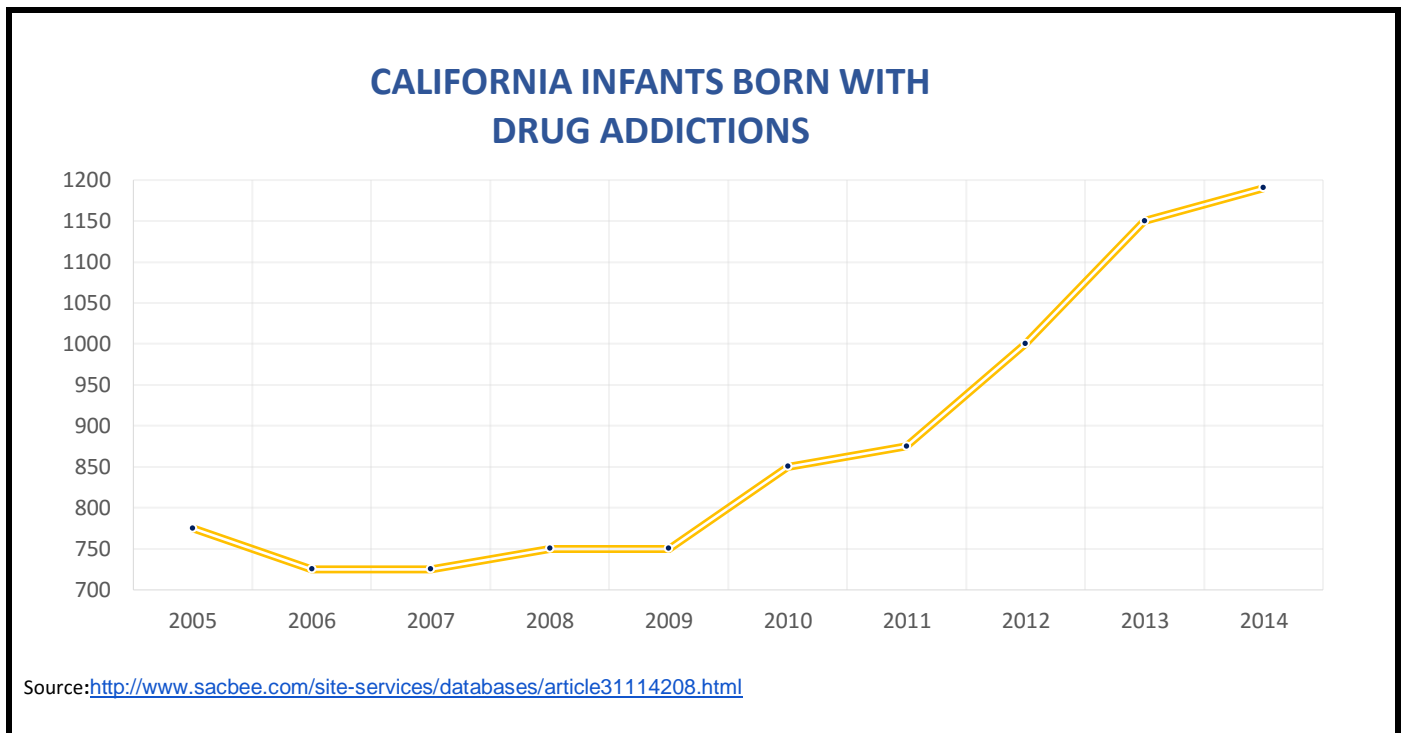


# Medicaid: On the Frontlines of the Opioid Epidemic Impacting Children in California



Medicaid has been at the frontlines in addressing the national opioid epidemic, which claimed over 50,000 lives across the country in 2016. Nationally, Medicaid and CHIP cover 3 in 10 people struggling with opioid addiction.<sup>i</sup> This includes not only low-income, child-less adults in many states, but also adolescents, pregnant women, parents, and infants battling neonatal abstinence syndrome (drug withdrawal).

In California, more people die from drug overdose each year than from auto-accidents.<sup>ii</sup> California had 4,659 drug overdose deaths in 2015.<sup>iii</sup> Further, in 2014 about 1,190 California newborns had a drug withdrawal syndrome diagnosis, up more than 50 percent from 2004; meaning about one newborn per 400 births.<sup>iv</sup>

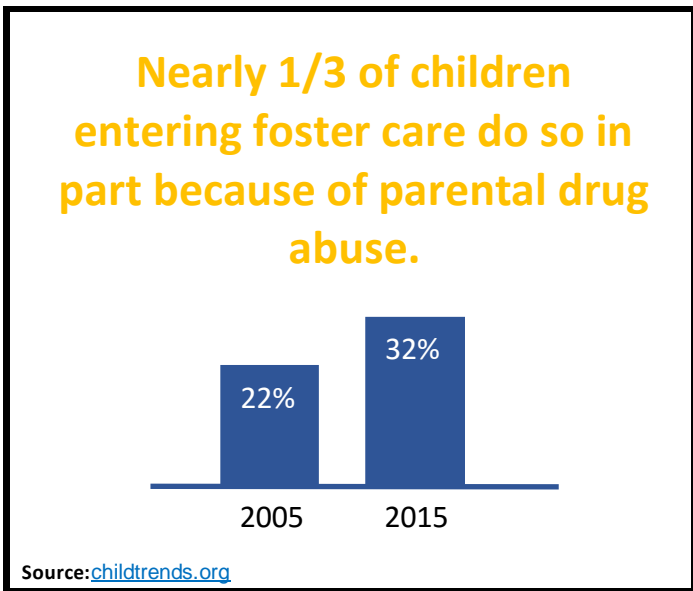


**Coverage is critical for California newborns with drug withdrawal syndrome.** Medicaid covers more than half of all pregnancies and births as well as 2 in 5 children (age 0 to 18) in California. Neonatal Abstinence Syndrome can occur when mothers use drugs, particularly opiate painkillers, during pregnancy; the newborns must be slowly weaned off the medicine with Methadone or increasingly smaller doses of the original drug, resulting in extended hospital stays, which are covered by Medicaid.

**In California, Medi-Cal also pays for the medical, dental, mental, and other health-related expenses of children in foster care. Under the Affordable Care Act, Medicaid now covers youth up to age 26 who were in foster care and enrolled in Medicaid when they turned age 18.** Children of parents struggling with substance use are more likely than their peers to experience abuse and neglect, more likely to be referred to the child welfare system, and more likely to be placed in foster care. As such, Medicaid becomes increasingly important to children of parents struggling with substance use disorders.

**Individuals battling opioid addiction are more likely to get treatment when they are covered under Medicaid.** California’s rural northern counties — including Lake, Plumas, Lassen, Sierra, Humboldt, Trinity, Del Norte and Shasta counties — have been hardest hit by the epidemic.<sup>v</sup> Nationally, Medicaid beneficiaries are disproportionately affected by the opioid epidemic. Fortunately, Medicaid is available to help them cover treatment costs. Compared to privately insured adults, adults with Medicaid coverage are about three times more likely to have received substance use disorder treatment as inpatients, and almost twice as likely to have received outpatient treatment.<sup>vi</sup>

**Medicaid has allowed California to provide innovative opioid treatment strategies.** In 2015, California became the first state to receive permission from the federal Medicaid program to improve and expand substance use treatment and recovery services through its Medicaid Section 1115 waiver.<sup>vii</sup> The Drug Medi-Cal Organized Delivery System—grounds care delivery in specific criteria developed by the American Society of Addiction Medicine. It offers expanded evidence-based services such as residential treatment and withdrawal management, as well as new services such as recovery services and case management. Additional medication-assisted treatment and partial hospitalization are optional new services.<sup>viii</sup>



California has relied on the historic financing structure of Medicaid as a federal-state partnership responsive to changes in the economy, health care costs, new cures and technology, and health epidemics, like the opioid epidemic. If Congress changes this financing structure by restricting Medicaid under a per capita cap, eliminating or phasing out the Medicaid expansion for low-income adults, or taking coverage away from over 22 million people through the Senate Better Care Reconciliation Act, California’s ability to cover and care for children and families affected by the opioid epidemic will be obliterated.

Endnotes:

- <sup>i</sup> <http://files.kff.org/attachment/INFOGRAPHIC-MEDICAIDS-ROLE-IN-ADDRESSING-THE-OPIOID-EPIDEMIC.pdf>
- <sup>ii</sup> <http://www.sacbee.com/site-services/databases/article56168810.html>
- <sup>iii</sup> <http://www.kff.org/other/state-indicator/opioid-overdose-death-rates/?activeTab=map&currentTimeframe=0&selectedDistributions=opioid-overdose-death-rate-age-adjusted&sortModel=%7B%22collid%22:%22Location%22.%22sort%22:%22asc%22%7D>
- <sup>iv</sup> <http://www.sacbee.com/site-services/databases/article31114208.html>
- <sup>v</sup> <https://www.calhealthreport.org/2017/05/09/children-swept-californias-opioid-crisis/>
- <sup>vi</sup> <https://www.macpac.gov/wp-content/uploads/2017/06/Medicaid-and-the-Opioid-Epidemic.pdf>
- <sup>vii</sup> <http://www.dhcs.ca.gov/provgovpart/Pages/Standard-Terms-and-Conditions.aspx>
- <sup>viii</sup> <http://healthaffairs.org/blog/2017/01/26/californias-bold-new-steps-for-treating-drug-and-alcohol-use-through-medicare-lessons-learned/>