



COLORADO

Department of Health Care
Policy & Financing

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Overview of New Substance Use Disorder Services Beginning January 1, 2021

December 2020

Overview

On January 1, 2021, Health First Colorado, Colorado's Medicaid program, will expand its substance use disorder (SUD) benefit. Residential and inpatient treatment and withdrawal management services will be added to the Department's existing list of covered SUD services, giving members access to a full range of treatment options. The Regional Accountable Entities (RAEs) will be responsible for administering the new services as part of Health First Colorado's capitated behavioral health benefit.

The Department has collaborated with the Office of Behavioral Health, Managed Service Organizations, RAEs, providers and advocates on the implementation of the new SUD services. Ongoing collaboration will include activities to monitor the utilization of the benefit, troubleshoot problems that arise during implementation, build capacity for additional services where needed and improve care coordination for members with SUD.

American Society of Addiction Medicine

Health First Colorado and the Colorado Office of Behavioral Health have adopted the [American Society of Addiction Medicine \(ASAM\) criteria](#) to determine the most appropriate level of care for individuals requiring treatment for a substance use disorder. In August, the Office of Behavioral Health revised its SUD treatment provider licensing rules to align with the ASAM criteria descriptions of each level of care.

The ASAM criteria is a nationally recognized, evidence-based system that provides guidelines for clinicians to match patient needs to specific levels of care. ASAM establishes guidelines for what services are available at each level of care and creates a uniform approach to identifying the most appropriate level of care for a member based on their individual needs. The use of ASAM criteria has been shown to improve patient outcomes and minimize spending on care that does not benefit patients.

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SUD Benefit Expansion

The new SUD services available January 1, 2021 are residential, inpatient and withdrawal management (WM) services at the ASAM levels 3.1, 3.2, 3.3, 3.5, and 3.7, including 3.2 WM and 3.7 WM.

Provider Reimbursement

The Regional Accountable Entities (RAEs) will be responsible for administering the new services as part of Health First Colorado's capitated behavioral health benefit. This includes contracting with providers, authorizing services when required, and reimbursing providers for eligible services.

To be eligible for Medicaid reimbursement by the RAE, all SUD services must be:

- Provided by a Medicaid enrolled provider
- Determined medically necessary, and
- Concluded as the appropriate level of care according to ASAM criteria.

All Medicaid SUD providers must use ASAM criteria to determine the appropriate level of treatment for a member.

Prior Authorization

Prior authorization will be **required for all residential and inpatient SUD treatment services**. RAEs will determine continued residential or inpatient stays based on a member's progress in treatment and continued medical necessity. If seeking Medicaid payment for stays that began prior to January 1, 2021, visit the [Ensuring a Full Continuum of SUD Benefits](#) webpage for information.

Prior authorization is **not required for admission to withdrawal management services**; however, the provider should ensure that medical necessity is met for the level of withdrawal management care being provided. All services are subject to continued stay reviews by the authorizing RAE.

Co-Pays

There are no co-pays required for SUD services.

Actions Providers Need to Take

All SUD providers that seek Medicaid reimbursement for residential, inpatient and withdrawal management SUD services from the RAE will need to:



1. Be licensed with the Office of Behavioral Health for the specific ASAM level of care that they will render and bill to Health First Colorado. (For information about licensing, visit the [OBH Designation and Licensing web page](#).)
2. Be enrolled with Health First Colorado (For information about provider enrollment, visit the [Find Your Provider Type web page](#).)
3. Add a Specialty Provider Type based on your ASAM level of care license to your current or new Medicaid provider enrollment.
 - a. **Existing providers must submit a Provider Maintenance Request** in the Provider Web Portal. (For information, visit the [Provider Maintenance Quick Guide](#).)
 - b. New providers can add the Specialty Provider Type as part of provider enrollment.
4. Contract with the RAE.

Additional Resources

Below are links to additional resources regarding Health First Colorado's new inpatient and residential SUD treatment and withdrawal management services.

- [SUD Residential Provider Manual](#)
- www.colorado.gov/hcpf/ensuring-full-continuum-sud-benefits

For more information contact

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