

Mobile Medication Unit Rate Development Interim Report

Exploration of mobile medication unit rate options

Engrossed Substitute Senate Bill 5950; Section 215(82); Chapter 376; Laws of 2024
December 01, 2024

Executive Summary

The Washington State Legislature directed the Health Care Authority (HCA) to “work with the actuaries responsible for setting Medicaid managed care rates to explore options for creating a specific rate for mobile medication units (MMUs) that reflects the unique costs of these programs.”

HCA has been working diligently with Milliman (our actuarial partner), and Opioid Treatment Program (OTP) providers to analyze the different aspects, especially costs, of delivering MMU services and identify potential rate options that best fit the nature of providing these services. This work remains ongoing, with anticipation of a final report in mid-2025. Attached to this summary is an interim report from Milliman with background on the analyses, ongoing conversations, and the types of reimbursement models that will be explored and modelled over the coming months.

There is a rising demand for services offered by MMUs and that is evident with the rising number of MMUs that are being established. As of last October, Washington State had 11 active DEA and board of pharmacy approved OTP MMUs, with an additional five to six MMUs in the process to being established. This interim report summarizes the work that has been done thus far to arrive at the goal of developing MMU rate(s) by June 30, 2025.

Concurrently with the above directive, ESSB 5950; Section 215(146) directs HCA “to continue work on the behavioral health comparison rates project for all major Medicaid managed care behavioral health services not addressed in phase 1 or phase 2”. As part of phase 3 of the behavioral health comparison rates project, HCA found it appropriate to include the Brick-and-Mortar OTP, since not addressed in prior phases, and to have this work stream run simultaneously with the MMUs Legislative directive. The main objective of phase 3 behavioral health (BH) comparison rates is to prepare to implement a minimum fee schedule (MFS) for behavioral health services. A minimum fee schedule requires MCOs to pay no less than the published rate, but it does not remove provider and MCO flexibility in negotiating a rate above that threshold should that be warranted.

In addition to the above two work streams, HCA also engaged in an OTP Payment Reform Project with multiple stakeholders (OTP Providers, MCOs, Technical Assistance, OTP patients, etc.) and has put forth an issue paper to analyze and explore various payment methodologies to incentivize quality and promote comprehensive care.

With what has been learned from in-depth discussions through these three co-occurring projects, HCA and Milliman are strongly considering the popular approach of developing separate partially bundled rates for the two different settings, MMU and Brick-and-Mortar OTP.