

Public notice

Draft Substance Use Disorder 1115 Waiver Extension Request

Date of Posting: Feb. 18, 2025

Public Presentation/Hearing Dates: Feb. 26, March 4 and March 6, 2025

Public Comment Period: Feb. 18, 2025, through March 20, 2025

Contact for Comment: sud.waiver@odhsoha.oregon.gov

Background

The Centers for Medicare & Medicaid Services (CMS) approved Oregon's Substance Use Disorder (SUD) 1115 Demonstration waiver, effective April 8, 2021, through March 31, 2026.

The Oregon SUD 1115 Waiver allows for expanded access to substance use disorder treatment and services through Medicaid, aimed at improving health outcomes, increasing treatment engagement, and reducing emergency and inpatient visits.

The SUD 1115 Waiver currently focuses on two key areas:

Community integration

Aims to provide housing and employment support for individuals with substance use disorder (SUD) as they transition from residential treatment facilities back into the community.

Institution for Mental Diseases (IMDs) exclusion

Allows for the receipt of federal matching funds for individuals receiving services in residential facilities with more than 16 beds, helping to expand access to necessary care.

Together, these initiatives support a more comprehensive approach to treating and reintegrating individuals with SUD.

Purpose and objectives

Oregon Health Authority (OHA) intends to submit a request for a five-year extension to CMS for the SUD 1115 Waiver Demonstration.

This is to maintain the services and supports approved during the original waiver period and to add contingency management services.

This additional five-year period is intended to promote the:

- Provision of Contingency Management (CM), improving outcomes and fostering more sustainable care, Continued growth of the full continuum of care, improving access and utilization of high-quality appropriate treatment, increasing rates of identification and engagement in treatment, reducing recurrent visits to equal or higher levels of care including emergency department and inpatient admissions related to substance use and improving quality of care and population outcomes for individuals with SUD,
- Implementation of the necessary changes to the Oregon Medicaid Management Information System (MMIS) Provider Portal to offer the \$5,000 lifetime benefit to individuals as they transition from a residential setting to their own home through the Community Transition Services (CTS) offering, and
- Alignment with the Oregon Health Plan (OHP) 1115 physical health waiver period creating better opportunities for coordination of waiver goals and measurements under Oregon's Medicaid Quality Strategy.

Demonstration goals

1. Assist Oregon in increasing identification, initiation, and engagement of Medicaid beneficiaries diagnosed with SUD;
2. Assist the state in increasing beneficiary adherence to, and retention in, SUD treatment programs;
3. Assist Oregon in reducing inappropriate or preventable utilization of emergency departments and inpatient hospital settings through improved access to a continuum of care services; and
4. Provide a continuum of care to increase the chances of Medicaid beneficiaries of having a successful recovery process.

Beneficiaries who will be affected by the demonstration

Qualifying individuals who are receiving treatment under Medicaid.

Delivery system and eligibility requirements

The demonstration will not affect or modify any components of Oregon's Coordinated Care Organization (CCO) or Fee for Services model of service delivery or program eligibility requirements.

Changes to benefits and coverage

The state is proposing to maintain the benefits and coverage currently provided under the SUD 1115 Waiver and add Contingency Management for qualifying individuals.

Cost sharing requirements

No changes to cost sharing requirements are being requested.

Projected expenditures

Based on the programmatic details described above, Oregon has *estimated* projected expenditures for the renewal period.

Demonstration Renewal Period	DY06	DY07	DY08	DY09	DY10
IMD					
Total Projected Enrollment	1,256	1,312	1,369	1,430	1,493
Total Projected Expenditures	\$ 36,599,131	\$ 39,928,902	\$ 43,561,685	\$ 47,524,856	\$ 51,848,629
CIS					
Total Projected Enrollment	2,209	2,761	3,451	4,314	5,392
Total Projected Expenditures*	\$6,367,247	\$8,317,175	\$10,864,405	\$14,191,826	\$18,538,224
CM					
Total Projected Enrollment	32	52	85	139	226
Total Projected Expenditures*	\$38,531	\$65,634	\$111,799	\$190,431	\$324,363

*Updated 02/19/25 due to formula error.

DEMONSTRATION YEARS (DY)						
Projected Expenditures	DY 06	DY 07	DY 08	DY 09	DY 10	Total
SUD-IMD	\$36,599,131	\$39,928,902	\$43,561,685	\$47,524,856	\$51,848,629	\$219,463,203
CIS	\$6,367,247	\$8,317,175	\$10,864,405	\$14,191,826	\$18,538,224	\$58,278,876
CM	\$38,531	\$65,634	\$111,799	\$190,431	\$324,363	\$730,757
Total	\$ 43,004,908	\$ 48,311,711	\$ 54,537,888	\$ 61,907,113	\$ 70,711,216	\$278,472,836

At the time this extension is being submitted, Oregon is not able to produce the historical IMD and CIS expenditures due to the complexity and challenges related to identifying these expenditures in Oregon's information systems and report them in accordance with CMS's requirements.

Oregon is expecting to produce historical information of the demonstration by May 2025.

Hypotheses and evaluation parameters

No changes to the current evaluation hypotheses are being requested.

Waiver and expenditure authorities requested for the demonstration

Oregon seeks to add Contingency Management (CM) to the demonstration's waiver and expenditure authorities. Oregon seeks to maintain all existing authorities from the existing demonstration.

Waiver Authority	Use of Waiver
Amount, Duration, and Scope of Services: 1902(a)(10)(B)	Contingency Management: Allow the state to operate its section 1115 demonstration and to provide federal funding to cover Contingency Management incentives as a medical intervention to any Medicaid eligible individuals with a diagnosis of SUD.

Opportunities for public comment

OHA invites public comment on the SUD 1115 Waiver Demonstration Extension Application from Feb. 18, 2025, through March 20, 2025.

Electronic copies of this public notice document, which includes virtual attendance instructions, how to submit written public comment, and the proposed extension request documents for review are available on the OHA SUD 1115 Waiver website at <https://www.oregon.gov/oha/hsd/medicaid-policy/pages/sud-waiver.aspx>.

The summary of comments received during this state public comment period upon submission to CMS will be available on OHA SUD 1115 Waiver website at <https://www.oregon.gov/oha/hsd/medicaid-policy/pages/sud-waiver.aspx>.

You may also request a copy of the proposed extension request, notices, and/or a copy of submitted public comments, once available, related to the SUD 1115 Waiver extension by requesting it in writing to the mailing or email addresses listed in this notice. Written comments may be sent to the following address (please indicate "SUD 1115 Waiver Renewal" in the written message):

Oregon Health Authority
Attn: Medicaid SUD 1115 Waiver
500 Summer St NE

Salem, OR 97301

Comments may also be emailed to sud.waiver@odhsoha.oregon.gov. Please indicate “SUD 1115 Waiver Renewal Application Comments” in the subject line of the email message.

OHA will host one presentation and two public hearings to seek input regarding the waiver extension request.

To ask questions about accessibility or request accommodations, please email sud.waiver@odhsoha.oregon.gov.

Medicaid Advisory Committee (MAC) Presentation

Feb. 26, 2025, 10:30 to 11 a.m. Pacific Time

This will be a virtual-only event, with public comments taken via email or postal mail per instructions found in this full public notice document. To view this hearing, please follow this link:

- <https://www.zoomgov.com/j/1618898940?pwd=glqOxgxtXQ6gsMbq8tgk2XKqbliQi4.1>
- Meeting ID: 161 889 8940
- Passcode: 216469
- One tap mobile
 - +16692545252,,1618898940# US (San Jose)
 - +16468287666,,1618898940# US (New York)
- Dial by your location
 - +1 669 254 5252 US (San Jose)
 - +1 646 828 7666 US (New York)

More information can also be found at this website:

<https://www.oregon.gov/oha/hpa/hp-mac/pages/index.aspx>.

SUD 1115 Waiver Extension Public Hearing 1

March 4, 2025, 9 to 10 a.m. Pacific Time

- Barbara Roberts Human Services Building, Room 160
- 500 Summer St NE, Salem OR 97301

SUD 1115 Waiver Extension Public Hearing 2

March 6, 2025, 9 to 10 a.m. Pacific Time

- Portland State Office Building, Room 1D
- 800 NE Oregon St, Portland OR 97232

A live virtual option to participate is also available for either March meeting. Follow this link:

- <https://www.zoomgov.com/s/1605372923> Meeting ID: 160 537 2923
- Passcode: 740853
- One tap mobile
 - +16692545252,,1605372923#,,, *740853# US (San Jose)
 - +16468287666,,1605372923#,,, *740853# US (New York)
- Dial by your location
 - +1 669 254 5252 US (San Jose)
 - +1 646 828 7666 US (New York)

To observe the March proceedings via YouTube livestream, please follow these links:

- March 4: <https://youtube.com/live/z7LbwAzW994?feature=share>
- March 6: <https://youtube.com/live/p7GiDyMc0fg?feature=share>

To ensure consideration prior to submission of this demonstration extension request, comments must be received by 5 p.m. Pacific Time on March 20, 2025. Questions or comments can be submitted via email to sud.waiver@odhsoha.oregon.gov.

Interested parties will also have the opportunity to officially comment on the demonstration renewal application during the federal public comment period; the submitted application will be available for comment on the CMS website at [medicaid.gov/medicaid/section-1115-demonstrations/index.html](https://www.medicaid.gov/medicaid/section-1115-demonstrations/index.html).

For more information about Oregon's 1115 Medicaid Demonstrations, please visit <https://www.oregon.gov/oha/HSD/Medicaid-Policy/Pages/index.aspx>.

Accessibility statement

Everyone has a right to know about and use Oregon Health Authority (OHA) programs and services. OHA provides free help. Some examples of the free help OHA can provide are:

- Sign language and spoken language interpreters
- Written materials in other languages
- Braille
- Large print
- Audio and other formats

You can get this document in other languages, large print, braille or a format you prefer. Contact us at sud.waiver@odhsoha.oregon.gov or 503-979-8276 (voice or text). We accept all relay calls, or you can dial 711.