

## Expansion of Medicaid Benefits to Adults without Dependent Children

- CBHC is very excited about the potential for this expansion of Medicaid benefits. **A high proportion of the people covered by the expansion will have mental health and substance use treatment needs.**
- In August 2010, a study and policy brief on expansions into this population completed by The Center for Health Care Strategies<sup>i</sup> found:
  1. In Oregon, adults without dependent children had three times as many mental health and substance abuse related health visits compared to adults with dependent children (The latter group is already covered by the BHOs in the Medicaid Parent Expansion Program).
  2. In Maine, mental health and substance abuse diagnoses account for four of the top ten diagnoses, and nine of the top 20 costly diagnoses.
  3. The Pennsylvania General Assistance population has a prevalence of 53% for mental illness and 36% for substance abuse.
- Offenders who are leaving the criminal justice system may become a common pool for recipients for the expansion. 65% of all U.S. inmates meet the medical criteria for drug and/or alcohol addiction<sup>i</sup>. There is a high prevalence of these inmates who have both mental health and substance abuse treatment needs. **A community-based substance abuse benefit will be critical in the expansion.**
- Many of the people who will be covered by this expansion will have a combination of behavioral and physical health conditions. Research indicates that if the behavioral health conditions are not addressed in conjunction with physical health conditions, healthcare costs are increased. For example, the healthcare costs for a person who has a co-morbid behavioral health and diabetes condition is approximately \$1100 a month. If their mental health or substance use condition is treated along with their diabetes condition the cost is a little over \$500 month. **Colorado needs to include a full and comprehensive mental health and substance use disorder benefit that includes screening, prevention and early intervention as part of its package<sup>i</sup>.**
- Medicaid recipients currently have a comprehensive mental health benefit through the State's managed care BHOs. This approach has a proven track record of improving access to treatment and reducing costs to the State. **We recommend that HCPF expand the role of the BHOs to include managing the Medicaid benefit for this new population.**
- It is our understanding that the State will be reviewing private insurance coverage to see what benefits will be available to this population. It is important to note that most private insurance carriers do not have a history of providing a comprehensive mental health and substance abuse benefit. Until recently, parity was not required and these benefits were limited in most plans. **We recommend that HCPF considers research or study of plans that have comprehensive mental health and substance abuse benefits to ensure that Colorado does not under-insure this population, leading to higher long-term costs and reduced health outcomes.**

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<sup>i</sup> Covering Low-Income Childless Adults in Medicaid: Experiences from Selected States; Center for Healthcare Strategies