

ISSUE BRIEF #7

Implementing Health Care Reform Benefit Design Provides Opportunity to Reduce Alcohol and Drug Addiction Treatment Gap

An estimated 23.5 million Americans are currently addicted to alcohol and/or other drugs and need treatment and support services. Unfortunately, only one in 10 of them (2.6 million) receives the treatment they need. The result: a treatment gap of more than 20 million Americans. Lack of insurance, inadequate insurance coverage and insufficient public funds are the primary reasons for this treatment gap.

The March 2010 passage of health care reform means millions more Americans will have insurance coverage for addiction treatment as part of their basic benefit package. This represents a major step forward in making addiction treatment part of a comprehensive approach to integrated health care.

Health Care Reform Legislation Incorporates Alcohol and Drug Addiction Treatment

Congress embraced addiction treatment as an essential part of health care reform. But federal and state regulators are now tasked with translating and implementing that vision by defining what will be included in the addiction treatment benefit for both public and private insurance. For the promise of this historic opportunity to be realized, a meaningful addiction treatment benefit will include a full continuum of effective, integrated treatment practices.

When health care reform is fully implemented, almost all individual and small group plans – both within and outside of the future health insurance exchanges – will be required to cover addiction treatment services for enrollees at “parity” with other covered medical and surgical benefits. In addition, basic addiction treatment benefit and parity requirements will also extend to the millions of newly eligible adult Medicaid beneficiaries.

Next Step: Benefit Design—Requirements for Meaningful Treatment Benefit

Four principles should guide the successful development of the benefit package related to addiction treatment:

1. **Provide equitable coverage for a full continuum of addiction services.** In order to be meaningful, the full range of addiction services – including prevention and screening, early and brief interventions, treatment, and support services – must be fully covered and available to both the patient and the patient’s family members.
2. **Ensure full access to health care benefits, including the entire range of addiction treatment benefits, to all those in need.** Qualified treatment professionals – not insurance companies – should decide what treatment options and levels of care are appropriate. Insurance companies must not use bureaucratic hurdles such as preauthorization or preferred provider networks to deny coverage or care that treatment professionals determine is necessary.
3. **Promote and support the provision of quality addiction prevention, treatment, and support services and practices.** Health care reform should do the following: (1) recognize that there is no single treatment that is effective for all individuals, which makes access to a full continuum of care critically important; (2) enhance financing for publicly funded safety net programs dealing with addiction; (3) support research on

evidence-based addiction prevention and treatment services; and, (4) create incentives for providers to implement evidence-based practices, including the use of appropriate medications.

4. **Allow access to the full array of services appropriate for long-term health.** Successful management of addiction, like other chronic diseases, must include ongoing support such as appropriate housing, transportation, education and employment. Accordingly, a full continuum of services, including case management, outreach and other enhanced services should be made available.

To ensure that the promise of health care reform is realized for people who need addiction treatment, experts on addiction and treatment need to be at the policymaking table as these decisions are made in Washington and around the country.

Treatment Gap Will Be Narrowed Not Closed by Health Care Reform

If properly implemented, health care reform will be a significant step toward increasing the availability of addiction treatment. But, it will not eliminate the treatment gap entirely. Millions of Americans will still lack coverage for and access to quality treatment.

- **Large employers** are not required to provide addiction treatment coverage. Their employees, therefore, may not have coverage for services they need.
- **Medicaid** coverage of addiction treatment for traditionally eligible individuals is not offered in every state, and services vary greatly among states that provide a treatment benefit.
- **Systemic and societal obstacles** continue to prevent many people from seeking addiction treatment. A number of current government policies result in discrimination – housing, education, health care and employment – against those who disclose a history of addiction. These barriers can hinder the long-term health of those seeking to address an addiction through treatment. Although there has been progress in reducing both the stigma and the discriminatory policies, many people with addiction histories are unable to fully exercise their rights and participation in society.

Closing the Addiction Treatment Gap and others will be working to preserve federal and state safety nets to ensure that individuals receive the services and intervention they need regardless of whether they are covered by health care reform, are unable to afford even subsidized insurance coverage, or do not have coverage that meets their treatment needs.

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Closing the Addiction Treatment Gap (www.treatmentgap.org) is a national program initiated by the Open Society Foundations and involving nine other local and national organizations working to expand addiction treatment. This initiative is designed to create an awareness of—and increase resources to close—an alarming treatment gap: currently, only one in ten Americans who need drug and alcohol addiction treatment is able to get it. The initiative aims to mobilize public support for expanded treatment by increasing public funding, broadening insurance coverage, and achieving greater program efficiency.

Active in more than 70 countries, the Open Society Foundations work to build vibrant and tolerant democracies whose governments are accountable to their citizens. Working with local communities, the Open Society Foundations support justice and human rights, freedom of expression, and access to public health and education.