



THE IMPACT OF MEDICAID EXPANSION ON MENTAL HEALTH AND SUBSTANCE USE DISORDER TREATMENT SERVICES IN MONTANA

Background:

Drug overdoses were the fourth-leading cause of death in Montana between 2014 and 2023, accounting for 1,501 deaths.¹ From 2019 to 2020, Emergency Department visits in Montana for mental health and substance use disorders (SUD) increased by 30% for stimulant-related disorders, 16% for suicidal ideation, attempts, or self-harm, and 14% for alcohol-related disorders.²

This document details the utilization of mental health and substance use disorder (SUD) treatment services by Medicaid expansion enrollees. Medicaid expansion has made these programs more sustainable and has allowed the Department to provide more services.

Before 2015, options for mental health and SUD treatment for uninsured Montanans were limited. Limited treatment funding was available through state general funds, alcohol tax dollars, and federal block grants such as the Community Mental Health Services Block Grant and the Substance Use Prevention, Treatment, and Recovery Services (SUPTRS) Block Grant.³ Prior to 2015, the Substance Use, Prevention, Treatment, and Recovery Services Block Grant was the primary funding source for substance use disorder treatment for individuals without health coverage.

Since the passage of the Montana Health and Economic Livelihood Partnership (HELP) Act, 103,156 expansion enrollees received mental health services and/or treatment services for SUD.

Expenditures for these services totaled \$506,537,479 during this time, supported by the higher federal medical assistance percentage (FMAP) under Medicaid expansion.

MEDICAID EXPANSION ENROLLEES RECEIVING MENTAL HEALTH OR SUD SERVICES BY AGE, 2024

Age Category	Recipients	Total Medicaid Expenditures	State Share of Expenditures	Percent of Total Recipients	Percent of Total Expenditure
18-21	1,752	\$3,590,681	\$359,068	5.1%	4.5%
22-29	7,749	\$17,434,459	\$1,743,446	22.7%	22.0%
30-40	11,801	\$28,433,498	\$2,843,350	34.6%	35.8%
41-50	6,845	\$17,452,992	\$1,745,299	20.1%	22.0%
51+	5,970	\$12,448,091	\$1,244,809	17.5%	15.7%
Total	34,117	\$79,359,720	\$7,935,972	100.0%	100.0%

¹ Public Health in the 406, Drug Overdose Deaths in Montana 2014-2023.

² Public Health in the 406, Emergency Department Utilization Among Montanans, 2019-2020, March 2022

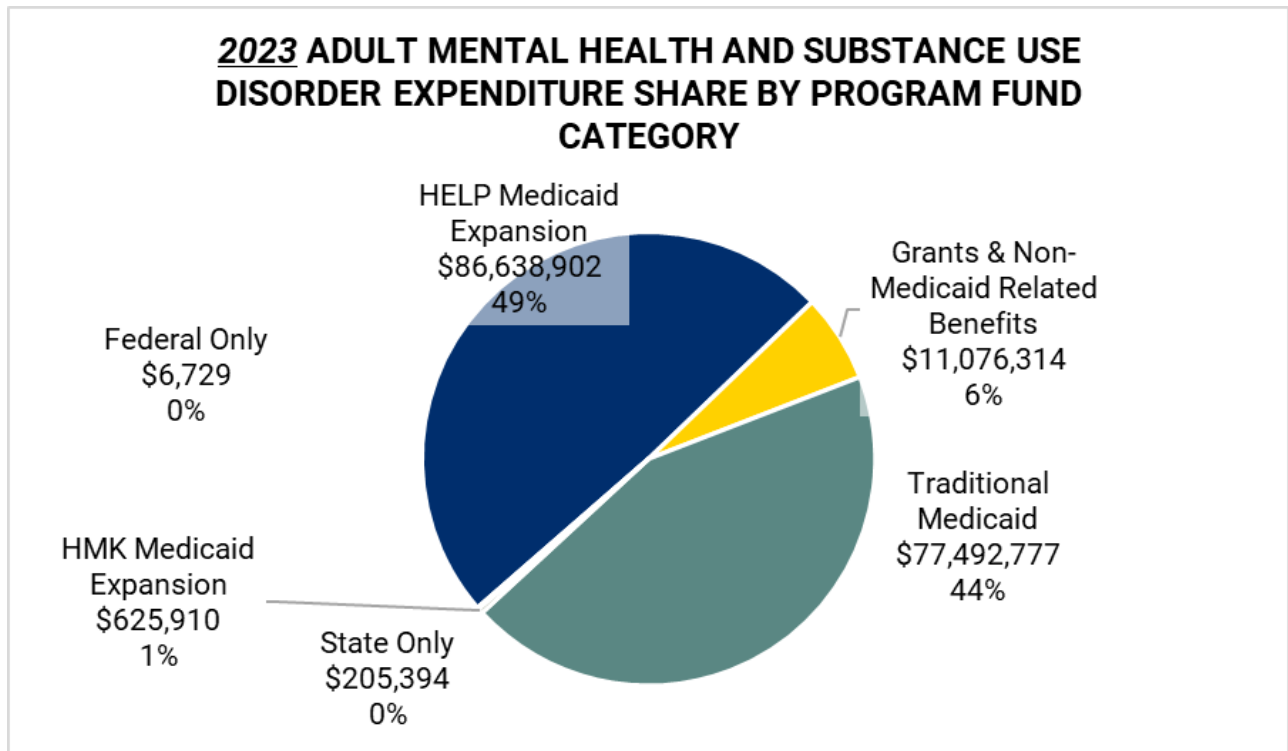
³ At the end of 2022, the substance abuse block grant total was about \$7.1 million; retrieved from <https://dphhs.mt.gov/assets/BHDD/Prevention/substanceabuseblockgrant/2023SABGReport.pdf>



The Department continues to fund SUD treatment services for individuals whose income ranges from 139% to 200% of the poverty guidelines and who are ineligible for Montana Medicaid with the SUPTRS block grant through contracts with Montana state-approved substance use disorder treatment facilities. DPHHS has been able to fund a wider array of services across the continuum of care as a result of Medicaid expansion.

About \$11.1 million in grant and non-Medicaid funding served over 7,000 people in SFY2023, while \$8.7 million in state funds served over 40,000 people through Medicaid in 2024.

With the passage of Medicaid expansion in 2015, many of those who had previously received services through block grant funding were now eligible for Medicaid expansion and could receive Medicaid-funded treatment. As a result, more Montanans received the treatment they needed instead of the state being unable to provide more treatment when the grant funds expired. The following chart shows *total* adult mental health and substance use disorder expenditures broken out by category.

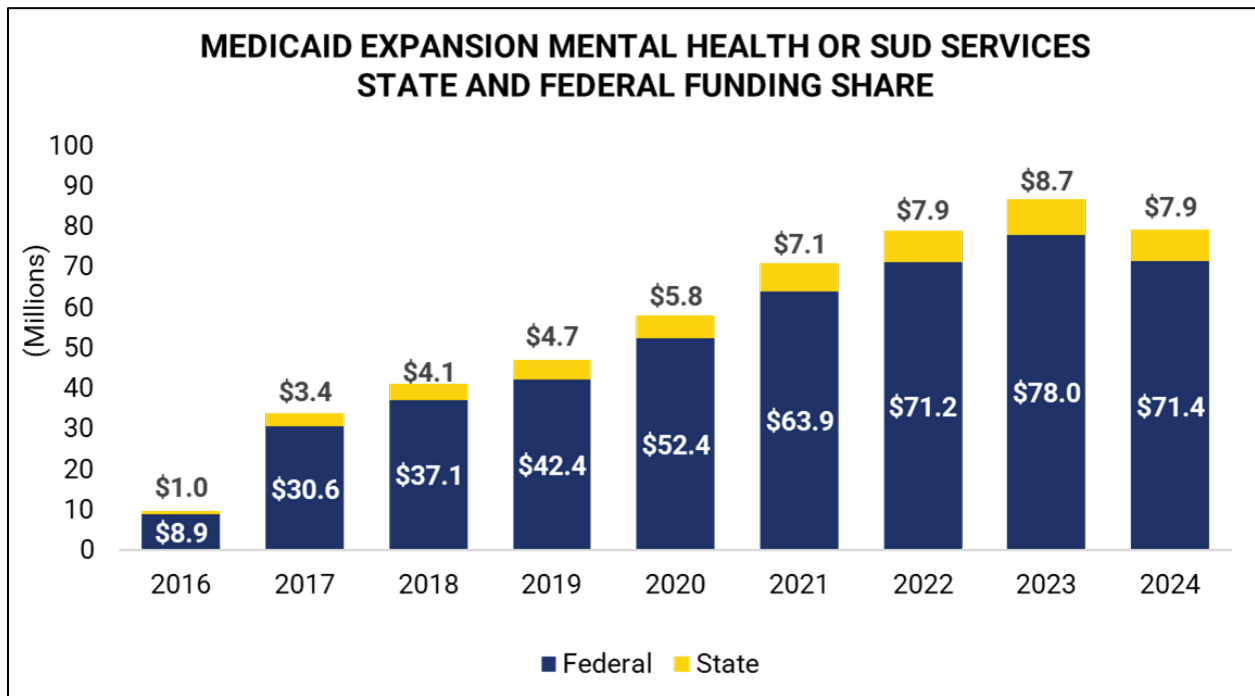




Medicaid Expansion Utilization:

Over 100,000 Medicaid expansion enrollees have received outpatient mental health services and/or outpatient or residential treatment services for a substance use disorder since the passage of the HELP Act in 2015.⁴

For example, from 2020 to 2024, an average of 35,600 Medicaid expansion enrollees per year received mental health or substance use treatment. Over 34,000 Medicaid expansion members received mental health and substance use disorder services in SFY 2024 alone, including 32,226 outpatient mental health services, 5,567 outpatient SUD services, and 1,617 residential SUD treatment.^{5,6}



HEART Initiative:

Medicaid expansion made Governor Gianforte’s Healing and Ending Addiction through Recovery and Treatment (HEART) Initiative possible. This Initiative allowed the

⁴ Claims data were gathered for HELP Medicaid expansion mental health and substance use disorder services for service dates between state fiscal years 2016-2024. This analysis excludes inpatient hospital mental health and substance use treatment services, focusing on outpatient mental health providers and services, as well as outpatient and residential substance use treatment.

⁵ For this report, services for the treatment of SUD are categorized based on the treating provider being a chemical dependency clinic, a licensed addiction counselor, or if the claim indicates that the recipient has an ICD-10 diagnosis code for substance use disorder. The analysis includes residential SUD services ASAM 3.1 (Low-Intensity Residential), ASAM 3.3 (Population-Specific High-Intensity Residential), ASAM 3.5 (High-Intensity Residential), and ASAM 3.7 (Residential Sub-Acute Inpatient Detox).

⁶ The number of individuals for each category is counted once per category, but there is overlap, as some individuals received services in more than one service category.



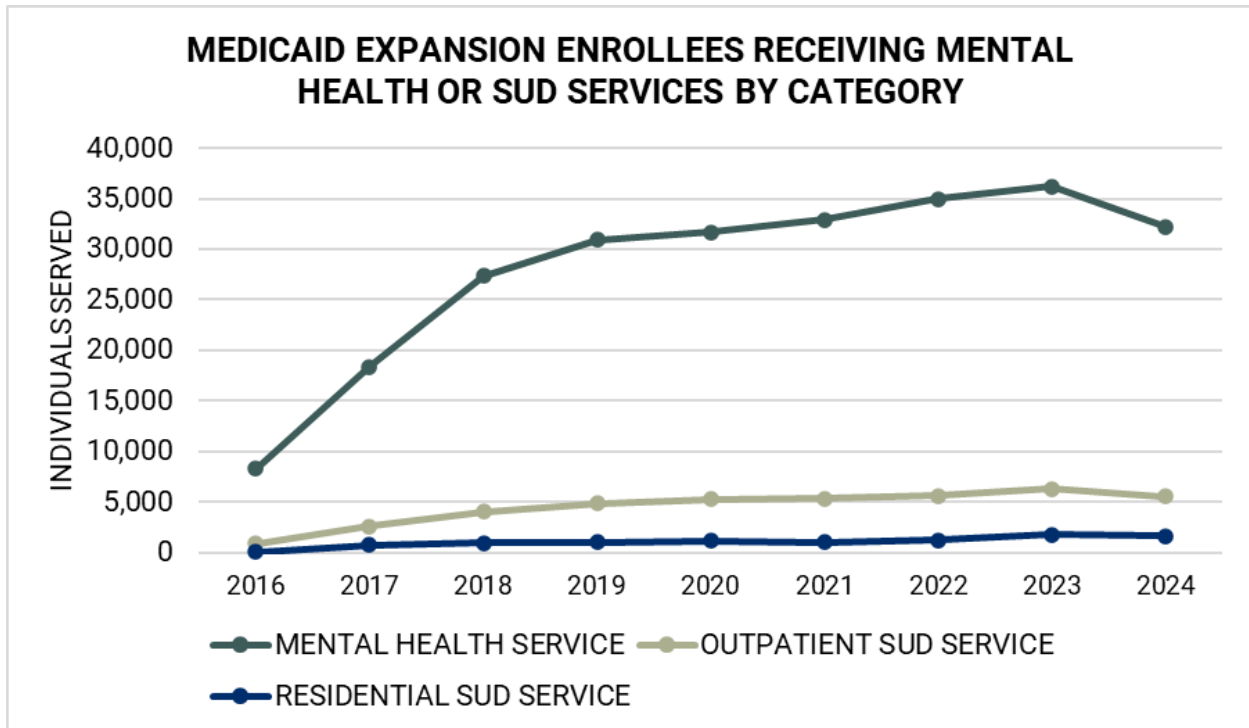
Department to fill the gaps in the continuum of behavioral health care by expanding the services covered by Medicaid; the majority of individuals receiving these expanded services are enrollees under Medicaid expansion.

The HEART Initiative expanded services through State Plan and through the federally approved HEART 1115 demonstration.

HEART added new levels of SUD treatment, bringing the Medicaid behavioral health benefit package up to the standards recommended by the American Society of Addiction Medicine (ASAM).⁷ The initiative added housing and reentry support, provided options for inpatient and residential treatment in larger facilities, and is adding specialized treatment options for those with Stimulant Use Disorder. While some of these services will not become available until 2025, projections anticipate that at least 70% of those utilizing these services will be individuals with coverage through Medicaid expansion.

Utilization and Cost of Medicaid MH and SUD Services:

The figures on the following pages illustrate the number of Medicaid expansion beneficiaries receiving mental health and substance use disorder treatment services by state fiscal year, as well as associated expenditures.



⁷ American Society of Addiction Medicine (ASAM) SUD Clinical Guidelines; retrieved from <https://www.asam.org/quality-care/clinical-guidelines/stimulant-use-disorders>

