Paying for Substance Use Disorder Treatment in Minnesota
Paying for substance use disorder treatment services

• Private pay

• Public pay (the government)
  • State contracted Managed Care Organization
  • Consolidated Chemical Dependency Treatment Fund
Funding sources

CY 2016

- Consolidated Chemical Dependency Treatment Fund: 44%
- State contracted Managed Care Organization: 26%
- Private pay: 30%

5/23/2018 mn.gov/dhs
Private pay

• Insurance

• Out of pocket
Public pay: MCOs

• State contracted Managed Care Organizations (MCOs)
  • MCOs provide services
  • State, county and federal funds
Public pay: CCDTF

• Consolidated Chemical Dependency Treatment Fund (CCDTF) is a common pot of money to pay for treatment
  • Funded by State, county and federal Medicaid dollars
  • Reimbursed after the fact
  • Minnesota original
  • Streamlines services
What federal funds help pay for

• Treatment for people below a certain income

• Residential treatment in programs up to 16 beds
  • Treatment programs over 16 beds are known as “Institutions for Mental Disease” or IMDs
  • IMDs do not qualify for Medicaid reimbursement to the State
Challenge

• “Treatment in programs up to 16 beds” is open to interpretation
  
  • Can there be two treatment programs on the same grounds? In the same building? If yes, can they share staff? How about dining rooms? Meetings rooms?
Result

• As a result, more than 60 treatment programs have been reclassified as IMDs, and the State will no longer be reimbursed for Medicaid services at these programs.
One solution: The 1115 Waiver demonstration project

• DHS has applied for a waiver exemption from the 16 bed requirement, called an “1115 Waiver”

• 1115 waiver approvals are currently being expedited by the Federal Government as a result of the opioid crisis
1115 Waiver

• Waiver will be for 5-years

• Limited number of participating providers

• Test innovative concepts that increase care, provide higher quality and lower costs, and increase treatment options
1115 Waiver timeline

• March 2018: Application submitted

• July of 2018: 1115 Waiver in affect if approved
Expected results

• The 1115 demonstration project will provide Minnesota the flexibility to meet the needs of more people in more parts of the state.
Thank you!

Learn more about substance use disorder treatment reform