

2023 State of the Substance Use Treatment Industry



January 31, 2023
Stampp Corbin
President

Stampp Corbin

Healthcare Consultant

- 9 Years On \$1.8 Billion Hospital Board
- Leading Substance Use Treatment Consultant
- Expert Witness
- Millions of Dollars in Substance Use Treatment Settlements and Denial Reversals
- Harvard Masters of Business Administration
- Stanford University B.A. Economics
- President & Founding Board Member, ATAC
- stamppcorbin@yahoo.com 614.579.4136 cell



Los Angeles Times

THE ORANGE COUNTY
REGISTER



Agenda

1. ASAM
2. Ever-Changing Health Plans
3. Financial Models Are Changing
4. Move to Evidence-Based Treatment
5. MAT, MAT, MAT!
6. Increasing Denials
7. Impending Fight Between Labs And Substance Use Providers
8. Continued Focus On Ethics
9. Importance Of Addiction Treatment Advocacy Coalition



Ever-changing Health Plans

- **Catastrophic Coverage**
 - + Out-of-Network Risk
 - \$ 5,000+ Deductible
 - \$20,000 Annual Out-of-Pocket Max
- **Inability to Seek Out-of-State Substance Abuse Care**
 - UnitedHealthcare
 - Blue Cross Blue Shield
- **Provider Contracts Preventing Out-Of-Network Referrals**
- **Assertion Laboratories Included in SUT Per Diem**
- **In-Network Increasingly More Important**
- **Networks are More Limited**



Financial Models Are Changing

- **Client Acquisition Becoming More Difficult and Regulated**
 - LegitScript
 - Patient Brokering Legislation
- **Pre-Authorization More Important**
 - Timeframes Longer
 - Critical to Keep Records of Phone Authorizations
 - Send Email to UR Department
- **Payer Mix Increasingly More Important**
 - Who Are You Admitting? At What Cost?
- **Reimbursement Decreasing**
 - Multiple Scenarios
 - Per Diem Rates
 - Tied to Percentage of Medicare
 - County DHCS Pricing
 - UCR
 - Internally Determined Rates
 - Negotiated Rates
 - In-Network (Set Rates)
- **Surprise Bill Legislation**



**FACILITY BREAKEVENS
ARE MOVING TARGETS**

Move To Evidence-Based Treatment

- **ASAM Criteria**
- **Payer Recognition**
 - Blue Distinction Centers (Invitation Only)
 - Optum Platinum Designation
 - Cigna Designated Substance Use Provider Program
- **How Do You Measure the Effectiveness of Your Clinical Program?**
- **What is Your Client Post-Treatment Tracking?**
- **Do You Have Documented Clinical Program Protocols?**



MAT, MAT, MAT!

IN-PATIENT SUB-ACUTE TREATMENT VERSUS MEDICATION ASSISTED TREATMENT

	IN-PATIENT	MAT
DETOX \$1250/DAY 7 DAYS	\$8,750.00	\$8,750.00
RESIDENTIAL \$1000/DAY 30 DAYS	\$30,000.00	-
TELEMEDICINE - PSYCHIATRY \$150/DAY 17 DAYS		\$2,550.00
TELEMEDICINE – GROUPS \$450/DAY 17 DAYS		\$7,650.00
MEDICATION	<u>\$200.00</u>	<u>\$200.00</u>
TOTAL	\$38,950.00	\$19,150.00

\$19,850.00 SAVINGS

WHAT PROOF DO YOU HAVE THAT THIS DOES NOT MAKE SENSE?

Increasing Denials

- **What Are Your Denial Percentages?**
 - No Pre-Authorization
 - Medical Necessity
 - Incomplete Documentation
 - Utilization Review to Clinician
 - Procedure Authorized Not Procedure Billed
- **Payer Specific Edits of Claims**
- **Lack of Timely Response (180 days)**
- **No Discharge Planning**



Impending Fight Between Labs And Substance Use Providers

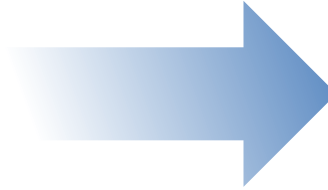
- **All Inclusive Per Diem Rates**
- **Lack of Urine Drug Testing Protocols**
 - Decreased Testing Over Episode of Care Per ASAM
- **Many Labs Not In-Network**
 - Establish Your Rates with SUT Provider



Continued Focus On Ethics

- **Patient Brokering Legislation (DONE)**

- Paying Marketing Organizations Per Client Delivered
- Kick-Backs
- Patient Brokers
- Laboratory Kickbacks to SUT Providers



**INCREASING LAWSUITS
AGAINST SUBSTANCE USE
TREATMENT PROVIDERS**

- **Decreasing Ability to Market Through Social Media (DONE)**

- **Urine Drug Testing Without Appropriate Clinical Documentation/Justification (ONGOING)**

- **“No Surprise Billing” Disclosure (DONE)**



Importance Of Addiction Treatment Advocacy Coalition



ATAC:

- **Advocates on Behalf of the Industry**
- **Informs New Legislative and Regulatory Agendas**
- **Understands Underlying Laws and Regulations**
 - Drives Payer Compliance
- **Collects Empirical Data Versus Anecdotal Data to Support Regulatory Complaints**



MEMBERSHIP, FINANCIAL SUPPORT, AND DOCUMENTATION ARE CRITICAL

