



Public Testimony
Department of Drug and Alcohol Programs
House Resolution 590 Task Force

Presented by
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Introduction

Independence Blue Cross appreciates the opportunity to participate in today's hearing regarding House Resolution 590 establishing the Department of Drug and Alcohol Program's (DDAP's) task force on access to addiction treatment services. Independence has been operating for nearly 80 years in southeastern Pennsylvania and provides insurance coverage to over 2.5 million members.

My name is Dr. Dario LaRocca and I have been the Behavioral Health Medical Director at Independence since 2003. I am a licensed physician in the states of Pennsylvania and New Jersey and a board certified psychiatrist since 1989.

Independence would first like to express our appreciation for the important work being done by DDAP, Secretary Tennis and the task force members. We also appreciate the efforts of the General Assembly and the Wolf Administration as they continue their focus on addiction to opioids and heroin in preparation for a fall special legislative session.

Independence understands and shares your concerns about the severity of the addiction epidemic in southeastern Pennsylvania and throughout the Commonwealth. Addiction is a disease that impacts us all and has devastating effects on our communities, including southeastern Pennsylvania cities and towns where the overwhelming majority of Independence employees and their families live.

In offering our perspective in this discussion, our remarks today will focus on two areas of complexity: one is understanding addiction, a complicated disease biologically and socially; and, second, understanding the role of health insurers and the current landscape of health coverage.

Understanding commercial health care coverage for behavioral health

Accessing addiction treatment services generally occurs in three ways, either through a government program, private health coverage or, in some instances, self-pay. Within private health coverage there are also two important coverage distinctions: commercial (also known as "fully-insured") and self-funded plans.

The perspective we offer today comes from our experience as a commercial health insurer offering fully-insured coverage. This means coverage purchased directly by individuals or by employers for their employees and their families. It does not mean government sponsored treatment programs or addiction coverage under Medicaid or Medicare. These are valued perspectives, however, and hopefully will be addressed in future hearings as the discussion continues.

The commercial health insurance market is undergoing dramatic change. The Affordable Care Act has expanded access to coverage; however, it has also ushered in some unintended consequences. One of those unintended consequences is that the law has encouraged employers to move from fully-insured plans to self-insured plans. What does this mean and why is it important? In self-insured plans, employers – not health insurers - determine which services to cover, what the employee's cost share is or other coverage parameters. In addition, large, self-funded employers often purchase behavioral health, prescription drug, dental or other health services directly from companies other than their health insurer which means that the health insurer neither covers nor administers those benefits.

As we grapple with issues of access to services and benefits, it is important to understand that the growing number of self-funded insurance plans generally fall outside the parameters of state mandates and regulations. The following statistics will help illustrate this point. According to a recent presentation by the Pennsylvania Insurance Department, it is estimated that 49 percent of those with health coverage in Pennsylvania are covered by large group or self-funded plans. And in fact, at Independence, nearly 6 in 10 of our members are in self-funded plans.

While Independence is subject to and compliant with applicable state and federal laws pertaining to addiction coverage, it is important for consumers and the public to understand that the laws apply differently to different types of health care coverage. For example, Independence is compliant with the federal Mental Health Parity and Addiction Equity Act (MHPAEA) of 2008 and the Affordable Care Act which apply to all of our fully-insured individual and group products. Self-funded health plans where the employer decides the benefits are subject to federal MHPAEA *only if* the employer elects to provide addiction coverage.

Independence is also compliant with Pennsylvania's Act 106 of 1989 (the state's drug and alcohol treatment mandate). However, it is important to note that Act 106 *only* applies to fully-insured products and does *not* apply to individual products or self-funded coverage. Compliance with these laws is monitored by the Pennsylvania Insurance Department and several federal agencies including the U.S. Department of Health & Human Services, Department of Labor and Internal Revenue Service.

How Independence is engaging

Like all committed stakeholders, we believe Independence has a constructive role to play in working toward thoughtful solutions to addiction. At Independence, we look at this issue from a variety of perspectives and are focusing our efforts in two main areas: 1) Working with **providers** – who are directly involved with providing care; and, 2) Supporting new and existing community efforts through the **Independence Blue Cross Foundation**.

Working with providers

Some examples of how we work with providers as part of the health care delivery system include:

- Actively monitoring prescribing patterns of doctors and identifying situations where providers appear to have fallen outside Centers for Disease Control (CDC) prescribing guidelines. We have contacted over 600 doctors in southeastern PA in the past year alone, providing specific information on their opioid prescribing and calling attention to prescriptions their patients are receiving from other prescribers.
- Actively monitoring the pharmacies where our members' prescriptions are being filled using their Independence prescription benefit to identify suspect and inappropriate dispensing.
- Limiting through prior authorization the amount of opioid medication that can be dispensed to an individual from all sources to ensure clinical appropriateness.
- Requiring that our members who receive high dose medications be managed by pain specialists so that they are treated in an organized practice which can monitor prescribing and detect signs of addiction.

Independence Blue Cross Foundation

The role of Independence as a partner in the communities we serve allows us to work directly with those on the front lines of health care to strengthen the safety net across southeastern Pennsylvania. Since 2011, the Independence Blue Cross Foundation has awarded nearly \$13 million to community health centers throughout our five-county region.

In 2015, 17 clinics that received IBC Foundation funding were providing substance abuse services in medically underserved communities, largely at no cost or limited cost to patients. The IBC Foundation has also made a multi-year commitment to the Moyer Foundation for Camp Mariposa, a national addiction prevention and mentoring program for youth who are impacted by substance abuse in their families.

And, we are proud to note that, just a few weeks ago on August 16, the IBC Foundation, in conjunction with the Public Health Management Corporation, brought together nearly 100 people representing organizations on the front lines of community health in southeastern Pennsylvania. They came together for the kick-off of the IBC Foundation's STOP initiative – Supporting Treatment and Overdose Prevention (STOP). STOP is an ongoing collaborative of community-based organizations led by the IBC Foundation to pursue strategies for opioid addiction prevention and improved treatment. STOP aims to increase awareness and prevention efforts and access to effective community-based opioid treatment.

Independence has also donated funding to local law enforcement and emergency personnel for the purchase of Naloxone, the emergency overdose treatment.

The Addiction Treatment Continuum

We thought it might be useful for DDAP and the task force to hear from us as to how behavioral health services are provided to our members and the types of services that are generally part of the addiction treatment continuum. The goal and method in addiction treatment is the same as any other medical condition: to assess and offer coverage for the combination of services that medical evidence has shown to help patients reach the best possible medical outcome.

Since 1995, Independence has collaborated with Magellan, a national organization specializing in the administration of behavioral health benefits. Independence engages Magellan to recruit, develop and maintain a broad network of behavioral health providers, assist our members in accessing services and monitoring the effectiveness of the behavioral health care being delivered. It is important to recall at this juncture that some employers that purchase medical coverage from Independence may “carve out” or purchase behavioral health benefits separately from a different entity. However, the following description of how benefits are provided is based upon Independence members whose coverage is inclusive of behavioral health benefits.

Our network includes a full range of treatment facilities as well as psychiatrists, psychologists, social workers, psychiatric nurses, child and adolescent specialists and substance abuse disorder counselors. Magellan works to ensure that our members have geographic access and availability to the full continuum of services throughout southeastern Pennsylvania.

Oftentimes, our members present in crisis to a treatment facility, at which time the family contacts Magellan to confirm coverage and obtain prior authorization for necessary services. Magellan is available 24 hours a day/7 days a week and works with the substance abuse professional to authorize treatment at the most appropriate care settings. Pennsylvania-licensed substance abuse treatment centers and providers may seek information about whether an individual has benefits available under Act 106. Services exceeding or falling outside of Act 106 are subject to precertification and utilization review, processes based on Magellan approved criteria which guide the determination as to the type and level of service that will be provided based upon the terms and conditions of the individual's health plan.

Magellan is also available to assist those referred by a physician or other health care professional, self-referred or referred by loved ones. The Magellan contact information is found on members' health identification (ID) card issued by Independence. Members or their families calling Independence customer service regarding a behavioral health need will be directed to Magellan, with specific procedures in place for any urgent or emergency service request for those in crisis.

When beginning care, an individual may require inpatient detoxification, while for others a less intensive or subacute detoxification is appropriate. Still others may go directly to rehabilitation or other less intensive levels of care. Various intensities of rehabilitation including residential, partial hospitalization and intensive outpatient care are available.

After an acute phase of rehabilitation is completed, an individual typically enters an intensive or partial hospital outpatient program which is then followed by ongoing counseling through a substance abuse specialist or general therapist for long-term maintenance and treatment. Rehabilitation or subsequent outpatient follow up care may also involve medication assisted treatment (MAT).

While this generally explains the types of services and how they may be accessed under an individual's coverage, we fully recognize the reality faced by the addicted individual as much more complex and an emotional lifelong struggle.

Observations/Conclusion

Effective solutions to addiction require stakeholders to work together to share information and coordinate efforts and resources. Successful approaches must focus on all stages of the disease and appreciation for the entire social setting in which it develops - beginning with strong education and prevention at the earliest ages through effective treatment and continuing supports for those who become addicted and their loved ones whose lives are also impacted. To that end, the following are some observations for consideration:

Preventing Addiction

- Renew focus on necessary state and federal funding for programs delivered in the school setting or through community organizations aimed at the early prevention of drug abuse and recognizing signs of drug addiction in all school-aged children.
- Encourage medical schools and undergraduate institutions to include in their curriculum courses specific to recognizing and treating addiction in individuals and in the family setting.

- Strengthen enforcement of prescribing guidelines, specifically the opioid prescribing guidelines recently approved by the PA Boards of Pharmacy and Medicine and also legislation limiting the amount of opioids prescribed in emergency rooms and in instances of first-time prescriptions.
- Strengthen the process for sanctioning physicians who frequently and knowingly exceed prescribing guidelines.
- Enhance the new PA Prescription Drug Monitoring Program (PDMP) by creating connectivity to other states, requiring providers to check the database beyond initial opioid prescriptions and for new patients, and allowing other parties such as insurance carriers to access the database.

Access & Treatment

One area where we can place immediate focus is to support individuals in crisis and their families who may not fully understand how to best access addiction treatment services covered by their health plan. You may want to consider convening an interagency team working with the Commonwealth's major health insurers to review and understand any existing barriers and develop a communications plan to help better inform consumers.

Other thoughts for consideration are:

- Develop and expand access to a statewide database of available treatment services accessible to clinicians and consumers by phone and internet, including emergency detoxification beds.
- Convene a stakeholder discussion of existing privacy and confidentiality standards and laws to include the Commonwealth, providers (physical, mental health and other treating providers) and health insurers to discuss unintended barriers to entities sharing relevant and necessary patient information. This discussion should focus on what can be done to improve care coordination and outcomes for patients.
- Enhance provider education to include motivational techniques encouraging patients to stay through the course of treatment, thus increasing the chances of better outcomes.

In conclusion, we recognize addiction as a multi-faceted issue facing society and requiring a variety of solutions. Independence appreciates the opportunity to be part of today's hearing and again thanks Secretary Tennis for the invitation. We look forward to being an active, committed stakeholder in this effort.