1. President’s FY2017 budget includes proposals on key behavioral health issues.
2. Department of Labor issues report to Congress on parity enforcement.
3. HHS proposes changes to confidentiality rules for alcohol and drug abuse records.
4. Proposed rule on TRICARE mental health and substance abuse disorder treatment issued.
5. Defense Department expands military access to telemedicine.
6. CMS plans further clarification by July 2016 on site-neutral billing for newly-created hospital outpatient departments located off-campus.
7. MAP recommends Medicare quality measures.
8. Joint Commission aligning with SAMHSA guidelines for the accreditation of opioid treatment programs.
9. Task force recommends depression screening for all adults, including pregnant women and new mothers.
10. Study finds team-based treatment for first episode psychosis to be of high value.
12. CMS publishes notice on Medicaid IMD DSH limits.
13. 50-state survey reports on Medicaid/CHIP eligibility, enrollment policies.
14. Updated resources available for the IPF Quality Reporting program.
15. Reminder: Take action by March 4 to enroll with National Healthcare Safety Network for IPF quality reporting to avoid a future IPFQR payment penalty.
17. Kit available to help substance abuse counselors provide intensive outpatient treatment for stimulant use disorders.
18. Online trainings available from The National Center on Substance Abuse and Child Welfare.

1. PRESIDENT’S FY2017 BUDGET INCLUDES PROPOSALS ON KEY BEHAVIORAL HEALTH ISSUES. The FY2017 federal budget released in February by President Obama calls for significant support for individuals living with mental and addictive disorders. The budget calls for elimination of the Medicare 190-day lifetime limit (at a cost of $2.4 billion over 10 years). Detailed in the budget is $500 million in new mandatory funding to help engage individuals with serious mental illness in care, and improve access to care by increasing service capacity and the behavioral health workforce. Specifically, the budget would add psychiatric hospitals and other health providers to the Electronic Health Record Incentive Programs ($760 million in Medicare and $4.4 billion in Medicaid costs over 10 years); require coverage of the Early and Periodic Screening, Diagnostic, and Treatment program for children in inpatient psychiatric treatment facilities (at a cost of $505 million over 10 years); and add $1.1 billion in new funding to address the prescription opioid abuse and heroin use epidemic. The budget also proposes a Medicaid demonstration project in partnership with the Department of Health and Human Services’ (HHS’s) Administration for Children and Families to encourage states to provide evidence-based psychosocial interventions to address the behavioral and mental health needs of children in foster care and reduce reliance on psychotropic medications to improve overall health outcomes. See a White House fact sheet with additional background.

2. DEPARTMENT OF LABOR ISSUES REPORT TO CONGRESS ON PARITY ENFORCEMENT. The Department of Labor has issued a report to Congress, “Improving Health Coverage for Mental Health and Substance Use Disorders Patients: Including Compliance with the
Federal Mental Health and Substance Use Disorder Parity Provisions.” According to the report, the Department of Labor has conducted 1,515 investigations related to the Mental Health Parity and Addiction Equity Act (MHPAEA) and cited 171 violations since October 2010. Fifty-eight percent of the violations were related to Non-Quantitative Treatment Limitations (NQTLs). The most common types of violations found included imposing broad preauthorization requirements only on mental health or substance use disorder benefits, imposing more restrictive visit limits on mental health/substance use disorder benefits, requiring written treatment plans to access care (only) for mental health services, and conditioning treatment on whether the mental health or substance use disorder treatment has a likelihood of success when a comparable limitation is not applied to medical/surgical treatment. The report also highlights that the Department of Labor answered 1,079 inquiries during the 2010-2015 period on MHPAEA, and successfully achieved voluntary compliance for plans that have been found to be in violation. A separate consumer pamphlet on MHPAEA was released by the Departments of Labor and Health and Human Services.

3. HHS PROPOSES CHANGES TO CONFIDENTIALITY RULES FOR ALCOHOL AND DRUG ABUSE RECORDS. The Department of Health and Human Services (HHS) has proposed changes to the confidentiality rule (42 CFR Part 2) for substance use disorder records to facilitate health information exchange within new healthcare models while protecting patient privacy. The last substantive update to the rule was in 1987. The Substance Abuse and Mental Health Services Administration (SAMHSA) will accept comments on the proposed rule through April 11.

4. PROPOSED RULE ON TRICARE MENTAL HEALTH AND SUBSTANCE ABUSE DISORDER TREATMENT ISSUED. The Defense Department has issued a proposed rule titled “TRICARE: Mental Health and Substance Abuse Disorder Treatment.” It was published in the 2/1/16 Federal Register. This is a significant rule in terms of updating the military’s approach to treatment services. The proposed rule is the result of extensive consultation with the field. The rule proposes comprehensive revisions to the TRICARE regulation to “reduce administrative barriers to access to mental health benefit coverage and to improve access to substance use disorder (SUD) treatment for TRICARE beneficiaries, consistent with earlier Department of Defense and Institute of Medicine recommendations, current standards of practice in mental health and addiction medicine, and governing laws.” The proposed rule has four main objectives: 1) to eliminate quantitative and qualitative treatment limitations on SUD and mental health benefit coverage and align beneficiary cost-sharing for mental health and SUD benefits with those applicable to medical/surgical benefits; 2) to expand covered mental health and SUD treatment under TRICARE, to include coverage of intensive outpatient programs and treatment of opioid use disorder; 3) to streamline the requirements for mental health and SUD institutional providers to become TRICARE authorized providers; and 4) to develop TRICARE reimbursement methodologies for newly recognized mental health and SUD intensive outpatient programs and opioid treatment programs. Comments are due April 1.

5. DEFENSE DEPARTMENT EXPANDS MILITARY ACCESS TO TELEMEDICINE. The Department of Defense (DOD) will expand telehealth to help military service-members at any location, including their homes, according to a February 3 memorandum from Assistant Secretary for Defense for Health Affairs Jonathan Woodson, M.D. “Effective immediately, I authorize the patient’s home or other patient location deemed appropriate by the treating provider, as an originating site for the receipt of telemedicine services from providers located in an MTF [military treatment facility] or other designated facility,” he wrote. “The telemedicine provider must be privileged at the distant site and must inform the patient’s MTF or TRICARE Network primary care manager of the care delivered via telemedicine. In addition, the requirements of Encl.4, Sec.6.b.(1)-(2), ‘Additional Conditions,’ still apply to provision of telemedicine to the patient’s home or other patient location” with a set of additional requirements. See the full guidance memo on “Provision of Telemedicine at a Patient’s Location” for details.
6. CMS PLANS FURTHER CLARIFICATION BY JULY 2016 ON SITE-NEUTRAL BILLING FOR NEWLY-CREATED HOSPITAL OUTPATIENT DEPARTMENTS LOCATED OFF-CAMPUS. In a January 26 Hospital Open Door Forum, the Centers for Medicare and Medicaid Services (CMS) said that it expects to issue regulations for new off campus provider-based provisions included in the budget-debt ceiling bill signed into law by President Obama on November 2, 2015, as P.L.114-74. In “Treatment of New Off-Campus Outpatient Departments of a Provider,” Section 603 of the law codifies the CMS definition of provider-based (PBD) off-campus hospital outpatient departments (HOPDs) as those locations that are not on the main campus of a hospital and are located more 250 yards from the main campus. The section defines a “new” PBD HOPD as an entity that executed a CMS provider agreement after the date of enactment (that is, November 2, 2015). Any PBD HOPD executing a provider agreement after the date of enactment would not be eligible for reimbursements from CMS’ Outpatient Prospective Payment System (PPS). According to the law, new PBD HOPDs, as defined by this section, would be eligible for reimbursements from either the Ambulatory Surgical Center (ASC PPS) or the Medicare Physician Fee Schedule (PFS). NAPHS has been seeking clarification on how this would affect partial hospitalization programs. In the January Hospital Open Door Forum, CMS said the regulations will come out in the hospital Outpatient Prospective Payment System (OPPS) proposed rule, which is due out by July 2016. CMS said they felt these major changes need to go through the notice and comment process. They acknowledged that waiting so long is difficult, given people’s need to make business decisions. CMS has posted some information on a FAQ link. CMS will collect comments on scenarios that CMS should address in the proposed rule at provider-baseddepartments@cms.hhs.gov. NAPHS will be alerting CMS to the impact on partial hospitalization programs that must be detailed in the proposed rule.

7. MAP RECOMMENDS MEDICARE QUALITY MEASURES. On February 1, the Measure Applications Partnership (MAP) delivered its annual recommendations for the 2015-2016 pre-rulemaking cycle on “measures under consideration” (MUC) for Medicare quality measurement and pay-for-performance programs to the Department of Health and Human Services (HHS). Inpatient Psychiatric Quality Reporting (IPFQR) measures included in the recommendations are MUC-15-1065 (SUB 3 and 3a) Alcohol and Other Drug Use Disorder Treatment Provided or Offered at Discharge and MUC-15-1082 (30 Day all-cause unplanned readmission following psychiatric hospitalization in an Inpatient Psychiatric Facility (IPF). The recommendations are split into two components: a report that describes the approach to recommending measures and a sortable, searchable spreadsheet (XLSX) of all recommendations, and public comments provided throughout this process.

8. JOINT COMMISSION ALIGNING WITH SAMHSA GUIDELINES FOR THE ACCREDITATION OF OPIOID TREATMENT PROGRAMS. Recently, the Substance Abuse and Mental Health Services Administration (SAMHSA) issued an update to its 2007 “Guidelines for the Accreditation of Opioid Treatment Programs.” The Joint Commission conducted an analysis of this update to make certain that Joint Commission standards continue to align with the SAMHSA guidelines. See Prepublication Standards – Standards Revisions Related to the Substance Abuse and Mental Health Services Administration (SAMHSA) Guidelines for the Accreditation of Opioid Treatment Programs. Following this analysis, a number of new elements of performance were developed and several current requirements were edited in order to maintain alignment with the guidelines. These revisions will go into effect July 1, 2016.

9. TASK FORCE RECOMMENDS DEPRESSION SCREENING FOR ALL ADULTS, INCLUDING PREGNANT WOMEN AND NEW MOTHERS. The U.S. Preventive Services Task Force (USPSTF) published an updated, final recommendation in the January JAMA [315(4):380-387] on depression screening for those 18 and older. The USPSTF “recommends screening for depression in the general adult population, including pregnant and postpartum women. Screening should be
implemented with adequate systems in place to ensure accurate diagnosis, effective treatment, and appropriate follow-up,” the Task Force says. The Task Force assigned a "B" grade to the recommendation, meaning all copays and deductibles for the screenings would be waived under the Affordable Care Act. The announcement updates a 2009 task force recommendation that called for screening all adults when staff-assisted depression care supports are in place, and selective screening based on professional judgment and patient preference when such support is not available. The authors said the update recognizes that such support is now much more widely available and accepted in mental health care. Also see an accompanying editorial [315(4):349-350].

10. STUDY FINDS TEAM-BASED TREATMENT FOR FIRST EPISODE PSYCHOSIS TO BE OF HIGH VALUE. New analysis from a study published online January 31 in Schizophrenia Bulletin shows that “coordinated specialty care” (CSC) for young people with first episode psychosis is more cost-effective than typical community care. The paper reports on the cost-effectiveness of CSC treatment in the RAISE Early Treatment Program (RAISE-ETP). “While the team-based CSC approach has modestly higher costs than typical care, it produces better clinical and quality of life outcomes, making the CSC treatment program a better value,” according to a summary posted by the National Institute of Mental Health (NIMH). “The take-home message of this sophisticated research is that health service costs are, not surprisingly, somewhat higher when the mental health system provides the full range of services these young people need at a very vulnerable time in their lives,” said Robert Heinssen, Ph.D., director of the NIMH Division of Services and Intervention Research. “But these additional expenses have now been shown to be worth the investment in improving individuals’ health and functioning.”

11. MedPAC/MACPAC DATA BOOK ON DUAL-ELIGIBLES AVAILABLE. A new data book: Beneficiaries Dually Eligible for Medicare and Medicaid, has been published by the Medicare Payment Advisory Commission (MedPAC) and the Medicaid and CHIP Payment and Access Commission (MACPAC). The joint data book is the result of an ongoing effort by the organizations to create a common understanding of the characteristics of dually eligible beneficiaries and their use of services, including information on demographic characteristics, expenditures, and use of healthcare services. This is the third edition of this book, updated with 2011 data and 2007–2011 trends in the dually eligible population’s composition, service use, and spending.

12. CMS PUBLISHES NOTICE ON MEDICAID IMD DSH LIMITS. In the February 2 Federal Register, the Centers for Medicare and Medicaid Services (CMS) published a notice titled "Medicaid Program; Final FY13 and Preliminary FY15 Disproportionate Share Hospital Allotments, and Final FY13 and Preliminary FY15 Institutions for Mental Diseases (IMD) Disproportionate Share Hospital Limits." The notice is effective March 3.

13. 50-STATE SURVEY REPORTS ON MEDICAID/CHIP ELIGIBILITY, ENROLLMENT POLICIES. Over its first two years, the Affordable Care Act (ACA) has triggered increases in Medicaid eligibility levels and upgrades in states’ Medicaid eligibility and enrollment systems, making it easier for individuals to enroll in Medicaid and producing faster eligibility decisions, according to a new Kaiser Family Foundation (KFF) survey of Medicaid and Children’s Health Insurance Program eligibility levels and enrollment, renewal, and cost-sharing policies. As of January 2016, many states have revised enrollment and renewal processes in accord with the ACA, and online applications are now standard in virtually all states. The survey also provides 2016 eligibility levels in all 50 states and the District of Columbia for children, pregnant women, and non-disabled adults in Medicaid and CHIP. Eligibility levels vary significantly across groups and by state, KFF says.

14. UPDATED RESOURCES AVAILABLE FOR THE IPF QUALITY REPORTING PROGRAM. The Centers for Medicare and Medicaid Services (CMS) and the Hospital Inpatient
Value, Incentives, and Quality Reporting (VIQR) Support Contractor (SC) have announced that newly updated tools are available online to assist facilities participating in the Inpatient Psychiatric Facility Quality Reporting (IPFQR) Program. First, the “IPFQR Program Manual” provides a comprehensive overview of the IPFQR Program, measure specifications, as well as step-by-step guidance on the QualityNet Secure Portal registration, data submission using the web-based measures application, and preview report processes. Key updates to the manual include 1) measure requirements and program timelines for the FY17 and FY18 payment determination years; 2) descriptions of the new Transition Record with specified Elements Received by Discharged Patients, Timely Transmission of Transition Record, and the Screening for Metabolic Disorders measures; and 3) additional guidance for abstraction of data for the Transition Record and Screening measures. Second, the “Paper Tools for Discharge Measures” is provided as an optional, informal abstraction mechanism to assist IPFs in the collection of data for the IPFQR Program. The paper tools have been updated for the following measures: HBIPS-2, -3, -5; IMM-2; SUB-1, -2/-2a; and TOB-1, -2/-2a, -3/-3a. All documents are available on the Quality Reporting Center website under “IPFQR Program Resources and Tools” and will be available on the IPFQR Program page of the QualityNet website at a later date. Direct questions to https://cms-ip.custhelp.com or call 844.472.4477 or 866.800.8765 (M-F, 8am-8pm Eastern).

15. **REMINDER: TAKE ACTION BY MARCH 4 TO ENROLL WITH NATIONAL HEALTHCARE SAFETY NETWORK FOR IPF QUALITY REPORTING TO AVOID A FUTURE IPFQR PAYMENT PENALTY.** All facilities participating in the Inpatient Psychiatric Facility (IPF) Quality Reporting (QR) Program must enroll with the National Healthcare Safety Network (NHSN) in order to submit “Influenza Vaccination among Healthcare Personnel” (HCP) measure data. The processing time for enrollment with the NHSN is approximately eight weeks. Failure to enroll with the NHSN prior to March 4, 2016, may jeopardize an IPF’s ability to submit and verify submission of accurate HCP measure data prior to the Sunday, May 15, 2016, submission deadline. Failure to do so may also result in a two percentage point reduction in the IPF’s FY17 annual payment update from the Centers for Medicare and Medicaid Services (CMS). It is strongly recommended that your IPF initiate the enrollment process with the NHSN now, if you have not already done so. For background materials and slides from a February 18 IPFQR webinar titled “NHSN Enrollment and HCP Measure Refresher,” go to http://www.qualityreportingcenter.com (under IPFQR “Archived Events”).

16. **CDC: MORE THAN 3 MILLION U.S. WOMEN AT RISK FOR ALCOHOL-EXPOSED PREGNANCY.** An estimated 3.3 million women between the ages of 15 and 44 years are at risk of exposing their developing baby to alcohol because they are drinking, sexually active, and not using birth control to prevent pregnancy, according to a February Centers for Disease Control and Prevention (CDC) Vital Signs report. The report found that 3 in 4 women who want to get pregnant as soon as possible do not stop drinking alcohol when they stop using birth control. Healthcare providers should advise women who want to become pregnant to stop drinking alcohol as soon as they stop using birth control, the CDC said. Most women don’t know they are pregnant until they are four to six weeks into the pregnancy and could unknowingly be exposing their developing baby to alcohol. “Fetal alcohol spectrum disorders (FASDs) are completely preventable if a woman does not drink alcohol during pregnancy,” the CDC said.

17. **KIT AVAILABLE TO HELP SUBSTANCE ABUSE COUNSELORS PROVIDE INTENSIVE OUTPATIENT TREATMENT FOR STIMULANT USE DISORDERS.** The Substance Abuse and Mental Health Services Administration (SAMHSA) has created a comprehensive kit that provides substance abuse treatment professionals with a year-long intensive outpatient treatment model for clients with dependence on stimulant drugs (such as methamphetamine and cocaine). The kit includes family education sessions and handouts. Order Matrix Intensive Outpatient
18. **ONLINE TRAININGS AVAILABLE FROM THE NATIONAL CENTER ON SUBSTANCE ABUSE AND CHILD WELFARE.** The Substance Abuse and Mental Health Services Administration (SAMHSA) has made available 12 National Center on Substance Abuse and Child Welfare (NCSACW) webinars on its [YouTube Channel](https://www.youtube.com). The free webinars highlight medication-assisted treatment and the treatment of opioid use during pregnancy, as well as a series on evidence-based practices, trauma-informed care, and building collaborative practice. NCSACW also recently launched updated, free online tutorials on substance abuse and child welfare. These trainings are intended to support and facilitate collaboration between the child welfare system, the substance abuse treatment system, and the courts.

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This edition of Behavioral Health Update was prepared by Carole Szpak at comm@naphs.org. Feel free to give us your feedback, stories: * NAPHS: Carole Szpak, NAPHS, comm@naphs.org, 202/393-6700, ext. 101 or AHA: Rebecca Chickey, AHA SPSAS, rchickey@aha.org, 312/422-3303

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