

Health Care Reform Update

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Senate Update: Patient Protection and Affordable Care Act

- On Nov. 18, Democrats announced CBO score
 - Cost: \$849B
 - Cut the deficit by \$127B over 10 years
 - Expected to cover 94% of Americans
- Senate parliamentary practice: Senate must use House passed bill to initiate Senate floor debate
 - HR 3590: House passed bill that assists first-time home buyers

Looking into the Crystal Ball...

- Floor debate may begin on Fri, 11/20
 - Amendments introduced after Thanksgiving
 - Senate leadership still hope to pass bill before Christmas recess
- Timing is everything!
 - Later this goes, the less comprehensive it is expected to be
- Abortion services will likely become sticking point for votes again

The Basics

- Medicaid expansion: Up to 133% of FPL
- Young adults could stay on parents' plan until 26.
- Includes Public Plan Option: State Opt-Out
- Immediately creates a high-risk insurance pool to cover people with pre-existing conditions until 2014.
- Creates individual/small group market exchanges
 - Essential benefit package includes “mental health and substance use disorder services, including behavioral health treatment” and rehabilitative & habilitative services
 - Applies parity

Specific Provisions

- \$25M State Option to Provide Health Homes to Individuals with Chronic Conditions (Sec. 2703)
 - Includes mental health conditions and substance use disorders
- Grants for co-locating primary and specialty care in community-based mental health settings (Sec. 5604)
 - \$50M in 2010
 - For adults with MI with co-occurring primary care conditions and chronic diseases.
- CLASS Act (Sec. 3201)
 - Establishes a new voluntary long-term care insurance program

House Update

- > On Nov. 7, the House voted to approve the Affordable Health Care for America Act (HR 3962)
 - > Vote: 220-215 (1 Republican voted in support, 39 Dems voted against)
 - > House bill includes a provision that all insurance plans that receive any federal funds cannot cover elective abortion (also includes public plan option)

Overview

- Covering the Uninsured: 96% of non-elderly legal U.S. residents would have coverage by 2019
 - Young adults could stay on parents' plan until 27
- Medicaid Expansion: Sets income limit at 150% of FPL (includes childless adults)
 - MOE Requirement for States – Cannot implement any add'l restrictions that were not in place as of 6/16/09
 - In 2013 and 2014, Federal gov't would pay 100% of costs, then 91% in 2015 and beyond.

Overview

- Premium & Out of Pocket Cost Credits: For individuals/families between 151% and below 400% of FPL to purchase insurance through the exchange
- Cost-Sharing Assistance: On a sliding scale for individuals earning less than 400% of FPL
- Medicare Part D: Phases out ‘donut hole’ coverage gap, with full elimination by 2019.

Overview

- Public Option: Requires the creation of a public plan option to compete with other plans in the exchange
- SCHIP: Expires on Dec. 31, 2013.
- Medicaid FMAP: Extends temporary FMAP increase for an additional 6 months.

Cost of HR 3962: \$894B over 10 years

Insurance Market Reforms

- Applies the Wellstone/Domenici Parity Act to all benefit packages offered in the exchange
 - Doesn't pre-empt state parity laws
- Insurers cannot discriminate based on pre-existing conditions or use lifetime limits to restrict benefits

Workforce Investments

- Training: Establishes a new training program for mental and behavioral health professionals
 - Includes those specializing in substance abuse counseling and addiction medicine
- LMFTs & LPCs: Adds state-licensed/certified LMFTs & LPCs as Medicare providers and pays them at the same rate as social workers.
 - Also includes LMFTs and LPCs who provide services in FQHCs and RHCs.

Other Provisions of Interest

- 340B pricing: Expands discounts to other entities, including those that provide community mental health services
- Federally Qualified Behavioral Health Centers: Establishes criteria for the certification of FQBHCs & recognizes entity's role as a safety net provider.
- CLASS Act: Establishes a new voluntary long-term care insurance program
 - Individuals may be auto-enrolled

Other Provisions of Interest

- IMD Emergency Care Demo: Creates a \$75M 3-year demo project for test reimbursement of private psychiatric hospitals for the stabilization of emergency medical conditions
- Therapeutic Foster Care: Clarifies that federal Medicaid law doesn't prohibit State Medicaid programs from covering TFC for kids in out-of-home placements.
- Increased Medicare Rate for Primary Care Services: Beginning in 2012, Medicare rate increased by 5%
 - Includes physician services (office medical services, ED services, LTC services, intermediate care, nursing home...)

Other Provisions of Interest

- Preserving Medicaid coverage for Incarcerated Youth: Requires that states suspend, not terminate, Medicaid benefits for youths (18 and younger) that are incarcerated in a public institution.
- Outreach & Enrollment Assistance: 1) Requires gov't to conduct outreach about exchange to specific pops, including people with MI and cognitive impairments, 2) Auto-enrollment of individuals eligible for Medicare LIS in plans that fit their quality/cost needs (individuals have the right to change plans)

Added Through Manager's Amendment

- SBIRT: Grants, Co-Op Agreements and/or contracts to facilitate SBIRT for individuals in primary health care settings.
 - Eligible entities: public/private non-profits that 1) provide primary care services, 2) seek to integrate MH and SUDs services into practice, 3) has working relationship with MH/SUDs providers, 4) demonstrates the need to incorporate these services into their entity, 5) willing to submit evaluation
 - \$30M in 2011, such sums as necessary in years 2013-2015.

Next Healthcare Reform Update Webinar

Save the Date: December 2, 2pm EST

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