Behavioral Health and Medicaid: New Opportunities

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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
Mental Health Service Users: 10.9%
Substance Abuse Service Users: 0.7%
All Other Medicaid Beneficiaries: 88.3%

Source: SAMHSA
Medicaid Expenditures for MH/SA Service Users

- Mental Health Service Users: 29.9%
- Substance Abuse Service Users: 1.8%
- All Other Medicaid Beneficiaries: 68.3%

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)

- Medicaid & CHIP: 159m
- Employer: 22m
- Nongroup & Other: 24m
- Uninsured: 25m
- Exchanges: 51m
Benifit 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