



Administrator

Washington, DC 20201

April 8, 2021

Lori Coyner, MA
Medicaid Director
Oregon Health Authority
500 Summer Street NE E35
Salem, OR 97301

Dear Ms. Coyner:

The Centers for Medicare & Medicaid Services (CMS) is approving Oregon's application for a section 1115(a) demonstration titled, "Oregon Health Plan Substance Use Disorder 1115 Demonstration" (Project Number 11-W-00362/10)," effective as of the date of this letter through March 31, 2026. Approval of this demonstration, with concurrent approval of the Substance Use Disorder (SUD) Implementation Plan described below, will enable the state to receive federal financial participation (FFP) for state plan services provided to otherwise-eligible Medicaid beneficiaries who are primarily receiving treatment and withdrawal management services for SUD while residing in institutions for mental diseases. In addition, CMS is approving the state's SUD Health Information Technology (HIT) Plan, which is required under the demonstration's special terms and conditions (STCs).

This demonstration approval also authorizes Oregon to receive FFP for expenditures related to community integration services, such as housing and employment supports, provided to individuals who have a SUD diagnosis and meet the needs-based criteria outlined in the demonstration to assist individuals transitioning back into the community from a residential setting. These services are consistent with the services otherwise provided under 1915(c) and 1915(i) authority.

Oregon requested approval for expenditure authority to provide peer-delivered support services at Peer Run Organizations pre- and post-treatment to individuals who are outside of an approved treatment plan and for services otherwise ineligible for FFP. CMS is still reviewing this request and this expenditure authority is not included in this approval.

CMS's approval of this section 1115(a) demonstration is subject to the limitations specified in the attached expenditure authority, STCs, and any supplemental attachments defining the nature, character, and extent of federal involvement in this demonstration project. The state may deviate from Medicaid state plan requirements only to the extent those requirements have been specifically listed as not applicable under the demonstration.

The goal of this demonstration is for the state to maintain and enhance access to SUD services, and continue delivery system improvements to provide more coordinated and comprehensive treatment for beneficiaries with SUD. With this approval, beneficiaries will have access to a continuum of services at new settings that, absent this approval, would be ineligible for payment

for most Medicaid enrollees. Specifically, the demonstration is expected to:

- Increase identification, initiation, and engagement of Medicaid beneficiaries diagnosed with SUD;
- Increase beneficiary adherence to, and retention in, SUD treatment programs;
- Reduce inappropriate or preventable utilization of emergency departments and inpatient hospital settings through improved access to a continuum of care services; and
- Provide a continuum of care to increase the chances of Medicaid beneficiaries of having a successful recovery process.

We have determined that this demonstration promotes the objectives of Medicaid by expanding Medicaid coverage.

Oregon submitted its SUD Implementation Plan and SUD HIT Plan as required by the STCs. The SUD Implementation Plan describes information including the strategic approach and detailed project implementation plan, with timetables, programmatic content, and the key goals and objectives of the SUD demonstration. The implementation plan also includes an HIT plan that details the necessary health IT capabilities in place to support beneficiary health outcomes to address the SUD goals of the demonstration. CMS has completed its review of the SUD Implementation Plan and SUD HIT Plan, and CMS has determined that both the SUD Implementation Plan and SUD HIT Plan are consistent with the applicable requirements set forth in the STCs and is, therefore, concurrently approving the SUD Implementation Plan and SUD HIT Plan. These documents will be incorporated as Attachment C of the STCs.

Consideration of Public Comments

To increase the transparency of demonstration projects, sections 1115(d)(1) and (2) of the Social Security Act (the Act) direct the Secretary to issue regulations providing for two periods of public comment on a state's application for a section 1115 demonstration that would result in an impact on eligibility, enrollment, benefits, cost-sharing, or financing. The first comment period occurs at the state level before submission of the section 1115 application, and the second comment period occurs at the federal level after the application is received by the Secretary.

As enacted by the Patient Protection and Affordable Care Act, and incorporated under section 1115(d)(2)(A) & (C) of the Act, comment periods should be "sufficient to ensure a meaningful level of public input," but the statute imposed no additional requirement on the states or the Secretary to provide an individualized response to address those comments, as might otherwise be required under a general rulemaking. Accordingly, the implementing regulations issued in 2012 provide that CMS will review and consider all comments received by the deadline, but will not provide individualized written responses to public comments. See 42 CFR 431.416(d)(2).

CMS received one comment during the federal public comment period from a pharmaceutical company encouraging the consideration of the intersection of substance use and Human Immunodeficiency Virus (HIV), as well as expressing support for Oregon incorporating HIV testing services for all opioid use disorder patients, as recommended in the American Society of Addiction Medicine's National Practice Guideline. We have shared these comments with the

state for its consideration in a future demonstration, or a future amendment to this demonstration. Because these features were not included in the state's demonstration request, however, they are not being approved at this time as part of this demonstration.

After carefully reviewing the public comment submitted during the federal comment period, CMS has concluded that the demonstration is likely to assist in promoting the objectives of Medicaid.

Other Information

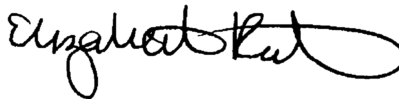
CMS's approval of this demonstration project is contingent upon compliance with the enclosed expenditure authority and the STCs defining the nature, character, and extent of anticipated federal involvement in the demonstration. The award is subject to our receiving your written acknowledgement of the award and acceptance of these STCs within 30 days of the date of this letter.

The project officer for this demonstration is Mr. Thomas Long. He is available to answer any questions concerning your section 1115 demonstration. Mr. Long's contact information is as follows:

Centers for Medicare & Medicaid Services
Center for Medicaid and CHIP Services
Mail Stop: S2-25-26
7500 Security Boulevard
Baltimore, MD 21244-1850
Email: Thomas.Long@cms.hhs.gov

If you have questions regarding this approval, please contact Ms. Teresa DeCaro, Acting Director, State Demonstrations Group, Center for Medicaid and CHIP Services, at (410) 786-9686.

Sincerely,



Elizabeth Richter
Acting Administrator

Enclosures

cc: Nicole Lemmon, State Monitoring Lead, Medicaid and CHIP Operations Group