

Healthy Louisiana OUD/SUD Demonstration Waiver

October 15, 2025

Annual Public Forum



Agenda

- Overview
- Goals of the 1115 Demonstration
- Key Deliverables
- Review of Progress towards Milestones 1 through 6 and Health IT Metrics
- Recent Changes
- Public Comments/Questions

Overview

- On December 2, 2022, CMS approved Louisiana's request to extend the Healthy Louisiana OUD/SUD 1115 Demonstration Waiver.
- The extension is effective from January 1, 2023 through December 31, 2027.
- The extension allows continued federal financial participation (FFP) for Medicaid-eligible individuals receiving SUD treatment and withdrawal management in IMDs for stays exceeding 15 days.

Goals of the 1115 Demonstration

- Increased rates of identification, initiation, and engagement in treatment;
- Increased adherence to and retention in treatment;
- Reductions in overdose deaths, particularly those due to opioids;
- Reduced utilization of emergency departments and inpatient hospital settings for treatment where the utilization is preventable or medically inappropriate through improved access to other continuum of care services;
- Fewer readmissions to the same or higher level of care where the readmission is preventable or medically inappropriate; and
- Improved access to care for physical health conditions among beneficiaries.

Key Deliverables & Events



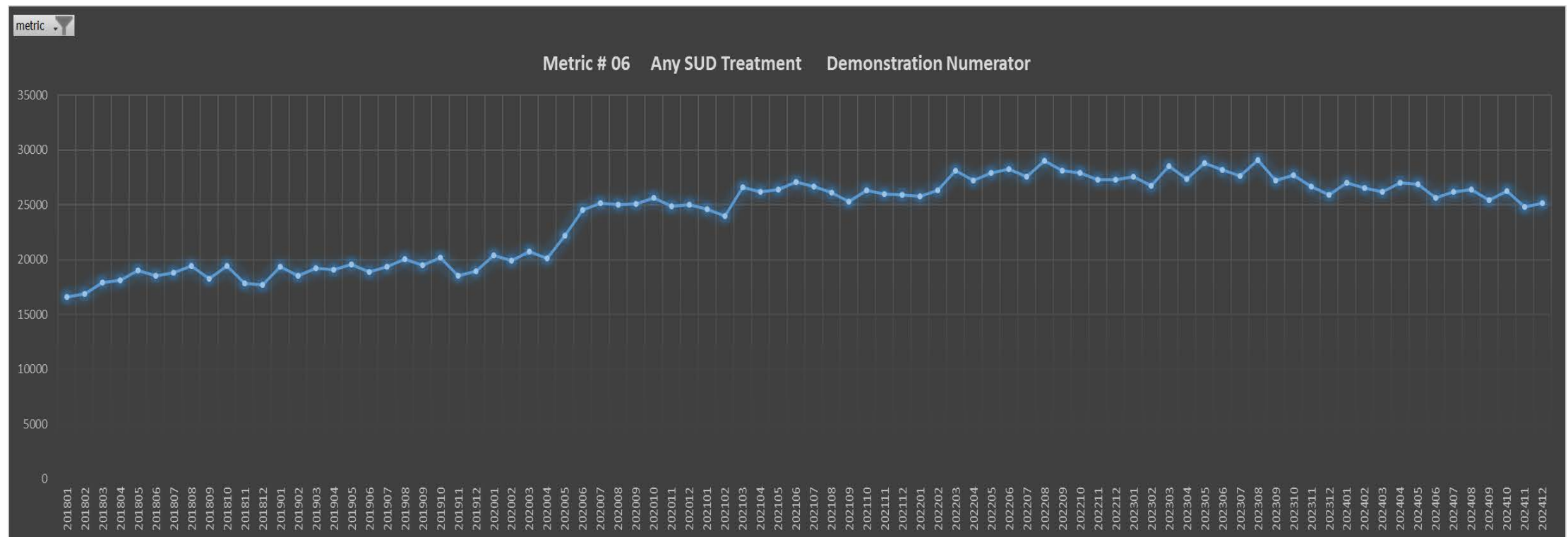
Demonstration Milestone 1 Progress

Milestone 1 -
Access to critical levels
of care for OUD and
other SUDs

- The state has implemented ongoing workforce development initiatives to deliver virtual training and education on Medications for Opioid Use Disorder (MOUD) for physicians and clinicians statewide
- In addition, mobile outreach teams are utilized to provide education on MOUD, distribute naloxone (Narcan), conduct screenings, and refer individuals to specialty MOUD treatment.
- Through LaSOR Program, efforts are ongoing to recruit new Office-Based Opioid Treatment (OBOT) providers to further expand access to care.

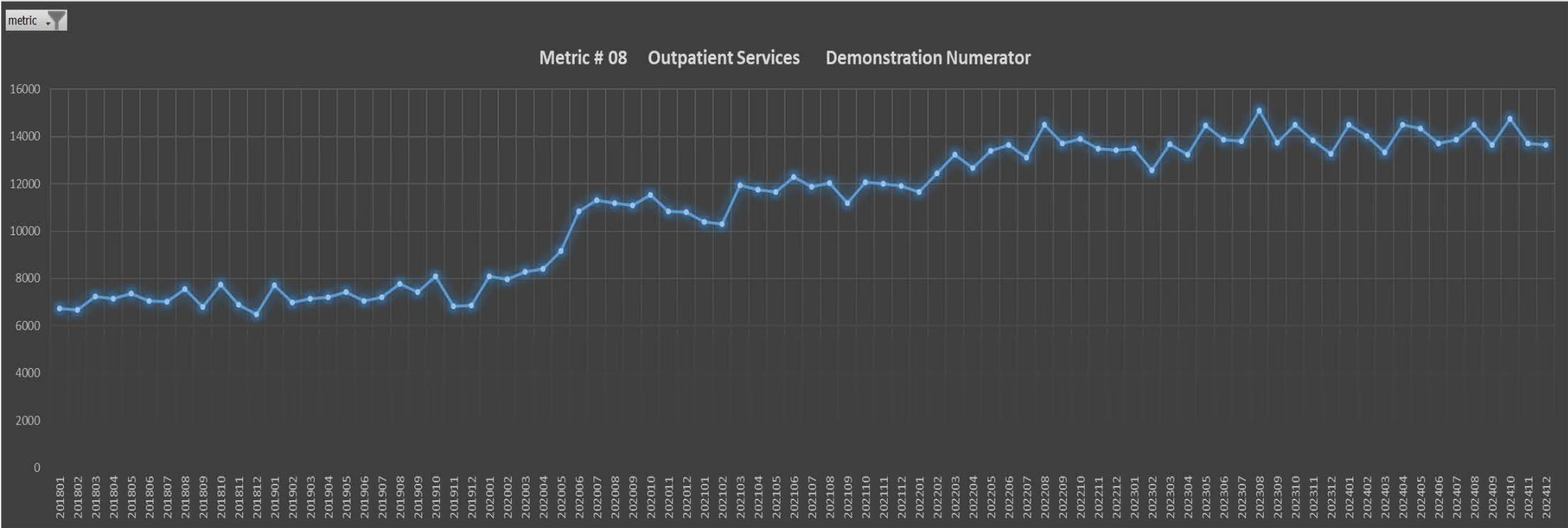
Metric #6

Any SUD Treatment



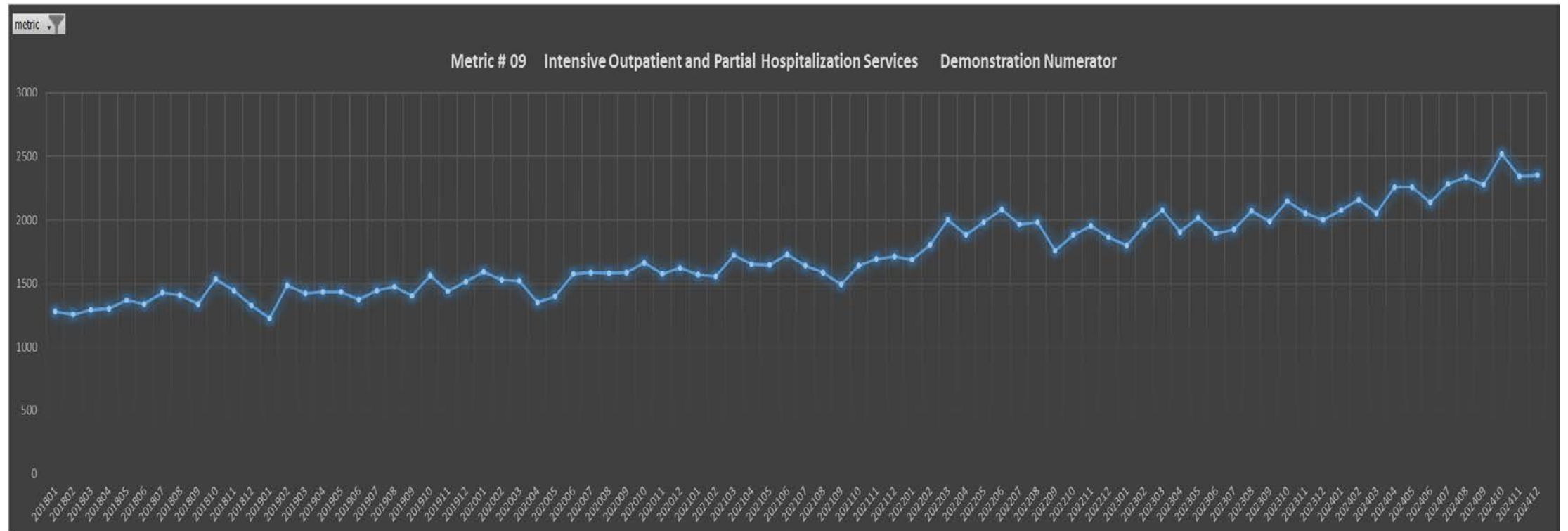
Metric #8

Outpatient Services



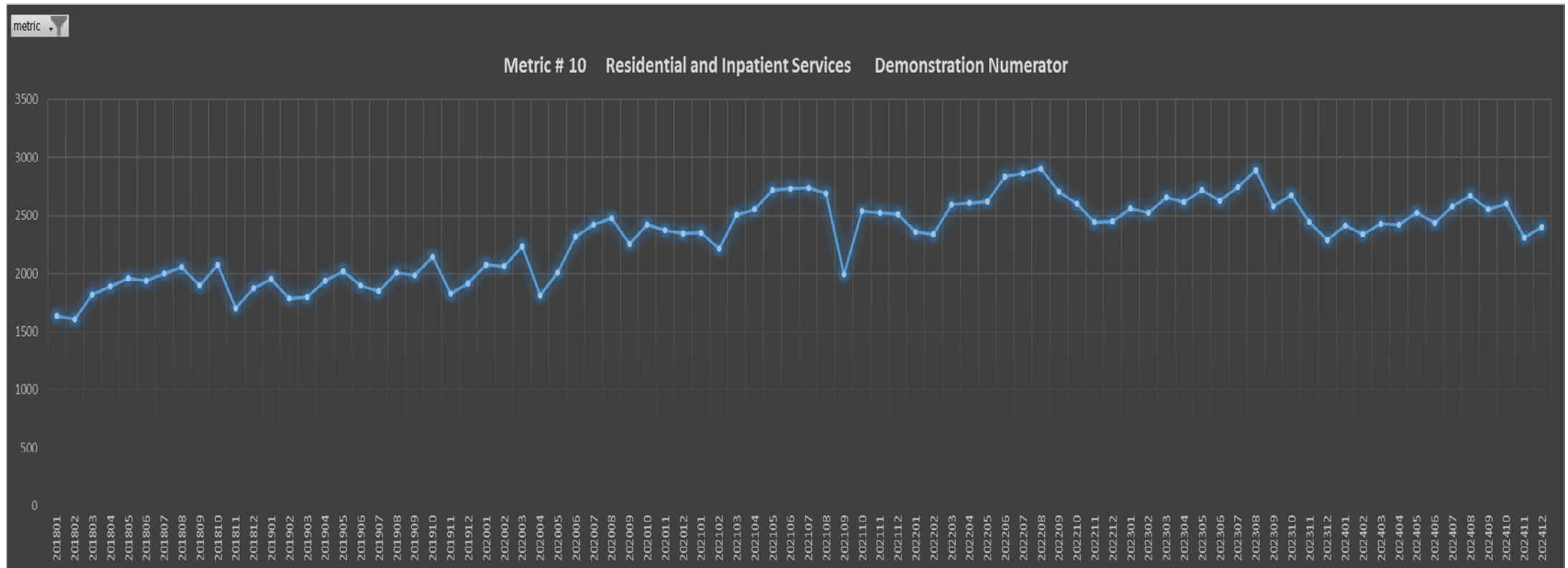
Metric #9

Intensive Outpatient and Partial Hospitalization Services



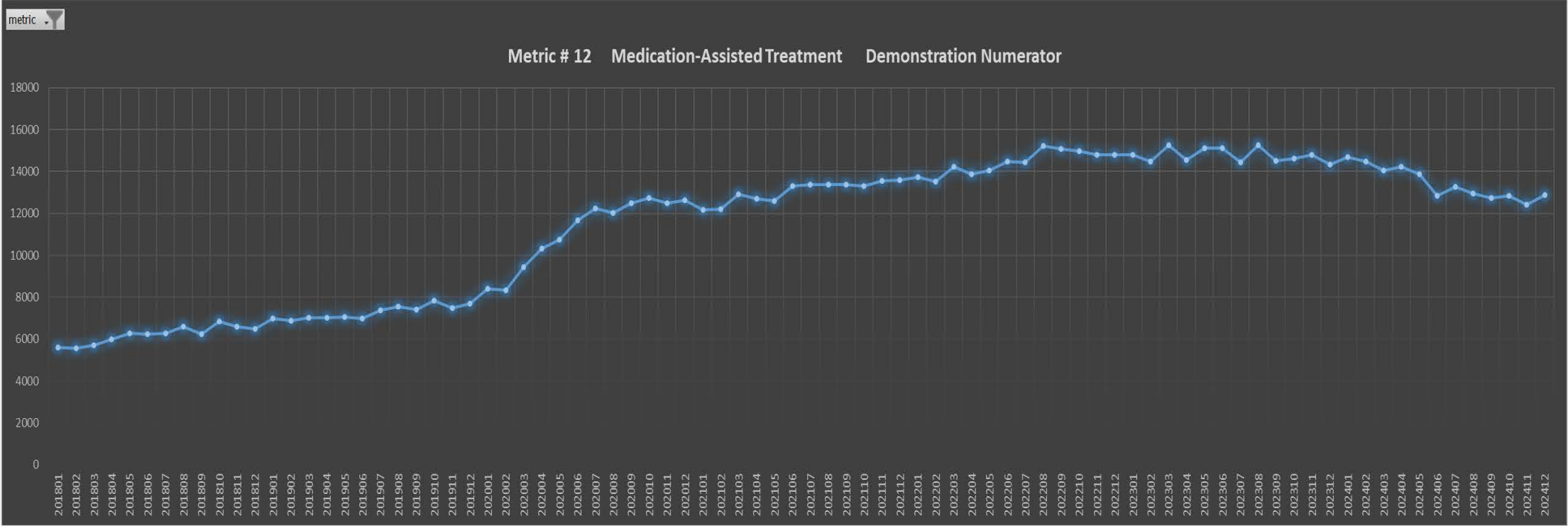
Metric #10

Residential and Inpatient Services



Metric #12

Medication-Assisted Treatment (MAT)



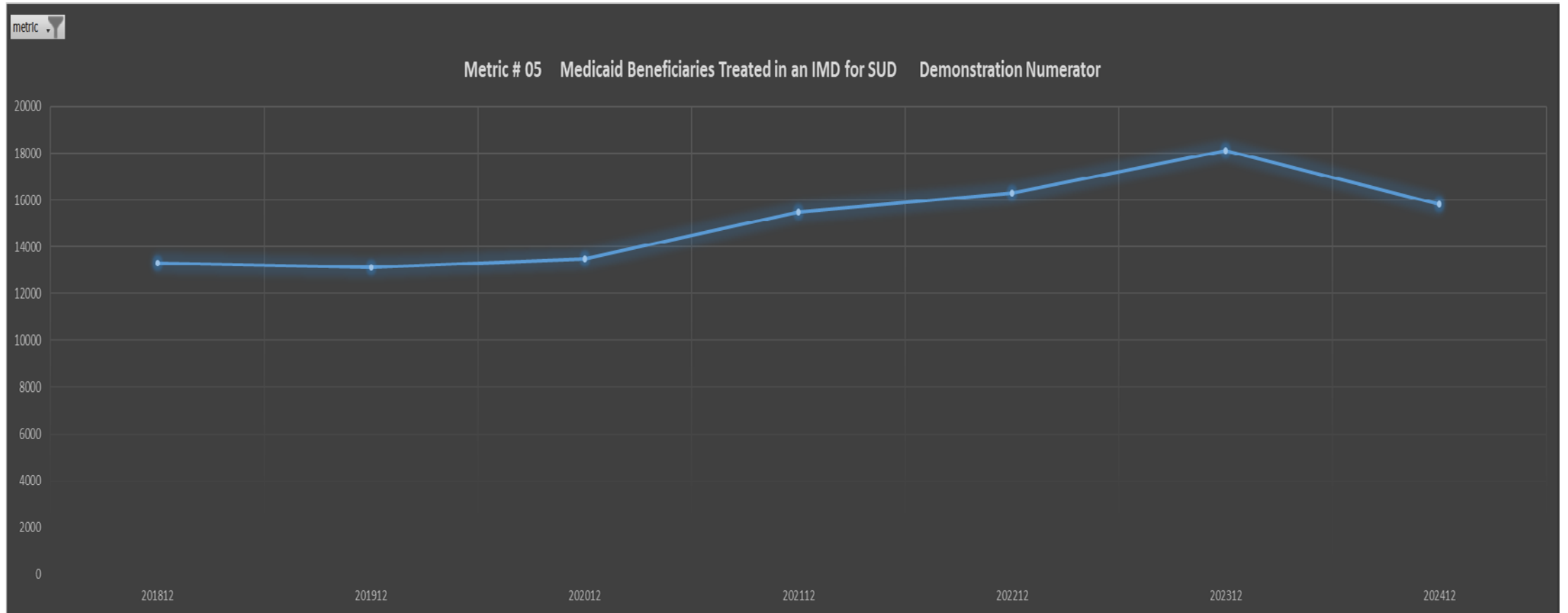
Demonstration Milestone 2 Progress

Milestone 2 -
Widespread use of
evidence-based, SUD
patient placement
criteria

- All metrics remain in compliance.
- No risk identified of the average length of stay exceeding 30 days.

Metric #5

Medicaid Beneficiaries Treated in an IMD for SUD



Demonstration Milestone 3 Progress

Milestone 3 - Use of Nationally Recognized SUD- specific Program Standards to Set Provider Qualifications

- The Office of Behavioral Health is actively implementing the ASAM 4th Edition by updating all relevant authority documents, provider manuals, and MCO training materials. These efforts are intended to ensure full compliance with the revised criteria and to provide clear guidance to providers.
- The Healthy Louisiana Managed Care Organizations (MCOs) conduct routine quality monitoring reviews of specialized behavioral health providers, including substance use treatment providers. These reviews use a standardized tool with review elements tailored to each level of care/service to verify provider adherence to state and federal requirements.

Demonstration Milestone 4 Progress

Milestone 4 -
Sufficient Provider
Capacity at Critical
Levels of Care
including for Medication
Assisted Treatment for
OUD

- The State contracted with Tulane University to conduct a comprehensive Substance Use Disorder (SUD) needs assessment to evaluate Louisiana's capacity and identify opportunities for expansion of treatment programs. Based on the results, OBH will identify and discuss gaps in service delivery, propose strategies to ensure access to the full continuum of recovery services statewide, and develop a plan to enhance SUD treatment provider capacity.
- CMS approved temporary incentive payments through American Rescue Plan (ARPA) funding, which provide an incentivized rate of 50% above the Louisiana Medicaid fee schedule for eligible services rendered by licensed mental health practitioners and psychiatrists through June 30, 2025.

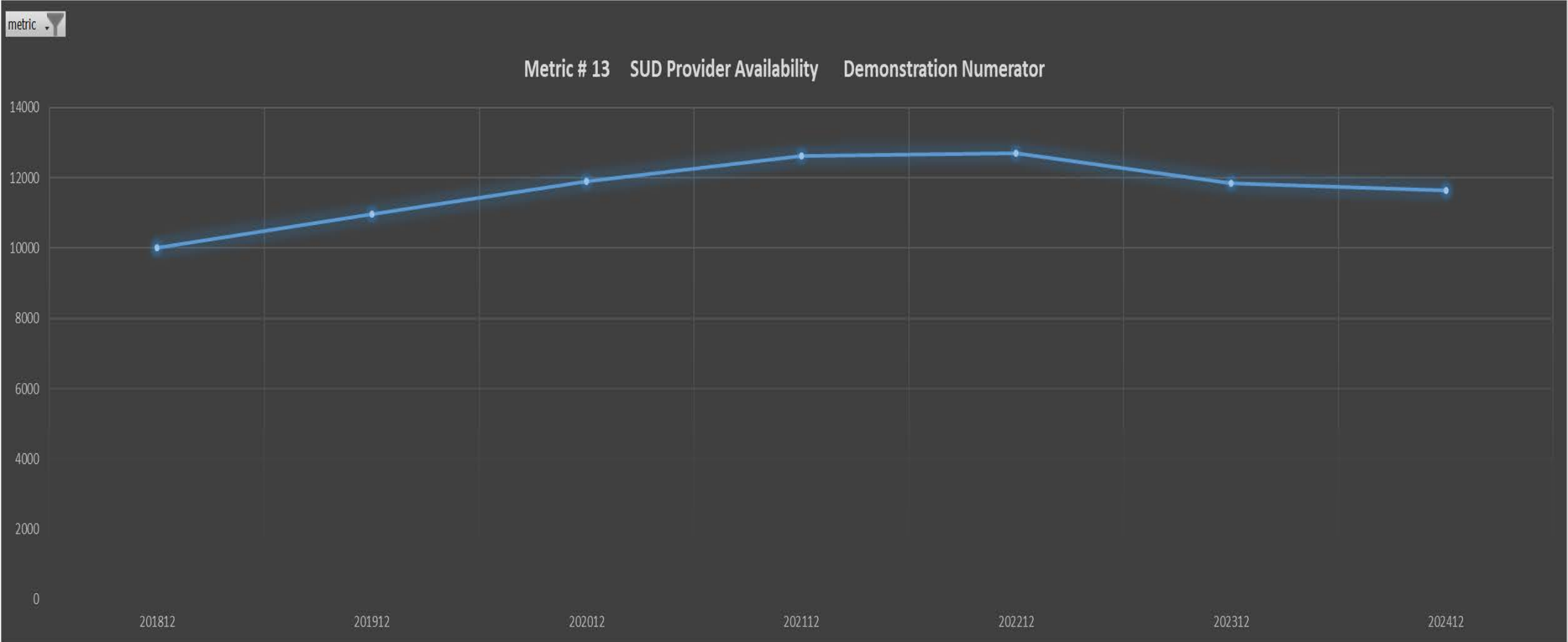
Demonstration Milestone 4 Progress

Milestone 4 - Sufficient Provider Capacity at Critical Levels of Care including for Medication Assisted Treatment for OUD

- In 2024, the Louisiana Legislature authorized a temporary 25% increase in reimbursement rates for SUD residential and outpatient providers, applied above the Louisiana Medicaid fee schedule. This increase, capped at \$31.2 million, applied to services rendered between October 1, 2024, and June 30, 2025. Furthermore, for dates of service December 1, 2024 – June 30, 2025, reimbursement rates were temporarily increased by 50% for services rendered to pregnant and postpartum women.
- As of July 1, 2025, the 25% increase on SUD rates was maintained due to a budget request approval for FY26, during the 2025 Regular Session. Further, ASAM 4th Edition changes will become effective 1/1/26. Note: The rates will change to the ASAM 4th Edition rate or will be maintained at the 25% increase rates, whichever is higher.

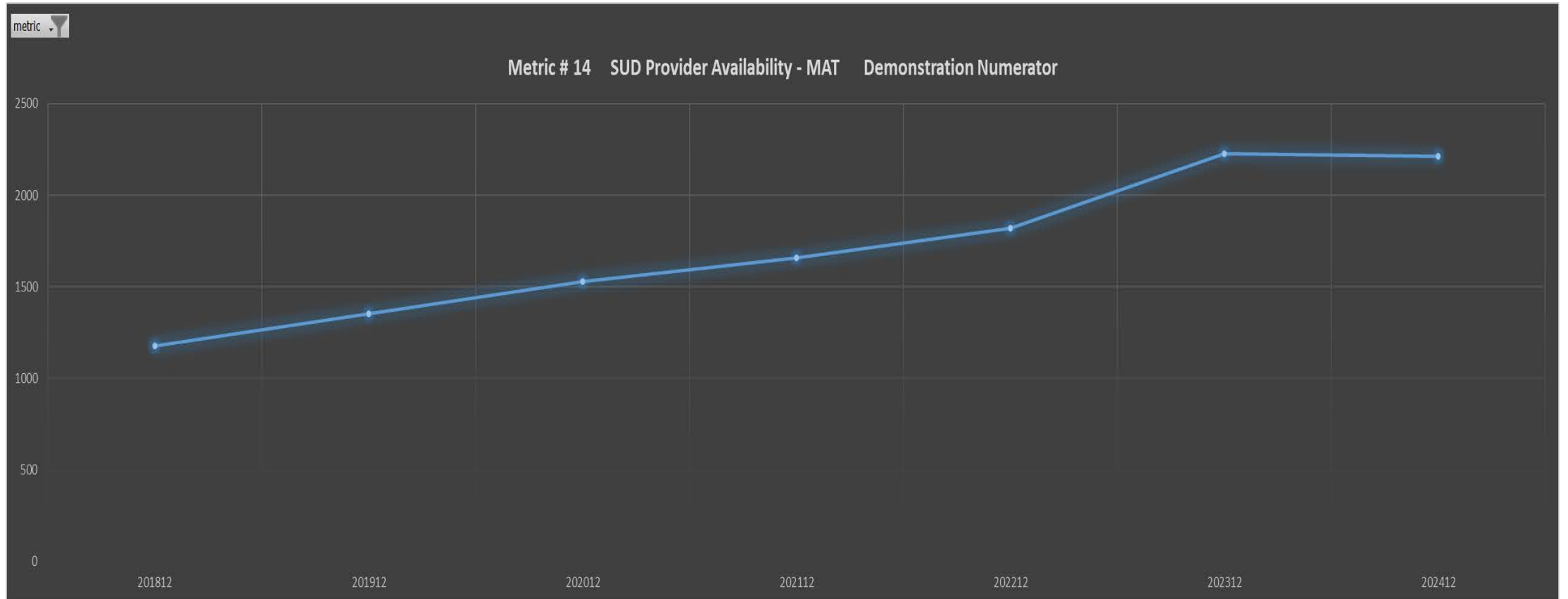
Metric #13

SUD Provider Availability



Metric #14

SUD Provider Availability-MAT



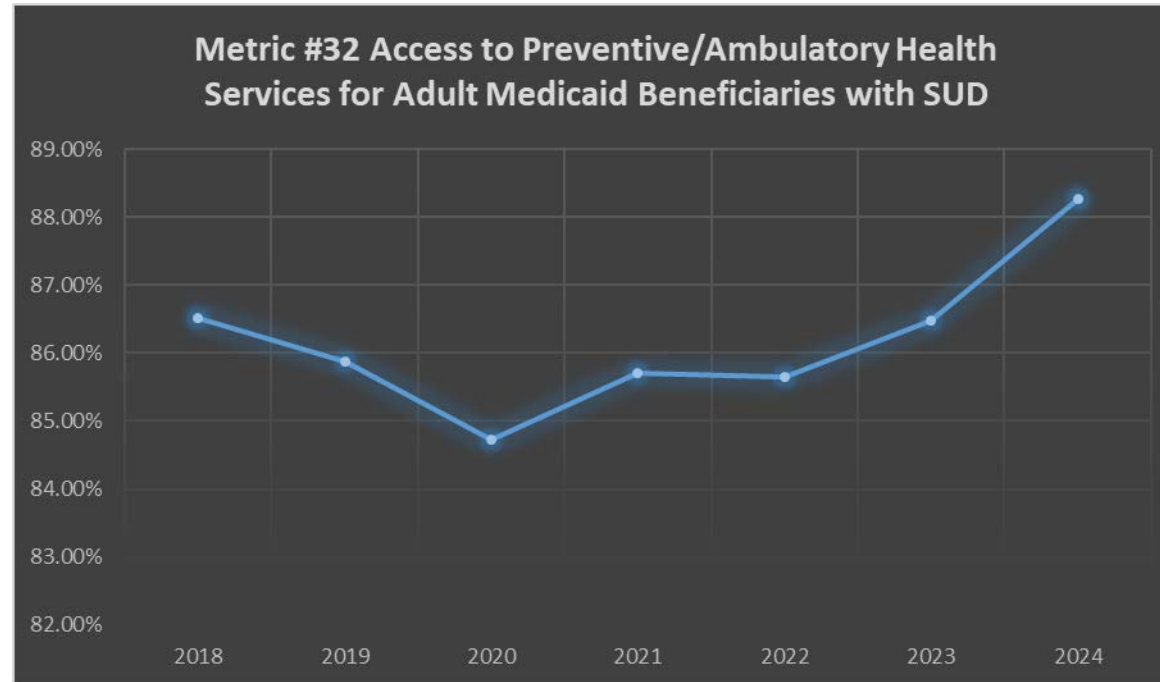
Demonstration Milestone 5 Progress

Milestone 5 -
Implementation of
comprehensive
treatment and
prevention strategies to
address opioid abuse
and OUD

- LA Medicaid covers naloxone. The Louisiana Board of Pharmacy (PMP) is only collecting naloxone “dispensing” by a pharmacist.
- The LaSOR program purchases and distributes naloxone through its Harm Reduction Distribution Hub.
- Total drug poisoning deaths declined from 2023 to 2024.

Metric #32

Access to Preventive/Ambulatory Health Services for Adult Medicaid Beneficiaries with SUD



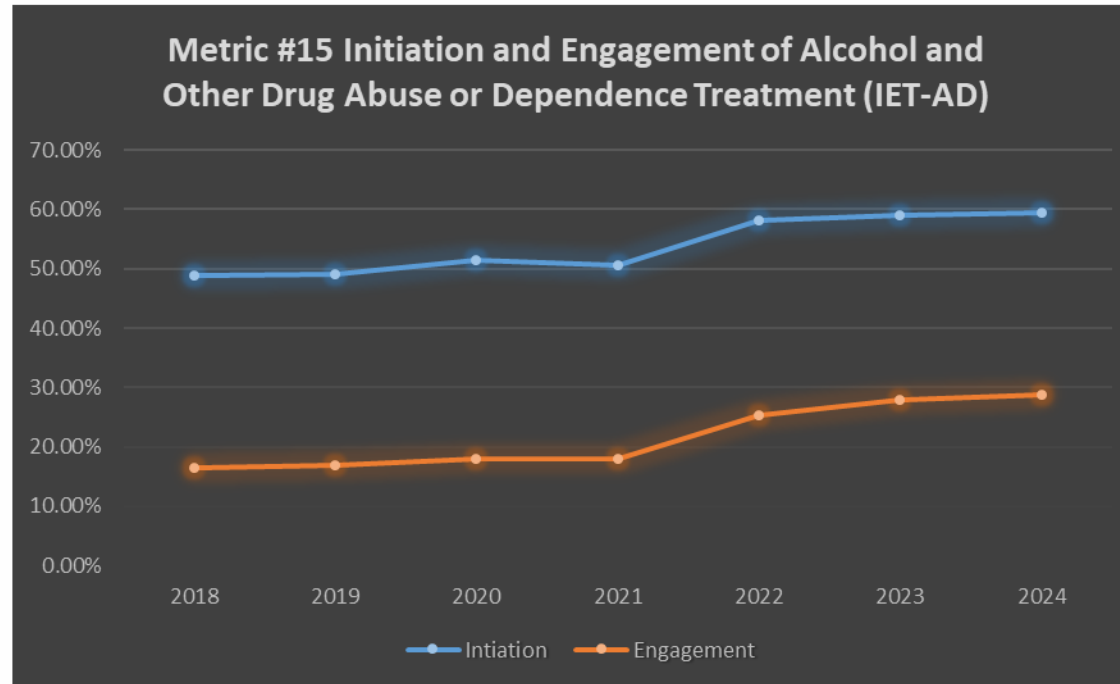
Demonstration Milestone 6 Progress

Milestone 6 -
Improved care
coordination and
transitions between
levels of care

- The Healthy Louisiana contract includes the SUD population as a special health care need population eligible for MCO case management effective 2023. This includes enhanced care coordination/transitional case management activities to improve continuity of care.
- Initiation and Engagement (IET) data remains strong with no changes.

Metric #15

Initiation and Engagement of Alcohol and Other Drug Abuse or Dependence Treatment (IET-AD)



Other Reporting Topics

Health IT – Supporting Prescription Drug Monitoring Program (PDMP) Interoperability

- The Louisiana Prescription Monitoring Program (PMP), administered by the Louisiana Board of Pharmacy, has implemented a statewide, comprehensive technology platform that allows healthcare professionals to review patients' controlled substance prescription histories more quickly, securely, and efficiently.
- This integration initiative is designed to enhance patient safety and reduce workflow disruptions by providing near-instant, seamless access to critical prescription data directly within electronic health records (EHRs) and pharmacy management systems. The platform uses real-time prescription information to support clinical decision-making for both prescribers and pharmacists.
- Accessing and viewing a patient's PMP report through this system meets the requirements of Louisiana's Prescription Monitoring Program Mandatory Use Law (R.S. 40:978).

Updates to Demonstration Monitoring

Reporting Cadence and Due Date

- Monitoring reporting has changed from quarterly to annual, and CMS also extended the due date for the annual monitoring report from 90 to 180 days. The DY8 annual report will be due June 2026.

Structured Monitoring Report Template

- The new template includes a set of base metrics, with a reduction in SUD metrics from 36 to 19.

Demonstration Monitoring Calls

- The call frequency has been reduced from monthly to quarterly.

Reentry 1115 Waiver

Louisiana's Reentry Demonstration 1115 Waiver

- On September 27, 2024, LDH submitted an 1115 waiver application to CMS to expand access to healthcare services and facilitate enrollment in Medicaid managed care before individuals are released from prison or jail. This “Reentry Demonstration” aims to facilitate transitions back into the community, particularly for those with mental health and substance use needs, to make sure individuals have health coverage, medications, and connections with community-based providers upon release.
- These waiver services aim to increase continuity of care, reduce the risk of overdose, and improve health outcomes as individuals integrate back into communities.

Key Reentry Demonstration Components

- **Carceral Facilities:** All 8 state prisons and up to 13 parish jails.
- **Eligible Individuals:** Medicaid-eligible individuals incarcerated in participating adult facilities.
- **Pre-Release Timeframe:** Enrollment and service coverage will begin 90 days before the individual's release date.
- **Demonstration Providers:** Both community-based and carceral/facility staff are eligible to deliver covered services either in-person or via telehealth.
- **Pre-Release Services:** Case management, medication-assisted treatment (MAT) and counseling, 30-day supply of prescription medications upon release, prescribed drugs and medication administration, mental health evaluation and counseling, behavioral health peer support services, laboratory services, and durable medical equipment (DME).



Questions?

Resources

Healthy Louisiana Opioid Use Disorder/Substance Use Disorder 1115
Demonstration Waiver Link:

- <https://ldh.la.gov/SUD1115>

Medicaid Section 1115 Demonstration Link:

- <https://www.medicaid.gov/medicaid/section-1115-demonstrations/index.html>

Reentry 1115 Demonstration Waiver Link:

- <https://ldh.la.gov/1115reentry>

Contacts

Ardia Perkins, OBH Program Manager

- Ardia.Perkins@la.gov

Tiffany Pitts-Cotton, Medicaid Program Monitor

- Tiffany.pitts@la.gov

Thank You