

August 24, 2010

Donald Berwick
Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
Attention: CMS-1503-P
P.O. Box 8013
Baltimore, MD 21244-8013

Dear Administrator Berwick,

The National Council for Community Behavioral Healthcare (National Council) is pleased to respond to the Department of Health and Human Services (HHS) Centers for Medicare and Medicaid Services (CMS) proposed rule **75 FR 40040: Medicare Program; Payment Policies Under the Physician Fee Schedule and Other Revisions to Part B for CY 2011**.

The National Council, a non-profit association representing over 1700 community mental health centers and other community-based mental health and addiction providers, is dedicated to fostering clinical and operational innovation and promoting policies that ensure more than 6 million low-income children, adults, and families our members serve have access to high quality services. We appreciate the opportunity to provide the following comments.

The CMS regulation proposes a “rebasings” and revising of the Medicare Economic Index (MEI), linking it to updated practice data so as to reflect changes in medical practice and the relative value of services while maintaining overall budget neutrality. Unfortunately, as it currently stands, the regulation’s payment reductions fall most heavily on mental health providers, who are subject to the greatest reduction in payment of all Medicare Part B providers. Licensed clinical social workers and psychologists would see a 5% reduction in payment, while psychiatrists would see a 3% reduction.

The National Council is concerned that the methods used for the rebasing of the MEI favor technology-intensive specialties, which, by their nature, exclude mental health services. Psychologists, psychiatrists, and clinical social workers provide vital services to treat mental illness and promote the health and wellbeing of seniors, yet these interventions can be time-intensive and are not typically assisted by expensive technology. We feel that the proposed payment changes do not accurately reflect the costs incurred by mental health providers and cannot sustain these providers in their practices.

Moreover, the National Council fears that two unintended consequences will result from the proposed changes:

First, the 5% reduction in payment for mental health providers is likely to increase the number of providers opting out of the Medicare program. Particularly for clinical social workers, who are

already paid less than psychologists and psychiatrists for psychotherapy services, the proposed payment rates are unsustainable and cannot support a practice.

Second, given that many private insurers look to Medicare when determining appropriate payment rates, we are concerned that a cut to Part B reimbursement could have a snowball effect, resulting in further erosion to provider payments for mental health services.

With the passage of the Paul Wellstone and Pete Domenici Mental Health Parity and Addictions Equity Act of 2008, Congress affirmed its commitment to ensuring that all Americans have fair and equitable access to the mental health treatments they need. The proposed payment rules issued by CMS would undermine parity by reducing individuals' access to services. If significant numbers of providers opt out of Medicare or private insurance programs, beneficiaries are deprived of access to the mental health treatments they need.

We suggest that CMS re-evaluate the proposed system of rebasing so that payment reductions do not fall disproportionately on mental health providers, leading to reduced access to services for Medicare beneficiaries. The National Council would like to thank CMS for the opportunity to provide comments on this proposed rule. Please let us know if you have any questions.

Sincerely,



Linda Rosenberg, MSW
President and CEO