



November 4, 2021

The Honorable Ron Wyden (OR),
Chairman, Committee on Finance
United States Senate

The Honorable Mike Crapo (ID),
Ranking Member, Committee on Finance
United States Senate

RE: Bipartisan Request for Information on Mental Health

Dear Senator's Wyden and Crapo,

Thank you for your ongoing leadership in exploring potential solutions to increasing integration, coordination, and access to care on behalf of urgent Mental Health and Substance Use Disorders (SUD) needs of individuals and families.

We the undersigned – representing major local and national organizations and businesses working across all disciplines to collaborate on comprehensive responses to the substance use, addiction, and overdose epidemic – write to encourage you to prioritize capacity-building efforts for longitudinal integrated treatment and recovery networks that can support the development of value-based models and pilot demonstrations for SUDs as you explore areas of the bipartisan legislative package in development.

The COVID-19 pandemic severely exacerbated the substance use public health emergency, making it even more clear that an urgent transformation in the continuum of care for those struggling with an SUD is desperately needed. In late 2016, an entire chapter of The Surgeon General's Report on Alcohol, Drugs and Health: [Facing Addiction in America](#) was dedicated to issuing a call to action for health systems to integrate comprehensive and chronic management of substance use services into their delivery networks. While nearly all local health systems have developed strategies and established departments for population health and chronic disease management for heart disease and diabetes, very few have instituted similar resources and processes for SUDs.

This is not an artifact resulting from a lack of evidence, but the residual effect of existing behavioral health and addiction services that have been developed in isolation – underfunded and disconnected from where most individuals initially present with an SUD, namely emergency rooms, urgent care, primary care offices, and criminal justice systems. In most fee-for-service payment models for addiction, providers and payers are unable to control or directly influence all facets of a person's recovery journey, including the various manifestations of recovery disruptions. Collectively, we view the disintegration of economic resources as chiefly responsible for the fragmentation of addiction treatment and recovery services. Even with increased coverage through Medicaid expansion efforts and other grant-driven capacity expansion programs, the nearly 90 percent addiction treatment gap for those in need persists.

National non-profit stakeholders, diverse provider associations, managed care companies, specialty providers, health systems, information technology solution companies, and subject matter experts have responded to this challenge by collaboratively developing an alternative payment model that corresponds with a comprehensive integrated treatment and recovery network care model. In September 2019, [The Alliance for Addiction Payment Reform](#) (Alliance) published the attached Addiction Recovery Medical Home – Alternative Payment Model (ARMH-APM) white paper. The ARMH-APM assimilates evidenced-based treatment and recovery services with a longitudinal payment system that requires integrated services and aligns the incentives for treating and managing addiction as a chronic disease.

It is imperative that our substance use disorder crisis response evolve from acute short-term and often redundant treatment services to a broader community recovery-centric response. Without support, this transformation will take place over decades, but with your leadership our communities could realize the needed future state far quicker. Below are two key areas of request for consideration:

Request Area #1 - HHS Study and CMS to Issue Guidance on Value-Based Payment Efforts for SUDs:

- The Secretary of the U.S. Department of Health and Human Services (HHS), acting through the Administrator of the Centers for Medicare & Medicaid Services (CMS), shall issue a report identifying best practices on value-based/outcome-based alternative payment models for treatment and recovery services for SUDs. The report shall include:
 - An analysis of the current percentage of market adoption, best practices, barriers, and potential solutions for using APMs to drive long-term value for treatment and recovery services for SUDs
 - A state-by-state identification and analysis of the differences, if any, in furnishing value-based payment programs, such as, and to the extent feasible, with respect to:
 - utilization and program retention rates;
 - program costs and total costs of care for individuals enrolled;
 - avoidable emergency room visits, inpatient admissions, and readmissions;
 - quality of care; and
 - patient, family, and provider satisfaction.
- The CMS to issue guidance to states regarding the adoption of APMs for treatment and recovery services for SUDs under Medicaid. This guidance shall provide specific guidance for best practices to states that carve-out behavioral health from physical health benefits and include state options for federal reimbursement of expenditures under Medicaid for use of value-based payment models in 1115 waivers, State Plan Amendments, directed payments, through contracts with managed care entities, and through administrative claiming for disease management activities. Additionally, the guidance should include how states can use emerging tools for retention of individuals in SUD care including mobile technology applications, contingency management services, and interoperability and sharing of electronic health records between providers/levels of care.

Request Area #2 - Addiction Recovery Medical Home Pilots Discretionary Grant Funding and Evaluation:

- The secretary shall award up to \$50 million in grants annually for five years on a competitive basis to eligible entities to establish or operate an Addiction Recovery Medical Home (ARMH). An ARMH may be a single entity or an Integrated Treatment and Recovery Network in a geographic area. A grant awarded shall be for a period not less than three years and not more than five years. Not more than one grant shall be made to entities in a single state for any one period. To be eligible for a grant, an entity shall submit an application to

the secretary that demonstrates how the entity will coordinate (or is capable of coordinating) with other entities to carry the activities described in an Integrated Treatment and Recovery Network in an ARMH and that the entity has a committed managed care organization confirmed as a partner for the proposed geography. The grantee would need to demonstrate their ability for the sustainability of the program leveraging existing funding streams at the conclusion of the grant. The program would have defined data reporting requirements for grantees to participate in a funded evaluation as well.

- The secretary shall submit to Congress a final report that includes an evaluation of the effectiveness of the ARMH grantees and other market-based pilots with respect to health and cost outcomes of the population of individuals with an SUD who receive services from the ARMH, which shall include an evaluation of the effectiveness of services for treatment and recovery support and to reduce recovery disruptions, acute care needs, and overdoses.

The gravity of this moment requires important strategic considerations that supports pushing our SUD systems towards population health management strategies. We urge you to leverage this reauthorization process in longitudinal and sustainable ways far beyond our historically fragmented and acute specialty services for addiction treatment. The time has come to radically rethink the addiction continuum of care in the United States by seeding new integrated treatment and recovery network strategies that can ***incentivize recovery, not relapse***.

Sincerely,

The Undersigned Conveners, Members, and Advisors of The Alliance for Addiction Payment Reform:

American College of Clinical Pharmacy
Amerihealth Caritas
Ascension Recovery Services
Association for Behavioral Health and Wellness
Dolan Research International
Eleanor Health
FAVOR Greenville
Florida Alliance for Healthcare Value
Gateway Foundation
Healthcare Financial Management Association

Nuvance Health
Onefifteen
Partnership to End Addiction
Signify Health
Superior HealthPlan
Symetria Health
The Kennedy Forum
Third Horizon Strategies
WEconnect Health Management
Well Being Trust