



Why Medicaid is Important for Treating Substance Use Disorders

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Medicaid covers needed access to comprehensive Substance Use Disorder (SUD) treatment

- Medicaid is the [largest source](#) of health insurance coverage for behavioral health services, including SUD treatment.
- SUDs affect people at all income levels but is particularly prevalent among [low-income populations](#).
- [About 48.5 million adults](#) in the U.S. are affected by SUDs. [In 2020, 21% of people](#) with any SUD were covered by Medicaid.
- Medicaid pays the largest portion of hospital charges for [maternal substance use](#) and the majority of the \$1.5 billion annual cost of neonatal abstinence syndrome.
- States severely impacted by the opioid [overdose epidemic](#) have significantly benefitted from Medicaid expansion. [Medicaid covers over 19%](#) of the population in these states that have been heavily impacted by overdose deaths: Kentucky, Maine, New Mexico, Ohio, and West Virginia.
- In 2020, [74% of Medicaid enrollees](#) diagnosed with an SUD received some type of SUD treatment or service. For Medicaid enrollees with an opioid use disorder (OUD), 88% received some type of OUD treatment or services.
- [Other Medicaid efforts](#) to address SUD and OUD include reducing prior authorization barriers to buprenorphine, access to care through telehealth, adding over-the-counter access to Narcan, among others.

Medicaid plays an important role in preventing and treating SUDs

- Medicaid coverage of SUD treatment is generally more [comprehensive](#) than private insurance.
- Medicaid programs in all states and territories are required to cover all [three FDA-approved medications](#) for OUD and the overdose reversal medication naloxone.

- [Medicaid expansion](#) has led to an increase in the availability of SUD treatment providers, especially in underserved areas that have been heavily affected by the opioid overdose epidemic.
- [Early intervention](#) of SUD and OUD can save lives and reduce costs to our health care system. [Screening for substance use](#) helps identify individuals who are at risk of developing a SUD and connects them with the appropriate medical and behavioral interventions. Timely access to screening, evidence-based health services and supports can [reduce the need](#) for more intensive treatment and care.
- [Medicaid enrollees under 21 must](#) be provided with periodic mental health assessments and SUD screenings under Medicaid's Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefit. In many cases, these screenings are also [available to adults](#).

Medicaid plays a key role in improving maternal and infant health at the intersection of SUDs

- [Behavioral health conditions](#) are a leading contributor to maternal mortality. Suicide and SUD-related overdoses account for more than 20% of postpartum deaths. With about 41% of births covered by Medicaid and many states expanding postpartum coverage to 12 months, Medicaid plays a crucial role in supporting access to care.
- The Centers for Medicare & Medicaid Services (CMS) supports states in finding innovated solutions to address maternal OUD. The [Maternal Opioid Misuse \(MOM\) Model](#) seeks to:
 - improve the quality of care and reduce costs for pregnant and postpartum women with OUD and their infants;
 - expand access, service-delivery capacity, and infrastructure based on state needs; and
 - create sustainable coverage and payment strategies that support ongoing coordination and integration of care.

Conclusion

- Many individuals rely on Medicaid to provide access to timely, evidence-based, and high-quality care that is needed to address SUDs and OUDs, particularly as overdose deaths remain at [unacceptable levels](#).
- States rely on Medicaid to provide funding for SUD treatment and services as well as innovative models to address intersecting health crises like maternal mortality.

- If Medicaid cuts are enacted, states will lose this critical federal funding and costs will be shifted to the states and individuals.
- Changes to the funding structure of the Medicaid expansion will leave millions of individuals with SUD and OUD without access to life-saving care.
- Cuts to Medicaid may lead to states reducing the array of SUD services currently covered.
- A reduction in SUD prevention, treatment, and support can only lead to higher health care costs and increases in preventable suffering and death.