

Strategic Initiative #4: Health Care Reform

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Issue Statement

In March of 2010, President Obama signed into law the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (referred to together as the Affordable Care Act) which seek to make health insurance coverage more affordable to individuals, families and the owners of small businesses. When fully implemented, the law will provide access to coverage for an estimated 32 million Americans who are now uninsured. The Affordable Care Act reforms insurance markets to make them more competitive and protects consumers' rights by prohibiting such practices as excluding people from coverage due to pre-existing conditions, placing annual or lifetime caps on coverage, banning rescission of coverage, and establishing basic minimum benefit packages. The Affordable Care Act recognizes that prevention, early intervention and treatment of mental and substance use disorders are an integral part of improving and maintaining overall health.

The passage of the Affordable Care Act assures that mental health and substance use services provided to newly covered individuals are provided at parity and consistent with the 2008 passage of the Mental Health Parity and Addiction Equity Act.

Under the Affordable Care Act, the Medicaid program will play an increasing role in the financing and delivery of mental health and substance use services. The Affordable Care Act expands the opportunity for States and Territories to use current and new provisions of the Medicaid program to offer services to current and newly eligible enrollees. This includes expanding eligibility to individuals without dependent children and whose incomes are below 133 percent of the Federal poverty level (FPL). The Affordable Care Act provides a significant focus on expanding and improving home and community based services for individuals with disabilities, including those with a mental or substance use disorder. In addition, the Medicaid program will cover prevention services, including screening for depression and alcohol. The Centers for Medicare and Medicaid Services (CMS) will enhance efforts to develop strategies for individuals who are dually eligible for Medicare and Medicaid services—a significant number of these individuals need mental health and substance use services.

The Affordable Care Act will also have an impact on SAMHSA's Block Grants. The new opportunities under the law will significantly expand mental health and substance use treatment and support services under Medicaid and insurance products offered to working class families. Some changes are already in effect while others are not yet implemented including a major expansion in Medicaid enrollment that will take place in

2014. Some of these individuals received treatment and supports funded through the Mental Health Services Block Grant (MHBG) or the Substance Abuse Prevention and Treatment Block Grant (SAPTBG). This will allow the Block Grants to purchase other needed services that support individuals and families toward their recovery and resiliency goals. Many of these services may not be covered by Medicaid or private insurance. Therefore Block Grant services will be necessary to complete the benefit package for some people with insurance and deliver the full range of services to others who will still not have coverage. Through these and other efforts, SAMHSA will consistently seek to align the efforts of public and private sectors.

Finally, the Affordable Care Act seeks to enhance the availability of primary care services, especially for low-income individuals that have complex health needs. The Affordable Care Act has many provisions that seek to identify and coordinate primary care and specialty services for these individuals through medical homes. Medical homes is a concept that has been used for many years and specifically designates a health care professional, practice, or clinic, to be accountable for identifying and coordinating a wide range of services. There are specific provisions in the law that will increase access to medical homes for individuals with serious mental illness and individuals with co-occurring addiction and other chronic conditions. Better coordinating care will reign in unsustainable costs for families, government, and the private sector making it more accessible and affordable.

SAMHSA has a prominent role in several key provisions of the Affordable Care Act. A major provision requires States and Territories to consult with SAMHSA in developing medical homes for individuals with mental health and substance use disorders. SAMHSA is also responsible for developing Centers of Excellence for Depression and Post Partum Depression. In addition, SAMHSA is taking a lead role in shaping policies regarding home and community based services for individuals with mental and substance use disorders.

Background

Reform of the health care system will be complex, challenging, and laden with competing priorities. The next three years will provide the foundation for the newly reconfigured health care system for many years. SAMHSA's focus must be to ensure that mental health and addiction services are an integral part of many health care reform efforts. In addition, SAMHSA must support States, Territories, Tribes, primary care and behavioral health providers, and individuals and families to understand and participate actively in designing and implementing local health care reform efforts.

SAMHSA will need a multi-faceted strategy for addressing health care reform. SAMHSA is already developing and implementing strategies that will address the

provisions for which it is responsible. SAMHSA will also work closely with States and Territories in developing specific strategies that will ensure individuals with mental and substance use disorders and their families have access to services that promote recovery and resiliency. SAMHSA will assist providers in their efforts to understand and incorporate changes in their practices and strategies that comport with the major themes of the Affordable Care Act: integration between primary care and behavioral health, accountability, quality home and community based services, and availability of wellness and prevention services. The changes that are proposed under the Affordable Care Act are broad. SAMHSA will ensure that individuals and families understand the tenets and implication of health care reform in order to be active participants in their health care choices and services.

The Affordable Care Act includes many provisions applying specifically to Tribes, and many of the other provisions of health care reform that disproportionately impact the AI/AN community because of their overrepresentation in groups that will benefit from health reform. Due to the complexity of these issues and the scope of the changes, special attention will be required in order to make sure that implementation efforts meet the necessary standard for Tribal consultation.

Parity between mental health and addiction services and medical/health services is also one of SAMHSA's priorities. This includes ensuring services offered under Affordable Care Act are consistent with parity and these services are managed no differently than medical and other health benefits offered by Medicaid and private insurance.

The passage of Affordable Care Act necessitates that SAMHSA and CMS work more closely than ever before in designing services to meet the needs of individuals with a wide range of mental health and substance use conditions. SAMHSA must provide the content expertise to CMS in planning, designing, reimbursing and overseeing services. Several provisions of the Act require the two agencies to provide technical assistance and guidance to States, Territories, and providers regarding critical policies and programs.

SAMHSA's reexamination of the Block Grants will be thoughtful. While the details of what services will be available to individuals under Medicaid and private insurance are still pending, SAMHSA has expressed an interest in ensuring more recovery and resiliency oriented services are purchased with Block Grant funds. SAMHSA will work closely with States, Territories, and other stakeholders to discuss and design changes to the Block Grant over the next several years to prepare for 2014 when 32 million more Americans will be covered by health insurance.

SAMHSA will also build upon its Primary and Behavioral Health Care Integration (PBHCI) program to implement new opportunities under the Affordable Care Act. This

includes planning the next generation of PBHCI with CMS, Indian Health Service (IHS), and Health Resources and Services Administration (HRSA). These efforts will include developing new or expanding current models that support this integration. SAMHSA will also be a lead investor in collaboration with HRSA in a technical assistance effort for States, Territories, and providers to spread and sustain integration efforts.

Fast Facts

- 32 million more Americans will be covered in 2014. Between 20 and 30 percent of these (6-10 million people) will have a mental or substance use disorder.^{42, 43}
- CMS spends \$370 billion on services for individuals who are dually eligible for Medicare and Medicaid. Almost 60 percent of these individuals have a mental disability.⁴⁴
- Medicaid is a primary payer of mental health services. Forty-four percent of mental health funding managed by State Mental Health Authorities comes from Medicaid.⁴⁵
- Thirty-five percent of all SAPTBG funds are used to support individuals in long term residential settings.⁴⁶
- The Mental Health Parity and Addiction Equity Act affects 140 million individuals participating in group health plans.⁴⁷
- Many individuals with mental health and substance use disorders will no longer pay significant out-of-pocket expenses for medication, due to the closing of the “doughnut hole” in Medicare Part D.⁴⁸
- Some States spend 75 percent of their public behavioral health expenditures on children in residential settings.⁴⁹
- The Affordable Care Act will increase the number of people who are insured. Currently individuals with a mental health disorder are twice as likely to be uninsured than those without a mental disorder.⁵⁰
- Medicaid will play an increasing role in financing mental health and addiction services. Currently, Medicaid accounts for 58 percent of mental health expenditures by State Mental Health Agencies; as much as 80 percent for children.⁵¹
- Among the currently uninsured aged 22-64 w/family income < 150 percent of FPL, 32.4 percent had illicit drug or alcohol dependence/abuse or mental illness.⁵²

Strategic Initiative 4 – Goals

Goal 4.1: Assure behavioral health is included in all aspects of Health Care Reform (HCR) implementation.

- Goal 4.2:** Support Federal, State, and Territorial efforts to develop and implement new provisions under Medicaid/Medicare.
- Goal 4.3:** Finalize and implement the parity provisions in MHPAEA and the Affordable Care Act.
- Goal 4.4:** Develop changes in SAMHSA Block Grants to support recovery and resilience.
- Goal 4.5:** Foster the integration of primary and behavioral health care.

Goal 4.1: *Assure behavioral health is included in all aspects of Health Care Reform (HCR) implementation.*

Objective 4.1.1: Implement strategies that address critical provisions in the Affordable Care Act.

Action Steps:

1. Develop and implement work plans for major provisions that are owned by SAMHSA. Major areas of focus will be the development of integrated health homes that include mental health and addiction services, primary care behavioral health initiatives, Home Visiting Program, mental health and behavioral health education and training grants, Centers of Excellence for Depression and pilots for post-partum depression.
2. Track and report progress on activities and policy decisions from HHS workgroups.
3. Co-lead an HHS workgroup to develop policies for home- and community-based services offered by Federal and State agencies.
4. Develop recommendations to HHS regarding the mental health and addiction services that should be available to individuals that receive services through essential and benchmark plans.

Objective 4.1.2: Support States, Territories, and Tribes in their efforts to understand, design and implement State, Territory, and tribe-specific health care reform strategies and reduce health care disparities.

Action Steps:

1. Develop strategies for States and Territories to implement HCR reform, including identifying model policies and lessons learned from States and Territories that have expanded eligibility.
2. Develop, coordinate and evaluate a technical assistance strategy to States and Territories regarding health care reform.

3. Support Tribes in their efforts to understand, design and implement health care reform strategies through tailored technical assistance and information resources.
4. Develop strategies for Tribes to implement HCR reform, including identifying model policies and lessons learned from States and Territories that have expanded eligibility.
5. Develop, coordinate and evaluate a technical assistance strategy for Tribes regarding health care reform (2011-2013).

Objective 4.1.3: Support providers in their efforts to understand, design and implement State and Territory-specific Health Care Reform strategies.

Action Steps:

1. Assist provider organizations to identify their programmatic and operational needs under healthcare reform (and current tools that can help them with this transition).
2. Develop strategy for addressing providers' infrastructure needs for HCR (billing, Electronic Health Records (EHR), compliance, access and retention).
3. Support SAMHSA and other HHS OPDIVs' demonstration and targeted grant programs that encourage community providers to integrate behavioral health and primary health care activities.
4. Establish a national training and technical assistance center on the bidirectional integration of primary and behavioral health care and related workforce development.

Objective 4.1.4: Ensure adults and children with mental and substance use disorders and their families understand and take advantage of HCR and parity.

Action Steps:

1. Identify immediate HCR issues and concerns, develop and conduct environmental scan of HCR issues.
2. Develop educational and other communication material based on action step 1.
3. Identify enrollment issues and effective enrollment strategies from States and Territories that have implemented expanded eligibility.
4. Provide information and technical assistance to States and Territories regarding effective enrollment strategies, through expansion of and modification to Supplemental Security Income/ Social Security Disability Insurance (SSI/SSDI) Outreach, Access and Recovery (SOAR).

5. Develop processes to track and assess State and Territory-specific educational and enrollment processes.
6. Target technical assistance for populations with behavioral health needs who may be harder to enroll.

Objective 4.1.5: Effectively communicate with States, Territories, Tribes, providers, consumers and other stakeholders about health reform implementation.

Action Steps:

1. Develop outreach materials for consumers and providers.
2. Coordinate initial webinars on high risk pools, exchanges and health homes.
3. Update SAMHSA website with new health reform section.
4. Launch SAMHSA Health Reform Blog.
5. Hold regular stakeholder meetings.
6. Conduct SAMHSA staff training on health reform.
7. Hold Monthly Brown Bag Lunches at SAMHSA related to health reform.
8. Provide input to Healthreform.gov and other Federal communication efforts related to health reform.

Goal 4.1 Measures:

Measures under development

Goal 4.2: *Support Federal, State, and Territorial efforts to develop and implement new provisions under Medicaid/Medicare.*

Objective 4.2.1: Increase SAMHSA staff's understanding of current Medicaid program coverage and potential impact of HCR on States, Territories, and Tribes.

Action Steps:

1. Develop and implement a training strategy for SAMHSA staff that work closely with States and Territories regarding Medicaid, Medicare and HCR.
2. Work with CMS to identify current coverage under Medicaid for mental and substance use disorders by State or Territory.
3. Identify current Medicaid services coverage issues that will remain even after implementation of health reform and parity.

Objective 4.2.2: Provide technical assistance to States and Territories regarding current and new opportunities under Medicaid program.

Action Steps:

1. Identify critical Medicaid strategies under HCR.
2. Develop initial informational strategies for States and Territories to take advantage of opportunities.
3. Meet with CMS to discuss information dissemination and technical assistance plans.
4. Identify internal and external technical assistance resources based on action step 3.

Objective 4.2.3: Work with CMS to develop policies and programs that expand access to mental health and substance use services.

Action Steps:

1. Review and comment on draft regulations and State and Territorial Medicaid Directors' letters prior to formal clearance.
2. Chair or participate on interagency workgroups with Medicaid (Long Term Care (LTC), health homes, dual-eligibles, mental health internal working group, Technical Advisory Group (TAG)).
3. Develop a joint CMS/SAMHSA technical assistance effort for Olmstead and Early Periodic Screening, Diagnosis, and Treatment (EPSDT) litigation.

Goal 4.2 Measures:

Measures under development

Goal 4.3: *Finalize and implement the parity provisions in MHAPEA and the Affordable Care Act.*

Objective 4.3.1: Develop additional policies that clarify parity in health care reform.

Action Steps:

1. Work with CMS and ASPE to develop Medicaid managed care regulations.
2. Work with ASPE to review Interim Final Rule (IFR) comments and propose changes to the IFR.

Objective 4.3.2: Track consumer and employer complaints regarding implementation of parity.

Action Steps:

1. Identify State, Territorial, and Federal touch points for consumer complaints regarding coverage.
2. Develop consumer and family tip sheets for parity based on action step 1.
3. Work with CMS, DOL, and ASPE to collect and analyze information regarding complaints.
4. Work with Federal partners and stakeholders to develop effective oversight and enforcement strategies.

Goal 4.3 Measures:

Measures under development

Goal 4.4: *Develop changes in SAMHSA Block Grants to support recovery and resilience.*

Objective 4.4.1: Develop a spending baseline for current Block Grants.

Action Steps:

1. Collect and analyze current Block Grant spending information.
2. Identify information gap and develop strategies to obtain additional information.
3. Collect and analyze information.
4. Develop a report that provides baseline spending under the Block Grants.

Objective 4.4.2: Develop recommendations for spending changes.

Action Steps:

1. Based on analysis in 4.1, identify service gaps.
2. Project services that will be covered under third party reimbursement.
3. Identify service specific categories for use of Block Grant funds.
4. Identify use of Block Grant funds for non-service specific activities.
5. Review recommendations with SAMHSA's Executive Leadership Team.

Objective 4.4.3: Incorporate service definitions into Block Grants.

Action Steps:

1. Identify services workgroups (prevention, tribal services, recovery and children and family support services and residential).

2. Develop standard service definitions and/or service models.
3. Meet with stakeholders to review service models.
4. Amend Block Grant application to include new services.

Objective 4.4.4: Develop changes in application and reporting under Block Grants.

Action Steps:

1. Conduct Block Grant internal working group (bi-weekly).
2. Identify and implement changes in 2011 in preparation for FY 2012-2014.
3. Develop communication and planning strategies with State associations.
4. Identify services and infrastructure activities to be purchased with Block Grant funds in FY 2014.

Goal 4.4 Measures:

Measures under development

Goal 4.5: *Foster the integration of primary and behavioral health care.*

Objective 4.5.1: Increase State, Territorial, and local efforts to integrate primary and behavioral health care.

Action Steps:

1. Implement a national training and technical assistance center on the bidirectional integration of primary and behavioral health care and related workforce development.
2. Increase the number of primary care and behavioral health integration sites.
3. Develop a targeted strategy for behavioral health and primary care providers to reduce the use of tobacco products by individuals with a mental illness or substance use disorder.
4. In cooperation with HRSA, provide technical assistance to Federally Qualified Health Centers and Community Health Centers to address the behavioral health care needs of individuals with mental illnesses, substance use and co-occurring disorders.
5. Develop and implement a strategy to provide technical assistance to States and Territories that seek to amend their Medicaid Plan to include health homes for persons with a mental illness or substance use disorder and to ensure that health homes screen for mental illness and substance use.
6. Award cooperative agreement for the national technical assistance center on primary and behavioral health care integration.

Objective 4.5.2: Expand Screening, Brief Intervention and Referral to Treatment (SBIRT) across primary care settings.

Action Steps:

1. Develop a workforce development plan for FQHCs, CHCs and larger primary care practices to adopt effective SBIRT approaches in collaboration with HRSA.
2. Increase efforts by federal agencies to promote the coverage of SBIRT in reimbursement and grant activities.
3. Increase third party coverage of SBIRT for depression, addiction and other diseases.

4.5 Measures:

Measures under development

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⁴⁷ Advocate for Human Potential .(2010). Special Report: MHPAEA Regulations. *Issue Paper Number 4, 3*.

⁴⁸ Health Care and Education Reconciliation Act of 2010. 2010, 9

⁴⁹ Technical Assistance Collaborative.(2010). *Out of Home Residential Services, State of New Mexico, Human Services Department*, 16

⁵⁰ Mechanic, D. (2001). *Closing Gaps in Mental Health Care*. Health Services Research 36:6.

⁵¹ SAMHSA & NIH .(2000). *Organizing and Financing Mental Health Services*. Mental Health: A Report of the Surgeon General, www.surgeongeneral.gov/library/mentalhealth/home.html

⁵² Hyde, P.(2010). Health Insurance Reform- Possibilities: Shaping the Future of Behavioral Health.

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