



PARITY: MENTAL HEALTH AND ADDICTION TREATMENT COVERAGE

The State of Hawaii needs to create a parity task force involving various stakeholders, including Substance Abuse providers, would clarify Hawaii's preferences. The Mental Health Parity and Addiction Equity Act of 2008 puts coverage of mental health and substance abuse benefits on an equal footing with general medical benefits; however the State of Hawaii's definition could conflict with federal law and limit coverage. The variety of terms that may be used for alcoholism, substance abuse, substance use, chemical dependency, mental illness, mental health disorder, mental health condition, mental or nervous condition, etc. needs to be evaluated and defined to be applicable to the new law.

AFFORDABLE CARE ACT: PREPARING FOR HEALTH CARE REFORM

Substance Abuse Treatment Providers need to have a voice in the process including a seat at the table of the Health Care Reform Task Force in order to preserve and expand upon nationally accredited treatment models. The State of Hawaii must plan and implement healthcare reform that is specific to the behavioral health services that treat alcoholism, substance use disorders and mental illness. The Health Reform State Road Map specifically calls for the Inclusion of substance use disorder providers for the Health Reform Task Force. The nationally accepted *evidence based practices* (EBP) model for substance abuse treatment is currently not in the HIE/Medicaid model. Thus the state, providers and consumers are at risk for losing the most effective cost beneficial model.

HEALTH INFORMATION TECHNOLOGY

The state of Hawaii needs to seek federal funding and plan for mandated Health Information Technology (HIT) changes to maintain our federally funded WITS system for Substance Abuse Treatment, or risk the reduction of the federal block grant for substance abuse, approximately 40% of ADAD's budget. Hawaii's Health Insurance Exchange (HIE) task force can access incentive grants to modify/upgrade WITS for the required HIT changes. Having substance abuse treatment represented on the task force would help facilitate this, as well as reduce the risk of losing federal funding. Failing to upgrade the system would render providers incapable of administering medication-assisted treatment, unable to integrate with primary care physicians, and unable to effectively communicate with valuable networks. This will seriously hamper effective healthcare, and will increase costs.



PARITY: MENTAL HEALTH AND ADDICTION TREATMENT COVERAGE

SUMMARY

The Mental Health Parity and Addiction Equity Act of 2008 puts coverage of mental health and substance abuse benefits on an equal footing with general medical benefits; however the State of Hawaii's definition could conflict with federal law and limit coverage. The variety of terms that may be used for alcoholism, substance abuse, substance use, chemical dependency, mental illness, mental health disorder, mental health condition, mental or nervous condition, etc. needs to be evaluated and defined to be applicable to the new law. A task force involving various stakeholders, including Substance Abuse providers, would clarify Hawaii's preferences.

ACTION TO BE TAKEN: CREATE A PARITY TASK FORCE

SUPPORTING INFORMATION

State law must be revised to at least meet the intent of federal law. In addition, Hawaii has the option to create legislation that coincides with Federal law. While State law can be more comprehensive if the particular state has more expansive preferences for treatment, there are guidelines recommended by Federal agencies such as using the International Classification of Diseases Manual and/or the Diagnostic and Statistical Manual of Disorders. Further, the Task Force would provide greater clarity with respect to the details of benefit coverage.

Parity Task Force member recommendations: The governor or designee; Senate member; House member, attorney general, insurance commissioner; Chief of Alcohol and Drug Abuse Division, Chief of Adult Mental Health Division, Hawaii Substance Abuse Coalition, Mental Health Association of Hawaii, Legal Aid Society of Hawaii, HMSA insurance provider, Kaiser Insurance Provider or any other representative of a health insurance provider, regulated under chapter 431, article 10A; chapter 432, article I; or chapter 432D, or a managed care provider, such as a health maintenance organization or preferred provider organization.

CONCLUSION

Key stakeholders including Substance Abuse providers need to help prepare for parity. Given that the Paul Wellstone-Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 forbids health insurance companies from adding higher cost-sharing rules, deductibles and out-of-pocket limits on mental health services and substance use disorder treatments, the effects of parity legislation will bring about a major change to individuals, health care plans, and managed behavioral health care organizations (MHBOs) and other key stakeholders.



AFFORDABLE CARE ACT: PREPARING FOR HEALTH CARE REFORM

SUMMARY

The State of Hawaii must plan and implement healthcare reform that is specific to the behavioral health services that treat alcoholism, substance use disorders and mental illness. Behavioral Health practices integrated with primary care will save huge dollars.

ACTION TO BE TAKEN

Substance Abuse Treatment Providers need to have a voice in the process at the table at the Health Care Reform Task Force in order to preserve and expand upon nationally accredited treatment models.

RISK

The nationally accepted *evidence based practices* (EBP) model for substance abuse treatment is currently not in the HIE/Medicaid model. Thus the state, providers and consumers are at risk for losing the most effective cost beneficial model.

SUPPORTING INFORMATION

With respect to substance abuse treatment and prevention, the state would benefit by implementing health care reform in accordance with SAMHSA's *Health Reform State Road Map*. Included in this road map are directions and information necessary to amend Hawaii's laws, programs and services specific to substance abuse.

Without proper implementation the changes coming in Medicaid that impact case management and rehabilitation services for alcoholism/substance use disorders and co-occurring mental health disorders **could negatively impact the effectiveness while increasing the cost** for community-based care. The legislature must examine the state's policies and procedures, and define a more beneficial direction to the use of Medicaid funding as well as the integration between specialized treatment programs and primary care systems.

The Health Reform State Road Map specifically calls for the Inclusion of substance use disorder providers for the Health Reform Task Force.

CONCLUSION

It is imperative that we address health care reform with proactive strategic planning, implementation, and flexibility for new changes. There is a lot to do in a relatively short time. We can only accomplish this huge change through a commitment to collaboration through a task force by community leaders, state agencies and "all" community providers.



HEALTH INFORMATION TECHNOLOGY

SUMMARY

The state of Hawaii needs to plan for mandated Health Information Technology (HIT) changes to maintain our federally funded WITS system for Substance Abuse Treatment. Hawaii's Health Insurance Exchange (HIE) task force can access incentive grants to modify/upgrade WITS for the required HIT changes.

ACTION TO BE TAKEN

HIE needs to aggressively pursue funding opportunities for mandated HIT modifications to meet Electronic Health Records requirements for substance abuse treatment. Further, substance abuse treatment needs to be represented by the treatment field on the task force.

RISK OF INACTION

Non-compliance with the Federal government puts Hawaii's substantial federal funding for substance abuse at risk. The state would be jeopardizing potentially millions of dollars of funding. Failing to upgrade the system would render providers incapable of administering medication-assisted treatment, unable to integrate with primary care physicians, and unable to effectively communicate with valuable networks. This will seriously hamper effective healthcare, and will increase costs.

Those states that are active with qualified EHR will reap the benefits of Federal assistance, and those states that delay will have to pay for upgrades at their own cost.

SUPPORTING INFORMATION

The Federal government predicts that 80% of all treatment agencies will not survive healthcare reform infrastructure changes unless the State's health information technology (HIT) is updated to meet Federal standards for health delivery systems. To help States upgrade their systems, HIE can access Federal grants to make the changes. Federal assistance is limited to only a few years for support, and all changes must complete before 2015.

Federal grant sources are available to modify ADAD's WITS system for Medicaid eligibility and/or for integration with primary care systems. This funding would enable ADAD to be prepared for Healthcare Reform systems changes.

CONCLUSION

To continue needed services and treatment programs, the safety-net substance use disorder provider agencies that deliver care for uninsured, Medicaid, and other vulnerable populations must automate clinical records according to Federal standards that meet healthcare reform and parity objectives. It is critical that the state pursue Federal grants immediately.