



Legislative Report

Substance Use Disorder Provider Capacity Grant

Purchasing and Service Delivery Division

September 2019

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Minnesota Statutes, Chapter 3.197, requires the disclosure of the cost to prepare this report. The estimated cost of preparing this report is \$10,000.

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I. Legislation

2017 1st Special Session, Article 12, Section 4:

SUBSTANCE USE DISORDER PROVIDER CAPACITY GRANT PROGRAM.

The commissioner of human services shall design and implement a grant program to assist providers to purchase the first dose of a nonnarcotic injectable or implantable medication to treat substance use disorder for medical assistance enrollees. Grants shall be distributed between July 1, 2017, and June 30, 2019. The commissioner shall conduct outreach to providers regarding the availability of this grant and ensure a simplified grant application process. The commissioner shall provide technical assistance to assist providers in building operational capacity to treat substance use disorders with nonnarcotic injectable or implantable medications. The commissioner, in collaboration with stakeholders, shall analyze the impact of the grant program under this section and the actual or perceived barriers for providers to access and be reimbursed for nonnarcotic injectable or implantable substance use disorder medications and develop recommendations for addressing identified barriers. The commissioner shall provide a report to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance by September 1, 2019.

II. Introduction

The Department of Human Services (DHS) was tasked with designing and implementing a simplified grant program to assist providers in procuring and administering nonnarcotic injectable or implantable substance use disorder treatments to Minnesota's Medicaid enrollees. The grant program was intended to assess whether providing funding for the first dose of a nonnarcotic injectable or implantable substance use disorder treatment would increase access for members and to assess whether providers were having difficulty obtaining and submitting claims for nonnarcotic injectable or implantable substance use disorder treatments.

Purpose of report

This report is submitted to the Minnesota Legislature pursuant to Minnesota Statutes 2017 1st Special Session, Article 12, Section 4: "...The commissioner shall provide a report to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance by September 1, 2019."

The report was created using data collected as part of the grant program, Medicaid enrollee data provided by the grant recipients and treating providers, and claims data from the Medicaid Management Information System.

III. Grant Program

As instructed in the legislation, DHS implemented the grant program using a simplified one page application form (Appendix A). Providers submitting a grant application were required to be enrolled fee-for-service Medicaid providers, which allowed DHS to leverage previously collected screening and financial information and simplify the application process. The grant program was implemented in the summer of 2017 and DHS received and processed the first application on October 11, 2017. The last applications were received on June 27, 2019.

While the legislation didn't specify a particular drug by name, the only drug for which applications were submitted was injectable extended-release naltrexone, also known as Vivitrol®.

The grant program was appropriated \$400,000 per year for SFY 2018 and SFY 2019 (\$800,000 total). The grant program was 100% state funded and not eligible for federal matching funds. Providers were also able to bill for the drugs and administration of the drug provided to public program enrollees, and those payments could be eligible for federal match.

A. Outreach

DHS conducted outreach to enrolled Medicaid providers via a provider update and also through targeted outreach through community organizations and direct provider communication (e.g. phone calls).

B. Provider Participation and Utilization

A total of eight providers submitted grant applications during the two year grant period. A breakdown of the number of applications and payments received by provider is provided in the table below:

Provider	# of Applications	Grant Payments Received
Provider 1	71	\$100,793.00
Provider 2	32	\$35,435.70
Provider 3	22	\$25,034.57
Provider 4	18	\$20,693.35
Provider 5	3	\$XXXX.XX *
Provider 6	2	\$XXXX.XX *

Provider	# of Applications	Grant Payments Received
Provider 7	1	\$XXXX.XX *
Provider 8	1	\$XXXX.XX *
Total	150	\$190,140.49

* The grant payment amounts for providers that submitted 10 or fewer applications were not individually listed as DHS cannot disclose drug pricing due to federal law (42 U.S.C 1396r-8).

Consistent with grant closing instructions, the unspent grant funds will were returned to the state’s general fund.

IV. Grant Impact on Access to Nonnarcotic Injectable or Implantable Medications

A. Provider

Through the grant program DHS did not identify any situations in which the providers were confused or unclear on how to bill DHS for the administration of Vivitrol® or where to obtain the medication. The primary barrier identified through this grant program was that the high cost of Vivitrol®, relative to other medications administered by the providers, was viewed negatively by providers. While several providers cited the price as a concern, little feedback (positive or negative) was provided when providers were engaged by DHS to provide feedback around the “buy and bill” process. That process includes the provider ordering the drug from a wholesaler, administers the drug to a patient, and the payment for the drug from DHS generally occurs within 2 weeks of billing a claim. The payment from the provider to the wholesaler for the drug isn’t required, however, for 75 days (based on information received on provider invoices submitted to DHS). All of the grant participants obtained Vivitrol® from the same wholesaler, Besse Medical, and it is unclear if Vivitrol® is available from other sources or if the payment terms from other sources are similar to what the grant participants experienced.

All claim, provider, and member data provided in this report includes both Managed Care and Fee-for-Service utilization.

The total number of providers administering Vivitrol® to Medicaid enrollees did increase during the grant program, though the increase was relatively small:

Number of Providers Administering 1 or More Dose of Vivitrol® to MHCP Members

Dates of Service 7/1/2015 – 6/30/2017	Dates of Service 7/1/2017 – 6/30/2019
61 Providers	77 Providers

The greatest impact of the grant program appears to be on the providers that participated in the grant program. Of the 8 providers that participated, only 3 had administered Vivitrol® to Medicaid enrollees prior to the grant.

Impact of the Vivitrol® Grant on Participating Providers

Dates of service	7/1/2015 – 6/30/2017	7/1/2017 – 6/30/2019
Number of Providers Administering 1 or more doses Vivitrol® to Medicaid enrollees	3 Providers	8 Providers
Number of Medicaid enrollees administered Vivitrol® by grant participants	4 Members	127 Members
Number of Claims for Vivitrol® from participating providers	8 Claims	319 Claims

While the number of members overall receiving Vivitrol® from all enrolled providers before and during the grant was relatively stable, the increased utilization by the providers participating in the grant program appear to come from utilization that had occurred in the Outpatient Hospital setting prior to the grant. The number of claims for Vivitrol® in the Outpatient Hospital setting fell from 828 claims prior to the grant, to 191 during the grant time period.

Average Reimbursement for Vivitrol® by Claim Type

Dates of Service	7/1/2015 – 6/30/2017	7/1/2017 – 6/30/2019	Change (%)
Outpatient Hospital Claim	\$1,195.92	\$1,035.44	-\$160.48 (-13.4%)
Professional Claim (method used by grantees)	\$1,067.61	\$1,127.19	+\$59.58 (+5.6%)
Outpatient Pharmacy Claim	\$1,286.80	\$1,308.00	+\$21.20 (+1.6%)

Reimbursements for Vivitrol® were highest in outpatient pharmacy claims before and during the grant. However, this claim type includes a dispensing fee, while the other two claim types are expected to include administration codes paid separately from the drug.

Managed Care Organizations pay dispensing fees based on their contracted rate with the pharmacies — there were no fee-for-service outpatient pharmacy claims for Vivitrol®. The fee-for-service program prohibits billing office-administered drugs such as Vivitrol® through the pharmacy benefit. This is to reduce waste, control costs

and ensure program integrity. As a point of reference, the fee-for-service dispensing fee before and during the grant was \$3.65 per claim.

B. Members

Other than the shift from the majority of claims occurring in the Outpatient Hospital setting to the clinic or outpatient pharmacy setting, there doesn't appear to be much impact of the grant program on Medicaid enrollees.

The number of members receiving 1 or more dose of Vivitrol® was similar before the grant and during the grant time period:

Number of Medicaid Enrollees Receiving 1 or More Dose of Vivitrol®

Dates of Service 7/1/2015 – 6/30/2017	Dates of Service 7/1/2017 – 6/30/2019
411 Members	430 Members

The average number of doses of Vivitrol® administered to members was also similar before the grant and during the grant time period:

Average Number of Doses of Vivitrol® Administered to Medicaid Enrollees

Dates of Service 7/1/2015 – 6/30/2017	Dates of Service 7/1/2017 – 6/30/2019
3.57 Doses	3.03 Doses

V. Report Conclusion

Overall the grant program did not appear to have a significant impact on the number of enrollees accessing Vivitrol® treatment or the longevity of their treatment. . Through the grant program DHS was unable to identify barriers from the participating providers related to their ability to obtain, and bill for, Vivitrol® through a professional claim other than the high cost of the drug. The grant program was designed to alleviate the cost of the drug, but broad uptake from providers did not occur, suggesting there may be other factors limiting the use of Vivitrol®, such as patient preference, provider preference, efficacy, or other factors not identifiable or addressed through this grant program.

VII. Appendix A

Clear Form

DEPARTMENT OF HUMAN SERVICES

MINNESOTA HEALTH CARE PROGRAMS (MHCP)

DHS-7604-ENG 9-17

DHS FOD USE ONLY

Substance Use Disorder Provider Capacity Grant Application

The Minnesota Legislature has authorized the Department of Human Services (DHS) to administer a grant program to help outpatient providers enrolled with Minnesota Health Care Programs (MHCP) provide access to nonnarcotic injectable or implantable medications to Medical Assistance members. Through this program DHS will purchase the first dose of a nonnarcotic injectable or implantable medication to treat substance use disorders for a Medical Assistance member. DHS will provide technical assistance to providers in submitting claims to MHCP for the medications if needed.

Grant availability

This grant is available to any enrolled outpatient clinic or provider that is authorized to administer a nonnarcotic injectable or implantable medication. We may prioritize applications from clinics or providers that need help to build their knowledge and capability to administer these drugs. The grant is available July 1, 2017. It is expected to be available through June 30, 2019, but may end sooner if the funding has been exhausted.

Provider or clinic information

NAME		NPI	
LOCATION ADDRESS	CITY	STATE	ZIP CODE
MAILING ADDRESS (if different from location address)	CITY	STATE	ZIP CODE

Medication information

DRUG NAME AND DESCRIPTION	ACQUISITION COST*

* You must submit a copy of the invoice, or quote, showing the acquisition cost with this application. Include only one dose of medication on each application.

Provider Statement

I certify that I will use the funds received through this grant to administer the requested medication to an MHCP member. I agree to provide feedback to DHS, including information about this grant, the application process, and the member that received the medication, if requested.

PROVIDER NAME (please print)	TITLE
PROVIDER SIGNATURE	DATE

Fax completed application and invoice to PSD Pharmacy Unit at 651-431-7426.