

DEPARTMENT OF HEALTH AND SOCIAL SERVICES
DIVISION OF MEDICAID AND MEDICAL ASSISTANCE
Statutory Authority: 31 Delaware Code, Section 512 (31 Del.C. §512)

GENERAL NOTICE

NOTICE OF PUBLIC COMMENT

Proposed Payment Rate Updates for Substance Use Disorder Services

Notice of Public Comment: Proposed Payment Rate Updates for Substance Use Disorder Services, Effective January 1, 2023

Background. In October of 2019, Delaware's Division of Medicaid and Medical Assistance (DMMA) was one of 15 states nationally to be awarded a planning grant from the Centers for Medicare and Medicaid Services (CMS) under section 1003 of the Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities (SUPPORT) Act. DMMA was also one of five state Medicaid agencies to be awarded the SUPPORT Act Demonstration Project, which is a 36-month initiative that began September 30, 2021, and runs through September 30, 2024.

DMMA is using this funding to increase the treatment capacity of Medicaid providers to deliver substance use disorder (SUD) treatment and recovery services. As part of this work, DMMA has conducted a comprehensive assessment of the existing SUD payment rates and the underlying costs associated with delivering SUD services across different levels of care. Based on this research and feedback collected from stakeholders, DMMA is proposing to update payment rates for selected SUD services. For details about previous iterations of the draft rate models and underlying assumptions, please see the "*Medicaid SUD Rate Study*" section of DMMA's SUPPORT Act Planning Grant and Demonstration Project webpage, available at: https://dhss.delaware.gov/dhss/dmma/sud_initiatives.html.

DMMA plans to institute proposed rate changes within the Medicaid fee-for-service program and plans to raise managed care organizations' (MCOs') capitation payments in alignment with Medicaid FFS rate changes; however, DMMA will *not* require MCOs to pay providers the specified amount through a state directed payment as allowed under 42 C.F.R. § 438. Instead, DMMA will monitor claims and encounter data to determine whether MCOs have adjusted payment rates where needed to align with DMMA's minimum expectations. DMMA plans to use a portion of Delaware's enhanced federal match for home- and community-based services (HCBS) to fund rate increases through at least July 2023, and rate increases are thus contingent upon CMS' approval. Details about this funding is available at: <https://dhss.delaware.gov/dhss/arpa/hcbs.html>.

Notice of Public Comment.

DMMA is announcing the publication of final draft payment rates for selected SUD services, effective January 1, 2023 (see Appendix I below). DMMA is not proposing any changes to the underlying reimbursement methodology as currently outlined in the Delaware Medicaid State Plan, and therefore public participation requirements are not required. However, Delaware is publishing the draft rates to ensure all interested stakeholders have the opportunity to review and comment on the proposed rates before they are finalized. The assumptions that informed development of the updated rates are available at [link to attached Excel doc]

***Please note: Due to the size and formatting of the notice documents, they are being attached as a PDF document:**

http://regulations.delaware.gov/register/august2022/general/SUD_Rate_Models_2022JUN22_for_Public_Notice.pdf

The draft rates will be available for public review and comment for 30 days beginning September 1, 2022 through October 3, 2022.

Comments will be accepted from the general public during this time period, including providers, provider associations, advocacy groups, consumers, and other interested stakeholders in the state. Comments may be provided directly to jacob.bowling@delaware.gov; respondents must include their name, title, and organizational affiliation (if any). Responses to individual questions and comments will not be provided; however, DMMA will review and consider all comments and make any modifications to the proposed rates that are deemed necessary. Comments must be submitted no later than July 30, 2022.

Appendix I: List of Proposed Updates to Delaware Medicaid Substance Use Disorder Payment Rates,

Effective January 1, 2023

***Please note: Due to the size and formatting of the Appendix table, it is being attached as a PDF document:**

<http://regulations.delaware.gov/register/august2022/general/Appendix I.pdf>

Stephen Groff

Director

Division of Medicaid and Medical Assistance

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7/8/2022 | 2:34 PM EDT

Date