

**1. Preface**

**1.1 Transmittal Title Page for the state’s SUD Demonstration or SUD Components of Broader Demonstration**

<b>State</b>	Indiana
<b>Demonstration Name</b>	Healthy Indiana Plan – SUD
<b>Approval Date</b>	February 1, 2018
<b>Approval Period</b>	February 1, 2018 through December 31, 2020
<b>SUD (or if broader demonstration, then SUD Related) Demonstration Goals and Objectives</b>	All Medicaid beneficiaries in Indiana will continue to have access to all current mental health and SUD benefits. In addition, all beneficiaries, ages 21 through 64 will have access to expanded covered services provided while residing in an Institution for Mental Diseases (IMD) for SUD short-term residential stays. The SUD program will allow beneficiaries with SUD to access benefits that include SUD residential treatment, crisis stabilization and withdrawal management services provided in IMDs, which would otherwise be excluded from federal reimbursement.

**2. Executive Summary**

During the reporting period, Indiana Medicaid has made notable progress on implementation of the SUD component of the 1115 demonstration waiver. The following provides key highlights of activities during July 1 and September 30, 2018:

- The ASAM designation process for the State’s residential providers has resulted in additional units within provider locations qualifying for ASAM Level 3.1 or 3.5 designation.
- Burns & Associates, Inc. (B&A), the independent evaluator, facilitated meetings with the State team on the development of the evaluation design plan for the waiver. Upon delivery of a draft version of the evaluation design, the document was vetted with OMPP leadership and was reviewed with the MCEs in an onsite meeting held July 26, 2018.
- The State submitted the draft Evaluation Design Plan to CMS on July 31, 2018.
- The State submitted the Q2 Monitoring Report on August 31, 2018.
- The State completed updates to the ANSA tool and began collecting assessments on September 4, 2018 to begin testing the new SUD worksheet.

**3. Assessment of Need and Qualification for SUD Services**

- (Required) The state has attached the required assessment of need and qualification for SUD services metrics in Appendix A.
- (If applicable) The state does not have any issues to report related to assessment of need and qualification for SUD services metrics in Appendix A and has not included any narrative on this topic in the section that follows.

As reported previously, Indiana is currently working on modifying the State’s Adult Needs and Strengths Assessment (ANSA) tool to reflect the number of individuals who have been assessed and qualified for SUD treatment needs. During Q3, Indiana and its contractor, the Indiana Prevention Resource Center (IPRC), completed updates to the ANSA tool to align it with ASAM Patient Placement Criteria. On September 4, 2018, Indiana and IPRC began to collect level of need assessments from three community mental health centers to test the new SUD worksheet of the ANSA tool. The testing phase will continue through Q4, including convening an expert panel to review the results of the revised tool and ASAM level of care algorithm.

Until those modifications are complete, Indiana will not be able to report on the individuals assessed and qualified for SUD treatment using ASAM Patient Placement Criteria.

The State is currently not aware of any issues with individuals being assessed and qualified for SUD treatment as existing screening tools are still being utilized.

**3.1 Assessment of Need and Qualification for SUD Services Issues/Trends: New and Continued**

Summary of Issue	Date and Report in which Issue was First Reported	Estimated Number of Impacted Beneficiaries	Known or Suspected Cause(s) of Issue (if applicable)	Remediation Plan and Timeline for Resolution (If applicable)/Status Update if Issue Previously Reported*

*\*Note: If an issue was noted as resolved in the previous report, it should not be reported in the current report.*

**3.2 Anticipated Changes to Assessment of Need and Qualification for SUD Services**

- The state does not anticipate changes to assessment of need and qualifications for SUD services at this time.

**4. SUD Treatment Initiation and Treatment at Each Level of Care**

- (Required) The state has attached the treatment-related metrics in Appendix A.
- (If applicable) The state does not have any issues to report related to the treatment-related metrics in Appendix A and has not included any narrative.

Indiana’s data continues to show that the SUD population is largely in managed care (specifically, the Healthy Indiana Plan). Outpatient treatment continues to be the largest source of SUD treatment for Medicaid beneficiaries that have a SUD diagnosis. Utilization of medication assisted treatment (MAT) continues to show minimal usage in relation to the number of individuals identified with a substance use disorder, but has begun to increase slightly.

**4.1 SUD Treatment-related Issues: New and Continued**

Summary of Issue	Date and Report in which Issue Was First Reported	Estimated Number of Impacted Beneficiaries	Known or Suspected Cause(s) of Issue (if applicable)	Remediation Plan and Timeline for Resolution (if applicable)/Status Update if Issue Previously Reported*

*\*Note: If an issue was noted as resolved in the previous report, it should not be reported in the current report.*

**4.2 Anticipated Changes to SUD Treatment Initiation and Treatment at Each Level of Care**

- The state does not anticipate changes to treatment initiation and treatment at each level of care at this time.

**5. SUD Demonstration-related Grievances and Appeals**

- (Required) The state has attached the SUD only grievances and appeals metrics in Appendix A.
- (If applicable) The state does not have any issues to report related to the SUD only grievances and appeals metrics in Appendix A and has not included any narrative.

**5.1 SUS Specific Grievances and Appeals Issues: New and Continued**

As reported previously, Indiana managed care entities (MCEs) began reporting on SUD-related grievances and appeals starting on July 1, 2018. The initial quarterly report from the MCEs will be submitted in Q4.

Additionally, the Division of Mental Health and Addiction (DMHA) does not currently require critical incidents for SUD treatment services to be reported; this will be fixed as a part of the overall certification process update in 2019.

Summary of Issue	Date and Report in Which Issue Was First Reported	Estimated Number of Impacted Beneficiaries	Known or Suspected Cause(s) of Issue (if applicable)	Remediation Plan and Timeline for Resolution (if applicable)/Status Update if Previously Reported*

*\*Note: If an issue was noted as resolved in the previous report, it should not be reported in the current report.*

**5.2 Anticipated Changes to SUD Specific Grievances and Appeals**

The MCEs began reporting SUD related grievances and appeals July 1, 2018, with the first quarterly report due in Q4.

- The state does not anticipate changes to SUD grievances or appeals at this time.

**6. SUD-Related Quality**

- (Required) The state has attached the SUD-related quality measures in Appendix A.
- (If applicable) The state does not have any issues to report related to the SUD-related quality measures in Appendix A and has not included any narrative.

As reported previously, Indiana is currently developing all quality measures to be reported on a quarterly basis. The build for the following measures is complete:

- Medicaid beneficiaries with SUD diagnoses (monthly and annual)
- SUD levels of services (expenditures and claims)
- SUD expenditures
- SUD provider listing
- Use of Opioids at High Dosage in Persons Without Cancer
- Concurrent Use of Opioids and Benzodiazepines
- ER Utilization for SUD
- Inpatient Admissions for SUD
- Member appeals

As of the end of the reporting period, the following quality measures are either in a pending or build status:

- Individuals assessed and qualified for SUD treatment – the modified ANSA Tool is in the testing phase as reported in question 3
- IMD expenditures – is in a build status
- Additional quality measures – pending status and will be finalized once the Evaluation Design Plan is approved
- Overdose death data (with Indiana State Department of Health) – work has begun to access state death data

**6.1 SUD-Related Quality Issues: New and Continued.**

Summary of Issue	Date and Report in which Issue Was First Reported	Estimated Number of	Known or Suspected Cause(s) of Issue (if applicable)	Remediation Plan and Timeline for Resolution (if
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		<b>Impacted Beneficiaries</b>		<b>applicable)/Status Update if Issue Previously Reported*</b>

*\* Note: If an issue was noted as resolved in the previous report, it should not be reported in the current report.*

### 6.2 Anticipated Changes to SUD-Related Quality

As previously discussed, Indiana continues to build quality measures as identified in question 6.

- The state does not anticipate changes related to quality at this time.

### 7. Other SUD-Related Demo Specific Metrics

- (If applicable) The state has attached completed the other metrics in Appendix A.
- (If applicable) The state does not have any issues to report related to the other metrics in Appendix A and has not included any narrative.

#### 7.1 Other SUD-Related Metric Issues: New and Continued

Indiana has included a breakdown of the number of providers related to mental health or addiction treatment in Attachment A. Indiana Medicaid began to enroll providers who specifically provide addiction treatment (for Opioid Treatment Programs and SUD Residential Addiction Treatment Facilities) in March 2018, so the list continues to largely contain providers (both individuals and facilities) that provide some form of mental health or SUD treatment.

<b>Summary of Issue</b>	<b>Date and Report in which Issue Was First Reported</b>	<b>Estimated Number of Impacted Beneficiaries</b>	<b>Known or Suspected Cause(s) of Issue (if applicable)</b>	<b>Remediation Plan and Timeline for Resolution (if applicable)/Status Update if Issue Previously Reported*</b>


*\* Note: If an issue was noted as resolved in the previous report, it should not be reported in the current report.*

**7.2 Anticipated Changes to Other SUD-Related Metrics**

As previously discussed, Indiana continues to build quality measures as specified in question 6.

- The state does not anticipate future changes to other metrics at this time.

**8. Financial/Budget Neutrality**

- (Required) The state has attached completed the budget neutrality workbook in Appendix B.

**8.1 Financial/Budget Neutrality Issues: New and Continued**

Summary of Issue, Including Fiscal Impact and Impacted MEG(s)	Date and Report in which Issue Was First Reported	Known or Suspected Cause(s) of Issue (if applicable)	Remediation Plan and Timeline for Resolution (if applicable)/Status Update if Issue Previously Reported

**8.2 Anticipated Changes to Financial/Budget Neutrality**

- The state does not anticipate future changes to budget neutrality at this time.

**9. SUD (or if Broader Demonstration, then SUD Related) Demonstration Operations and Policy**

Consideration 1:

Type of Consideration	Prior Authorization Requests
Summary of Consideration	Since the residential reimbursement structure went live, providers have complained about only receiving approval for a short amount of days as well as not understanding prior authorization criteria in general.
Date and Report in Which Consideration Was First Reported	Early March 2018
Summary of Impact	As reported in the Q1 Monitoring Report, individuals are receiving approval for residential treatment, but there continue to be issues with enough medical necessity documentation.
Estimated Number of Affected SUD Beneficiaries	Data is unavailable at this time.
If Issue, Remediation Plan and Timeline for Resolution / Updates in Status if Previously Reported	A meeting with representatives from each of the MCEs, DMHA, and OMPP was held in late April 2018. As a result of that meeting, an updated provider publication ( <a href="#">BT201821</a> ) around residential treatment was published on May 22, 2018. During Q3, Ikaso Consulting facilitated focused discussions on prior authorization criteria and administrative processes. Subsequent meetings are planned for Q4 with MCEs and SUD providers. The State will solicit feedback from all stakeholders and take remediation, as needed, by Q1 2019.

**10. SUD Implementation Update**

Item	Date and Report in Which Item Was First Reported	Implementation Status
<b>1. Access to critical levels of care for OUD and other SUDs</b>		
Residential Treatment	March 1, 2018, Q1 Report	The State began providing authorization and reimbursement for low-intensity and high intensity residential treatment on March 1, 2018.
Inpatient IMD Stays	February 1, 2018, Q1 Report	The State began providing authorization and reimbursement for inpatient stays for OUD in facilities that qualify as IMDs across all populations, including FFS, on February 1,

		2018. Indiana had been utilizing the “in lieu of” authority for IMD stays for the managed care population since July 2016.
<b>2. Widespread use of evidence-based, SUD-specific patient placement criteria</b>		
ANSA Assessment Tool	April 1, 2018, Q1 Report	Indiana completed the procurement process for the services of the Indiana Prevention Resource Center (IPRC)) to build the algorithm to produce an appropriate ASAM level of care for the ANSA assessment tool. Collection of level of need assessments began on September 4, 2018 to begin testing the SUD worksheet and algorithm.
<b>3. Use of nationally recognized, evidence-based, SUD program standards to set residential treatment provider qualifications</b>		
ASAM Designation Process	March 1, 2018, Q1 Report	DMHA began providing ASAM designations for the State’s residential providers on March 1, 2018. For Q3, there are 8 units designated to provide Level 3.1 (low-intensity residential services) and 23 units designated to provide Level 3.5 (high-intensity residential services) within provider locations. Seven providers currently have pending designations.
<b>4. Sufficient provider capacity at each level of care, including MAT</b>		
New Provider Specialty	March 1, 2018, Q1 Report	A new provider specialty for SUD Residential Addiction Treatment Facilities went live on March 1, 2018. This specialty will be required for billing as of July 1, 2018. For Q3, there are 25 separate locations enrolled with the new provider type and specialty.
<b>5. Implementation of comprehensive treatment and prevention strategies to address opioid abuse and OUD</b>		
Naloxone for Emergency Responders	May 31, 2018, Q1 Report	Indiana is working on a sustainable reimbursement system for emergency responders who utilize naloxone. This will likely require providers to report usage for Medicaid members to their local health departments, and these entities will then be able to bill Indiana Medicaid for the naloxone used and resupply the emergency responders. During Q3, discussions were held with Ripley County to begin piloting the options.
<b>6. Improved care coordination and transitions between levels of care</b>		

<b>7. Progress on substance use disorder health information technology plan</b>		
SUD Health IT Plan	June 6, 2018	Approved by CMS

## 11. SUD Demonstration Evaluation Update

After a fair procurement process, Indiana selected Burns & Associates (B&A), Inc. as the independent evaluator of the 1115 SUD demonstration. B&A also serves as the External Quality Review Organization for Indiana’s Medicaid managed care programs. Below are some key activities that took place during this reporting period:

- Evaluation Plan
  - July 13, 2018 – submit draft Evaluation Design Plan to State in preparation for onsite
  - July 16, 2018 – onsite meeting with State to review draft Evaluation Design Plan
  - July 20, 2018 – submit updated draft of Evaluation Design Plan to State for review
  - July 27, 2018 – submit presentation packet to assist State leadership review of Evaluation Design Plan
  - July 31, 2018 – submit final draft of Evaluation Design Plan to State that incorporates final edits
- Evaluation Design
  - July 3, 2019 – internal B&A call for planning Evaluation Design Plan
  - July 6, 2018 – conference call with State to review draft evaluation questions and matrix of proposed measures
  - July 11, 2018 – internal B&A call with Senior Data Scientist to review draft Evaluation Design Plan
  - July 17, 2018 – internal B&A call with Senior Data Scientist to review State comments on draft Evaluation Design Plan
  - July 26, 2018 – onsite presentation of Evaluation Design Plan measures to managed care entities to obtain feedback
- Data Analytics and Reporting
  - August 3, 2018 – internal B&A call to plan startup of SUD data warehouse, and prepare for the August 17 onsite meetings
  - August 17, 2018 – onsite project planning and data set discussion with State
  - August 29, 2018 – develop and submit data request to State
  - September 5, 2018 – received initial State extract file
  - September 13, 2018 – call with State on accessing current level of need data resulting from ANSA/CANS assessment tools
  - September 21, 2018 – call with State EDW vendor to confirm files needed to access level of need data
- Project Management
  - September 27, 2018 – schedule Q4 onsite meetings

The State submitted a draft version of the evaluation design plan to CMS on July 31, 2018..

Type of Evaluation Deliverable	Due Date	State Notes or Comments	Description of Any Anticipated Issues
Interim Evaluation Report			
Summative Evaluation Report			

## 12. Other Demonstration Reporting

### 12.1 Post Award Public Forum

- The state has provided the summary of the post-award forum (due for the period during reporting during which the forum was held and in the annual report).
- There was not a post-award public forum held during this reporting period and this is not an annual report.

## 13. Notable State Achievements and/or Innovations

The Q1 and Q2 notable achievements and innovations are ongoing. During Q3, Indiana focused its effort on working with the independent evaluator, B&A, and to complete and submit the Evaluation Design Plan, and begin stakeholder meetings with the managed care entities.

Notable achievements for Q3 include:

- Effective October 1, 2018, Indiana will require prior authorization (PA) for definitive urine drug testing (UDT) performed beyond the first 20 definitive tests per member per calendar year. This prior authorization requirement and the limitation apply to dates of service on or after October 1,

2018. Note that prior authorization is not required for presumptive UDT, or for the first 20 definitive UDTs per member per calendar year. Please see [BT201846](#) for more information.

- State Plan Amendment for Intensive Outpatient Program (IOP)/Crisis/Peers prepared for submission to CMS on 10/3/2018 to remove intervention services, IOP services, and peer recovery services from the Medicaid Rehabilitation Option and put those services into the State Plan benefits, opening up eligibility to all Medicaid members who meet medical necessity criteria.
- With the assistance of Ikaso Consulting, the State held the first meeting on September 10, 2018 that brought cross-divisional stakeholders representing all areas of the SUD continuum of care to identify the best path(s) forward to improving and ensuring access to the right SUD services for the right people.
  - Breakout groups were formed to address the following discussion areas and to develop recommendations in parallel before the larger group reconvenes:
    - Prior authorization criteria for inpatient and residential treatment,
    - Prior authorization administrative process for inpatient and residential SUD treatment,
    - Transitions of care, and
    - State communications
  - Subsequent meetings are planned with:
    - MCEs in October, and
    - SUD treatment providers in November
- Indiana and its contractor, the Indiana Prevention Resource Center (IPRC), completed updates to the ANSA tool to align it with ASAM Patient Placement Criteria. On September 4, 2018, Indiana and IPRC began to collect level of need assessments from three community mental health centers to test the new SUD worksheet of the ANSA tool. The testing phase will continue through Q4, including convening an expert panel to review the results of the revised tool and ASAM level of care algorithm.

## Appendix A: Indiana Measurement Table for SUD Metrics

	Apr-18	May-18	Jun-18
<b>Assessment of Need and Qualification for SUD Treatment Services</b>			
Individuals Assessed for SUD Treatment Needs	Not Available	Not Available	Not Available
Individuals Qualified for SUD Treatment Needs	Not Available	Not Available	Not Available
Medicaid Beneficiaries with SUD Diagnosis (Monthly)	46,763	47,476	45,187
Medicaid Beneficiaries with SUD Diagnosis (Annually)	-	-	-
Medicaid Beneficiaries with SUD Diagnosis in an IMD (Monthly)	Not Available	Not Available	Not Available
Medicaid Beneficiaries with SUD Diagnosis in an IMD (Annually)	-	-	-
<b>Treatment Initiation and Treatment in Each Level of Care (Members)</b>			
Early Intervention	31	51	26
Outpatient Services	11,446	11,609	11,193
Intensive Outpatient Services	173	173	187
Partial Hospitalization	1	-	-
Low-Intensity Residential	7	8	3
High-Intensity Residential	57	66	58
Inpatient	632	604	638
Medication-Assisted Treatment (MAT)	3,054	3,516	3,481
<b>Appeals</b>			
Grievances Among Beneficiaries Receiving SUD Treatment Services	Not Available	Not Available	Not Available
Appeals Among Beneficiaries Receiving SUD Treatment Services	Not Available	Not Available	Not Available
Critical Incidents Related to SUD Treatment Services	Not Available	Not Available	Not Available
<b>Quality</b>			
Initiation and Engagement of AOD Dependence Treatment	Not Available	Not Available	Not Available
Follow-up After Discharge from the ED for AOD Dependence	Not Available	Not Available	Not Available
Use of Opioids at High Dosage in Persons Without Cancer	Not Available	Not Available	Not Available
Concurrent Use of Opioids and Benzodiazepines	Not Available	Not Available	Not Available
Continuity of Pharmacotherapy for Opioid Use Disorder	Not Available	Not Available	Not Available
ED Utilization for SUD Per Member Month	Not Available	Not Available	Not Available
Inpatient Admissions for SUD Per Member Month	Not Available	Not Available	Not Available
Readmissions for SUD	Not Available	Not Available	Not Available
Overdose Deaths	Not Available	Not Available	Not Available
Opioid Overdose Deaths	Not Available	Not Available	Not Available
<b>Costs</b>			
Any SUD Spending	\$ 12,341,490.02	\$ 12,890,161.41	\$ 12,265,122.51
Any SUD Spending Within IMDs	Not Available	Not Available	Not Available
Per Capita SUD Spending	\$ 801.34	\$ 836.97	\$ 796.38
Per Capita Spending Within IMDs	Not Available	Not Available	Not Available
<b>Network Adequacy</b>			
Hospital (01) - Psychiatric (011)	154	155	157
Mental Health Provider (11) - Outpatient Mental Health Clinic (110)	827	834	864
Mental Health Provider (11) - Community Mental Health Center (111)	255	256	262
Mental Health Provider (11) - Psychologist (112)	310	310	310
Mental Health Provider (11) - Health Service Provider in Psychology (114)	1844	1,861	1,923
Physician (31) - Psychiatrist (339)	1807	1,815	1,822
Addiction Services (35) - Opioid Treatment Programs (835)	12	16	17
Addiction Services (35) - SUD Residential Addiction Treatment Facilities (836)	6	12	19
OPR (50) - Addiction Medicine (O01)	48	49	50
OPR (50) - Clinical Psychologist (O13)	13	13	13
OPR (50) - Clinical Social Worker (O14)	631	639	645
OPR (50) - Mental Health (O71)	161	163	166
OPR (50) - Opioid Treatment Program (O84)	1	1	1

## Appendix B. Budget Neutrality Workbook