Addiction Policy and the Consolidated Appropriations Act of 2023

Understanding key provisions that will help improve access to patient-centered addiction care.

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- Strategic direction for advocacy and government relations
- Federal legislative and regulatory affairs and public policy
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ASAM American Society *of* Addiction Medicine

ASAM, founded in 1954, is a professional medical society representing over **7,000 physicians, clinicians and associated professionals** in the field of addiction medicine. ASAM is dedicated to increasing access and improving the quality of addiction treatment, educating physicians and the public, supporting research and prevention, and promoting the appropriate role of physicians in the care of patients with addiction.

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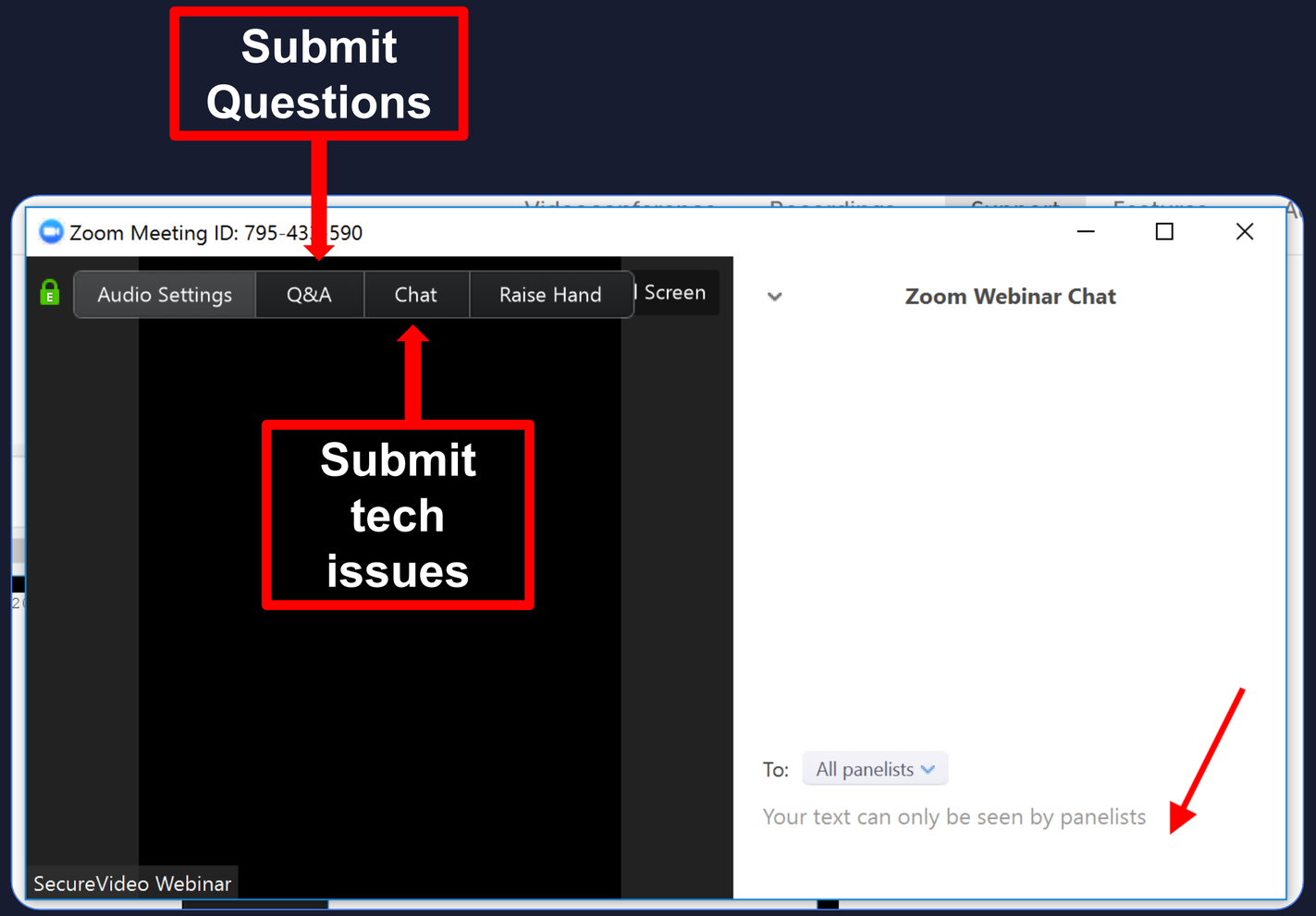
ANNOUNCEMENTS

1. Attendee Audio: Mics are automatically set to mute.
2. Questions? Type questions into the Q&A box.
3. Technical Issues? Use the chat box feature to submit questions to your hosts.



Agenda

1. CAA 2023 – What's That?
2. CAA 2023 Funding Highlights for FY23
3. Selected Federal Grant Authorizations
4. Excellence in Recovery Housing Provisions
5. Mental Health and Addiction Parity Provisions
6. Medicare/Medicaid Reforms Impacting Addiction Care
7. Other Policy Reforms (e.g., "X the X-Waiver")
8. Question and Answer Session

CAA 2023: What's That?

- Every year Congress tries to pass 12 appropriations (think: "money") bills by October 1. (That's when a new fiscal year begins.)
- Congress rarely completes this work by October 1.
- So, Congress passes stop-gap measures (a.k.a., continuing resolutions) to keep federal agencies running at largely level funding while Congress continues working.
- In 2022, Congress completed its appropriations work with the passage of the *Consolidated Appropriations Act, 2023* ("CAA 2023"), which was referred to as an "omnibus" bill – meaning it covers lots of unrelated topics.
- The CAA 2023 equates to nearly $1.7 trillion in funding.

Birth of the CAA 2023

UNVEILING

The omnibus appropriations bill was unveiled on December 20, 2022, just three days before a second continuing resolution to fund the government was set to expire on Friday, Dec. 23, 2022.

VOTES

December 22, 2022:
Senate 68-29 vote

December 23, 2023:
House 221-205-1 vote

DATE SIGNED

December 29, 2022

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CAA 2023 Funding Highlights for FY23 (L-HHS)

Labor, Health and Human Services, Education, and other related agencies were allocated $226.8 B in funding for FY2023

↑ *An additional $15 B— or 7.1%— above FY2022*

Agency	Funding
Department of Labor (DOL)	$13.8 B
National Labor Relations Board (NLRB)	$299 M
Department of Health and Human Services (HHS)	$120.7 B
Centers for Disease Control and Prevention (CDC)	$9.2 B
Substance Abuse and Mental Health Services Administration (SAMHSA)	$7.5 B
Health Resources and Services Administration (HRSA)	$9.7 B
National Institutes of Health	$47.5B
Department of Education (ED)	$79.6 B

Select Addiction-Related Programs in HRSA and SAMHSA

- HRSA's Addiction Medicine Fellowship Program
- HRSA's STAR-LRP
- SAMHSA's 988 Program
- SAMHSA grants for Certified Community Behavioral Health Clinics (CCBHC)
- SAMHSA's State Opioid Response (SOR) Grants
- Substance Abuse Prevention and Treatment Block Grant (SABG)
- SAMHSA's Building Communities of Recovery/Peer Support Technical Assistance Center
- SAMHSA's Medication-Assisted Treatment for Prescription Drug and Opioid Addiction

HRSA's Addiction Medicine Fellowship Program

Quick Take:

- $25M to support community-based clinical training of addiction medicine or addiction psychiatrists (fellowship programs) in underserved communities and offer services across health care sectors

Select Past Recipients:

Univ. of Arizona	LSU	UT-Austin
UCLA	Massachusetts General	Univ. of Utah
Stanford	Boston Children's	Univ. of Virginia
Yale	UNC-Chapel Hill	West Virgin Univ.
Howard	NYU	Univ. Washington
University of Florida	Penn State	Oregon H&S Univ.

HRSA's Substance Use Treatment and Recovery Loan Repayment Program (STAR-LRP)

Quick Take:

- $40M to support in the education and training of addiction treatment professionals, a $16M increase above FY22

The Demand:

- In FY21, 3,184 people applied for the program, but HRSA had enough funding to serve only 255 of them (8%), and the average amount of the awards ($103,603) was less than half of the $250,000 maximum allowed.

Substance Use Program Funding Highlights

- ***$2 billion***, an increase of $100 million above the fiscal year 2022 enacted level, for the **Substance Use Prevention, Treatment, and Recovery Services Block Grant.** (Excludes a set-aside for SABG recovery services but encourages SAMHSA to persuade States to continue funding recovery support services with those BG funds).
  - ***$1.575B for State Opioid Response Grants***, an increase of $50 million over fiscal year 2022.
  - ***Substance use prevention services:* $237 million**, an increase of $19M above fiscal year 2022.

Mental Health Program Funding Highlights

SAMHSA
Substance Abuse and Mental Health Services Administration

Mental health:

- **$2.8B**, an increase of $707M over FY2022, including an $150M increase to the **Mental Health Block Grant (MHBG),** making investments across the behavioral health continuum to support prevention, screening, treatment, and other services;
- **$385 million for Certified Community Behavioral Health Clinics**, a $70 million increase above FY2022.

Mental health resources for children and youth:

- **$140M for Project AWARE**, an increase of $20M above FY2022; $94M for the National Child Traumatic Stress Initiative, an increase of $12M above FY2022;
- $15M for Infant and Early Childhood Mental Health, an increase of $5M above FY2022.

Suicide and behavioral health crisis prevention:

- **$502M for 988 and Behavioral Health Crisis Services**, an increase of $390 million above the FY2022 enacted level, to support the new 988 number and services

Side Note: Section 1101 of the CAA 2023 requires the HHS Secretary to establish a Behavioral Health Crisis Coordinating Office within SAMHSA

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Strengthening the Addiction Workforce

Sec. 1301. Improving uptake and patient access to integrated care services.

Key takeaways:

- Authorizes $60M for each of FY23-27, to States in collaboration with various programs/facilities, including primary care practices to increase uptake of bidirectional, integrated care, including a 10% set aside for the psychiatric collaborative care model so long as certain FY funding targets met.

Sec. 1311. Reauthorization and provision of certain programs to strengthen the health care workforce.

Key takeaways:

- Reauthorizes HRSA's *Addiction Medicine Fellowship Program* through FY27

Sec. 1312. Reauthorization of minority fellowship program.

Key takeaways:

- Reauthorizes SAMHSA's *Minority Fellowship Program* at $25M per FY through FY27
- Continues to fail to mention "addiction medicine" explicitly in text.

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Excellence in Recovery Housing

Sec. 1232. Developing guidelines for States to promote the availability of high-quality recovery housing.

Key takeaways:

- Amends the national recovery housing best practices provision to continue activities related to consensus-based best practices, which may include model laws for implementing suggested minimum standards for operating and promoting high-quality recovery housing, explicitly excluding best practices related to addiction treatment.
- Directs HHS to contract with the *National Academies of Sciences, Engineering, and Medicine Study and Report* to study recovery housing in U.S. and make recommendations.

Sec. 1235. Grants for States to promote the availability of recovery housing and services.

Key takeaways:

- Authorizes grants to States, Indian tribes and territories, to promote recovery housing and services to individuals with SUD; $5M for period of FY23-27.

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Mental Health and Addiction Parity Provisions

Sec. 1321. Eliminating the opt-out for nonfederal governmental health plans.

Key takeaways:

- Sunsets the ability of self-funded, nonfederal government plans to “opt out” from federal mental health and addiction parity requirements.
- These plans often cover first responders, public school teachers, and other city and state workers (and about 200 of the 30K+ of these plans had opted out).

Sec. 1331. Grants to support mental health and SUD parity implementation.

Key takeaways:

- Authorizes grants to states to enforce and ensure compliance with the mental health and addiction parity law; $10M for each of the first five FYs beginning after the date of enactment.

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Medicare: Let's Level Set

Medicare/Substance Use Disorder Beneficiary Statistics

The number of Medicare beneficiaries with SUD needs is increasing and unmet.

In 2020, 1 million Medicare beneficiaries were diagnosed with opioid use disorder (OUD).

Fewer than 16% of beneficiaries with OUD receive medication, with less than 50% of them receiving behavioral therapy.

Overdose death rates have risen for minoritized groups, who make up an increasing proportion of the Medicare-enrolled population.

Rates of hospitalization and overdose among older adults continue to rise, despite declining rates in other age groups.

Expiring Medicare Provisions

Sec. 4112. Extension of support for physicians and other professionals in adjusting to Medicare payment changes.

Key takeaways:

Medicare physicians initially faced an 8.5% cut to physician payments in 2023:

- End of a 3% bonus to account for E/M increases, and new E/M values that called for a budget-neutrality adjustment of 1.5%.
- Another 4% came from a pay-as-you-go (PAYGO) cut to reduce excess spending. PAYGO 4% cut was eliminated for 2023.
- Phase down of the physician bonus:
    - I.e., Congress reduced the 4.5% cut to Medicare physician payment by increasing the 2023 conversion factor by 2.5% - **i.e., 2% cut**. Without further Congressional action, Medicare physicians can expect to see at least a 1.25% cut for 2024.

Sec. 4113. Advancing telehealth beyond COVID–19.

Key takeaways:

- Expands Medicare coverage of critical telehealth services beyond the COVID-19 PHE, removing geographical requirements and delaying in-person requirements for Medicare coverage of mental health services (including audio-only) through 2024. Medicare coverage for telehealth services by RHCs and FQHCs also continues through 2024.
- Does not extend the waiver of the in-person exam requirement under Ryan Haight Act for prescribing controlled medications.

Other Medicare Provisions

Sec. 4121 Coverage of marriage and family therapist services and mental health counselor services under Medicare Part B.

Key takeaways:

- Amends the Social Security Act (SSA) to include coverage of marriage and family therapist services and mental health counselor (at least master's level + 2 years of clinical supervised experience) services under Medicare Part B (as of January 1, 2024). Reimbursement at 80% of lesser of actual charge for services and 75% of the amount payable to a psychologist

Sec. 4122. Additional Medicare-supported residency positions.

Key takeaways:

Provides for the distribution of 200 additional Medicare-supported graduate medical education (GME) residency positions for Fiscal Year 2026, with 100 of those positions set aside for psychiatry or psychiatry subspecialty residencies.

Sec. 4123. Improving mobile crisis care in Medicare.

Key takeaways:

- Beginning in 2024, establishes new HCPCS codes for psychotherapy for crisis services that are furnished in an "applicable site of service."

Other Medicare Provisions

Sec. 4124. Ensuring adequate coverage of outpatient mental health services under the Medicare program.

Key takeaways:

- Medicare covers services for outpatient partial hospitalization (Hospital Outpatient Departments and CMHCs) for beneficiaries who otherwise qualify for treatment in an inpatient psychiatric facility; PHP now defined as min. 20 hours/week.
- Adds new intensive outpatient services (min. 9 hours/week), without inpatient qualification in scope of benefits (Hospital Outpatient Departments, CMHCs; FQHCs, and Rural Health Clinics).

Sec. 4127. Consideration of safe harbor under the anti-kickback statute for certain contingency management interventions.

Key takeaways:

- Requires the HHS Office of the Inspector General to review whether to establish a safe harbor (and its parameters) to the federal Anti-Kickback Act for contingency management interventions within a year; a report to Congress with recommendations is due no later than 2 years after enactment.

Sec. 4130. GAO study and report comparing coverage of mental health and SUD benefits and non-mental health and SUD benefits.

Key takeaways:

- The Comptroller General of the U.S. is required to examine the comparison between the mental health and SUD benefits offered by Medicare Advantage plans with benefits offered by Medicare fee-for-service programs within 30 months of passage.

Select Medicaid and CHIP reforms impacting addiction care

Sec. 5113. Modification to postpartum coverage under Medicaid and CHIP.

Key takeaways:

- Modifies the 12-month extended postpartum coverage option under Medicaid and CHIP by striking the requirement that it be limited to a five-year period. (Created in ARPA of 2021/was expiring in 2027.)

Sec. 5121. Medicaid and CHIP requirements for health screenings, referrals, and case management services for eligible juveniles in public institutions.

Key takeaways:

- Requires state child health plans to provide health screenings, diagnostic services, targeted case management services, and referrals for eligible juveniles within 30-day periods prior to and following release.

Sec. 5122. Removal of limitations on Federal financial participation for inmates who are eligible juveniles pending disposition of charges.

Key takeaways:

- Allows states to provide Medicaid and CHIP coverage for eligible juveniles as inmates of a public institution pending disposition of charges and removes limitations on federal financial participation.

Select Medicaid and CHIP reforms impacting addiction care

Sec. 5123. Requiring accurate, updated, and searchable provider directories.

Key takeaways:

- Requires managed care organizations, prepaid inpatient health plans and ambulatory health plans, and certain primary care case management entities to publish and update a public directory of network providers by July 1, 2025.

Sec. 5124. Supporting access to a continuum of crisis response services under Medicaid and CHIP.

Key takeaways:

- Requires the HHS Secretary to issue guidance to states to support access to crisis response services in Medicaid and CHIP by July 1, 2025.
- Separately, requires HHS to establish a technical assistance center to assist States and to produce a best practices guide for States.

Sec. 5131. Transitioning from Medicaid FMAP increase requirements.

Key takeaways:

- Amends the Families First Coronavirus Response Act to change FMAP increase requirements for states, gradually decreasing the increase from 6.2% to 1.5% between April 1, 2023, and December 31, 2023.
- Requires states conduct eligibility redeterminations during the transition period.

Other Policy Reforms

Sec. 1252(a). Changes to Federal opioid treatment standards.

Key takeaways:

- Codifies existing regulations (published in June 2021) that allow for the operation of a mobile component associated with a DEA-registered OTP to be considered a coincident activity permitted under the OTP's registration (if operated within that state of registration); no need for separate registration for such mobile component.

Sec. 1262. Eliminating additional requirements for dispensing narcotic drugs in schedule III, IV, and V for maintenance or detoxification treatment.

Key takeaways:

- Amends the Controlled Substances Act (CSA) to eliminate the DATA 2000 waiver program which imposed additional requirements for dispensing narcotic drugs in schedule III, IV, and V for maintenance or detoxification treatment.

Other Policy Reforms

Sec. 1263. Requiring prescribers of controlled substances to complete training.

Key takeaways:

- Amends the CSA to make it a condition on registration to dispense controlled substances in schedule II, III, IV, or V, for practitioners licensed under State law to prescribe controlled medications, to complete education on the treatment and management of patients with opioid or other substance use disorders.
- The requirement goes into effect on June 21, 2023, and begins with a prescribers first DEA registration or renewal that occurs on or after such date.
- Being an addiction specialist physician will satisfy this education requirement.

Sec. 1264. Increase in number of days before which certain controlled substances must be administered.

Key takeaways:

- Amends the CSA to increase the amount of time a prescriber may hold (before administering) long-acting injectable buprenorphine from a specialty pharmacy from 14 to 45 days.

Question & Answer Session

ASAM American Society *of* Addiction Medicine

Neeraj Gandotra, M.D.
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Dr. Gandotra completed his psychiatric residency at Howard University and his addiction psychiatry fellowship at Yale University School of Medicine.

He worked as Medical Director of Addiction Treatment Services at Johns Hopkins and as a Medical Director for federally qualified health centers. Immediately prior to joining SAMHSA, he served as the Chief Medical Officer for a large nationwide addiction treatment network. Dr. Gandotra is a member of the American Society of Addiction Medicine and the American Academy of Addiction Psychiatry.

Question & Answer Session

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THANK YOU.