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: November 2015

Counting on Coverage.

Coverage is a fundamental component of achieving our vision of a society of healthy communities, where all individuals reach their highest potential for health. Nov. 1, when the open enrollment period for the 2016 Health Insurance Marketplace begins, kicks off a terrific opportunity for all community stakeholders, including hospitals, to continue to reach out to consumers and make the enrollment process easy, accessible and widely available. People won't enroll if they don't know what's available, and hospitals across the country are doing important work helping people understand their options and enroll in affordable health coverage. For a wealth of AHA, federal and state resources to support your hospital's enrollment efforts, see our special Coverage Matters page.

"Save the Date! AHA Annual Meeting May 1-4, 2016 in Washington, D.C."

Don't miss this opportunity to learn more about integrating behavioral & physical health services.

AHA Advocacy Update

Helping Families in Mental Health Crisis Legislation: The House Energy and Commerce (E&C) Health Subcommittee recently voted 18-12 to approve a substitute amendment to the Helping Families in Mental Health Crisis Act (H.R. 2646), legislation authored by Reps. Tim Murphy (R-PA) and Eddie Bernice Johnson (D-TX) to reform elements of the nation's mental health system. In a letter sent to the subcommittee, the AHA voiced support for a provision that would allow states to use federal Medicaid funds to cover services for adults in inpatient psychiatric hospitals under certain circumstances. The bill now moves to the full E&C Committee for further consideration. Sens. Bill Cassidy (R-LA) and Chris Murphy (D-CT) have introduced a similar bill, which the Health, Education, Labor & Pensions Committee is expected to take up next year.

Bill to Combat Deadly Synthetic Drugs: The House E&C Health Subcommittee also approved the Synthetic Drug Control Act (H.R. 3537). The AHA-supported legislation would give the Drug Enforcement Administration authority to stop the distribution, sale and use of additional synthetic drugs by classifying them as Schedule I controlled substances. Since 2012, when 26 types of synthetic drugs were added to Schedule I, "many new synthetic substances have entered the market, leading to devastating health consequences and increased mortality, particularly among the nation's youth," said AHA Executive Vice President Tom Nickels.

Senate Addresses Newborn Opioid Dependency: The U.S. Senate has approved the bipartisan Protecting Our Infants Act (S. 799). The AHA-supported legislation would direct the Secretary of Health and Human Services (HHS) to develop a strategy and recommendations to decrease the number of infants with opioid dependency, and encourages HHS to work with states to improve the public health response to this epidemic. A similar bill (H.R. 1462), also endorsed by AHA, passed the House in September.

House Bill on the *Institution for Mental Disease (IMD)* Exclusion: Reps. Susan Brooks (R-IN) and John Sarbanes (D-MD) introduced legislation (H.R.3681) to extend and expand the Medicaid Emergency Psychiatric Demonstration Project, which ends this year in 10 states and D.C. without Congressional action. The bill is the companion to S. 599, which is supported by AHA and has passed the Senate.

Senators want Full Implementation of Parity Law: Sens. Chris Murphy (D-CT) and Kelly Ayotte (R-NH) led

a bipartisan group of 24 senators in a letter to the Secretaries of HHS and Labor urging "immediate and overdue action" to implement the "*Mental Health Parity and Addiction Equity Act* (MHPAEA)." MHPAEA was passed into law more than seven years ago, and "parity is still not a reality for individuals living with mental illness and addiction today." The senators urged the agencies to report back findings of audits done to determine parity compliance. They also requested release of final regulations on Medicaid parity.

The President Signs Budget Agreement: The legislation extends the debt ceiling through March 2017 and raises discretionary spending caps imposed in 2011 by $80 billion over the next two years. The budget deal also averts a shortfall in the Social Security disability trust fund that would have reduced disability benefits substantially, and it prevents a 2016 Medicare Part B premium increase of nearly 50% for 15 million seniors. The cost of the Medicare provisions was offset in part by implementing site-neutral payment reductions for new off-campus provider-based hospital outpatient departments that are not dedicated emergency departments and that start billing for Medicare outpatient services on or after November 2, 2015. Beginning Jan. 1, 2017, these HOPDs, including behavioral health, would not be eligible for reimbursements under the outpatient prospective payment system, but would instead be reimbursed according to either the Medicare physician fee schedule (PFS), the ambulatory surgical center (ASC) payment system, or the clinical laboratory fee schedule (CLFS). The agreement extends the 2% Medicare sequester for an additional year. For more information, see AHA Special Bulletin.

AHA Regulatory Update

Partial Hospitalization Rates & Two Midnight Policy: The Centers for Medicare & Medicaid Services (CMS) has issued a final rule for calendar year 2016 for the hospital outpatient prospective payment and ambulatory surgical center payment systems. Under the rule, there is a net decrease in OPPS payments of 0.4%. AHA Executive Vice President Tom Nickels expressed disappointment with the negative update. The rule also details the final adjusted partial hospitalization program (PHP) rates under OPPS: The hospital-based Level 1 (3 services) rate is $183.41. The hospital-based Level II (4 or more services) rate is $212.67. The community mental health center (CMHC) Level 1 (3 services) rate is $94.49. The CMHC Level 2 (4 or more services) rate is $143.00. CMS also finalized its "two-midnight" policy so that certain hospital inpatient services that do not cross two midnights may be considered appropriate for payment under Medicare Part A if a physician determines and documents in the

patient's medical record that the patient required reasonable and necessary admission to the hospital. CMS makes no changes for stays that last at least two midnights. AHA's Special Bulletin provides details.

Defining Substantial Inpatient Hospitalization Coverage: The AHA voiced support for an Internal Revenue Service supplemental notice of proposed rulemaking, clarifying that applicable large employers must provide substantial coverage for inpatient hospitalization and physician services to meet the minimum value standard for health benefits under the ACA. "We will continue to advocate for a definition in both CMS and IRS rulemaking that ensures substantial inpatient hospital benefits", said AHA EVP Tom Nickels.

Monitoring Medicaid Access & Discharge Planning: CMS has released a final rule requiring states to submit plans to monitor access to care for Medicaid beneficiaries, and establishing new review procedures for proposed rate changes in the Medicaid fee-for-service program; and a proposed rule revising discharge planning requirements. For more information, go to AHA's Special Bulletin: Medicaid Monitoring Access and Payment; and AHA's Special Bulletin: Discharge Planning for Hospitals, Post-acute Providers. The new discharge planning rules do apply to psychiatric hospitals.

Veterans Choice Program: The Department of Veterans Affairs issued a final rule for the Veterans Choice Program. The rule finalizes an AHA recommendation to use driving distance to determine the distance, rather than straight-line distance, between a veteran's residence and the nearest VA medical facility. The Veterans Access, Choice and Accountability Act of 2014 requires the VA to enter into agreements with eligible non-VA entities or providers to furnish hospital care and medical services, including behavioral health, to eligible veterans who elect to receive care under the program. Eligibility criteria include living more than 40 miles from the nearest VA facility.

Proposed 340B Guidance Hurts Patients: The Health Resources and Services Administration's (HRSA) proposed omnibus guidance for the 340B Drug Pricing Program would jeopardize hospitals' ability to serve vulnerable populations, including low-income and uninsured individuals and patients receiving cancer treatments, AHA told the agency in comments submitted Oct. 27. The AHA expressed strong concerns about many of the agency's proposals related to defining patient eligibility for the program, saying that they "would narrow inappropriately the number of drugs that qualify for 340B pricing," and "threaten access to care for patients who need care the most." For more on AHA's reaction to the proposed guidance, see the Oct. 27 AHASTAT blog post.

AHA Constituency Section Resources

AHA Constituency Section Member Best Practice Webcasts

A Behavioral Intervention Team for Internal Medicine:
Yale's Proactive, Multi-disciplinary Psychiatric Consultation Service

Tuesday, November 17, 2015
3:00 pm – 4:00 pm Eastern

Steve Merz, Vice President & Executive Director, Behavioral Health; Merlyn LaPaix, MSN, MBA, LNC, Director, Psychiatric Nursing; and William Sledge, M.D., Medical Director, Behavioral Medicine, Yale-New Haven Hospital, New Haven, CT, will describe BIT: a proactive, multi-disciplinary psychiatric consultation service for all internal medicine inpatients at Yale-New Haven Hospital. The webcast will highlight how BIT has helped Yale-New Haven Hospital improve patient outcomes and provider satisfaction, and reduce length of stay. To register, click here.

Improving Care & Reducing Costs for Behavioral Health Patients:
Middlesex Hospital's Role in a Community Partnership

Wednesday, December 2, 2015
4:00 pm – 5:00 pm Eastern

Vincent Capece, President & CEO, Terri Dipietro, Director, Center for Behavioral Health, and Dr. Michael Saxe, Chairman Department Emergency Medicine, Middlesex Hospital, Middletown, CT, will describe the award-winning Community Care Team (CCT), a collaborative partnership of which Middlesex Hospital is a member. CCT partners offer patients with behavioral health disorders a coordinated intervention, which has achieved a 52% reduction in emergency department and inpatient visits, a Medicaid saving per patient of $915 and improved quality of care. To register, click here.

November Update: The November Behavioral Health Update includes, among other items; the Presidential memorandum directing federal agencies to take steps to combat prescription drug abuse and heroin use; Kennedy Forum issue brief: *A National Call for Integrating and Coordinating Specialty Behavioral Health Care with the Medical System*; and the 2015 Kelly Report on Health Disparities in America, which, in part, examines disparities in mental health care.

For additional resources, such as: an updated fact sheet: "Medicare Inpatient Psychiatric Facility (IPF) Services Payment System"; and an updated *Overview of State Legislation to Increase Access to Treatment for Opioid Overdose*; and ParityTrack, an evaluation of parity implementation in all 50 states; 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