

**Medicaid Section 1115 Substance Use Disorder Demonstrations  
Monitoring Report Template**

*Note: PRA Disclosure Statement to be added here*

# **1. Title page for the state’s substance use disorder (SUD) demonstration or the SUD component of the broader demonstration**

*The title page is a brief form that the state completed as part of its monitoring protocol. The title page will be populated with the information from the state’s approved monitoring protocol. The state should complete the remaining two rows. Definitions for certain rows are below the table.*

<b>State</b>	<i>Automatically populated with the state name.</i>
<b>Demonstration name</b>	<i>Automatically populated with the demonstration name.</i>
<b>Approval period for section 1115 demonstration</b>	<i>Automatically populated with the current approval period for the section 1115 demonstration as listed in the current special terms and conditions (STC), including the start date and end date (MM/DD/YYYY – MM/DD/YYYY).</i>
<b>SUD demonstration start date<sup>a</sup></b>	<i>Automatically populated with the start date for the section 1115 SUD demonstration or SUD component if part of a broader demonstration (MM/DD/YYYY).</i>
<b>Implementation date of SUD demonstration, if different from SUD demonstration start date<sup>b</sup></b>	<i>Automatically populated with the SUD demonstration implementation date (MM/DD/YYYY).</i>
<b>SUD (or if broader demonstration, then SUD -related) demonstration goals and objectives</b>	<i>Automatically populated with the summary of the SUD (or if broader demonstration, then SUD- related) demonstration goals and objectives.</i>
<b>SUD demonstration year and quarter</b>	<i>SUD DY7Q4 Monitoring Report</i>
<b>Reporting period</b>	<i>01/01/2024 – 03/31/2024</i>

<sup>a</sup> **SUD demonstration start date:** For monitoring purposes, CMS defines the start date of the demonstration as the *effective date* listed in the state’s STCs at time of SUD demonstration approval. For example, if the state’s STCs at the time of SUD demonstration approval note that the SUD demonstration is effective January 1, 2020 – December 31, 2025, the state should consider January 1, 2020 to be the start date of the SUD demonstration. Note that the effective date is considered to be the first day the state may begin its SUD demonstration. In many cases, the effective date is distinct from the approval date of a demonstration; that is, in certain cases, CMS may approve a section 1115 demonstration with an effective date that is in the future. For example, CMS may approve an extension request on December 15, 2020, with an effective date of January 1, 2021 for the new demonstration period. In many cases, the effective date also differs from the date a state begins implementing its demonstration.

<sup>b</sup> **Implementation date of SUD demonstration:** The date the state began claiming or will begin claiming federal financial participation for services provided to individuals in institutions for mental disease.

## 2. Executive summary

*The executive summary should be reported in the fillable box below. It is intended for summary-level information only. The recommended word count is 500 words or less.*

DMAS continued to work on further revisions to the retroactive reporting for the 1115 SUD Demonstration based on feedback from the Centers for Medicaid and Medicare Services (CMS) during this reporting quarter. DMAS also is preparing Part A and Part B reports for DY8Q1 which will be submitted to CMS the first of next reporting period, as well as responses to DY7Q3 reports provided to DMAS by CMS.

DMAS has been working to prepare its 1115 SUD Demonstration Extension application in partnership with CMS. After discussions, it was determined that DMAS would request an extension to the June 30, 2024 deadline submission for the 1115 SUD Demonstration Waiver Extension, due in part to feedback from CMS that the application, even if submitted on time, would not be reviewed until later in the year. DMAS is still working internally to determine the amount of time requested as part of this extension, and will be communicating with the CMS team ASAP to make a formal extension request.

DMAS staff continued to facilitate a working session with the managed care organization (MCO) staff to improve the processes recognizing and monitoring the Preferred Office Based Addiction Treatment (OBAT) providers. Activities supporting access to medications for opioid use disorder (MOUD) included DMAS completing three Preferred OBAT application reviews during this reporting period and approved two applications. There were a total of 216 approved OBAT providers at the end of this reporting period.

Lastly, DMAS was awarded funds through the Opioid Abatement Authority (OAA) on August 21, 2023. This multi-year project is designed to proceed in two phases. Phase One includes first year funding of \$150,000 which has already been transferred from OAA to DMAS to create and facilitate a training/technical assistance program for hospitals to launch emergency department bridge programs for patients with opioid use disorders. DMAS plans on applying to OAA for funding for years two through five of the project. Year two will continue training and technical assistance efforts, while the application for years three through five will request approximately \$950,000 to distribute by a competitive bid process to incentivize hospitals and health systems to implement bridge models by providing resources to offset the administrative costs of model implementation. These costs will support the launch of at least two bridge programs each year. Once bridge programs are in operation, they are expected to become self-sustaining with medical reimbursements. To help support these efforts discussed above, as well as support the Governor's Right Help Right Now plan.

### 3. Narrative information on implementation, by milestone and reporting topic

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
<b>1. Assessment of need and qualification for SUD services</b>			
<b>1.1 Metric trends</b>			
1.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to assessment of need and qualification for SUD services.	X		
<b>1.2 Implementation update</b>			
1.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 1.2.1.a The target population(s) of the demonstration	X		
1.2.1.b The clinical criteria (e.g., SUD diagnoses) that qualify a beneficiary for the demonstration			<i>DMAS has purchased the digital version of the ASAM 4<sup>th</sup> Edition and research any changes to the clinical criteria to determine if this will impact the demonstration.</i>
1.2.2 The state expects to make other program changes that may affect metrics related to assessment of need and qualification for SUD services.	X		

Prompt		State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
<b>2. Access to Critical Levels of Care for OUD and other SUDs (Milestone 1)</b>				
<b>2.1 Metric trends</b>				
2.1.1	The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 1.	X		Metric #7 did have a 10% change, but the count of service increase/decrease changed by 16, within the agreed upon limit of 25
<b>2.2 Implementation update</b>				
2.2.1	Compared to the demonstration design and operational details, the state expects to make the following changes to: 2.2.1.a Planned activities to improve access to SUD treatment services across the continuum of care for Medicaid beneficiaries (e.g., outpatient services, intensive outpatient services, medication-assisted treatment, services in intensive residential and inpatient settings, medically supervised withdrawal management)	X		
2.2.1.b	SUD benefit coverage under the Medicaid state plan or the Expenditure Authority, particularly for residential treatment, medically supervised withdrawal management, and medication-assisted treatment services provided to individual IMDs	X		
2.2.2	The state expects to make other program changes that may affect metrics related to Milestone 1.	X		

Prompt		State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
<b>3. Use of Evidence-based, SUD-specific Patient Placement Criteria (Milestone 2)</b>				
<b>3.1 Metric trends</b>				
3.1.1	The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 2.	X		
<b>3.2. Implementation update</b>				
3.2.1	Compared to the demonstration design and operational details, the state expects to make the following changes to:	X		
3.2.1.a	Planned activities to improve providers' use of evidence-based, SUD-specific placement criteria			
3.2.1.b	Implementation of a utilization management approach to ensure (a) beneficiaries have access to SUD services at the appropriate level of care, (b) interventions are appropriate for the diagnosis and level of care, or (c) use of independent process for reviewing placement in residential treatment settings	X		
3.2.2	The state expects to make other program changes that may affect metrics related to Milestone 2.	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
<b>4. Use of Nationally Recognized SUD-specific Program Standards to Set Provider Qualifications for Residential Treatment Facilities (Milestone 3)</b>			
<b>4.1 Metric trends</b>			
4.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 3.  Note: There are no CMS-provided metrics related to Milestone 3. If the state did not identify any metrics for reporting this milestone, the state should indicate it has no update to report.	X		
<b>4.2 Implementation update</b>			
4.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to:  4.2.1.a Implementation of residential treatment provider qualifications that meet the ASAM Criteria or other nationally recognized, SUD-specific program standards	X		
4.2.1.b Review process for residential treatment providers' compliance with qualifications	X		
4.2.1.c Availability of medication-assisted treatment at residential treatment facilities, either on-site or through facilitated access to services off site	X		
4.2.2 The state expects to make other program changes that may affect metrics related to Milestone 3.	X		

Prompt		State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
<b>5. Sufficient Provider Capacity at Critical Levels of Care including for Medication Assisted Treatment for OUD (Milestone 4)</b>				
<b>5.1 Metric trends</b>				
5.1.1	The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 4.	X		
<b>5.2 Implementation update</b>				
5.2.1	Compared to the demonstration design and operational details, the state expects to make the following changes to: Planned activities to assess the availability of providers enrolled in Medicaid and accepting new patients across the continuum of SUD care.	X		
5.2.2	The state expects to make other program changes that may affect metrics related to Milestone 4.	X		



Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response																																																		
6. Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and OUD (Milestone 5)																																																					
6.1 Metric trends																																																					
6.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 5.		23	<p>Metric #23: Emergency Department Utilization for SUD per 1,000 Medicaid Beneficiaries – decreased 8.55% during the reporting period, outside of the agreed upon benchmark of 7%. The Virginia Department of health statewide rates per 10,000 ED visits for this time period either remained stable or decreased, which could explain the decrease in Metric 23.</p> <p><b>Summary Figure.</b> Unintentional Drug Overdose Rates per 10,000 ED Visits among Virginia Residents by Calendar Quarter and Overdose Type, Most Recent 9 Quarters.</p> <table><caption>Estimated data for Summary Figure</caption><thead><tr><th>Quarter</th><th>All Drug</th><th>Opioid</th><th>Heroin</th><th>Stimulant</th></tr></thead><tbody><tr><td>Q1 2022</td><td>65</td><td>32</td><td>5</td><td>2</td></tr><tr><td>Q2 2022</td><td>65</td><td>33</td><td>5</td><td>2</td></tr><tr><td>Q3 2022</td><td>63</td><td>34</td><td>5</td><td>2</td></tr><tr><td>Q4 2022</td><td>58</td><td>30</td><td>5</td><td>2</td></tr><tr><td>Q1 2023</td><td>63</td><td>32</td><td>5</td><td>2</td></tr><tr><td>Q2 2023</td><td>63</td><td>33</td><td>5</td><td>2</td></tr><tr><td>Q3 2023</td><td>58</td><td>30</td><td>5</td><td>2</td></tr><tr><td>Q4 2023</td><td>48</td><td>25</td><td>5</td><td>2</td></tr><tr><td>Q1 2024</td><td>48</td><td>23</td><td>5</td><td>2</td></tr></tbody></table>	Quarter	All Drug	Opioid	Heroin	Stimulant	Q1 2022	65	32	5	2	Q2 2022	65	33	5	2	Q3 2022	63	34	5	2	Q4 2022	58	30	5	2	Q1 2023	63	32	5	2	Q2 2023	63	33	5	2	Q3 2023	58	30	5	2	Q4 2023	48	25	5	2	Q1 2024	48	23	5	2
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Q4 2023	48	25	5	2																																																	
Q1 2024	48	23	5	2																																																	
6.2 Implementation update																																																					
6.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to:	X																																																				
6.2.1.a Implementation of opioid prescribing guidelines and other interventions related to prevention of OUD																																																					

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
6.2.1.b Expansion of coverage for and access to naloxone	X		
6.2.2 The state expects to make other program changes that may affect metrics related to Milestone 5.	X		

Prompt		State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
<b>7. Improved Care Coordination and Transitions between Levels of Care (Milestone 6)</b>				
<b>7.1 Metric trends</b>				
7.1.1	The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 6.	X		
<b>7.2 Implementation update</b>				
7.2.1	Compared to the demonstration design and operational details, the state expects to make the following changes to: Implementation of policies supporting beneficiaries' transition from residential and inpatient facilities to community-based services and supports.	X		
7.2.2	The state expects to make other program changes that may affect metrics related to Milestone 6.	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
<b>8. SUD health information technology (health IT)</b>			
<b>8.1 Metric trends</b>			
8.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to its health IT metrics.		Q1, Q2, Q3	<p>Q1: Count of members who receive a SUD Treatment service within 30 days of transition FROM a Justice AC – increased 16.42% (increase of 33 members) from previous quarter. DMAS expects to see an increase as we are prioritizing this population during this time-period.</p> <p>Q2: Count of SUD Services with a TELEHEALTH Modifier (GQ, GT) – Increased 7.22% (increase of 3,015 members) from previous quarter. DMAS is monitoring the use of telehealth for service delivery since the impact of COVID-19 pandemic unwinding may impact individuals seeking services in-person.</p> <p>Q3: Number of Peer Recovery Specialists registered with the Virginia Board of Counseling, Department of Health Professions – increased 10.4% (increase of 62 individuals). We are expecting increases in providers due to the increased Medicaid reimbursement rates and the efforts in Virginia support Peer Recovery Support Services.</p>
<b>8.2 Implementation update</b>			
8.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 8.2.1.a How health IT is being used to slow down the rate of growth of individuals identified with SUD	X		

Prompt		State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
8.2.1.b	How health IT is being used to treat effectively individuals identified with SUD	X		
8.2.1.c	How health IT is being used to effectively monitor “recovery” supports and services for individuals identified with SUD	X		
8.2.1.d	Other aspects of the state’s plan to develop the health IT infrastructure/capabilities at the state, delivery system, health plan/MCO, and individual provider levels	X		
8.2.1.e	Other aspects of the state’s health IT implementation milestones	X		
8.2.1.f	The timeline for achieving health IT implementation milestones	X		
8.2.1.g	Planned activities to increase use and functionality of the state’s prescription drug monitoring program	X		
8.2.2	The state expects to make other program changes that may affect metrics related to health IT.	X		
<b>9. Other SUD-related metrics</b>				
<b>9.1 Metric trends</b>				

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
9.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to other SUD-related metrics.		33, 34	<p>Metric #33: Grievances Related to SUD Treatment Services – these decreased by 7 counts this quarter from previous quarter (there were 13 reported the previous quarter).</p> <p>Metric #34: Appeals Related to SUD Treatment Services: The appeals totaled 86 this quarter compared to 84 last quarter, a 2.38% increase.</p>
<b>9.2 Implementation update</b>			
9.2.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to other SUD-related metrics.	X		

#### 4. Narrative information on other reporting topics

Prompts	State has no update to report (place an X)	State response
<b>10. Budget neutrality</b>		
<b>10.1 Current status and analysis</b>		
10.1.1 If the SUD component is part of a broader demonstration, the state should provide an analysis of the SUD-related budget neutrality and an analysis of budget neutrality as a whole. Describe the current status of budget neutrality and an analysis of the budget neutrality to date.		DMAS is up to date with budget neutrality reports and have consistently shown a neutral budget.
<b>10.2 Implementation update</b>		
10.2.1 The state expects to make other program changes that may affect budget neutrality.	X	

Prompts	State has no update to report (place an X)	State response
<b>11. SUD-related demonstration operations and policy</b>		
<b>11.1 Considerations</b>		
11.1.1 The state should highlight significant SUD (or if broader demonstration, then SUD-related) demonstration operations or policy considerations that could positively or negatively affect beneficiary enrollment, access to services, timely provision of services, budget neutrality, or any other provision that has potential for beneficiary impacts. Also note any activity that may accelerate or create delays or impediments in achieving the SUD demonstration's approved goals or objectives, if not already reported elsewhere in this document. See Monitoring Report Instructions for more detail.		The state is continuing to monitor the impacts of COVID-19. The unwinding of the federal public health emergency and the end of the continuous coverage requirement will have an impact on members diagnosed as well as engaged in treatment. The state is also working with providers with the transition to the new fee-for-service contractor for claims and service authorization processing.
<b>11.2 Implementation update</b>		
11.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 11.2.1.a How the delivery system operates under the demonstration (e.g., through the managed care system or fee for service)		DMAS began the process of soliciting proposals from qualified Offerors to enter into contracts to administer a statewide, coordinated delivery system for Medicaid managed care members enrolled in Cardinal Care.
11.2.1.b Delivery models affecting demonstration participants (e.g., Accountable Care Organizations, Patient Centered Medical Homes)	X	
11.2.1.c Partners involved in service delivery	X	



Prompts	State has no update to report (place an X)	State response
11.2.2 The state experienced challenges in partnering with entities contracted to help implement the demonstration (e.g., health plans, credentialing vendors, private sector providers) and/or noted any performance issues with contracted entities.		<p>Virginia is experiencing a behavioral health workforce shortage, not only for substance use disorders but also mental health. The administration is collaborating efforts to address this for the Commonwealth through Right Help Right Now.</p> <p>During this reporting period, DMAS continues to work with providers to make sure they are navigating the provider enrollment process and reporting any issues with our provider enrollment unit.</p>
11.2.3 The state is working on other initiatives related to SUD or OUD.	X	
11.2.4 The initiatives described above are related to the SUD or OUD demonstration (The state should note similarities and differences from the SUD demonstration).	X	

Prompts	State has no update to report (place an X)	State response
<b>12. SUD demonstration evaluation update</b>		
<b>12.1 Narrative information</b>		
12.1.1 Provide updates on SUD evaluation work and timeline. The appropriate content will depend on when this monitoring report is due to CMS and the timing for the demonstration. There are specific requirements per 42 Code of Federal Regulations (CFR) § 431.428a(10) for annual [monitoring] reports. See Monitoring Report Instructions for more details.		DMAS has contracted with Virginia Commonwealth University (VCU) for the independent evaluation and is on target with all deliverables.
12.1.2 Provide status updates on deliverables related to the demonstration evaluation and indicate whether the expected timelines are being met and/or if there are any real or anticipated barriers in achieving the goals and timeframes agreed to in the STCs.		No anticipated barriers to meet the reporting deadlines approved by CMS.
12.1.3 List anticipated evaluation-related deliverables related to this demonstration and their due dates.		DMAS is planning to submit an extension application for the SUD component of the current 1115 demonstration that is scheduled to expire December 31, 2024, and request to continue the ARTS benefit and Former Foster Care Youth benefit, and sunset the High Needs Supports waiver as DMAS did not receive appropriations to implement this component of the waiver.

Prompts	State has no update to report (place an X)	State response
<b>13. Other SUD demonstration reporting</b>		
<b>13.1 General reporting requirements</b>		
13.1.1 The state reports changes in its implementation of the demonstration that might necessitate a change to approved STCs, implementation plan, or monitoring protocol.	X	
13.1.2 The state anticipates the need to make future changes to the STCs, implementation plan, or monitoring protocol, based on expected or upcoming implementation changes.	X	
13.1.3 Compared to the demonstration design and operational details, the state expects to make the following changes to: 13.1.3.a The schedule for completing and submitting monitoring reports	X	
13.1.3.b The content or completeness of submitted monitoring reports and/or future monitoring reports	X	
13.1.4 The state identified real or anticipated issues submitting timely post-approval demonstration deliverables, including a plan for remediation.	X	
13.1.5 Provide updates on the results of beneficiary satisfaction surveys, if conducted during the reporting year, including updates on grievances and appeals from beneficiaries, per 42 CFR § 431.428(a)5.		See Part A for updates on Grievances and Appeals numbers. Virginia Commonwealth University finalized the member survey report and results are included. The comprehensive report has been shared with CMS.

Prompts	State has no update to report (place an X)	State response
<b>13.2 Post-award public forum</b>		
13.2.2 If applicable within the timing of the demonstration, provide a summary of the annual post-award public forum held pursuant to 42 CFR § 431.420(c) indicating any resulting action items or issues. A summary of the post-award public forum must be included here for the period during which the forum was held and in the annual monitoring report.	X	

Prompts	State has no update to report (place an X)	State response
<b>14. Notable state achievements and/or innovations</b>		
<b>14.1 Narrative information</b>		
14.1.1 Provide any relevant summary of achievements and/or innovations in demonstration enrollment, benefits, operations, and policies pursuant to the hypotheses of the SUD (or if broader demonstration, then SUD related) demonstration or that served to provide better care for individuals, better health for populations, and/or reduce per capita cost. Achievements should focus on significant impacts to beneficiary outcomes. Whenever possible, the summary should describe the achievement or innovation in quantifiable terms, e.g., number of impacted beneficiaries.	X	

\*The state should remove all example text from the table prior to submission.

Note: Licensee and states must prominently display the following notice on any display of Measure rates:  
*Measures IET-AD, FUA-AD, FUM-AD, and AAP [Metrics #15, 17(1), 17(2), and 32] are Healthcare Effectiveness Data and Information Set (HEDIS®) measures that are owned and copyrighted by the National Committee for Quality Assurance (NCQA). HEDIS measures and specifications are not clinical guidelines, do not establish a standard of medical care and have not been tested for all potential applications. The measures and specifications are provided “as is” without warranty of any kind. NCQA makes no representations, warranties or endorsements about the quality of any product, test or protocol identified as numerator compliant or otherwise identified as meeting the requirements of a HEDIS measure or specification. NCQA makes no representations, warranties, or endorsement about the quality of any organization or clinician who uses or reports performance measures and NCQA has no liability to anyone who relies on HEDIS measures or specifications or data reflective of performance under such measures and specifications.*  
*The measure specification methodology used by CMS is different from NCQA’s methodology. NCQA has not validated the adjusted measure specifications but has granted CMS permission to adjust. A calculated measure result (a “rate”) from a HEDIS measure that has not been certified via NCQA’s Measure Certification Program, and is based on adjusted HEDIS specifications, may not be called a “HEDIS rate” until it is audited and designated reportable by an NCQA-Certified HEDIS Compliance Auditor. Until such time, such measure rates shall be designated or referred to as “Adjusted, Uncertified, Unaudited HEDIS rates.”*