

June 20, 2025

Jon E. Rice Senior Official Performing the Duties of the Director Office of National Drug Control Policy 1800 G St NW, Washington DC 20006

Dear Director Rice,

The National Association of Medicaid Directors (NAMD) is pleased to offer input on the Office of National Drug Control Policy's (ONDCP) 2026 National Drug Control Strategy. As the single largest payer for substance use disorder (SUD) services, Medicaid plays a central role in addressing SUD and overdose. Medicaid Directors are eager to partner with ONDCP and other federal agencies to strengthen the SUD treatment workforce, increase access to services, and test innovative strategies.

NAMD recommends that ONDCP include the following priorities in the *National Drug Control Strategy.* See page 2 for additional information on these recommendations.

- Strengthen the substance use and mental health workforce.
- Catalyze cross-system partnerships at state/territory and federal levels.
- Support Medicaid coverage during reentry from incarceration.
- Increase access to innovative treatments for stimulant use disorder.
- Streamline federal processes to support state/territory efforts.
- Develop the evidence base for SUD interventions.

NAMD is a professional community of state leaders who provide health insurance to almost 80 million individuals and families through Medicaid and the Children's Health Insurance Program in each of the 50 states, the District of Columbia, and the U.S. Territories. NAMD elevates thought leadership on core and emerging policy matters, amplifies the experience and expertise of Medicaid and CHIP directors, supports state programs in continuous improvement and innovation, and optimizes federal-state partnerships to help millions live their healthiest lives.

Thank you for the opportunity to provide feedback on the 2026 *National Drug Control Strategy*. NAMD looks forward to continuing to work with ONDCP to ensure Medicaid members have access to high-quality SUD care.

Sincerely,

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Melisa Byrd NAMD Board President Medicaid Director DC Dept. of Health Care Finance

Cheryl Roberts NAMD Board President-Elect Director Virginia Dept. of Medical Assistance Services

Specific Recommendations

1. Strengthen the substance use and mental health workforce.

Medicaid agencies <u>report</u> that workforce shortages and distribution issues are one of the biggest challenges facing their SUD treatment systems. ONDCP should collaborate with the Administration for a Healthy America (AHA) and the Centers for Medicare and Medicaid Services (CMS) on funding mechanisms for workforce development programs. ONDCP should also partner with these agencies to provide state and territories technical assistance on expanding the peer support and community health workforce. Finally, ONDCP should support substance use providers in participating in Medicaid, including by funding electronic health records and other health IT.

2. Catalyze cross-system partnerships at state/territory and federal levels.

Although Medicaid is a critical source of coverage for SUD services, state/territory substance use and behavioral health agencies are typically the lead agencies for SUD policy and strategy. Additionally, many individuals with SUD interact with a range of systems, including public health, corrections/juvenile justice, housing, education, and child welfare. Medicaid agencies report that active collaborations across these agencies and systems is crucial to meeting the whole-person needs of people with SUD. ONDCP should advance this work by driving partnerships across federal agencies – including CMS, AHA, the Department of Justice (DOJ), the Department of Housing and Urban Development (HUD), and the Administration for Children and Families (ACF) – to align strategic frameworks, technical assistance opportunities, and guidance. ONDCP should also consider creating programs like CMS' Innovation Accelerator Program, which provided technical assistance and collaborative learning opportunities to Medicaid agencies and sister agencies, including housing agencies.

3. Support Medicaid coverage during reentry from incarceration for adults and young people.

Individuals are at a <u>dramatically elevated risk of overdose</u> in the weeks immediately following release from incarceration. In 2023, the Center for Medicaid and CHIP Services (CMCS) <u>released guidance</u> announcing a new Section 1115 waiver opportunity that allows Medicaid agencies to provide up to 90 days of pre-release coverage, with the goal of reducing gaps in care during reentry. <u>As of May 2025</u>, 19 states have received reentry waiver approval, and an additional 9 states have applied for waivers. In addition, all Medicaid agencies are <u>implementing</u> pre-release screening, diagnostic, and case management services for young people leaving the juvenile justice system, jails, and prisons. ONDCP should work with CMS, AHA, and DOJ to support these efforts.

4. Increase access to innovative treatments for stimulant use disorder.

Overdose deaths involving methamphetamine and other stimulants have risen sharply over recent years, <u>almost tripling</u> from 2015 to 2019. <u>Five states</u> have received Section 1115 waiver approval to implement contingency management, an evidence-based psychosocial therapy that gives patients incentives for meeting treatment goals. ONDCP should work with

CMS to streamline processes for waiver approvals and share learnings on implementation of contingency management across states and territories.

5. Streamline federal processes to support state/territory efforts.

Many Medicaid agency innovations in the SUD space are authorized by Section 1115 waivers. For example, <u>37 states</u> currently have Section 1115 SUD demonstrations to receive federal match on residential care. CMCS has taken important steps to streamline the approval process for 1115 waivers, but lack of staff capacity has led to a <u>long approval</u> <u>timeline</u>, which limits the ability of states to rapidly respond to local needs. ONDCP should use its leadership role in the federal government to ensure that CMCS has the resources it needs to approve SUD-related Section 1115 waivers.

6. Develop the evidence base for substance use disorder interventions.

States and territories have limited resources with which to run their Medicaid programs, and policymakers must prioritize among the range of services they could cover. This means that accurate, timely information on the effectiveness of Medicaid interventions for SUD is crucial. ONDCP should partner with AHA, CMS, and academic researchers to build the evidence base on interventions that aim to reduce overdose, improve health outcomes, and drive more efficient care.