NATIONAL COUNCIL
FOR COMMUNITY BEHAVIORAL HEALTHCARE

www.TheNationalCouncil.org | Ph 202.684.7457 | Fax 202.684.7472

HEALTH CARE REFORM AND BEHAVIORAL HEALTH:
RESPONDING TO NEW DEMANDS AND EMERGING HEALTH CRISES

All signs point to Congress passing a comprehensive health care reform bill in 2009, potentially expanding health insurance coverage to 47 million uninsured Americans. This objective will be achieved through a combination of Medicaid eligibility expansions as well as the creation of a new health insurance exchange – basically a new health insurance market place – for persons earning above 100% of the Federal Poverty Level. Premiums for participants in the exchange will be heavily subsidized by the federal government. In return for this expansion of coverage, Congress will be seeking opportunities to introduce greater provider accountability and consumer responsibility into the health care system, while promoting initiatives which increase efficiency and reduce medical errors.

Since many who receive care in CBHOs are low income uninsured (or underinsured) individuals, CBHOs and other community providers stand to greatly benefit from coverage expansions. However, confronted with a once-in-a-generation opportunity to secure significant additional resources for the public behavioral health system, the National Council is pursuing a federal health care reform agenda which not only takes into consideration the overarching principles of the current health care reform debate, but strongly advocates for greater resources to community behavioral health providers to better equip them to address the health concerns of individuals with mental illness and substance use disorders.

The National Council's Health Care Reform Agenda:

- *Mental Health/SUD Benefits Included in Benefits Package*
- *Cost-Based Reimbursement for Federally Qualified Behavioral Health Organizations*
- *SMI Healthcare Home Demo to Support Co-Location of Primary Care Service in CBHOs*
- *Inclusion of CBHOs in Federal HIT Funding Initiatives*

1. What Factors are Driving Us?

The Substance Abuse and Mental Health Services Administration's state survey shows that **persons with serious mental illnesses served by public mental health agencies have the HIGHEST mortality rate of ANY population ANYWHERE in America's public health system.** Specifically, the average life expectancy for this population now rivals people living with HIV/AIDS.[1] In addition, among psychiatric patients, the **probability of dying is 55% higher for patients diagnosed as having substance use disorders** than among those without a substance use diagnosis.[2]

2. Provider Accountability

In order to stop the predicted cost growth in coming years, both the Obama Administration and Congress are committed to promoting evidenced-based practices and increasing provider accountability. This trend is reflected in new federal commitments of $1 billion for comparative effectiveness research and $20 billion to encourage the adoption and utilization of electronic health records. Both of these initiatives are based on several themes of the current health care debate: a.) provider accountability for clinical outcomes; b.) systemic application of evidenced-based interventions, c.) reduced reimbursement for sub-optimal outcomes, and d.) specific reporting of detailed encounter data.

www.TheNationalCouncil.org | Ph 202.684.7457 | Fax 202.684.7472

To help community behavioral health providers prepare for a new era of accountability in health care while attempting to stem the mortality rates cited above, we are pursuing four priority initiatives:

1. Mental Health/Substance Use Disorders Included in Benefit Packages In the Exchange - Like the Massachusetts health care reform program, the Obama Administration endorses an approach that finances private health insurance for low income uninsured individuals via a health insurance exchange. Many private insurance companies, such as Blue Cross/Blue Shield and Aetna, would participate in this new program/health insurance market place. The National Council seeks to ensure:

- Mental health and substance abuse benefits are part of any nationwide minimum benefit package;
- Comprehensive parity is applied to all benefit packages offered in the exchange or connector;
- Enhanced case management must be provided to new enrollees with cognitive impairments to help them navigate the exchange/connector.

2. Cost-Based Reimbursement for Federally Qualified Behavioral Health Centers – A new federal definition for Federally Qualified Community Behavioral Health Centers (FQBHC) that would a) establish federal status for CBHOs who volunteer to meet the standards of an FQBHC, b) provide a definition for such an entity that clearly identifies treatment objectives and updates the minimum core services required, c) create nationwide minimum reimbursement for community-based mental health care and substance abuse services – established at the federal level – that reflects the cost of actually delivering those same services – commonly referred to as "cost-based reimbursement", and d) establish clearly-defined national standards for this entity. In return for this new federal status, providers working within FQBHCs will be asked to meet new provider accountability standards (as mentioned previously).

3. SMI Healthcare Home Demo to Support Co-Location of Primary Care in CBHOs - The National Council is proposing legislation that would authorize a 10 state Medicaid demonstration program which would, among many other things, co-locate primary care capacity in Community Mental Health Centers and other community-based mental health substance abuse providers. This integrated treatment approach is aimed squarely at reducing the mortality and morbidity rates among clients in the public behavioral health system. While the National Council was able to engineer a new $7 million SAMHSA program in 2008 with a similar structure and treatment goals, this demo, targeted to Medicaid beneficiaries, will more directly impact the single largest purchaser of mental health and addiction disorders.

4. Inclusion of CBHOs in Federal HIT Funding Initiatives - The Health Information Technology for Economic and Clinical Health Act (HITECH Act) was enacted as part of the economic recovery bill passed by Congress earlier this year. It creates a new $17 billion Medicare and Medicaid reimbursement system to help physicians, hospitals and Community Health Centers purchase and maintain health information technology for the purpose of widespread adoption and utilization of electronic health records. Although psychiatrists may access these incentive payments, CBHOs, as facilities, are not eligible for this funding. The National Council is seeking inclusion of CBHOs in any federal HIT initiatives to ensure that individuals with mental illnesses and addictions have access to the benefits of HIT via the providers that serve them.

---

[1] Colton, C.W.; Manderscheid, R.W. Congruencies in Increased Mortality Rates, Years of Potential Life Lost, and Causes of Death Among Public Mental Health Clients in Eight States. *Preventing Chronic Disease*. Vol. 3(2). April 2006.
[2] Rosen C.S.; Kuhn, E.; Greenbaum, M.A.; Drescher, K.D. Substance Abuse-Related Mortality Among Middle-Aged Male VA Psychiatric Patients. *Psychiatric Services*. Vol. 59. March 2008.