

ISSUE BRIEF #5

Health Care Reform

Expanding Access to Addiction Prevention, Treatment and Recovery Services

Right now an estimated 23 million Americans are addicted to alcohol or drugs and need treatment; unfortunately, only one in 10 of them (2.3 million) gets the treatment they need.¹ The result: a treatment gap of more than 20 million Americans. Lack of insurance, inadequate insurance coverage, and insufficient public funds are chief among the many reasons for the gap.

Addiction is recognized as a chronic but treatable health condition. With the passage of health care reform, more Americans will have access to lifesaving addiction treatment than ever before.

[Closing the Addiction Treatment Gap through Health Care Reform – Addiction Prevention, Treatment and Recovery Addressed in Landmark Legislation](#)

The “Patient Protection and Affordability Care Act” was signed into law on March 23, 2010. On the heels of the Wellstone-Domenici Parity Act, health care reform provides an historic opportunity to expand access to addiction prevention, treatment and recovery services.

The Congressional Budget Office estimates that, by 2019 when the law is fully implemented, 95 percent of the documented eligible population will have health insurance. The new law will extend insurance to about 32 million residents who are currently uninsured.

The new law includes several provisions to address the addiction treatment gap:

Addiction treatment included in the basic benefit package. Individual and small group plans, as well as the future health insurance exchanges, will be required to cover mental health and substance use disorder services in the basic benefit package. Starting in 2017, states can allow large group plans – businesses with more than 100 employees – to buy coverage in the health insurance exchanges (note: large group plans have no mandated core benefits so treatment for addiction and other illnesses may not be covered). The benefits package for mental health and substance use disorder services will be developed before the exchanges become effective in 2014.

Parity requirements extend to all group and individual plans, as well as future health insurance exchanges. Wellstone/Domenici requires that addiction treatment benefits be provided at “parity” with all other covered medical and surgical benefits.

Basic benefit and parity requirements also extend to newly eligible Medicaid enrollees, including childless adults. The law expands Medicaid eligibility adults up to 133 percent of the federal poverty level and requires that all newly eligible parents and childless adults receive basic benefits, including addiction treatment provided at parity.

Substance Use Disorders and Mental Health are included in chronic disease prevention initiatives. The new law creates a national prevention council dedicated to the promotion of healthy federal policies. The council will include the Office of National Drug Control Policy (ONDCP) director as a member and substance use prevention is listed as a national priority for that council’s report to Congress. The Substance Abuse and Mental Health Services Administration (SAMHSA) is required to be consulted on issues related to preventing substance use disorders.

Workforce development initiatives to include a focus on addiction treatment services. “Behavioral health” workforce development is identified as a high-priority area, including efforts to expand and strengthen the addiction treatment workforce.

Implementation: Essential Details to be Worked Out in next Four Years

While some provisions take place immediately, the first wave of significant implementation will not take effect until 2014 and full implementation will not be completed until 2019. Nevertheless, federal agencies have begun very preliminary efforts to develop draft regulations.

The law provides regulators with a framework for addressing addiction issues, but it does not define the scope of services or continuum of care to be provided under a fully implemented law. The regulatory process to develop final policy definitions – for example, what is included in a minimum benefits package – will be critical to realizing the full potential of health care reform. CATG and others will be working hard to advocate for effective, comprehensive addiction treatment and prevention policy.

Increased Coverage May Yield Cost Savings

Expanding access to addiction treatment, thus increasing the potential to treat more Americans who are addicted to alcohol and drugs, will lead to substantial health care savings totaling billions of dollars over a decade, according to a CATG analysis. The white paper, “Unforeseen Benefits: Addiction Treatment Reduces Health Care Costs,” cites studies showing that addiction treatment will contribute to containing health care costs by reducing emergency room visits, hospital stays and overall health care costs.ⁱⁱ

Continued Work Essential

Much work still must be done. Over the next few years, the implementation process will be vital to ensure the strongest possible response to untreated addiction in this country. And even with this law, gaps in coverage will remain: those in need of addiction treatment will likely be disproportionately represented among the remaining uninsured, and safety net programs will need to continue to ensure that these individuals can get care.

While important work remains, passage of health care reform and strong substance use disorder-related provisions represents a tremendous step towards improving access to lifesaving addiction treatment services. Right now more than 23 million Americans suffer from alcohol and drug addiction and need treatment; sadly, only one in 10 of them (2.3 million) gets the treatment they need.

- Treating addiction strengthens our communities and families. Treatment is known to increase productivity, decrease crime, improve family and community situations, reduce demand for public services (from child welfare and family support to public safety), lower health care costs and save lives. While addiction-related deaths currently comprise more than 20 percent of the deaths in America every year, treatment can help prevent such devastating losses.

ⁱ 2008 National Survey on Drug Use and Health: National Findings, Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (SAMHSA), Office of Applied Studies (OAS), <http://www.oas.samhsa.gov/nsduh/2k8nsduh/2k8Results.cfm>

ⁱⁱ “Unforeseen Benefits: Addiction Treatment Reduces Health Care Costs,” Closing the Addiction Treatment Gap, July 2009.