

# Behavioral Health and Medicaid: New Opportunities

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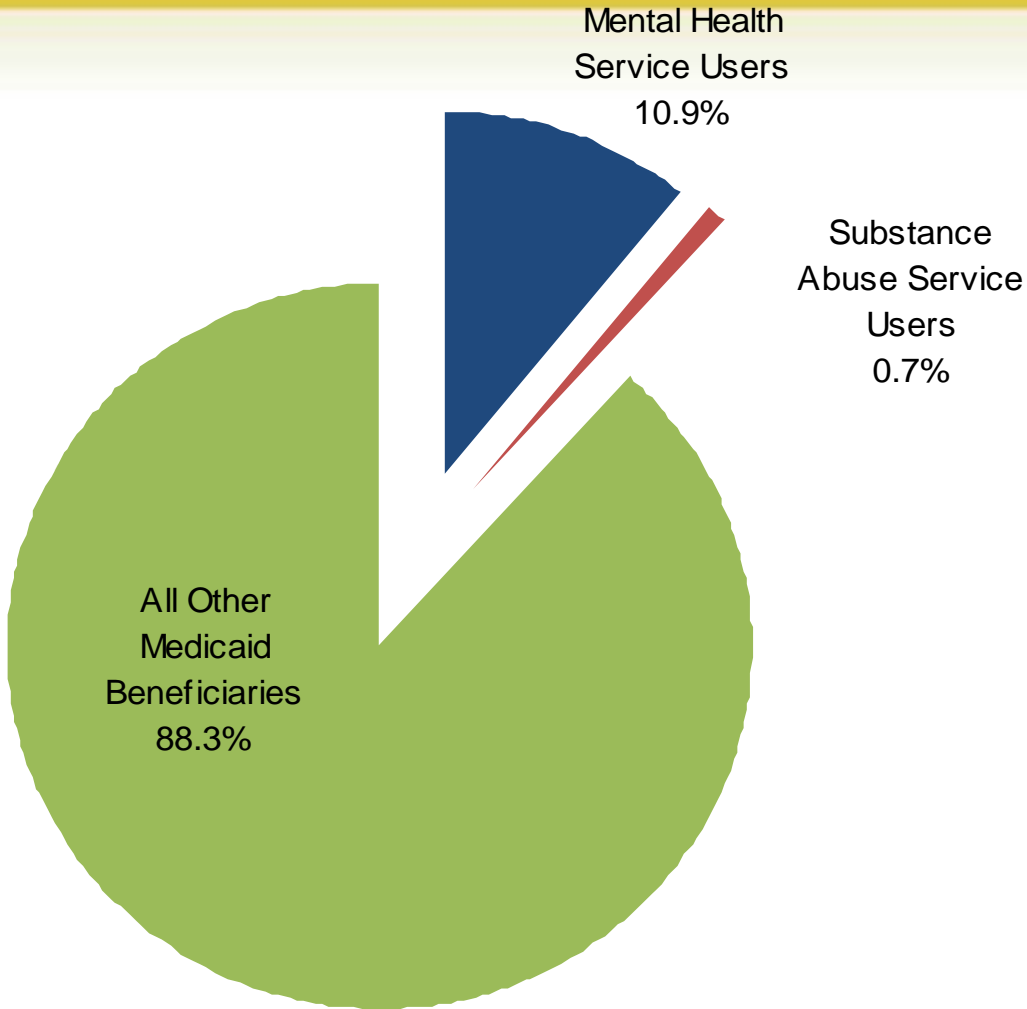
# Medicaid Facts and Figures

- In 2009, over 65 million people were enrolled in Medicaid.
  - 5.8 million were enrolled on the basis of being age 65 or older
  - 9.5 million were enrolled on the basis of being blind or disabled
  - 31.3 million were enrolled as eligible children

# Behavioral Health in Medicaid

- 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
- States have flexibility, but can provide comprehensive services; variation across states

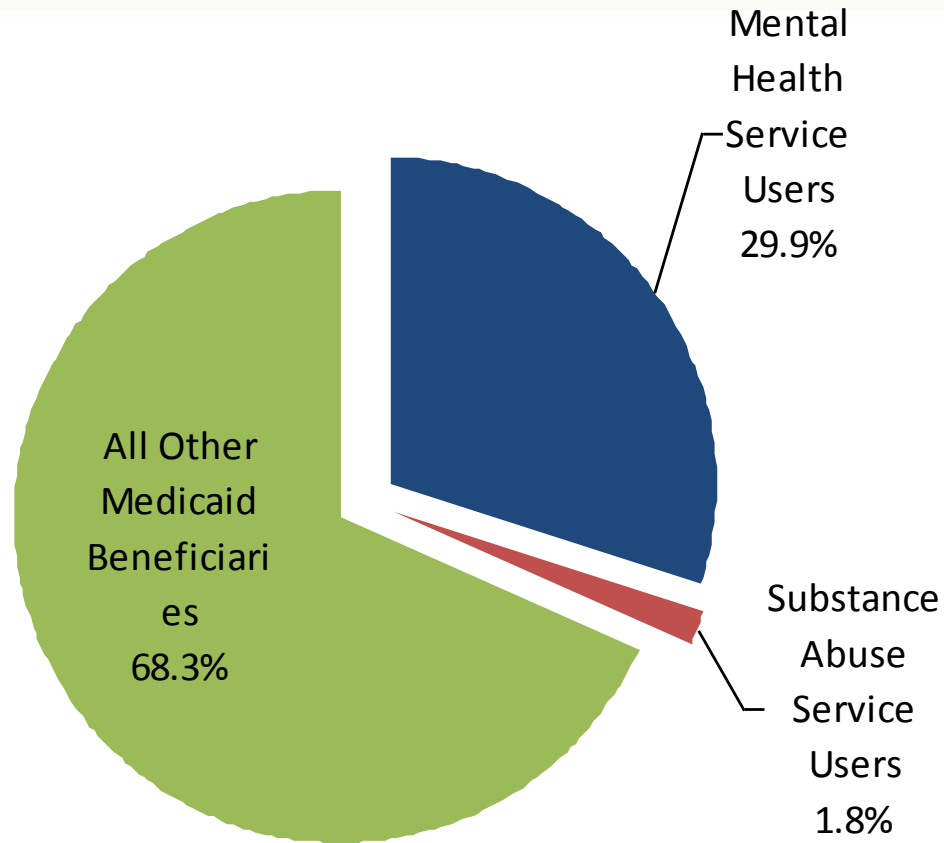
# Medicaid MH/SA Service Users



Source: SAMHSA

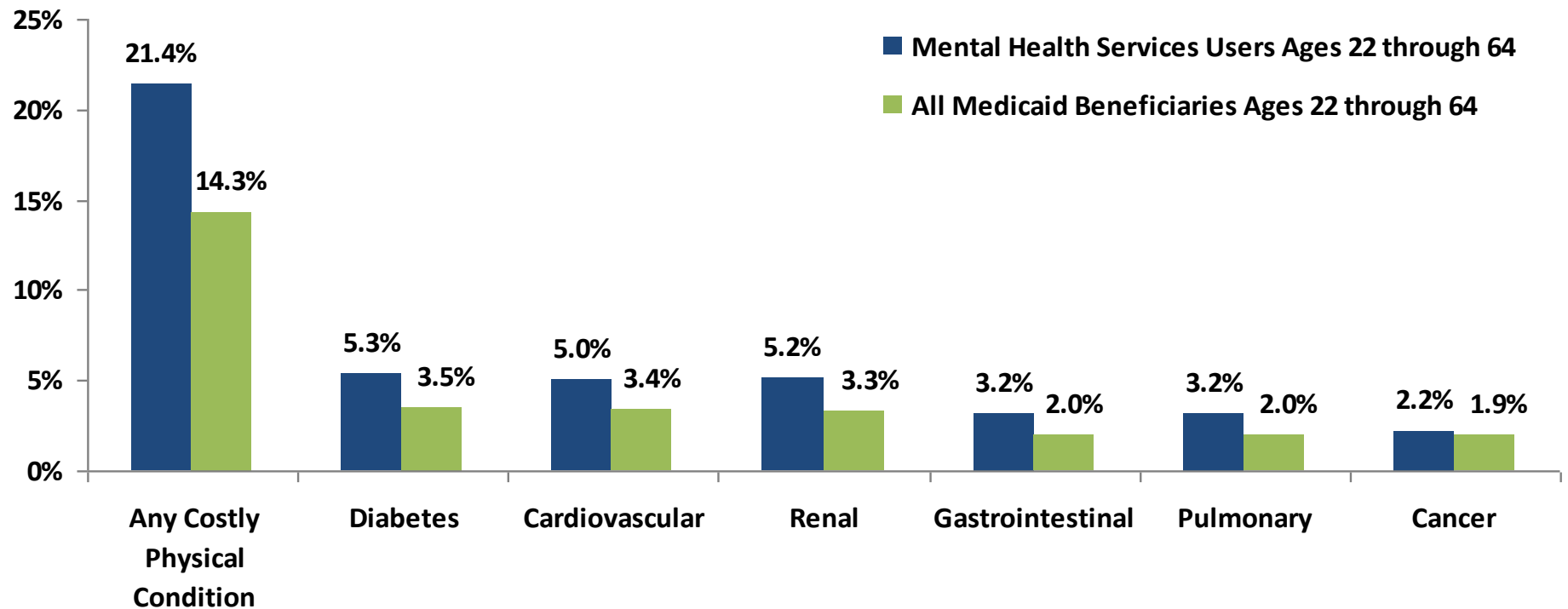


# Medicaid Expenditures for MH/SA Service Users



Source: SAMHSA

# Costly Physical Conditions – 22-64



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

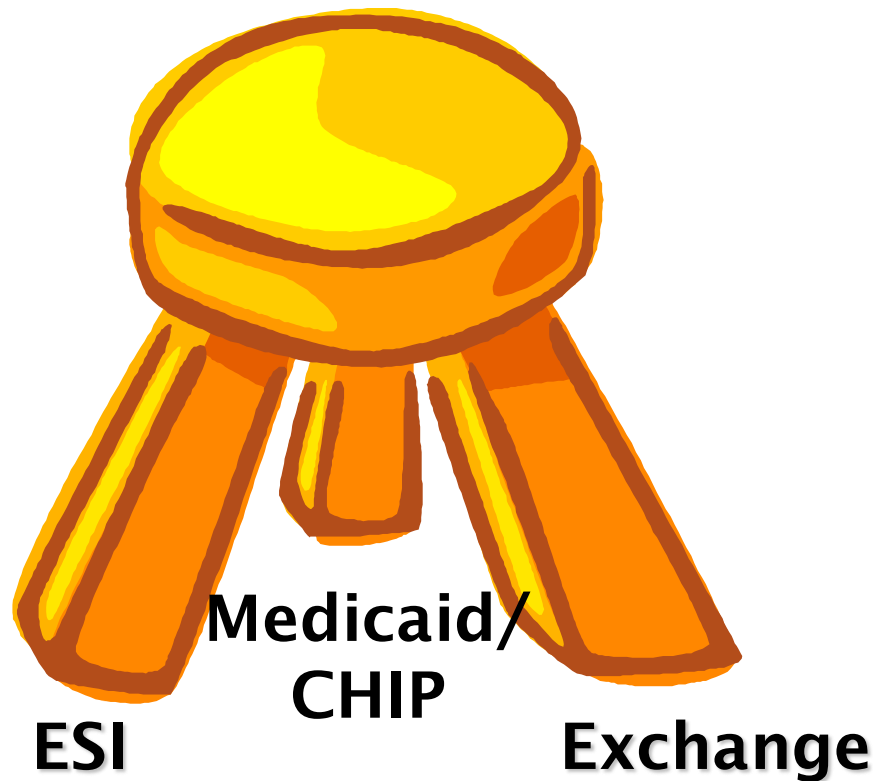
# MH/SUD: DEHPG Goals

- 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

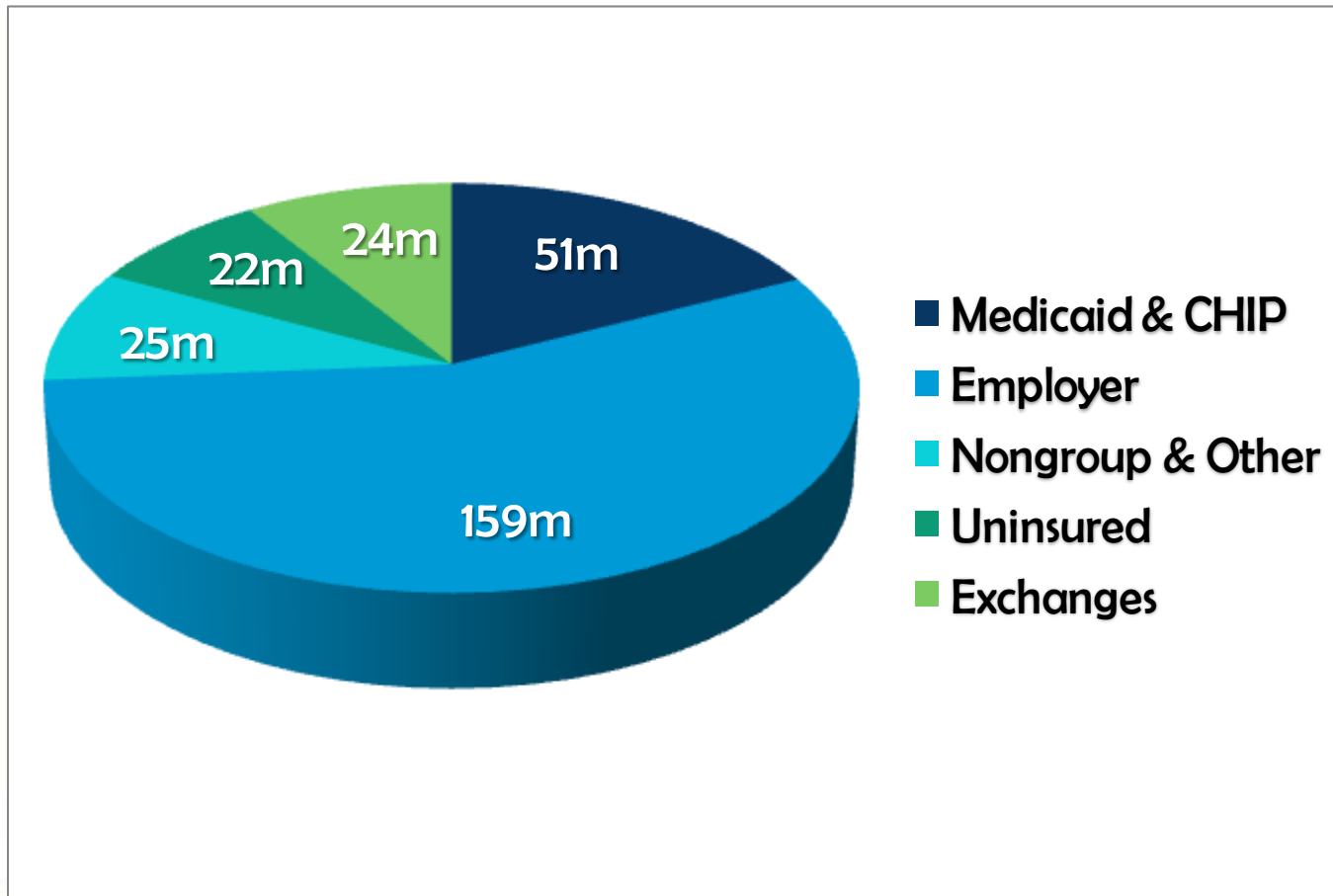
# Medicaid and Health Reform



# ACA Coverage Guarantees Rely on ESI, Exchange, Medicaid/CHIP



# Sources of Coverage for Individuals under Age 65 (2019)



# Benefit Design Issues

- The new Medicaid expansion population must receive benchmark or benchmark-equivalent coverage
  - Benchmark plans: comparable to Federal Employee Blue Cross/Blue Shield Health Benefits, State's employee health insurance plan, or State's largest commercial HMO plan
  - Benchmark equivalent: Actuarially equivalent to above plans

# ACA and Benchmark Plans

- In 2014, benchmark and benchmark equivalent plans must begin providing at least “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”
- MHPAEA/MH Parity applies
- Secretary will issue guidance

# ACA: Medicaid Behavioral Health

- Provides new state plan and grant opportunities that include opportunities to address mental health and/or substance use disorder
- Enhanced FMAP in several provisions may help states to pursue reforms

# Health Homes

- For persons with multiple chronic conditions (1-1-2011)
  - MH, SUD options may be qualifying conditions
  - 2 or more qualifying conditions; 1 QC and at risk or a second; or SMI
  - Consultation with SAMHSA required
  - Enhanced FMAP for health home services

# Section 1915i Option

- HCBS-like services offered under State Plan (amended 10-1-2010)
  - Allows waiver of comparability
  - Adds additional service options (including “other services”)
  - Does not require institutional LOC up to 150%FPL
  - Prohibits waiver of statewideness or enrollment caps

# Money Follows the Person

- Extended and expanded
- New solicitation under way (up to 44 states will participate)
- Enhanced FMAP for individuals transitioned will be available through 2016
- People in NF with MI are an allowable target group for transition services
- 5300 new HUD vouchers; 1000 targeted for individuals transitioning from institutions



# Community First Choice

- Community attendant and other services (10-1-2011)
- Enhanced FMAP – 6% on-going
- Does not require institutional LOC up to 150% FPL

# Balancing Incentive Program

- Enhanced FMAP for HCBS beginning October 1, 2011 through 2014
- 2% for states where spending on non-institutional long term care is less than 50% total
- 5% for states where spending on non-institutional care is less than 25%
- Commit to infrastructure changes and rebalancing

# Dual Eligibles

- Office of Federal Coordinated Health Care
- Promote effective integration of services for dually eligible beneficiaries
- Offering financial support for states to plan and implement integration models (up to 15 states)
- Exploring shared savings with Medicare
- Considering broad array of health care needs: primary, acute, LTC, behavioral health

# Beyond ACA

# Mental Health Parity

- Wellstone-Domenici Mental Health Parity and Addiction Equity Act of 2008
- Interim Final Regulations effective 7-1-2010 for commercial health plans
- MHPAEA also applies to Medicaid managed care plans (MCOs), CHIP State Plans, and benchmark plans
- CMCS will issue guidance

# Other

- Targeted Case Management interim final regulations (7-1-2009); final regulations to be published
- Rehabilitation service option
- Children's mental health services
- "Good and Modern" benefit design
- Supportive employment and supportive housing

# Partnerships

- Unprecedented level of collaboration within HHS, across departments regarding behavioral health and other services for persons living with chronic and disabling conditions
- ASPE, SAMHSA, Office of Disability, ACF, ADD, OCR, AoA, HUD, VA, others
- State health insurance exchanges

# Opportunity

- To better engage consumers and self-advocates in policy consideration
- To advance and improve federal policy to support effective treatment and recovery for persons who have MI and SUD
- To collaborate more effectively with state and local authorities and with providers to support improvement in service delivery design, financing and operations