To: Members, AHA’s Section for Psychiatric & Substance Abuse Services  
From: Rebecca Chickey, Director, Section for Psychiatric & Substance Abuse Services  
Subject: Update on Key Issues in the Behavioral Health Care Field: January 2016

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**AHA Advocacy Update**

**Senate Passes Mental Health Bill:** The Mental Health Awareness and Improvement Act (S. 1893) moved forward on a unanimous vote. Sponsored by Senate Health, Education, Labor & Pensions (HELP) Committee Chairman Lamar Alexander (R-TN) and Ranking Member Patty Murray (D-WA), it reauthorizes federal programs to prevent suicide, help children recover from traumatic events, and improve mental health awareness. AHA supported the bill as part of the Mental Health Liaison Group.

**Bill to Extend the Institute for Mental Disease Demo IS Law (P.L.114-97).** In December, President Obama signed into law S.599, the Improving Access to Emergency Psychiatric Care Act. The Medicaid Emergency Psychiatric Demonstration Program will now be extended thru September 2016, as long as it does not increase Medicaid spending. It allows the Health and Human Services (HHS) Secretary to expand the program to public hospitals. AHA expressed continued support as the bill moved through Congress.

**Mental Health Funding in Omnibus Spending Package:** The omnibus spending package fully funds assisted outpatient mental health treatment grant programs, or court-ordered treatment for individuals with severe and persistent mental illness. It also funds Mental Health First Aid, and appropriates more than $1.5 billion for the National Institute of Mental Health, more than $1.1 billion for the Substance Abuse and Mental Health Services Administration, $10 million for mental health courts and adult and juvenile collaboration program grants, and $73 million for grants to states to upgrade criminal and mental health records in the National Instant Criminal Background Check System.

**Congress Readies for Mental Health Legislation:** The House Energy and Commerce Committee plans to hold a full committee markup on H.R. 2646, Rep. Tim Murphy's bill, which faces steep opposition on the Committee, but has dozens of supporters in the full House. An AHA letter voiced support for a provision in Rep. Murphy’s bill that would allow states to use federal Medicaid funds to cover services for adults in inpatient psychiatric hospitals under certain circumstances. The Senate HELP Committee is expected to consider S. 1945, the mental health reform bill, introduced by Senators Bill Cassidy (R-LA) and Chris Murphy (D-CT). The Senate Judiciary Committee is also expected to hold a hearing on Sen. John Cornyn's mental health and criminal justice reform bill.
AHA Regulatory Update

**Medicaid Parity & Managed Care Final Rules:** Two pending final rules from the Centers for Medicare and Medicaid Services (CMS) are expected to be published in spring 2016. One rule, *Application of Mental Health Parity Requirements to Medicaid Managed Care Organizations, CHIP, and Alternative Benefit Plans*, outlines how the federal parity law would apply to Medicaid, to the Medicaid expansion population, and to the Children’s Health Insurance Program (CHIP). The other rule, *Medicaid Managed Care, CHIP Delivered in Managed Care, Medicaid and CHIP Comprehensive Quality Strategies, and Revisions related to Third Party Liability*, would update regulations governing managed Medicaid. In this rule CMS recommends a substantial change that would allow payment to IMDs for adults receiving behavioral health services in freestanding psychiatric hospitals and in subacute IMDs offering “crisis residential” services. AHA Member Advisories *Mental Health Parity in Medicaid & CHIP* and *Managed Care for Medicaid and CHIP* and comment letters *Mental Health Parity in Medicaid & CHIP* and *Managed Care for Medicaid and CHIP* provide additional details.

**National Quality Forum Considering New Measures:** The NQF-convened Measure Applications Partnership (MAP) has developed recommendations on quality measures that CMS is considering for payment and public reporting purposes. Two are for inpatient psychiatric facilities. The first is the extension of the SUB measures to include 3 and 3a (referral to treatment), which the MAP supports. The other is a risk-adjusted 30-day all-cause unplanned readmissions measure, which the MAP conditionally supports pending NQF endorsement and an examination of socio-demographic factors. AHA submitted a [comment letter](#). Final recommendations from the MAP to HHS are due February 1.

**Proposed Discharge Planning Rule:** The AHA generally supports CMS’s proposed rule revising discharge planning requirements for hospitals and other health providers. However, in comments, Ashley Thompson, AHA senior vice president for public policy analysis and development, asked CMS to make several changes to the scope and to clarify in the final rule that compliance with the new standards will be evaluated within the context of a provider’s community resources. The AHA noted that the Health Resources and Services Administration estimates the U.S. has 4,000 mental health professional shortage areas.

**Provide Input on Chronic Care:** Senate Finance Committee leaders seek comment through Jan. 26 on policy options they are considering to improve how Medicare treats beneficiaries with multiple, complex chronic illnesses. The committee plans to use input to develop a bipartisan legislative proposal. Send comments to [chronic_care@finance.senate.gov](mailto:chronic_care@finance.senate.gov). In recommendations submitted in June, the AHA urged the senators to consider expanding access to telehealth and removing legal barriers to clinical integration.

**Include Hospital Services in Medicaid Access Rule:** AHA continues to urge CMS to include hospital services in the list of core services that states must review to ensure that proposed rate changes in the Medicaid fee-for-service program do not affect beneficiary access to covered Medicaid services. AHA Executive Vice President Tom Nickels said in a letter on the final rule, “If CMS intends to meaningfully hold states accountable for meeting the statutory requirements that provider payments should be sufficient to ensure beneficiaries access to care, the AHA believes this final rule must be either revised or reissued.”
Increase Access to Health-related Social Services: Hospitals and health systems, health care practices, community-based organizations and others can apply until March 31 to participate in a new Center for Medicare and Medicaid Innovation model that will test whether access to health-related social services reduces health care costs and use of inpatient and outpatient health care services for Medicare and Medicaid beneficiaries. The Accountable Health Communities Model seeks to address health-related social needs such as housing and food security, interpersonal violence and transportation.

Parity Update
Members of the Parity Implementation Coalition (PIC), which AHA supports, issued a news release applauding “two recent developments that provide important new tools to assist plan participants with receiving addiction and mental health benefits as guaranteed under the [federal] parity law.” First, in UnitedHealth Group, Inc., et al v. Jonathan Denbo, et al, the Supreme Court will not review the decision of the Court of Appeals for the 2nd Circuit in New York that said individuals can sue the entity that manages their care directly rather than their employers or plan sponsors. The second is new guidance on the Mental Health Parity and Addiction Equity Act by the Departments of Labor, HHS, and Treasury. It (1) underscores that plans must make medical necessity criteria available to current and potential plan participants, (2) reiterates that plans must disclose this criteria regardless of whether that criteria is proprietary or of commercial value, and (3) requires ERISA plans to provide the instruments under which the plan is established or operated to plan participants within 30 days of the request.

AHA Resources
A new HPOE case study presents the story of South Carolina and the Northeastern Rural Health Network, a group of organizations that have made the mental health of local residents a priority.

The December issue of Health Services Research is now available. The 2015 special section includes articles on the effects of Medicaid eligibility on behavioral health services, health insurance coverage and access to care for disadvantaged individuals, and much more.

Rural Hospital Improves Access to School-Based Mental Health Services: Island Hospital, a 43-bed county hospital in rural Anacortes, Wash., is the AHA 2015 winner of the Shirley Ann Munroe Leadership Award. When the county stopped funding mental health services for the school district, the hospital stepped in. Recognizing that earlier intervention means savings in health care costs later, the Island Hospital Foundation pledged to provide $60,000 annually for five years to fund mental health services.

A Community Partnership for Behavioral Health: Spectrum Health Gerber Memorial’s Experience
Tuesday, January 26, 2016; 4:00 pm – 5:00 pm Eastern
Join Randy Stasik, President, Spectrum Health Gerber Memorial, Fremont, Michigan, and his colleagues for a webinar and discussion. They will describe the work they are doing to expand timely access to behavioral health services via a collaborative with community-based programs. To register, click here.

The January Behavioral Health Update includes a NAMI report on state budgets for mental health, the Kennedy Forum’s latest policy brief in “A National Call for Measurement-Based Care in the Delivery of Behavioral Health Services” and more. For more resources, go to www.aha.org/psych.

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