Medicaid and Behavioral Health

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CMCS and Behavioral Health

- Medicaid is the largest payer for mental health services in the United States
- In 2007, Medicaid funding comprised 58% of State Mental Health Agency revenues for community mental health services
- Comprehensive services available through Medicaid; many are optional under Medicaid so state's have considerable flexibility in benefit design

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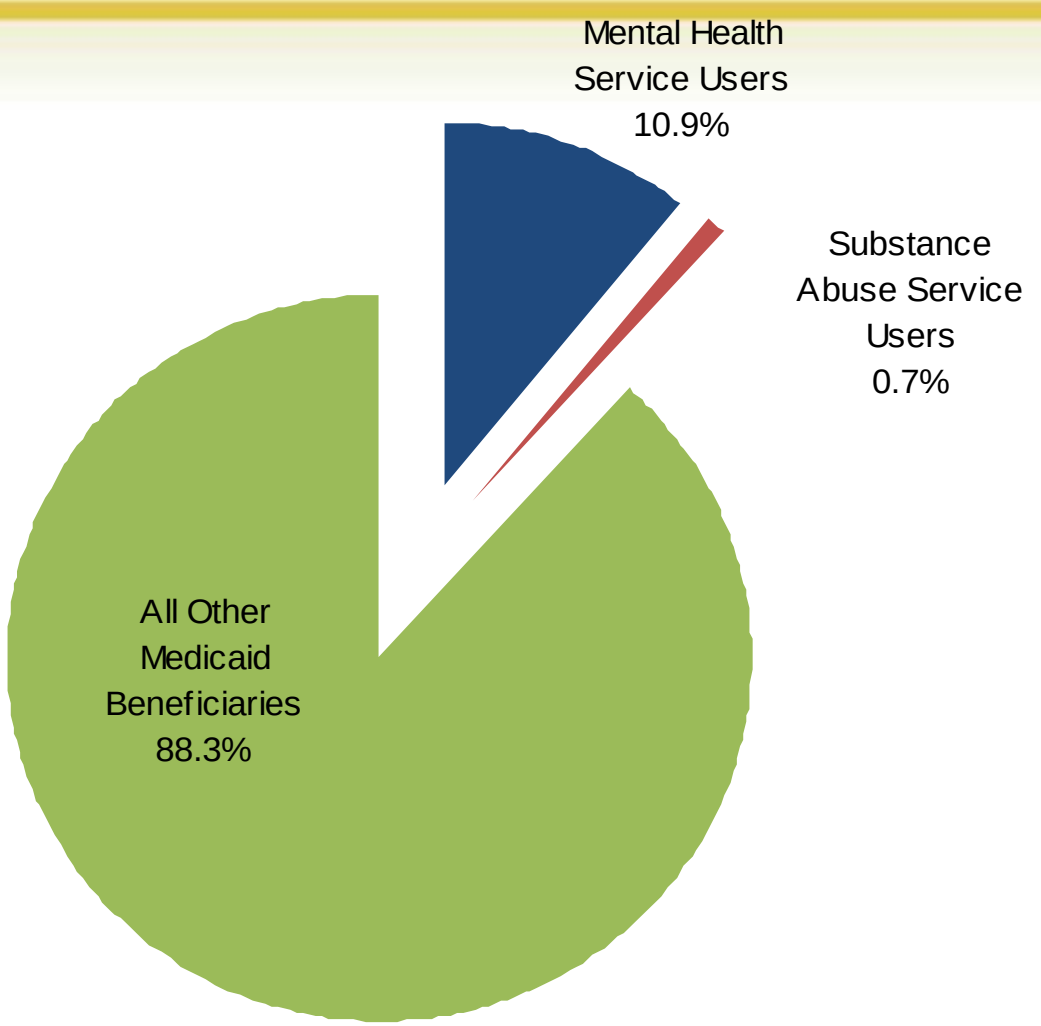
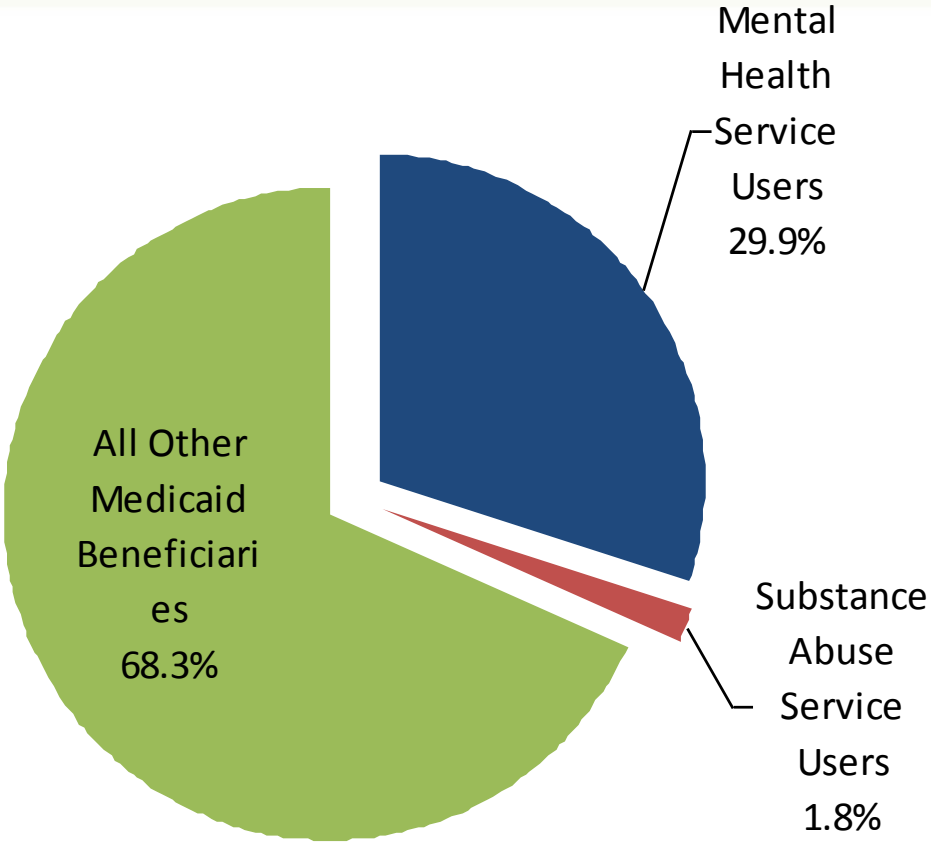
Medicaid MH/SA Service Users



Source: SAMHSA

Medicaid Expenditures for MH/SA Service Users



Source: SAMHSA

Behavioral Health Today

Unprecedented Opportunity

Unprecedented Challenge

MHPAEA

- Mental Health/Substance Use Disorder parity provisions:
  - Apply to group health plans
  - Apply to CHIP state plan benefits (Title XXI)
  - Apply to Medicaid Managed Care Organizations
  - Apply to Medicaid Benchmark non-managed care state plan benefits
  - Do not otherwise apply to Medicaid state plan

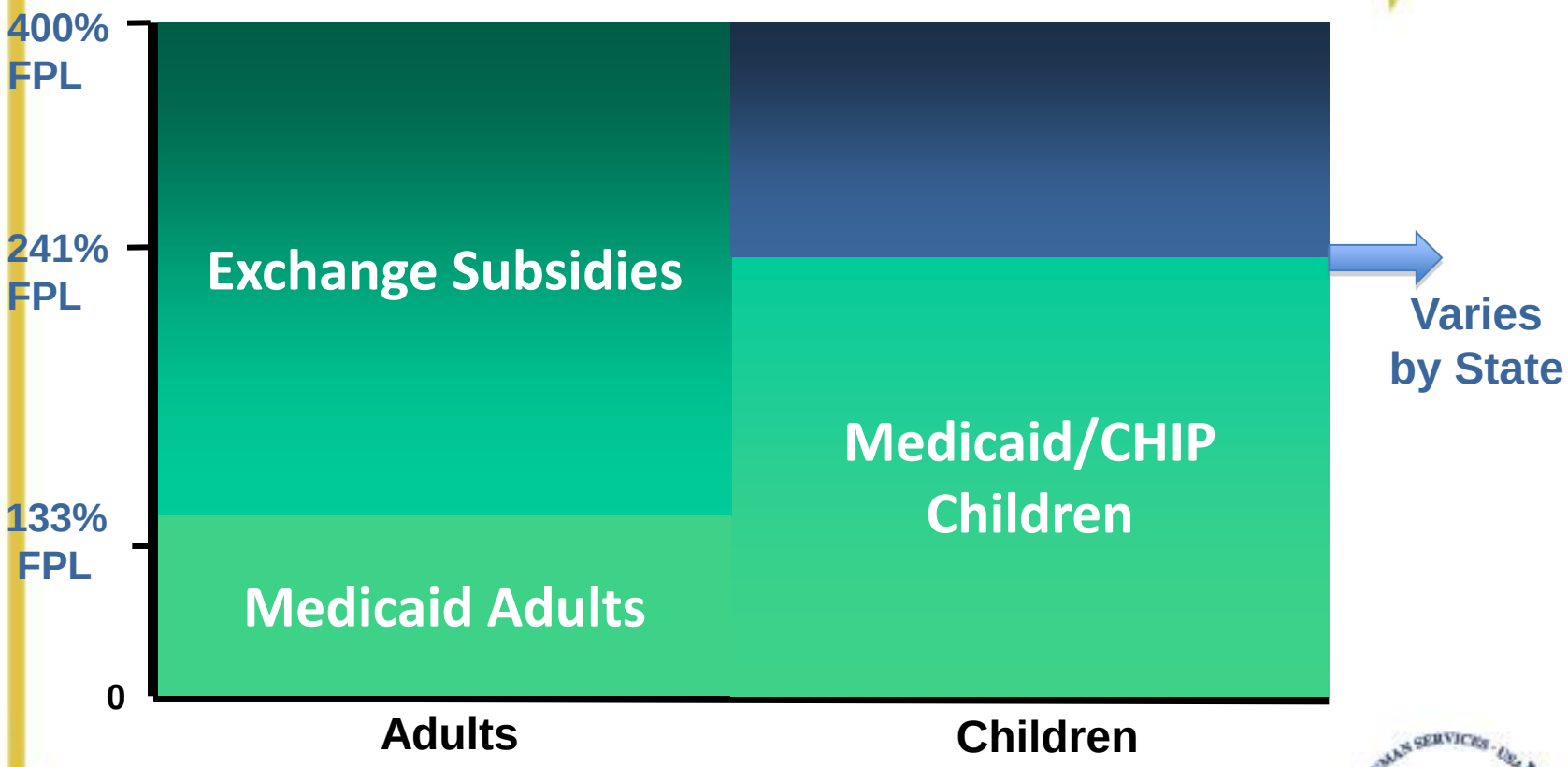
Affordable Care Act

- Expand eligibility for Medicaid
  - Adults up to 133% FPL
  - New income standard: MAGI
- Create State Exchanges
  - Tax subsidies for low income Families

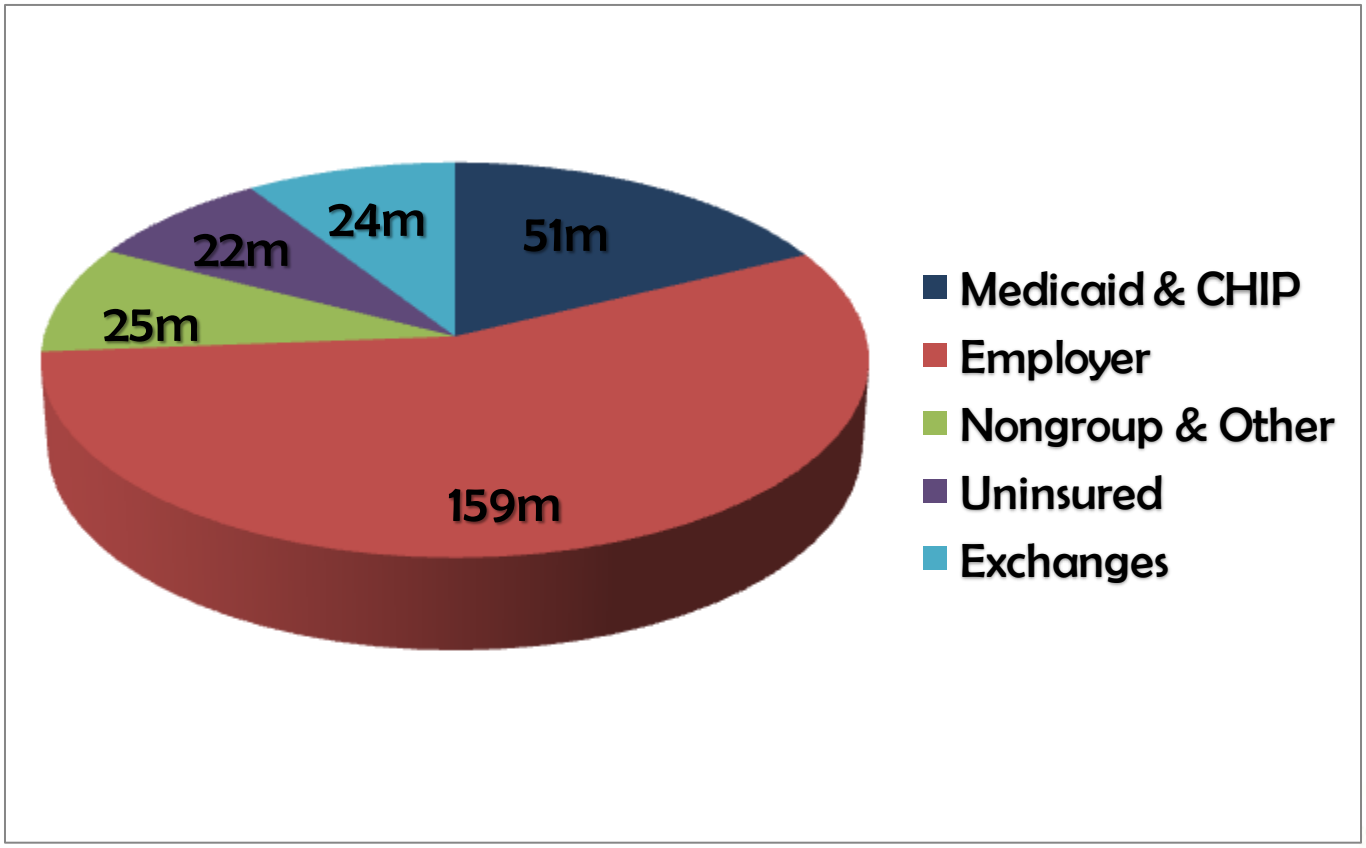
Medicaid Expansion

Employer Coverage

2014 Health Insurance Subsidies



Affordable Care Act: Sources of Coverage Under Age 65 (2019)



Source: Congressional Budget Office, March 2010

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Benefit Design Is Critical

- In 2014, *Exchange policies* must offer "essential health benefits" (section 1302 (b))
- "Mental health and substance use disorder services, including behavioral health treatment" are included as a category within "essential health benefits"
- The yardstick = "private health insurance plans"
- The Secretary will issue guidance

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ACA Medicaid Benefits

- The *new Medicaid expansion population* must receive benchmark or benchmark-equivalent coverage
- Benchmark: comparable to Federal Employee BC/BS Health Benefits, State's employee health insurance plan, or State's largest commercial HMO plan (or "Secretary approved plan")
- Benchmark equivalent: Actuarially equivalent to above plans

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ACA and Benchmark Plans

- In 2014, benchmark and benchmark equivalent plans must begin providing at least “essential health benefits”

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New Service Options

- ACA provides new state plan and grant opportunities that include opportunities to address mental health and/or substance use disorder
  - Offers new option for integrating services for complex, high cost populations
  - Offers new/improved HCBS State Plan options
  - Offers enhanced FMAP to help states modify delivery systems

Health Homes

- Option for individuals with multiple chronic conditions or Serious Mental Illness effective January 1, 2011
- Coordinated, person-centered care
- Primary, acute, behavioral, long term care, social services = whole person
- Consultation with SAMHSA required
- Enhanced FMAP (90%) is available for the health home services (first 8 quarters)

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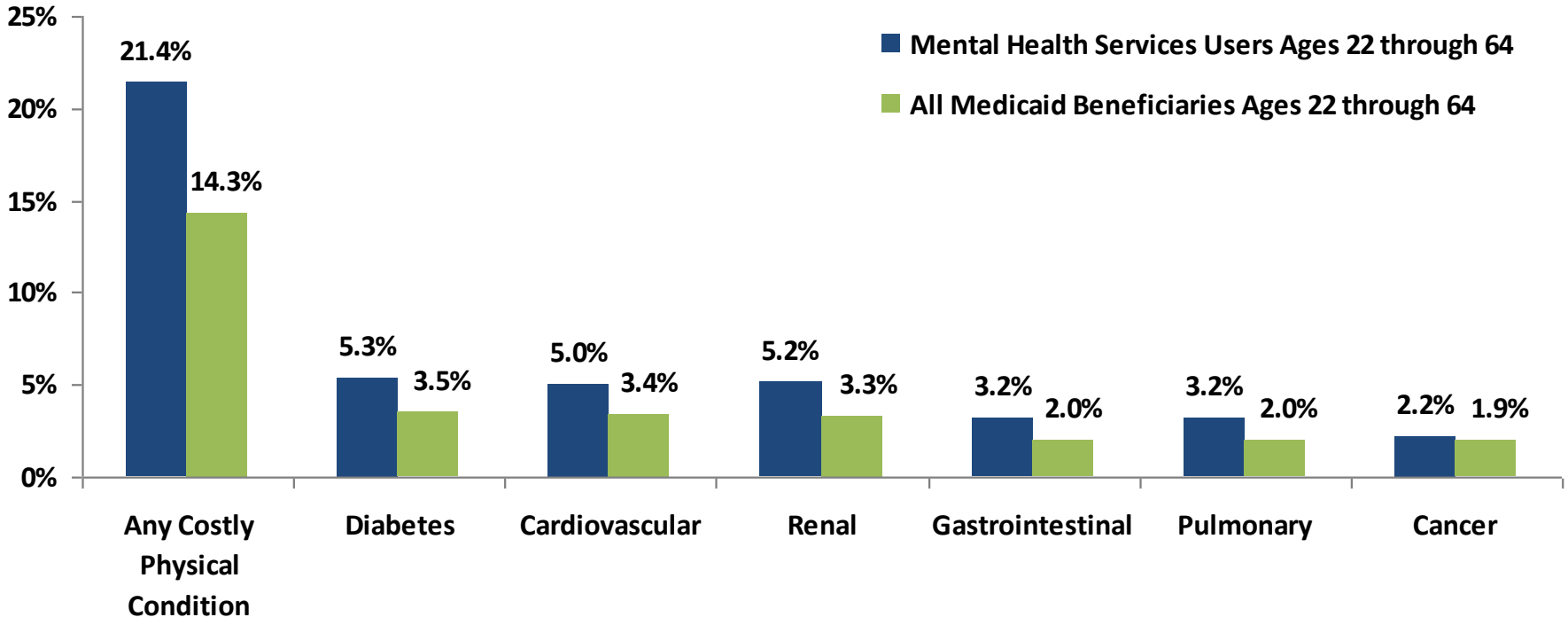
Health Home Services

Health home services include:

- Comprehensive care management;
- Care coordination and health promotion;
- Comprehensive transitional care from inpatient to other settings;
- Individual and family support;
- Referral to community and social support services;
- Use of health information technology, as feasible and appropriate.

Costly Physical Conditions – 22-64



Source: Medicaid Analytic eXtract (MAX), 2003, 13 states

Money Follows the Person

- Extends and expands MFP through 2016
- Offers States substantial resources and additional program flexibilities to remove barriers
- Enhanced FMAP for community services for first year following transition from facility
- 43 States and the District of Columbia now participating in the demonstration

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Affordable & Accessible Housing

- Major Barrier:
  - Lack of community housing options for individuals with disabilities and chronic conditions and extremely low income
- Initiatives:
  - Capacity Building contract
  - Two MFP services
  - New HUD Vouchers

Two MFP Services

- Housing Resource Coordinator
  - Works with State Level service and population agencies to assess existing housing capacity and determine need; help shape policy and programs
- Service Resource Coordinator
  - Develops relationships with local housing authorities
  - Assists individuals to find housing
- 20 MFP grantees using one or more

HUD's Housing Vouchers

- 4,321 vouchers, $33 m, October 2010
  - Non-elderly individuals with disabilities, including those **at risk of institutionalization**, to access affordable community housing with services
- 948 vouchers, $7.5 m, (January 2011)
  - Non-elderly persons with disabilities to ***transition*** out of nursing homes/institutions into the community
  - Partnering service agencies - refer persons to PHA, provide care/case management, link to the health and social services

Section 1915 (i)

- State option to offer waiver-like HCBS under state plan
- Breaks “eligibility link” for HCBS with institutional level of care
- 1915(i) was modified through the ACA, effective October 1, 2010
  - Allows waiver of comparability, expands service definitions
  - Eliminates ability to “cap” enrollment or waive statewideness

MH/SUD: Federal Medicaid Goals

- Federal policy supports the offer of effective services and supports
- Improved integration of physical and behavioral health care
- Person-centered, consumer-directed care that supports successful community integration
- Improved accountability and program integrity to assure Medicaid is a reliable funding option

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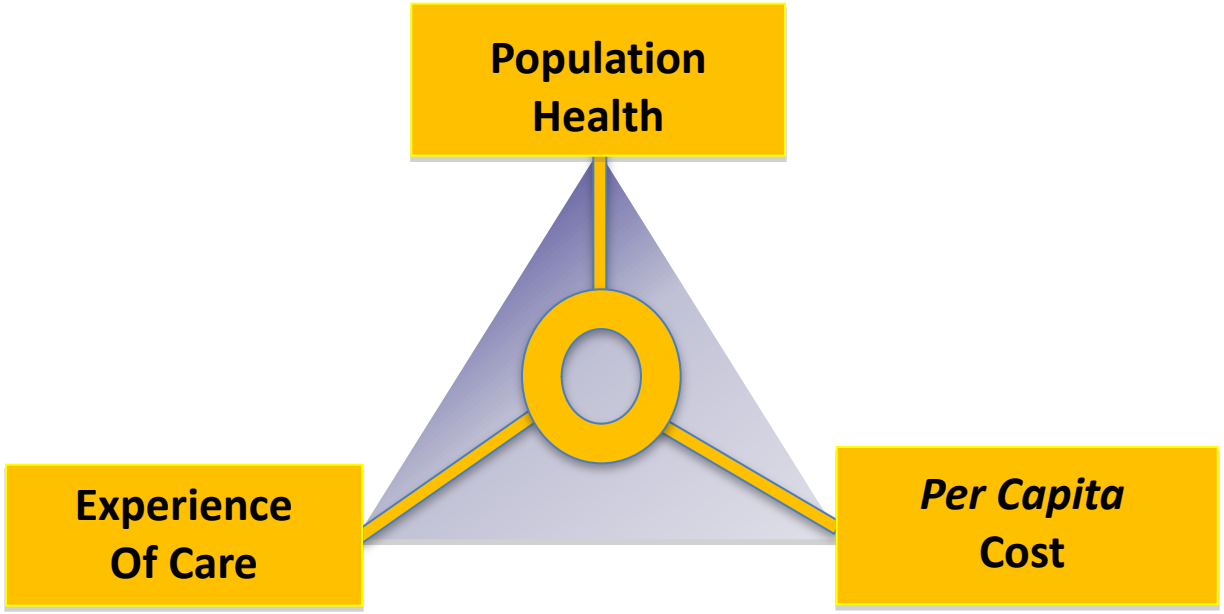
Coverage: Pathway to Better Care, Better Health, Lower Costs



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Top 10 List: MH/SUD

1. MHPAEA guidance
   - Benchmark
   - CHIP
   - Medicaid managed care
2. Benchmark/essential benefits
3. SAMHSA's "Good and Modern" benefits
   - Rehabilitation
   - Targeted Case Management
   - Section 1915 I
   - Licensed Practicioners

Top 10 List: MH/SUD

4. EPSDT – access to MH/SUD for children
   - Psych under 21
   - Screening and assessment
   - Benefit design
   - Medication management
5. PRTF HCBS demonstration
6. Health Homes
   - Integration of physical, LTC and behavioral health services

Top 10 List: MH/SUD

7. “Same Day Billing” – barriers to integration
8. Dual eligibles - include BH in models
9. Rebalancing LTSS Systems
   - Characteristics of home and community settings (Community First Choice, 1915 c and 1915 i regs)
   - Money Follows the Person
10. Quality

SMD Letters and Regulations

Medicaid Prescription Drug Rebates: SMD 10006,SMD 10019

Community Living Initiative (Olmstead Tool Kit): SMD 10008

Money Follows The Person Extension: SMD 10012

1915(i): SMD 10015

Concurrent Hospice Care for Children: SMD 10018

5yr Approval/Renewal Period: SMD 10022

Health Homes for Enrollees w/ Chronic Conditions: SMD 10024

Code of Regulations Rx AMP Withdrawal: CMS-2238-P2

NPRM Community First Choice: CMS-2337-P

NPRM 1915 (c) Waivers: CMS-2346-F

Additional Information

CMS: Community Services and Long-Term Supports

- http://www.cms.gov/CommunityServices/01_Overview.asp#TopOfPage

State Medicaid Director Letters

- http://www.cms.gov/SMDL/SMD/list.asp#TopOfPage

MFP Technical Assistance Website

- http://mfp-tac.com/

CFC NPRM

- http://edocket.access.gpo.gov/2011/pdf/2011-3946.pdf

1915(c) NPRM

- After April 19, 2011, the regulation can be accessed at http://www.access.gpo.gov/su_docs/fedreg/frcont11.html