

The Better Care Reconciliation Act (BCRA) Hurts Individuals Affected by the Opioid Epidemic

The opioid epidemic continues unabated. In 2015, over 33,000 Americans – more than 90 a day – died due to an unintentional opioid-related overdose, more than any year on record. Preliminary data from 2016 show that the number of Americans lost to overdose increased by nearly 20% from 2015 to 2016, due largely to the continuing opioid overdose epidemic.

The Affordable Care Act (ACA) has been a vital tool in the fight against the opioid epidemic. Thanks to the Medicaid expansion, 1.2 million individuals with substance use disorders (SUD) now have access to health insurance, and as many as 1.1 million more would gain access to health insurance if the remaining states expanded Medicaid. Health plans across the country must also now cover mental health and substance use services as well as medication-assisted treatment (MAT) and the overdose-reversal medication naloxone as part of a package of essential health benefits (EHBs). The ACA also expanded the mental health parity requirement, under which most health insurance plans are prohibited from imposing limitations on coverage for substance use services that are greater than limitations on coverage of medical and surgical services.

BCRA will repeal most of the ACA's protections for people with opioid use disorders (OUD) and will increase the risk of overdoses and other negative consequences associated with this public health emergency. The legislation purports to create a \$45 billion fund for OUD treatment, but without the current funding level and protections for people with OUD, this fund would be vastly insufficient to address the epidemic.

BCRA will result in:

Fewer individuals with OUD enrolled in Medicaid

– Eliminating enhanced federal funding for the Medicaid expansion and capping the amount states receive in federal Medicaid funding will likely lead states to reduce Medicaid eligibility and restrict coverage for low-income adults with OUD.

Reduced OUD services coverage – BCRA allows states to waive the EHB requirements that have dramatically expanded access to evidence-based treatment. The legislation would also allow states to eliminate annual limits on cost-sharing. Such waivers would likely lead health plans to scale back, eliminate, or impose high cost-sharing requirements on coverage of OUD prevention and treatment services, including the life-saving MAT medications buprenorphine and methadone, as well as naloxone.

Effect of BCRA on SUD Coverage

Ending the Medicaid expansion's federal funding would cut \$827 billion over 10 years from Medicaid.

Per capita caps would cut \$457 billion over 10 years from Medicaid.

Coverage for OUD services is expected to cost \$41.55 billion in 2026; States would only get \$5 billion in federal funding from the opioid fund proposed in BCRA.

2.8 million Americans with SUD, including 222,000 with OUD, could lose some or all of their health insurance if BCRA is enacted.

The Better Care Reconciliation Act (BCRA) Hurts Individuals Affected by the Opioid Epidemic

Gutting of mental health parity requirements – While most health plans are required by the ACA to provide OUD treatment services at the same level as medical and surgical services, this requirement is only effective if robust medical and surgical coverage remains in place. Allowing states to waive key requirements of the ACA, including EHBs and cost-sharing limits, will likely lead plans in West Virginia to impose limitations on other services, which would permit them to impose limitations on coverage of OUD services as well.

Reduced services for pregnant women with OUD – The overall rate of neonatal abstinence syndrome (NAS), a condition affecting newborns caused by in utero exposure to opioids, has increased by 300% in the last decade. The elimination of EHBs, particularly if coupled with an ineffective parity requirement, would lead health plans to reduce coverage for MAT with methadone and buprenorphine, the standard of care for pregnant women with OUD, and will increase the rate of NAS across the country.

Reduced ability to introduce innovative approaches to address the opioid epidemic – BCRA subjects Section 1115 demonstration spending to Medicaid funding caps. Several states have implemented or are seeking to implement Section 1115 demonstrations to expand access to treatment for Medicaid beneficiaries with OUD. If federal Medicaid funding is reduced, states would likely be unable to implement these demonstrations.

Increased state budget deficit – The national cost of coverage for OUD treatment is expected to be \$41.55 billion in 2026. BCRA would eliminate the enhanced federal funding for the Medicaid expansion and in its place would establish an opioid fund to be distributed among all states. It is estimated that in aggregate states would receive \$5 billion each year from this fund and would have to cut coverage of OUD services or significantly increase state spending.

Higher uncompensated mental health and OUD care – Since the ACA was enacted, states have experienced large decreases in uncompensated SUD and mental health care. Cuts to federal Medicaid funding will shift the cost of treating low-income individuals with OUD to safety-net providers and local hospitals, likely leading to higher costs for everyone.

Higher costs to the U.S. economy – The total cost of the opioid epidemic to the U.S. economy is estimated at over \$78.5 billion each year. By reducing access to evidence-based prevention and treatment, BCRA will likely increase the number of people with OUD and the number of people with OUD who cannot access timely, effective treatment. This will contribute to higher criminal justice costs and loss of productivity, which will continue to disproportionately affect states that have been impacted by the opioid epidemic.

BCRA will harm individuals with OUDs and will worsen the opioid epidemic.