

Minnesota Medicaid Substance Use Disorder 1115 Waiver: Impact on Emergency Department Utilization

Background

Minnesota's Substance Use Disorder System Reform Section 1115(a) Demonstration (the Demonstration) was approved by the Centers for Medicare & Medicaid Services (CMS) in July 2020, for a demonstration period of July 1, 2019, through June 30, 2025. The Demonstration supports a full continuum of care with a focus on ensuring that individuals are appropriately matched to a level of care, based on the requirements established by the American Society of Addiction Medicine (ASAM).¹ The Demonstration was designed to achieve progress towards several goals, including the goal of reduced utilization of emergency departments (EDs) and inpatient hospital settings for treatment where the utilization is preventable or medically inappropriate through improved access to other continuum of care services. For more information on the demonstration and preliminary findings, please see the [Interim Evaluation Report](#).

MN SUD Waiver Goals

1. Increase rates of identification, initiation, and engagement in treatment for SUD
2. Increase rates of adherence to and retention in treatment
3. Reduce readmissions to the same/higher level of care that are preventable or medically inappropriate
4. Improve access to care for physical health conditions
5. Reduce the number of opioid-related overdoses and deaths within the state.
6. Allow patients to receive a wider array of evidence-based services that are focused on a holistic approach to treatment
7. Reduce avoidable ED and inpatient hospital utilization

Measures of Success

The state anticipated that the Demonstration would reduce ED utilization, avoidable hospitalizations, and intensive inpatient services; however, NORC's analysis found no significant improvement across these measures to date.

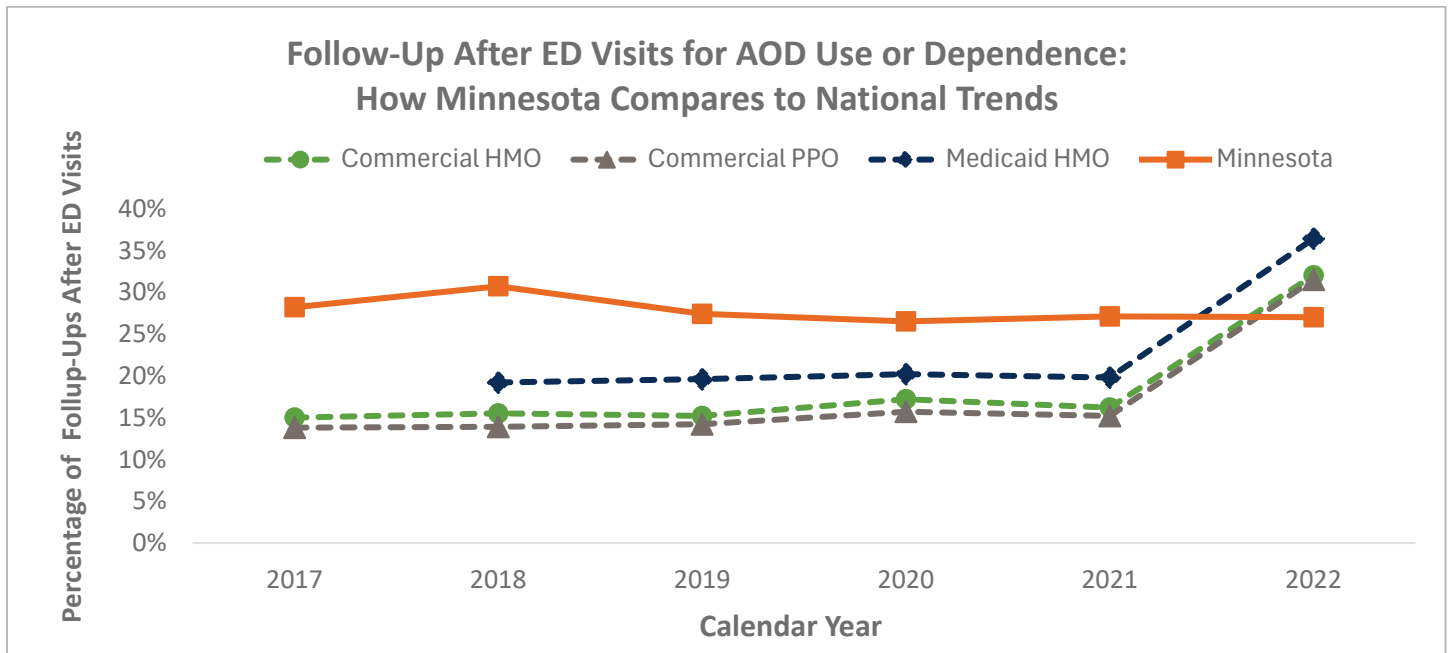
Measures Examined	Summary of Findings
ED Utilization	• ED utilization patterns among beneficiaries remained stable. • About one-third of beneficiaries with an SUD diagnosis had at least one ED visit annually. • Among beneficiaries with multiple visits, the average was 3.8 visits annually.
ED Visits Following Discharge from Treatment	• Readmissions and ED visits following discharge from treatment increased. • ED visits after a residential stay were lowest in 2018 (10.2%) and peaked in 2021 (15.2%).

¹ For more information on ASAM established levels of care please see: <https://www.revisor.mn.gov/statutes/cite/254B.1>

Measures Examined	Summary of Findings
Follow-Up After ED Visit for Alcohol or Other Drug (AOD) Use or Dependence	- Follow-ups after ED visits for AOD use or dependence decreased. - Despite the decline, MN consistently outperformed national follow-up rates from 2017-2021.

Follow-up after ED visits for AOD use or dependence, which may include but is not limited to outpatient, intensive outpatient, partial hospitalization and non-residential treatment for AOD, slightly decreased during the Demonstration period; however, Minnesota's rates of follow-up remained higher than national averages through 2021 (see Exhibit 1).

Exhibit 1. Follow-Up after ED Visits for AOD Use or Dependence, National Benchmarks by Payor and among Minnesota Medicaid Beneficiaries, 2017 through 2022



Provider Perspectives

The following presents survey findings to provide additional context beyond the claims-based measures outlined above. In 2023, NORC completed an online survey of all certified provider organizations on the implementation of the Demonstration. Survey respondents included twenty-five providers, representing all but one of the ASAM critical Levels of Care² and 97 facility locations. One focus of the provider survey was the ability of a provider organization to provide Medicaid patients with access to a specific ASAM Level of Care through referral. Most providers reported their organizations were able to refer Medicaid patients to the appropriate level of care most or all of the time.

Level	Percent All or Most of the Time	Percent Some	Percent never
1.0 Outpatient	88%	8%	4%
2.1 Intensive Outpatient	92%	0.00%	8%
3.1 Clinically managed low-intensity residential treatment	76%	12%	12%
3.3 Clinically Managed High-Intensity and Population-Specific Services	80%	3%	2%

² With the exception of ASAM Level 2.5 (partial hospitalization).

Level	Percent All or Most of the Time	Percent Some	Percent never
3.5 Clinically Managed Residential Services	96%	0.00%	4%
3.7 Medically Managed Withdrawal Management	68%	20%	12%

Initial Research on referrals/OD care/emergency department visits: Research demonstrates that providing individuals with substance use disorder a full continuum of care tailored to the appropriate ASAM level of care reduces avoidable ED visits. However, several external factors affected the impact of the Demonstration, including the effects of the COVID-19 public health emergency (PHE) on resource and staffing shortages and increased SUD diagnoses and demands for services during the PHE that mirrored national trends.^{3 4 5} While the Demonstration did not yield significant improvements in avoidable ED visits, we will further examine these challenges associated with the PHE and their potential impact on measures of success in the Summative Evaluation Report. Research conducted outside of the Medicaid population in Minnesota continues to support the hypothesis that there is a positive association between comprehensive substance use disorder treatment and reduced ED visits. This research includes:

- A study of the impact of interdisciplinary primary care – where SDOH and SUD prevention, assessment and treatment are central components of service delivery – found that IPC enrollment was associated with reductions in ED visits, even for those with histories of high ED use prior to enrollment. ED visits for patients with histories of homelessness and SUDs stabilized following IPC enrollment.⁶
- Integrated addiction pharmacotherapy and recovery coaching in primary care was linked with fewer hospital days and fewer ED visits for inpatients with SUD compared to individuals receiving care in practices without those services.⁷



Key Takeaways

- Minnesota saw its highest follow-up rates after ED visits for AOD use in 2018 (30.7%), followed by a decline. However, they have maintained stable rates in subsequent years, consistently outperforming national rates from 2017-2021. Although national rates surpassed Minnesota from 2021-2022, Minnesota's strong historical performance and sustained follow-up rates suggest the potential to match or exceed national rates in the future.
- Minnesota treatment providers surveyed in 2023 reported their organizations were able to refer Medicaid patients to the appropriate level of care most or all of the time suggesting Medicaid beneficiaries were able to access services across the continuum of care.

About the Study Team

This study was conducted by NORC at the University of Chicago on behalf of the Minnesota Department of Human Services. NORC at the University of Chicago is an objective, nonpartisan research organization that delivers insights and analysis decision-makers trust.

³ Centers for Disease Control and Prevention. (May 23, 2022). DOSE dashboard: Nonfatal overdose syndromic surveillance data. Available at: <https://www.cdc.gov/drugoverdose/nonfatal/dashboard/index.html>.

⁴ Avena, N. M., Simkus, J., Lewandowski, A., Gold, M. S., & Potenza, M. N. (2021). Substance use disorders and behavioral addictions during the COVID-19 pandemic and COVID-19-related restrictions. *Frontiers in Psychiatry*, 12, 653674. Available at: <https://www.frontiersin.org/articles/10.3389/fpsyt.2021.653674/full>.

⁵ Hulsey, J., Mellis, A., & Kelly, B. (June 8, 2020). COVID-19 pandemic impact on patients, families & individuals in recovery from a SUD. *Addiction Policy Forum*. Available at: <https://www.addictionpolicy.org/post/covid-19-pandemic-impact-on-patients-families-individuals-in-recovery-from-substance-use-disorder>.

⁶ Jones AL, Kelley AT, Suo Y, Baylis JD, Codell NK, West NA, Gordon AJ. Trends in Health Service Utilization After Enrollment in an Interdisciplinary Primary Care Clinic for Veterans with Addiction, Social Determinants of Health, or Other Vulnerabilities. *Journal General Internal Medicine*. <https://pmc.ncbi.nlm.nih.gov/articles/PMC8862702/#Sec1>. February 2022.

⁷ Wakeman SE, Rigotti NA, Chang Y, et al. Effect of Integrating Substance Use Disorder Treatment into Primary Care on Inpatient and Emergency Department Utilization. *Journal General Internal Medicine*. <https://link.springer.com/article/10.1007/s11606-018-4807-x>. January 2019.