American Hospital Association

Section for Psychiatric & Substance Abuse Services

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: March 2015**

AHA Legal Update

U.S. Supreme Court Case on Adequacy of Medicaid Rates: The AHA and Federation of American Hospitals have urged the Supreme Court to affirm a 9th Circuit Court of Appeals decision upholding the right of health care providers to take states to court when they fail to live up to their payment obligations under the Medicaid Act. Section 30(A) of the Act requires states to reimburse providers at rates sufficient to ensure that Medicaid beneficiaries enjoy the same access to health care as the general population. "[S]uch suits are crucial to preserving access to the level of care Congress intended Medicaid to provide," the organizations said in a friend-of-the-court brief. "…In 2012, the cost of providing care to Medicaid beneficiaries exceeded reimbursements by $13.7 billion, up from $11.3 billion in 2009. This persistent gap threatens the availability of quality medical care for tens of millions of people." The appeal was filed by Idaho Medicaid officials. Stay tuned for the ruling, as Medicaid is the single largest payer for mental health services in the United States and is increasingly playing a larger role in the reimbursement of substance abuse care.

Update on the U.S. Supreme Court ACA Subsidy Case: On March 4, the Supreme Court heard oral arguments in *King v. Burwell*, which asks whether subsidies are available for patients in the 34 states whose health insurance exchanges are federally facilitated. In January, AHA and other national hospital associations filed an amicus brief supporting the subsidies for states that rely on the federal exchanges, noting that more than 9 million people, of which over 2.5 million have a serious mental illness, could lose health care coverage if those subsidies are removed. "The AHA is working very closely with the state hospital associations to be fully prepared," noted AHA President and CEO Rich Umbdenstock, in a separate AHASTAT post. To hear a replay of the Mar. 3 Town Hall webcast discussing the case and its implications the day before oral arguments begin, go to www.aha.org/townhall and click as if joining the webinar. For an inside view of the oral argument in the case, see the AHAStat blog posts (part 1 and part 2) from AHA's outside counsel, Sean Marotta.

AHA Advocacy Update

Senate Bill Introduced to Extend & Expand the IMD Demonstration Project: "AHA supports the Improving Access to Emergency Psychiatric Care Act (S. 599), bipartisan legislation to extend the Medicaid Emergency Psychiatric Demonstration Program," noted AHA President, Rich Umbdenstock during his remarks to the to the National Association of Psychiatric Health Systems' Committee on Behavioral Health Services within General Healthcare Systems meeting. The legislation would extend the demonstration through September 2016 or whenever the U.S. Department of Health and Human Services completes its final evaluation of the project, whichever occurs first, as long as the extension would not increase Medicaid costs. It also would allow HHS to extend the demonstration project, set to expire this year, for an additional three years and to other states, subject to the same budget-neutrality standard. Created by Congress in 2010, the demonstration provides up to $75 million to cover Medicaid patients aged 21 to 64 for emergency psychiatric care provided at freestanding psychiatric hospitals with more than 16 beds. The demo is currently operating in 11 states and the District of Columbia. "Because of Medicaid's critical role in covering individuals with mental illness, your legislation holds promise for easing the strain on community hospitals and improving access to quality psychiatric care for this

underserved and vulnerable population," wrote AHA Executive Vice President Rick Pollack in a letter of support to Sen. Benjamin Cardin (D-MD). NAPHS which is held its annual meeting this week in Washington, D.C., also supports the bill.

Bills Introduced to Adjust Medicare Readmissions Penalties for Sociodemographic Factors: Sens. Rob Portman (R-OH) and Joe Manchin (D-WV) and Reps. Jim Renacci (R- OH) and Eliot Engel (D-NY) March 10 introduced AHA-supported legislation (S. 688/H.R. 1343) that would require the Centers for Medicare & Medicaid Services (CMS) to adjust a hospital's performance in the Medicare Hospital Readmissions Reduction Program based on the sociodemographic status of its patients. Please urge your legislators to sign on as co-sponsors. The more co-signers we secure, the better our chances of having the legislation included in the upcoming physician payment fix.

AHA Regulatory Update

AHA Urges VA to Improve Execution of Veterans Choice Program: AHA urged the Department of Veterans Affairs to improve the Veterans Choice Program to address "roadblocks" to veterans' access to care and broader participation by non-VA providers. "While we understand that the VA had an extraordinarily short timeframe in which to implement the program, we have serious concerns about its execution," AHA Executive Vice President Rick Pollack said in comments submitted to the department. Among the concerns, AHA said the VA's interpretation of the requirement that some participants live more than 40 miles from the nearest VA facility "unreasonably restricts many veterans' ability to access care." Approximately 18.5% of service members returning from Iraq or Afghanistan have post-traumatic stress disorder (PTSD) or depression, and 19.5% report experiencing a traumatic brain injury (TBI) during deployment.

TRICARE Rates for Mental Health Services Announced: A recent Department of Defense notice in the *Federal Register* provides the updated regional per-diem rates for low-volume mental health providers; the update factor for hospital-specific per diems; the updated cap per diem for high-volume providers; the beneficiary per diem cost-share amount for low-volume providers; and the updated per diem rates for both full-day and half-day TRICARE Partial Hospitalization Programs for fiscal year 2015 (FY15). Rates are effective for services on or after October 1, 2014.

CMS Issues Provider Network Requirements**:** Last month, the Centers for Medicare and Medicaid Services issued a final letter to insurers describing 2016 certification requirements for Qualified Health Plans (QHPs) in federally facilitated marketplaces or the Small Business Health Options program. QHPs with provider networks are required to maintain a network that is sufficient in number and types of providers, *including those providing mental health and substance abuse services*, to ensure that all services will be accessible to enrollees without unreasonable delay. To determine whether an issuer meets the "reasonable access" standard, CMS said it "will focus most closely on those areas which have historically raised network adequacy concerns," which may include hospital systems and mental health providers, among others.

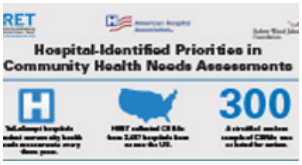
New Resources from the AHA

Panel Discussion on Behavioral Health Care at AHA's Annual Meeting – Health Systems & Hospitals Partnering with their Communities. It is often said that the measure of a society is how it cares for its most sick and vulnerable. Join AHA board member TOM HUEBNER, president of the Rutland (Vt.) Regional Medical Center, and a panel of health care providers who will share examples of effective community partnerships to ensure those with

mental illness are treated and cared for in the most appropriate setting. This is just one of many sessions that make attending the AHA Annual meeting one of the best decisions in 2015.

An Effective, Cost-Efficient Way to Divert Individuals with SMI: The 11th Judicial Criminal Mental Health Project, Miami, FL
Monday, March 30, 2015
4:00 pm-5:00 pm Eastern (3:00 pm CT, 2:00 pm MT, 1:00 PT)
To register for the *free* Webinar & Discussion, offered by AHA's Section for Psychiatric & Substance Abuse Services, Click Here.

If you missed the February 5th webcast and discussion, *Integrating Behavioral Health in an ACO: The NSLIJ Experience,* presented by the AHA Section for Psychiatric and Substance Abuse Services, you can access the Power Point and a webcast recording at: http://www.aha.org/advocacy-issues/mentalhealth/150205webinar.shtml



Behavioral Health Services are Key to Creating a Culture of Health: A new infographic has been created based on the October 2014 report "Hospital-based Strategies for Creating a Culture of Health" that focuses on identifying priorityhealth needs and hospital partners and psychiatric and substance abuse treatments are definitely priorities.

Is Your Organization a Leader in Community Health?: In 1986, the Foster G. McGaw Prize was created to recognize hospitals that have distinguished themselves through efforts to improve the health and well-being of everyone in their communities. Today, despite sweeping changes in the way health care is delivered, hospitals and their communities continue to forge strong partnerships to promote a healthier America, including mental health.

The Baxter Allegiance Foundation and the American Hospital Association founded the Foster G. McGaw Prize on the belief that the relationship between a hospital and its community is unique. We celebrate the winners and finalists of this award because they show us how people working together in hospitals and communities can enrich the environment in which they live. Deadline is April 3 so Click Here for the 2015 Call for Entries brochure.

Tell the AHA How You Integrate Behavioral Health in Population Health Initiatives: The AHA, in conjunction with the Association for Community Health Improvement and the Public Health Institute, is seeking to document how hospitals and health care systems are engaging in population health. To ensure we are most effective on your behalf, we need your hospital to complete this survey. Even if your hospital has not adopted any or all of the population health approaches addressed in the survey, your answers are extremely important. Contact surveysupport@healthforum.com or (800) 530-9092 FREE with any questions.

AHA Guide Offers Hospital-Based Model for Violence Prevention: A new AHA guide offers hospital leaders a model for hospital-based violence intervention that can be tailored to each community's unique needs. "As the location where many victims of violence seek medical treatment, hospitals and health care systems are uniquely positioned to address violence prevention," the report notes. "There is ample evidence that shows hospital-based violence intervention programs reduce violence, save lives and decrease health care costs. This guide offers a model and examples of hospital-based violence

intervention approaches that can be tailored to address the distinctive needs of each community." The document was produced by AHA's Association for Community Health Improvement and Hospitals in Pursuit of Excellence initiative.

The March Behavioral Health Update includes, among other items, a study recently published by *JAMA Psychiatry* reporting that individuals with mental health disorders have a risk of mortality that is two times higher than the general population or than individuals without such disorders; and a presentation heard by the Medicaid and CHIP Payment and Access Commission entitled "Medicaid's Role in Behavioral Health: Background and Policy Issues" and much more. For additional resources, including opiate prescription policies for emergency departments offered by two state hospital associations, and an Opioid Fact Sheet provided by the National Association of State Alcohol and Drug Abuse Directors, go to the Section's website at www.aha.org/psych.

Rebecca B. Chickey
Director, Section for Psychiatric & Substance Abuse Services, 615-354-0507; rchickey@aha.org