



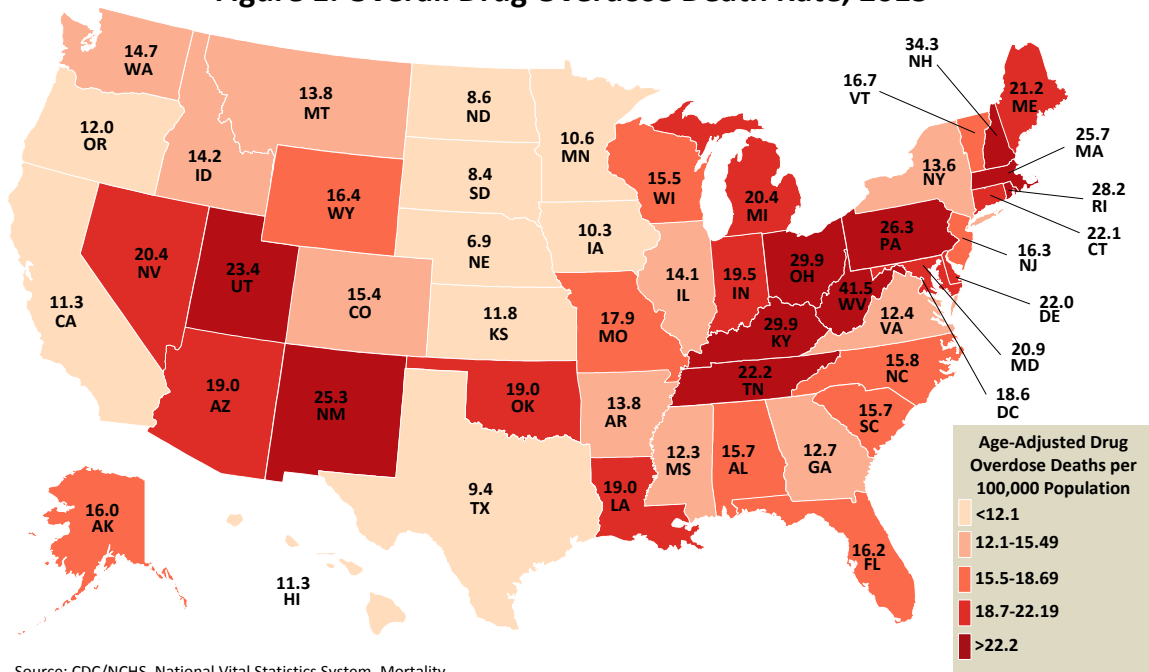
Medicaid Plays Key Role in Fight against Opioid and Heroin Epidemic

Under the Republican health care plan, an estimated 24 million people will lose health coverage, including more than a million Americans who have been able to secure treatment for substance use disorders (SUDs) under the Affordable Care Act (ACA). At a time when the opioid and heroin epidemic is ravaging communities across America, costing billions of dollars a year, we cannot afford to take such a giant step backward in our efforts to combat the opioid and heroin epidemic. If Republicans succeed in repealing Medicaid expansion, Americans should expect pain from the opioid and heroin epidemic to get even worse: more people will go untreated because of lost insurance or rising costs, families and workplaces will continue to be pulled apart by the epidemic, hospitals and taxpayers will get stuck with the bill for uncompensated care, and the costs to our economy will continue to rise. The American Health Care Act's (AHCA) proposed repeal of Medicaid expansion would deal a disastrous blow to the nation's already strained capacity to respond to this crisis.

Effects of the Epidemic

In 2015, more than 2 million people struggled with prescription pain reliever SUDs, and 591,000 people had heroin-related SUDs.¹ The severity of the epidemic varies by state, with the drug overdose death rate reaching as high as 41.5 deaths per 100,000 population in West Virginia in 2015.

Figure 1. Overall Drug Overdose Death Rate, 2015

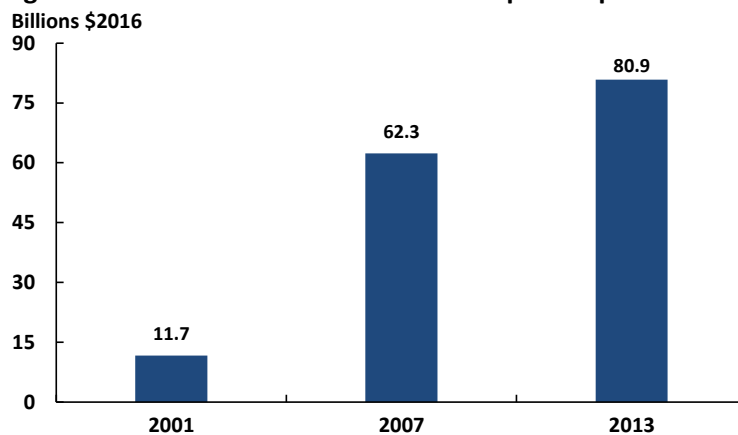


Source: CDC/NCHS, National Vital Statistics System, Mortality.

Note: Deaths are classified using the International Classification of Diseases, Tenth Revision (ICD-10); Drug-poisoning deaths are identified using underlying cause-of-death codes X40–X44, X60–X64, X85, and Y10–Y14; Age-adjusted death rates were calculated as deaths per 100,000 population using the direct method and the 2000 standard population.

This epidemic results in huge costs for communities. The total estimated cost to society of increased health care expenditures, incarceration, premature death, and lost productivity resulting from prescription opioid abuse amounted to more than \$80 billion in 2013, up more than 590 percent since 2001 (Figure 2).²

Figure 2. Estimated Total Costs of Prescription Opioid Misuse



Source: Birmbaum et al. 2006; Birmbaum et al. 2011; Florence et al. 2016.

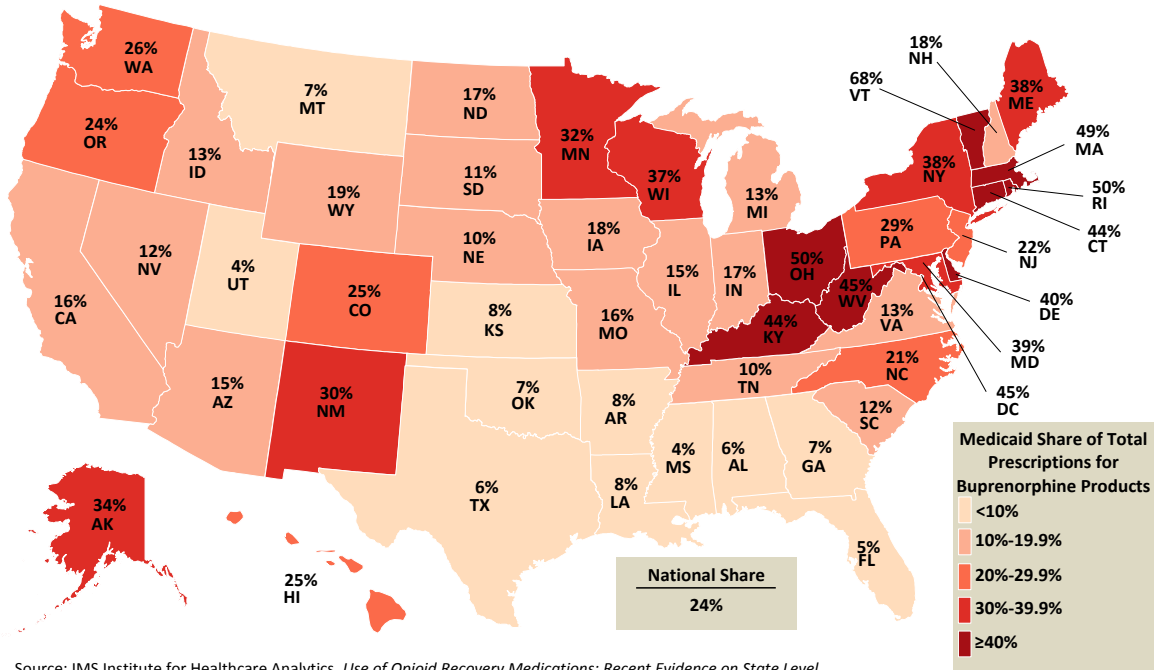
Note: Total costs include health care, incarceration, and lost productivity costs. Costs are adjusted using CPI-U.

Medicaid Expansion's Role in Treating Substance Abuse Disorders

Medicaid expansion has been a crucial tool in fighting the opioid and heroin epidemic, ensuring that an additional 1.3 million additional people could access behavioral health care services and decreasing the unmet need for SUD treatment among low-income adults by 18 percent.³ As of 2014, Medicaid pays for 21 percent of all SUD treatment spending.⁴ More specifically, nationwide, Medicaid covers about a quarter of life-saving medication-assisted treatment (MAT) for opioid and heroin addictions.⁵ For many states, Medicaid accounts for an even larger share of MAT payments. For example, in Ohio Medicaid pays for 50 percent of MAT costs and in Vermont Medicaid pays for 68 percent (Figure 3).⁶

Medicaid expansion and SUD treatment also help keep costs down for hospitals and taxpayers. Among states that expanded Medicaid, the uninsured rate for hospitalizations for substance use or mental disorders fell to just 5 percent by mid-2015 from 20 percent in the fourth quarter of 2013 just before the ACA's major coverage provisions took effect.⁷ Medicaid expansion helped bring down the cost of uncompensated care by nearly 25 percent in the first two years following expansion.⁸ Treatment is also much cheaper than incarceration, often the outcome when access to quality, affordable care is limited. The average cost for one full year of methadone maintenance is \$4,700 per patient, compared to \$24,000 for one year of imprisonment.⁹

Figure 3. Medicaid Share of Opioid Medication-Assisted Treatment Payments



Source: IMS Institute for Healthcare Analytics, *Use of Opioid Recovery Medications: Recent Evidence on State Level Buprenorphine Use and Payment Types*, September 2016

Note: Buprenorphine is a commonly-used drug for treatment of prescription opioid and heroin addiction; data as of June 2016; data rounded to nearest percentage point

What Do We Stand to Lose Under AHCA?

AHCA would remove the guarantee that state Medicaid programs provide SUD treatment. AHCA also would repeal Medicaid expansion, cutting about \$4.5 billion from treatment for mental health disorders and SUDs—nine times the increase that President Trump requested in his budget to fight the epidemic.¹⁰ Researchers estimate that 2.8 million Americans with SUDs would lose some or all of their insurance coverage as a result of AHCA.¹¹ Slashing Medicaid funding is the last thing that we need in order to maintain the progress that we have made so far in fighting the opioid and heroin epidemic.

¹ American Society of Addiction Medicine. “[Opioid Addiction 2016 Facts & Figures.](#)” 2016.

² Dollars are in 2016 dollars; Florence, Curtis S., et al. 2016. “The economic burden of prescription opioid overdose, abuse, and dependence in the United States, 2013.” *Medical Care* 54(10): 901-906; and Birnbaum, Howard G., et al. 2006. “Estimated costs of prescription opioid analgesic abuse in the United States in 2001: a societal perspective.” *The Clinical Journal of Pain* 22(8): 667-676.

³ Frank, Richard and Sherry Glied. “[Keep Obamacare to Keep Progress on Treating Opioid Disorders and Mental Illnesses.](#)” *The Hill*. January 11, 2017, with data from <https://www.hcp.med.harvard.edu/sites/default/files/Key%20state%20SMI-OD%20v3corrected.pdf> and <https://www.hcp.med.harvard.edu/sites/default/files/Interpretation%20of%20Tables%20SMI-SUD%2016%20v2.pdf>; and U.S. Department of Health and Human Services, Assistant Secretary for Planning and Evaluation (ASPE). “[Continuing Progress on the Opioid Epidemic: The Role of the Affordable Care Act.](#)” ASPE Issue Brief. January 11, 2017.

⁴ Substance Abuse and Mental Health Services Administration, Department of Health and Human Services. “[Behavioral Health Spending and Use Accounts: 1986-2014.](#)” 2016.

⁵ Medicaid share of MAT refers to Medicaid share of payments for Buprenorphine, a commonly used drug for the treatment of prescription opioid and heroin addiction.

⁶ IMS Institute for Healthcare Informatics. “[Use of Opioid Recovery Medications: Recent Evidence on State Level Buprenorphine Use and Payment Types.](#)” September 2016.

-
- ⁷ U.S. Department of Health and Human Services, Assistant Secretary for Planning and Evaluation (ASPE). "[Continuing Progress on the Opioid Epidemic: The Role of the Affordable Care Act](#)." ASPE Issue Brief. January 11, 2017.
- ⁸ JEC Democrats calculations based on data from the American Hospital Association. "[Uncompensated Hospital Care Cost Factsheet](#)." December 2016.
- ⁹ National Institute on Drug Abuse, NIH. "[Principles of Drug Addiction Treatment: A Research-Based Guide](#)." Third Edition. Accessed March 22, 2017.
- ¹⁰ Frank, Richard and Sherry Glied. "[Keep Obamacare to Keep Progress on Treating Opioid Disorders and Mental Illnesses](#)." *The Hill*. January 11, 2017, with data from <https://www.hcp.med.harvard.edu/sites/default/files/Key%20state%20SMI-OD%20v3corrected.pdf> and <https://www.hcp.med.harvard.edu/sites/default/files/Interpretation%20of%20Tables%20SMI-SUD%20162016%20v2.pdf>; and Office of Management and Budget. "[America First: A Budget Blueprint to Make America Great Again](#)." Page 22. March 16, 2017.
- ¹¹ Frank, Richard and Sherry Glied. "[Keep Obamacare to Keep Progress on Treating Opioid Disorders and Mental Illnesses](#)." *The Hill*. January 11, 2017.