March 8, 2017

The Honorable Kevin Brady
Chairman
Committee on Ways and Means
U.S. House of Representatives
1102 Longworth HOB
Washington D.C. 20515

The Honorable Richard Neal
Ranking Member
Committee on Ways and Means
U.S. House of Representatives
1139E Longworth HOB
Washington, D.C. 20515

The Honorable Greg Walden
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn HOB
Washington, D.C. 20515

The Honorable Frank Pallone
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
2322A Rayburn HOB
Washington, D.C. 20515

Dear Chairman Brady, Chairman Walden, Ranking Member Neal and Ranking Member Pallone:

On behalf of the American Society of Addiction Medicine (ASAM), the nation's oldest and largest medical specialty society representing more than 4,300 physicians and allied health professionals who specialize in the treatment of addiction, I am writing to share our views on the American Health Care Act (AHCA) that is being considered by the Ways and Means and Energy and Commerce committees.

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ASAM is very concerned that the AHCA's proposed changes to our health care system will result in reductions in health care coverage, particularly for vulnerable populations including those suffering from the chronic disease of addiction, and we cannot support the bill in its current form.

More than 20 million Americans currently have health care coverage due to the Affordable Care Act (ACA), including millions of Americans with addiction. This coverage is a critical lifeline for persons with addiction, many of whom were unable to access effective treatment before the ACA's expansion of Medicaid eligibility to low-income adults, and its requirement that Medicaid expansion plans and plans sold in the individual and small group market provide essential health benefits (EHB) including addiction treatment services at parity with medical and surgical services.

We are concerned that rolling back the Medicaid expansion, sunsetting the EHB requirements for Medicaid expansion plans, and capping federal support for Medicaid beneficiaries will reduce coverage for and access to addiction treatment services, changes that will be particularly painful in the midst of the ongoing opioid epidemic. Moreover, while the AHCA retains the EHB requirements for private plans, it repeals the ACA's actuarial value requirements for those plans. We are concerned that this could result in insurers offering addiction treatment benefits in name only due to higher costs and/or less robust benefits.

The Medicaid expansion in particular has led to significant increases in coverage and treatment access for persons with addiction. In states that expanded Medicaid, the share of people with addiction or mental illness who were hospitalized but uninsured fell from about 20 percent in 2013 to 5 percent by mid-2015[1], and Medicaid expansion has been associated with an 18.3 percent reduction in unmet need for addiction treatment services among low-income adults.[2] Rolling back the Medicaid expansion and fundamentally changing Medicaid's financing structure to cap spending on health care services will certainly reduce access to evidence-based addiction treatment and reverse much or all progress made on the opioid crisis last year.

To be sure, ASAM supports flexibility in the Medicaid program and has supported several states' applications for 1115 waivers to transform their addiction treatment systems to offer all levels of care described by *The ASAM Criteria; Treatment Criteria for Addictive, Substance-Related, and Co-Occurring Conditions*. However, ASAM has seen for decades how states underfund addiction treatment services and waste federal dollars on inefficient and ineffective care when they are left to decide how to manage their federal Medicaid dollars without mandates for parity and accountability to cover appropriate care. Based on this experience, we commended the Congress for requiring accountability for the $1 billion in funding sent to the states to combat the opioid epidemic authorized by 21st Century Cures. This funding is an additional lifeline to suffering communities, but it will come to an end while patients will continue to need treatment for the chronic disease of addiction. When it does, the Medicaid program

must continue to fund appropriate addiction treatment at parity with medical and surgical services.

ASAM has long advocated for broad access to high-quality, evidence-based, individualized and compassionate treatment services for persons suffering from the chronic disease of addiction. The critical need for access to this type of care has been heightened and highlighted by our nation's ongoing epidemic of opioid addiction and related overdose deaths. The ACA's Medicaid expansion, EHB requirements for addiction treatment coverage, and extension of parity protections to the individual and small group market have surely reduced the burden of this epidemic and saved lives. As you consider this legislation, we hope that parity protections will continue to apply individual, small and large group plans as well as Medicaid plans through the transition. Finally, throughout this process, we implore you to keep in mind how your decisions will affect the millions of Americans suffering from addiction who may lose their health care coverage entirely or see reductions in benefits that impede access to needed treatment.

Sincerely,

R. Jeffrey Goldsmith, MD, DLFAPA, DFASAM
President, American Society of Addiction Medicine

[1] Department of Health and Human Services: Office of the Assistance Secretary for Planning and Evaluation, "Continuing progress on the opioid epidemic: The role of the Affordable Care Act," January 11, 2017, https://aspe.hhs.gov/pdf-report/continuing-progress-opioid-epidemic-role-affordable-care-act.
[2] Wen et al., December 2015. Effect of Medicaid expansions on health insurance coverage and access to care among low-income adults with behavioral health conditions. Health Serv Res, 50(6): 1787-809. doi: 10.1111/1475-6773.12411. https://www.ncbi.nlm.nih.gov/pubmed/26551430