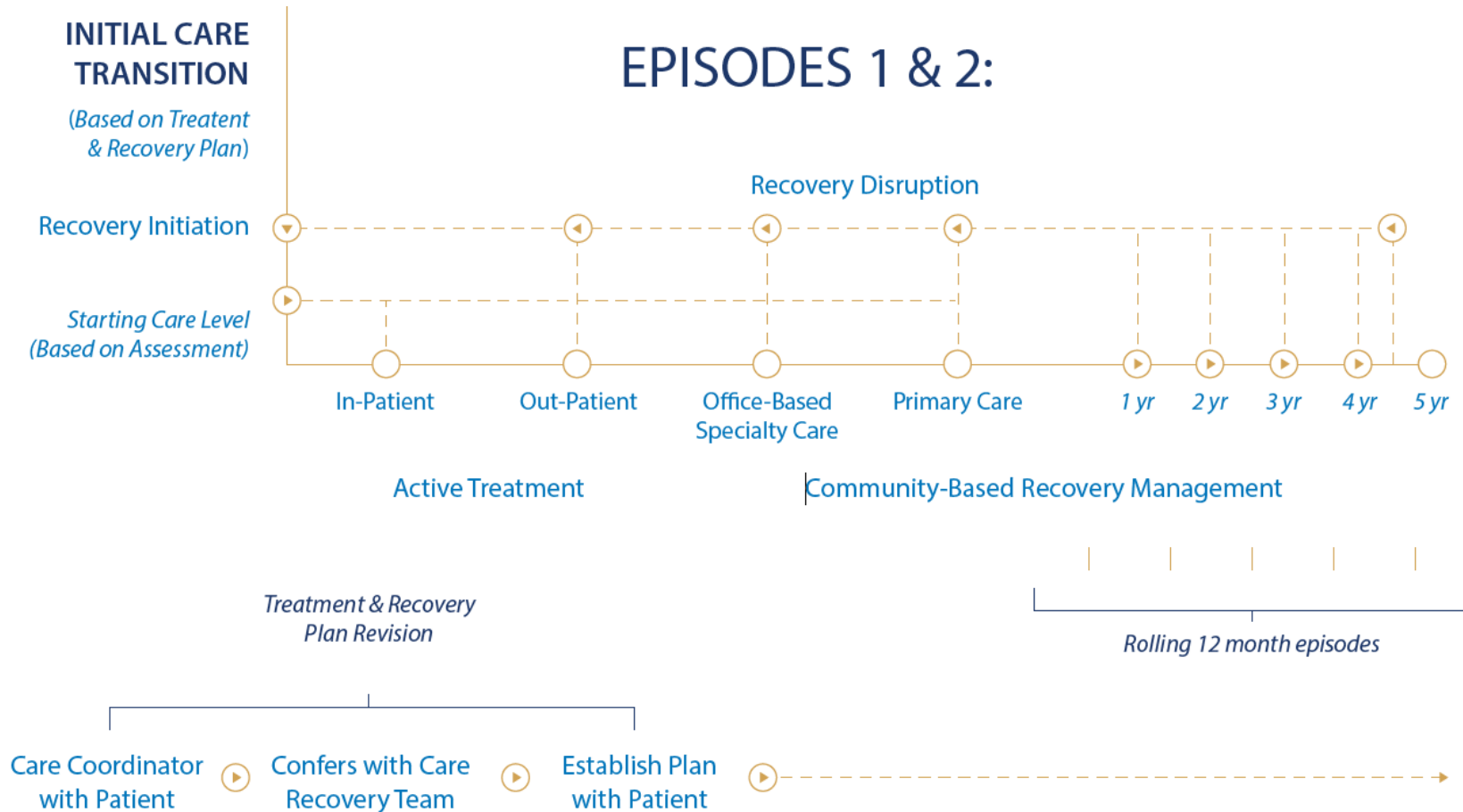
Source: [Alternative Payment Model \(APM\) Framework and Progress Tracking Work Group](#)



# Opportunity for VBP to Support Care Transformation & Sustain Impact of Opioid Settlement Funds



# Opportunity for VBP to Support Care Transformation & Sustain Impact of Opioid Settlement Funds





# SUD VBP Approaches

Models gaining traction include:

- Patient-Centered Opioid Addiction Treatment (P-COAT) APM
- Addiction Recovery Medical Home APM (AMRH-APM)
- CMMI's Value in Treatment demonstration
- CMMI's Maternal Opioid Misuse demonstration
- Certified Community Behavioral Health Clinics (recently approved nationwide expansion of demonstration)
- State Medicaid Initiatives: Virginia ARTS Program, Michigan Opioid Health Home, Pennsylvania Centers of Excellence for Opioid Use Disorder



## Model:

- Monthly case rate for comprehensive care management
- Payment for performance:
  - Increases in initiation and engagement in treatment
  - Increased utilization of peer recovery specialists
  - Decreases in opioid-related hospitalizations

## 2019 Analysis:

- Increased retention and engagement by enrollees
- Declines in average ED visits, non-emergent ED visits, in-person hospital admissions

# Key Challenges for Advancing VBP Adoption for SUD

## Macro-level challenges

- Stigma against substance use and individuals with SUD
- Underinvestment in SUD workforce and community-based supports for sustained recovery

## Implementation & Care Delivery Challenges

- Regulatory and technology barriers to data sharing
- Provider buy-in, capacity, and readiness
- Coordination of providers and social supports as patients transition through levels of care

## Payment Challenges

- Lack of consensus across healthcare stakeholders on meaningful quality measures
- Perverse incentives created by FFS payment systems and behavioral health carve-outs
- Chronic nature of SUD and timeline for payment



# Group Discussion

- Are there existing behavioral health/SUD payment models that can serve as a use-case for other payers and communities to work from? Where can opioid settlement funds be used to further increase VBP adoption?
- What payment mechanisms could potentially be used to drive integration of providers and payers to support newly created systems of care?
- How can Accountable Care Organizations and Community-based organizations that primarily exist in the physical health space be used to support recovery-oriented systems of care in the long-term?

# Looking Ahead: Measurement Toolkit

Frank McStay, Duke Margolis

# Building on Existing Measurement Efforts

- Existing efforts point to opportunities for measuring effectiveness of investments of opioid settlement funds.
- Multiple organizations, such as the National Quality Forum (NQF), the National Committee for Quality Assurance (NCQA), The Joint Commission, the Agency for Healthcare Research and Quality (AHRQ), Shatterproof, and Pew Charitable Trusts have created SUD-specific quality measures for treatment.
- There are opportunities for measuring what matters most to patients regarding treatment and recovery (e.g., patient-reported outcomes, measures of social needs, other community-level measures)

# Group Discussion

- What are the priorities of payers, providers, and consumers relative to how opioid settlement fund tracking and accountability efforts fit into larger measurement efforts related to SUD outcomes?
- What resource is needed to (1) demonstrate the value of opioid settlements that could (2) also be leveraged within the broader system?

# Wrap-up and Next Steps