

ASAM Criteria Fourth Edition: Impacts on States with Medicaid Section 1115 Demonstrations

The American Society of Addiction Medicine (ASAM) Criteria Fourth Edition, released in late 2023, introduces a significant evolution that emphasizes integrated, person-centered care, and dynamic treatment planning. These changes have important implications for states as they design and implement Medicaid Section 1115 Substance Use Disorder (SUD) demonstrations. On December 8, 2025, CMS hosted a learning collaborative webinar featuring experiences and recommendations from states with Medicaid Section 1115 SUD demonstrations as they plan for and transition to the Fourth Edition of the ASAM Criteria. Webinar attendees from 24 states participated in small group discussions focused on state planning, stakeholder engagement, provider readiness, and demonstration monitoring and evaluation strategies. **The following themes emerged from these discussions.** CMS will coordinate with states, as needed, on the issues raised.



State Planning

- **Most states are in the early stages of planning for the transition to the ASAM Criteria Fourth Edition and are trying to understand the operational implications of complex aspects of the new criteria.** Early planning activities include convening state leadership, reviewing standards, and engaging providers.
- **States anticipate that licensing delays, reimbursement rates, and funding uncertainty may pose major barriers to the transition.** Many states are unable to adjust rates due to limited or restricted funding.



Stakeholder Engagement

- **Effectively engaging providers and key partners is essential for successful state planning efforts.** States identified several approaches to engage stakeholders, including listening sessions, leveraging existing meetings or webinars to communicate changes and timelines, and creating workgroups to guide transition planning.
- **Strong provider relationships and structured stakeholder engagement are key facilitators, but they take considerable time to develop.** Attendees emphasized the value of partnerships across all levels of care and noted the importance of building on lessons learned from the previous transition to the ASAM Criteria Third Edition.



Provider Readiness

- **States cited challenges with workforce capacity and training needs** given ongoing staffing shortages, provider turnover, and the need for extensive provider training and engagement across outpatient and intermediate levels of care.
- **Reimbursement alignment may influence provider readiness.** One attendee noted that provider readiness to implement new standards may hinge on whether reimbursement structures support the required changes.
- **States voiced concerns that the transition to the new criteria may increase documentation and staffing demands, prompting providers to seek higher reimbursement rates.** The impact of increased documentation requirements on an already limited workforce may make compliance with the new criteria more difficult for providers.



Monitoring and Evaluation

- **States expressed uncertainty about how the ASAM Criteria Fourth Edition may impact section 1115 evaluation and monitoring.** They agreed that while 1115 demonstrations can be a lever for advancing ASAM-aligned changes in policy and practice, they expressed concern with how CMS may interpret or respond to confounding data trends.
- **States are uncertain how to assess the impact of the ASAM Criteria Fourth Edition transition on demonstration outcomes and utilization** given concurrent effects of the COVID-19 public health emergency, changes in service capacity, and related policy implementation.
- **State attendees are eager to learn from peers and would appreciate opportunities to connect with other states about evaluation methods,** including whether and how other states adjusted their evaluation activities to align with ASAM Criteria Third Edition and whether states plan to adjust their evaluation approach to align with the Fourth Edition.