

Excellence in Mental Health Act Medicaid Pilot Program: Summary and Details

March 31, 2014

On March 31, 2014, Congress passed the Protecting Access to Medicare Act (H.R. 4302). This legislation includes provisions of the *Excellence in Mental Health Act*, which will increase access to community mental health and substance use treatment services while improving Medicaid reimbursement for these services.

A summary of these provisions is as follows:

- **Creates criteria for “Certified Community Behavioral Health Clinics”** as entities designed to serve individuals with serious mental illnesses and substance use disorders that provide intensive, person-centered, multidisciplinary, evidence-based screening, assessment, diagnostics, treatment, prevention, and wellness services. The Secretary of the Department of Health and Human Services is directed to establish a process for selecting states to participate in a 2-year pilot program.
- **Provides \$25,000,000 that will be available to states as planning grants** to develop applications to participate in the 2- year pilot. Only states that have received a planning grant will be eligible to apply to participate in the pilot.
- **Stipulates that eight (8) states will be selected to participate** in the 2-year pilot program. Participating states will receive 90% FMAP for all of the required services provided by the Certified Community Behavioral Health Clinics.
- **Requires participating states to develop a Prospective Payment System** for reimbursing Certified Behavioral Health Clinics for required services provided by these entities.

The details:

Criteria For Certified Community Behavioral Health Clinics To Participate In Demonstration Program.—

- **PUBLICATION.**—Not later than September 1, 2015, the Secretary shall publish criteria for a clinic to be certified by a State as a certified community behavioral health clinic for purposes of participating in the demonstration program
- **REQUIREMENTS.**—The criteria published under this subsection shall include criteria with respect to the following:
 - **STAFFING.**—Staffing requirements, including criteria that staff have diverse disciplinary backgrounds, have necessary State-required license and accreditation, and are culturally and linguistically trained to serve the needs of the clinic’s patient population.
- **AVAILABILITY AND ACCESSIBILITY OF Services**
 - Availability and accessibility of services, including crisis management services that are available and accessible 24 hours a day, the use of a sliding scale for payment, and no rejection for services or limiting of services on the basis of a patient’s ability to pay or a place of residence.

- CARE COORDINATION.—Care coordination, including requirements to coordinate care across settings and providers to ensure seamless transitions for patients across the full spectrum of health services including acute, chronic, and behavioral health needs. Care coordination requirements shall include partnerships or formal contracts with the following:
 - Federally-qualified health centers (and as applicable, rural health clinics) to provide Federally-qualified health center services (and as applicable, rural health clinic services) to the extent such services are not provided directly through the certified community behavioral health clinic.
 - Inpatient psychiatric facilities and substance use detoxification, post-detoxification step-down services, and residential programs.
 - Other community or regional services, supports, and providers, including schools, child welfare agencies, juvenile and criminal justice agencies and facilities, Indian Health Service youth regional treatment centers, State licensed and nationally accredited child placing agencies for therapeutic foster care service, and other social and human services.
 - Department of Veterans Affairs medical centers, independent outpatient clinics, drop-in centers, and other facilities of the Department as defined in section 1801 of title 38, United States Code.
 - Inpatient acute care hospitals and hospital outpatient clinics.
- SCOPE OF SERVICES.—Provision (in a manner reflecting person-centered care) of the following services which, if not available directly through the certified community behavioral health clinic, are provided or referred through formal relationships with other providers:
 - Crisis mental health services, including 24-hour mobile crisis teams, emergency crisis intervention services, and crisis stabilization.
 - Screening, assessment, and diagnosis, including risk assessment.
 - Patient-centered treatment planning or similar processes, including risk assessment and crisis planning.
 - Outpatient mental health and substance use services.
 - Outpatient clinic primary care screening and monitoring of key health indicators and health risk.
 - Targeted case management.
 - Psychiatric rehabilitation services.
 - Peer support and counselor services and family supports.
 - Intensive, community-based mental health care for members of the armed forces and veterans, particularly those members and veterans located in rural areas, provided the care is consistent with minimum clinical mental health guidelines promulgated by the Veterans Health Administration including clinical guidelines contained in the Uniform Mental Health Services Handbook of such Administration.
- QUALITY AND OTHER REPORTING.—
 - Reporting of encounter data, clinical outcomes data, quality data, and such other data as the Secretary requires.
- ORGANIZATIONAL AUTHORITY.—Criteria that a clinic be a non-profit or part of a local government behavioral health authority or operated under the authority of the Indian Health Service, an Indian tribe or tribal organization pursuant to a contract, grant, cooperative agreement, or compact with the Indian Health Service pursuant to the Indian Self-Determination Act (25 U.S.C. 450 et seq.), or an urban Indian

organization pursuant to a grant or contract with the Indian Health Service under title V of the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.).

Guidance On Development Of Prospective Payment System For Testing Under Demonstration Programs.

Not later than September 1, 2015, the Secretary, through the Administrator of the Centers for Medicare & Medicaid Services, shall issue guidance for the establishment of a prospective payment system that shall only apply to medical assistance for mental health services furnished by a certified community behavioral health clinic participating in the demonstration program

REQUIREMENTS.—The guidance issued by the Secretary shall provide that:

- no payment shall be made for inpatient care, residential treatment, room and board expenses, or any other non-ambulatory services, as determined by the Secretary; and
- no payment shall be made to satellite facilities of certified community behavioral health clinics if such facilities are established after the date of enactment of this Act.

Planning Grants

Not later than January 1, 2016, the Secretary shall award planning grants to States for the purpose of developing proposals to participate in time-limited demonstration programs

USE OF FUNDS.—A State awarded a planning grant under this subsection shall:

- solicit input with respect to the development of such a demonstration program from patients, providers, and other stakeholders;
- certify clinics as certified community behavioral health clinics for purposes of participating in the demonstration program; and
- establish a prospective payment system for mental health services furnished by a certified community behavioral health clinic participating in the demonstration program in accordance with the guidance issued by the Secretary of Health and Human Services.

Demonstration Programs.

Not later than September 1, 2017, the Secretary shall select States to participate in demonstration programs that are developed through planning grants awarded, meet the requirements of this subsection, and represent a diverse selection of geographic areas, including rural and underserved areas.

APPLICATION REQUIREMENTS.—

The Secretary shall solicit applications to participate in demonstration programs under this subsection solely from States awarded planning grants.

REQUIRED INFORMATION.—An application for a demonstration program under this subsection shall include the following:

- The target Medicaid population to be served under the demonstration program.
- A list of participating certified community behavioral health clinics.
- Verification that the State has certified a participating clinic as a certified community behavioral health clinic in accordance with the requirements set forth.

- A description of the scope of the mental health services available under the State Medicaid program that will be paid for under the prospective payment system tested in the demonstration program.
- Verification that the State has agreed to pay for such services at the rate established under the prospective payment system.
- Such other information as the Secretary may require relating to the demonstration program including with respect to determining the soundness of the proposed prospective payment system.

NUMBER AND LENGTH OF DEMONSTRATION PROGRAMS

Not more than 8 States shall be selected for 2-year demonstration programs under this subsection.

REQUIREMENTS FOR SELECTING DEMONSTRATION PROGRAMS

The Secretary shall give preference to selecting demonstration programs where participating certified community behavioral health clinics:

- provide the most complete scope of services to individuals eligible for medical assistance under the State Medicaid program;
- will improve availability of, access to, and participation in, services to individuals eligible for medical assistance under the State Medicaid program;
- will improve availability of, access to, and participation in assisted outpatient mental health treatment in the State; or
- demonstrate the potential to expand available mental health services in a demonstration area and increase the quality of such services without increasing net Federal spending.

Conditions Regarding Payment

Payments shall be made under this paragraph to a State only for mental health services

- that are described in the demonstration program application
- for which payment is available under the State Medicaid program; and
- that are provided to an individual who is eligible for medical assistance under the State Medicaid program.

PROHIBITED PAYMENTS

No payment shall be made

- for inpatient care, residential treatment, room and board expenses, or any other non-ambulatory services, as determined by the Secretary; or
- with respect to payments made to satellite facilities of certified community behavioral health clinics if such facilities are established after the
- date of enactment of this Act.

WAIVER OF STATEWIDENESS REQUIREMENT

The Secretary shall waive section 1902(a)(1) of the Social Security Act (42 U.S.C. 1396a(a)(1)) (relating to statewideness) as may be necessary to conduct demonstration programs in accordance with the requirements of this subsection.

ANNUAL REPORTS

Not later than 1 year after the date on which the first State is selected for a demonstration program under this subsection, and annually thereafter, the Secretary shall submit to Congress an annual report on the use of funds provided under all demonstration programs conducted under this subsection. Each such report shall include

- an assessment of access to community-based mental health services under the Medicaid program in the area or areas of a State targeted by a demonstration program compared to other areas of the State;
- an assessment of the quality and scope of services provided by certified community behavioral health clinics compared to community-based mental health services provided in States not participating in a demonstration program under this subsection and in areas of a demonstration State that are not participating in the demonstration program; and
- an assessment of the impact of the demonstration programs on the Federal and State costs of a full range of mental health services (including inpatient, emergency and ambulatory services).

RECOMMENDATIONS.—Not later than December 31, 2021, the Secretary shall submit to Congress recommendations concerning whether the demonstration programs under this section should be continued, expanded, modified, or terminated.

Questions? Contact Chuck Ingoglia at chucki@thenationalcouncil.org