Medicaid waiver provides for improved substance use disorder treatment in Alaska

June 25, 2019 ANCHORAGE – With the implementation of a new Medicaid demonstration waiver project that takes effect July 1, Alaska’s health care providers will gain more flexibility and new tools to address addiction and substance misuse problems in Alaska. The U.S. Department of Health and Human Services’ Section 1115 (pronounced: eleven-fifteen) waiver is a key strategy in an ongoing redesign of Alaska’s behavioral health system.

Beginning next month, under a federally-approved program known as a Section 1115 Medicaid Demonstration Project, the Alaska Department of Health and Social Services (DHSS) will be allowed to waive some Medicaid rules to cover more substance use disorder services for Alaskans.

“These changes will go a long way towards rebalancing Alaska’s behavioral health system which will decrease our use of acute, costly services while improving our ability to intervene earlier with Alaskans who are struggling with addiction,” said Deputy Commissioner Albert Wall. “The 1115 waiver makes it possible for providers to offer more community-based treatment options and local resources that help support recovery, health and wellness.”

The Division of Behavioral Health (DBH) is leading the system redesign for the Department of Health and Social Services with a vision of providing Alaskans a broader range of cost-effective and high quality behavioral health services. Once approved by the Centers for Medicare and Medicaid Services (CMS), an 1115 waiver provides states with flexibility to test new approaches within Medicaid to redesign, build and expand the behavioral health treatment framework.

DHSS applied for approval of the waiver in 2018 to improve services for Alaskans experiencing serious mental illness, severe emotional disturbance, substance use disorder (SUD), co-occurring substance use and mental illness, and at-risk families and children.

In response to the growing opioid epidemic, and at the guidance of CMS, the SUD portion of the waiver was broken out into a separate component in order to more quickly implement treatment options for substance use disorder. The SUD component was approved to move forward in November 2018. The implementation plan received approval in March 2019. The remaining portion of the waiver that addresses other behavioral health services is still under review by CMS.
High rates of substance use disorders – which includes misuse of opioids, alcohol and other harmful drugs – have long been a problem in Alaska. The 1115 SUD waiver will help address gaps in services for this vulnerable population by providing Medicaid coverage for additional prevention efforts, treatment services and recovery supports.

The goal is to identify individuals who need help before they are in crisis; match them to services based on their individual needs; increase access to treatment in communities across Alaska; and improve the skills, knowledge and capacity of health care professionals providing addiction treatment.

The implementation plan for the waiver aims to make these changes within Alaska:

- Screen all Medicaid recipients for substance use disorder to allow for early access to needed services.
- Match individuals with substance use disorder with the appropriate level of services and tools necessary for recovery according to the American Society of Addiction Medicine criteria.
- Increase the range and number of treatment options for youth and adults to include community-based services available in more regions of Alaska, early intervention and treatment, and supports for those recovering from addiction.
- Improve the infrastructure and capacity of health care providers to offer services based on certification and accountability standards.
- Enhance certification and credentialing standards for professionals working in SUD.

The ability to bill for these new services through Medicaid will be phased in over time with eligible health care providers who have received certification from the Division of Behavioral Health. The division is providing ongoing guidance to interested health care providers about these changes, as well as offering technical assistance on billing procedures, rates and regulations.

“We are excited about these improvements because of their potential to help Alaskans live healthier lives,” said Division of Behavioral Health Director Gennifer Moreau. “But we also recognize it may be a challenging time for providers as we implement new procedures. Our team is committed to helping them navigate this change for as long as needed and welcome their feedback.”

Providers interested in becoming certified or who have questions about the process can contact the Medicaid Services Section at mpassunit@alaska.gov or 907-269-3600. Anyone interested in 1115 waiver updates can also sign up to receive e-memos.

More information about the 1115 waiver – including the application, implementation plan, and e-memos for providers – can be found on the Division of Behavioral Health website.