



Health Care Reform Update

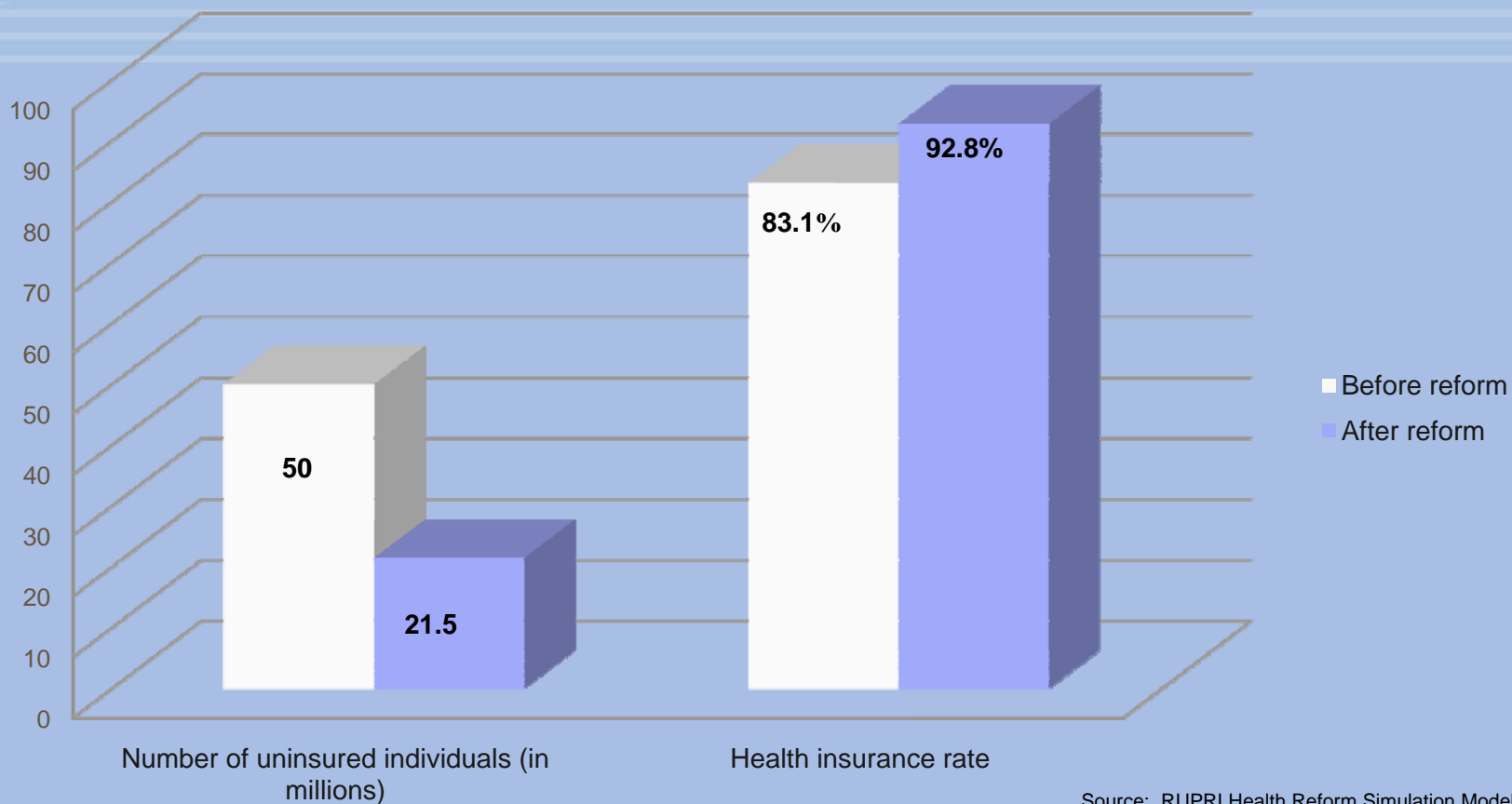
January 13, 2010

Charles Ingoglia
Vice President, Public Policy

End Result of Reform

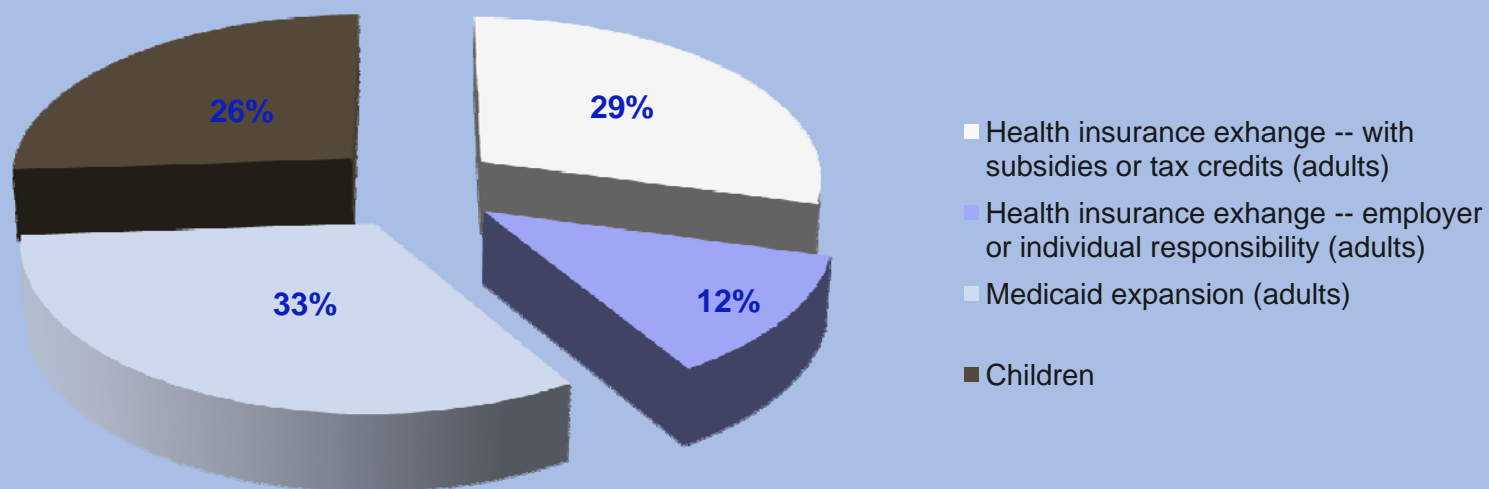
- More public MH system-eligible individuals will have coverage under Medicaid and private insurance
- States will need to expand capacity considerably to meet demand
- For IP and basic OP, individuals might choose to go outside public system
 - How to coordinate when they need additional services may become an issue

Expected Effect of Health Care Reform Legislation on Number of Uninsured Individuals, Coverage Rate



Source: RUPRI Health Reform Simulation Model

Expected Sources of Coverage Under Health Care Reform Legislation



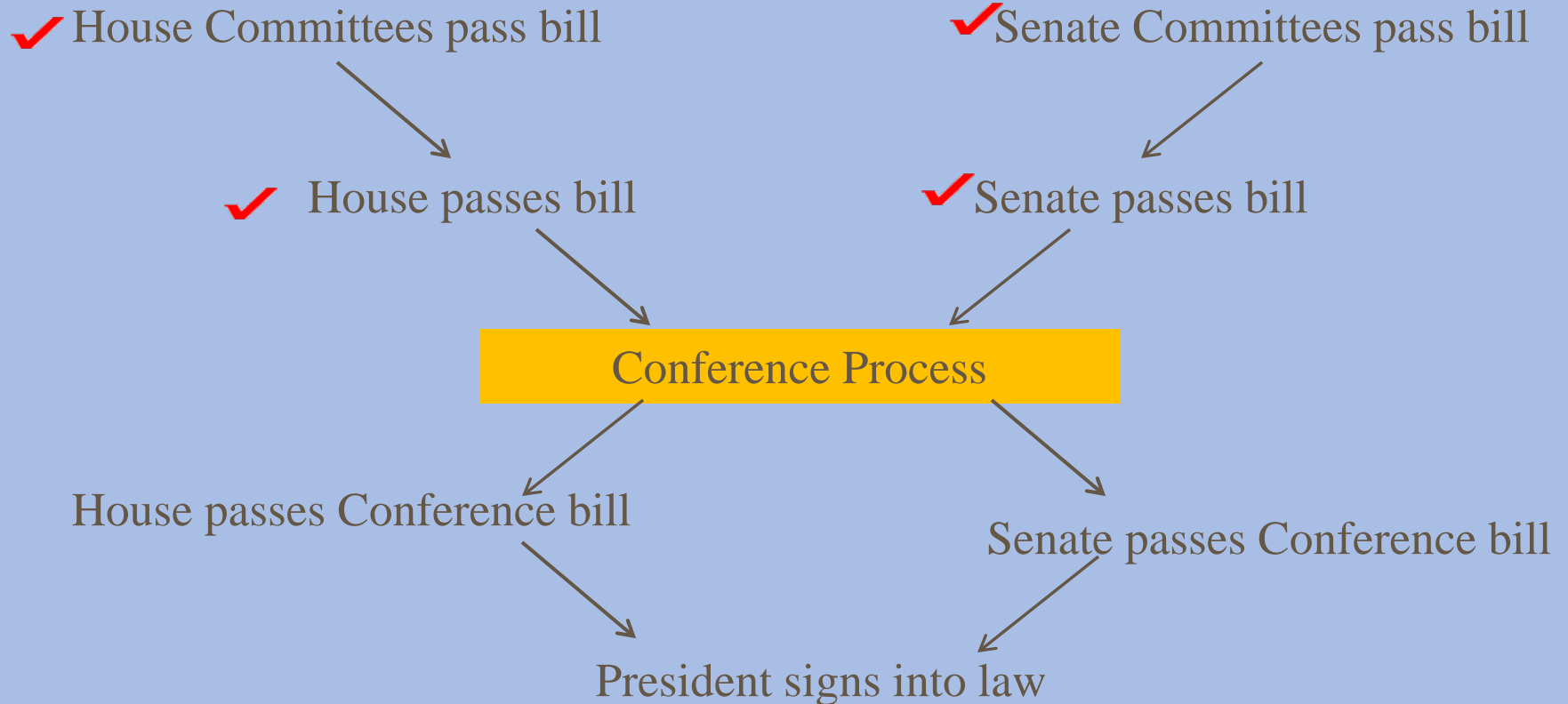
Source: RUPRI Health Reform Simulation Model



Side-by-Side Comparison Chart

http://www.thenationalcouncil.org/galleries/policy-file/House_Senate%20HC%20Reform%20Bill%20Comparison_Update%20Dec%2030.pdf

How Far We've Come



Senate & House Update

- House & Senate passed healthcare reform in 2009.
 - Differences between bills must be reconciled
- Since then, unofficial negotiations through the holidays and January – “conference process”
- House returned from recess on Jan 12
- Senate returning on Jan 20
- Goal is to pass a reconciled bill through Congress to be signed by President before State of the Union.

Conference Discussions

- **Type of Exchange:** National vs. State
- **Individual Subsidies:** sliding scale & income eligibility varies
- **Benefit Tiers:** Actuarial value
- **Employer Mandate:** small business exemption, eligibility and penalties
- **Medicaid expansion:** income eligibility
- **Revenue:** taxes on income, fees, and/or services
- **Abortion Services:** Coverage in the exchange?

The Basics

- Medicaid expansion
 - Senate: Up to 133% of FPL
 - House: Up to 150% of FPL
- Young adults coverage
 - Senate: Could stay on parents' plan until 26.
 - House: Could stay on parents' plan through 26.
- Ban on Pre-existing conditions
 - Senate: Immediate ban for children; begins in 2014 for adults. Creates high-risk insurance pool to cover people with pre-existing conditions.
 - House: Places limits on how far back in medical history insurers may look for pre-existing conditions; complete ban in 2013. Also creates high-risk insurance pool

The Basics

- Lifetime/Annual Limits
 - Senate: Prohibits use of lifetime limits (6 months after enactment) and annual limits (beg. 2014). Prior to that, Sect. of HHS will establish restrictions on insurers ability to apply annual limits
 - House: Prohibits use of lifetime limits (beg. 2010)
- Public Plan Option
 - Senate: None
 - House: Exchange must have a public plan option beg. In 2013.
- CHIP
 - Senate: Extends program until 2015; MOE requirements for states
 - House: MOE requirements for states

The Basics

- Individual/Small Group Market
 - Senate: Sect. of HHS will award grants to states to establish American Health Benefit Exchanges by 2014; allows for national insurance plans – “multi-state plans”
 - House: Establishes the Health Insurance Exchange
- Essential Benefit Package
 - Senate & House: Essential benefit package includes “mental health and substance use disorder services, including behavioral health treatment” and rehabilitative & habilitative services
 - Senate & House: Applies parity to products offered in the exchange

Specific Provisions

- \$25M State Option to Provide Health Homes to Individuals with Chronic Conditions **SENATE**
 - Includes mental health conditions and substance use disorders
- Grants for co-locating primary and specialty care in community-based mental health settings **SENATE**
 - \$50M in 2010
 - For adults with MI with co-occurring primary care conditions and chronic diseases.
- CLASS Act **SENATE & HOUSE**
 - Establishes a new voluntary long-term care insurance program

Specific Provisions

- IMD Emergency Care Demo **SENATE & HOUSE**
 - Creates a \$75M 3-year demo project for test reimbursement of private psychiatric hospitals for the stabilization of emergency medical conditions
- Codifies the Six Protected Classes in Medicare Part D program **SENATE**
- FQBHCs: Establishes criteria for the certification of FQBHCs & recognizes entity's role as a safety net provider. **HOUSE**
- LMFTs & LPCs: Adds state-licensed/certified LMFTs & LPCs as Medicare providers and pays them at the same rate as social workers. **HOUSE**

What the National Council has been Working on...

- Signed on to multiple coalition letters, advocating for inclusion of specific provisions from the House and Senate bills
- Action Alerts to members in support of certain provisions (e.g. FMAP extension)
- Direct outreach to key offices



Next Healthcare Reform Update Webinar

Save the Date: February 1, 2pm EST



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