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May 14, 2024

The Honorable Dustin Miller Chair House Committee on Health and Welfare 900 North 3<sup>rd</sup> Street Baton Rouge, LA 70804

Re: LASAM's Support for SB 190, Legislation Providing for Medicaid Reimbursement Rate Increases

## Dear Chair Miller:

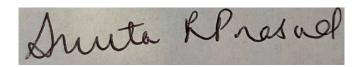
On behalf of the Louisiana Society of Addiction Medicine (LASAM), the medical specialty society representing physicians and other clinicians in Louisiana who specialize in the prevention and treatment of addiction, thank you for the opportunity to comment on this important topic. We write today to express our strong support for SB 190. This legislation would raise Medicaid rates for physician services, including treatment for substance use disorder (SUD). SB 190 is sorely needed legislation which would put our Medicaid rates on more competitive footing with the rest of the country and expand access to care for SUD.

As a state that has been hit hard by the addiction and overdose crisis, <sup>1</sup> SB 190 would help provide better health outcomes for patients. In our field of addiction medicine, one of the largest challenges that we face are policy barriers impeding access to evidence-based care. Concerns about financial viability and low reimbursement rates dissuade many physicians from offering addiction care. Indeed, low Medicaid reimbursement rates are commonly cited by addiction specialists as major concerns impeding access to SUD treatment.<sup>2</sup> <sup>3</sup> Further, Medicaid policy is especially important in the context of SUD treatment because Medicaid is the largest payer for behavioral health services including services for SUD. <sup>4</sup> As such, SB 190 will help our state deliver higher quality care for those in need and improve our response to the overdose epidemic.

Ultimately, SB 190 would improve our state's healthcare system. Louisiana ranks far below the national average for base Medicaid payments.<sup>5</sup> A such, SB 190 would enable more physicians to be better compensated and deliver higher quality care to more patients. For these reasons, we urge members of the committee to favorably report this legislation and support its advancement.

LASAM greatly appreciates your consideration of our perspective. Please do not hesitate to contact me at <a href="mailto:smita.prasad@gmail.com">smita.prasad@gmail.com</a> if you have any questions or concerns. We are happy to assist and consult.

Sincerely,



## Smita Prasad, MD, MBA, MPH, FASAM President, Louisiana Society of Addiction Medicine

CC: The Honorable Stephanie H. Berault

The Honorable Rhonda Gaye Butler

The Honorable Emily Chenevert

The Honorable Raymond J. Crews

The Honorable Kellee Hennessy Dickerson

The Honorable Michael Charles Echols

The Honorable Peter F. Egan, Sr.

The Honorable Adrian Fisher

The Honorable Jason Hughes

The Honorable Steven Jackson

The Honorable Wayne McMahen

The Honorable Brach Jerad Myers

The Honorable Larry Selders

The Honorable Joseph A. Stagni

The Honorable Christopher Turner

<sup>&</sup>lt;sup>1</sup> National Center for Health Statistics. (2022). *Drug Overdose Mortality by State*. Centers for Disease Control and Prevention. <a href="https://www.cdc.gov/nchs/pressroom/sosmap/drug\_poisoning\_mortality/drug\_poisoning.htm">https://www.cdc.gov/nchs/pressroom/sosmap/drug\_poisoning\_mortality/drug\_poisoning.htm</a>

<sup>&</sup>lt;sup>2</sup> U.S. Government Accountability Office. (2020). *Medicaid: States' Changes to Payment Rates for Substance Use Disorder Services.* GAO-20-260. https://www.gao.gov/products/gao-20-260

<sup>&</sup>lt;sup>3</sup> Henderson, J. (2021). As Overdoses Rise, Opioid Treatment Providers Struggle to Get Paid. Medical News. <a href="https://www.medpagetoday.com/special-reports/exclusives/93220?xid=nl\_mpt\_DHE\_2021-06-23&utm\_source=Sailthru&utm\_medium=email&utm\_campaign=Daily+Headlines+Top+Cat+HeC++2021-06-23&utm\_term=NL\_Daily\_DHE\_dual-gmail-definition</a>

<sup>&</sup>lt;sup>4</sup> Medicaid and CHIP Payment and Access Commission. (2015). *Behavioral Health in the Medicaid Program—People*, *Use, and Expenditures*. MACPAC. <a href="https://www.macpac.gov/publication/behavioral-health-in-the-medicaid-program%E2%80%95people-use-and-expenditures/#:~:text=Behavioral%20Health%20in%20the%20Medicaid%20Program%E2%80%95People%2C%20Use%2C%20and%20Expenditures,—Download%20Publication%20(pdf &text=Medicaid%20is%20the%20single%20largest,behavioral%20health%20spending%20in%202009

<sup>&</sup>lt;sup>5</sup> Medicaid and CHIP Payment and Access Commission. (2023). Estimates of Medicaid Nursing Facility Payments Relative to Costs. MACPAC. <a href="https://www.macpac.gov/publication/estimates-of-medicaid-nursing-facility-payments-relative-to-costs/">https://www.macpac.gov/publication/estimates-of-medicaid-nursing-facility-payments-relative-to-costs/</a> Appendix A. State-Specific Results TABLE A-1. Estimated Medicaid Base Payments Per Day Relative to Costs, by State, 2019