

Financing and Infrastructure: Medicaid

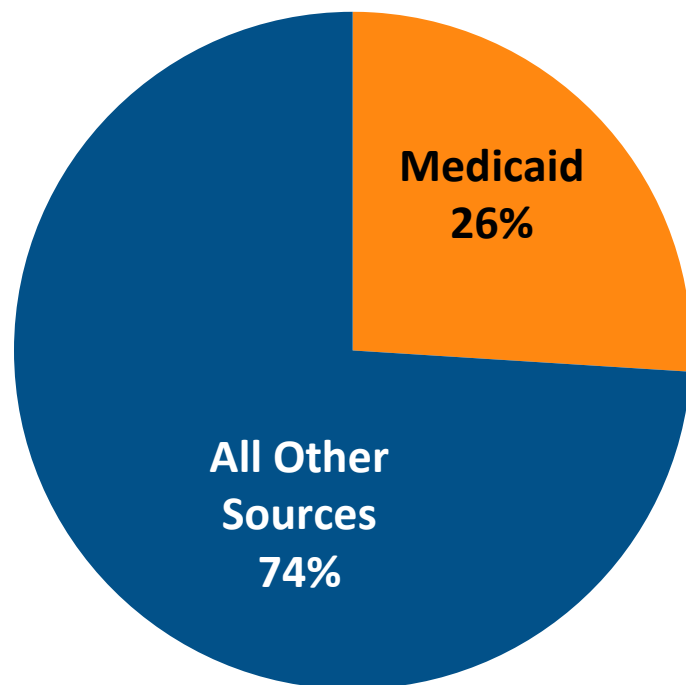
Strategies for Scaling Tested and Effective Family-Focused Preventive Interventions to Promote Children's Cognitive, Affective, and Behavioral Health: A Workshop

IOM-NRC Forum on Promoting Children's Cognitive, Affective, and Behavioral Health

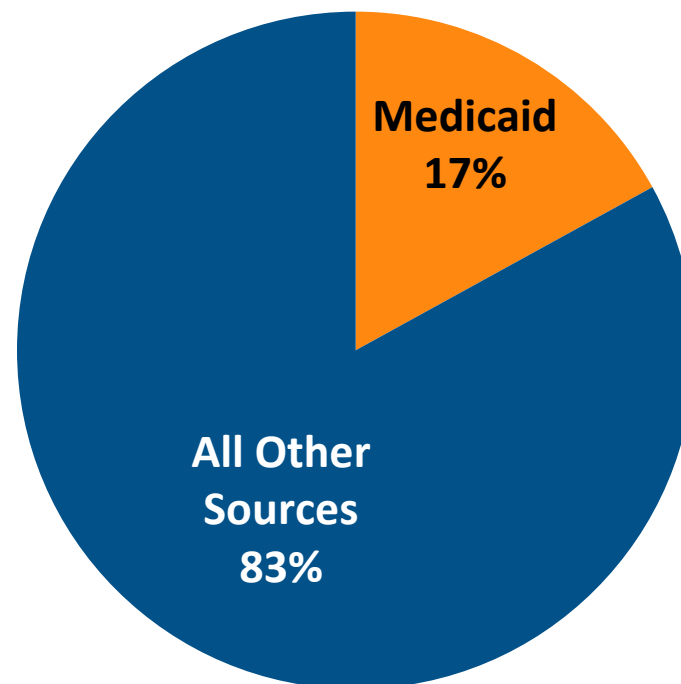
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Figure 1

Medicaid Finances a Larger Share of Behavioral Health Spending Than All-Health Spending, 2005



**Behavioral Health
Spending, \$135 Billion**

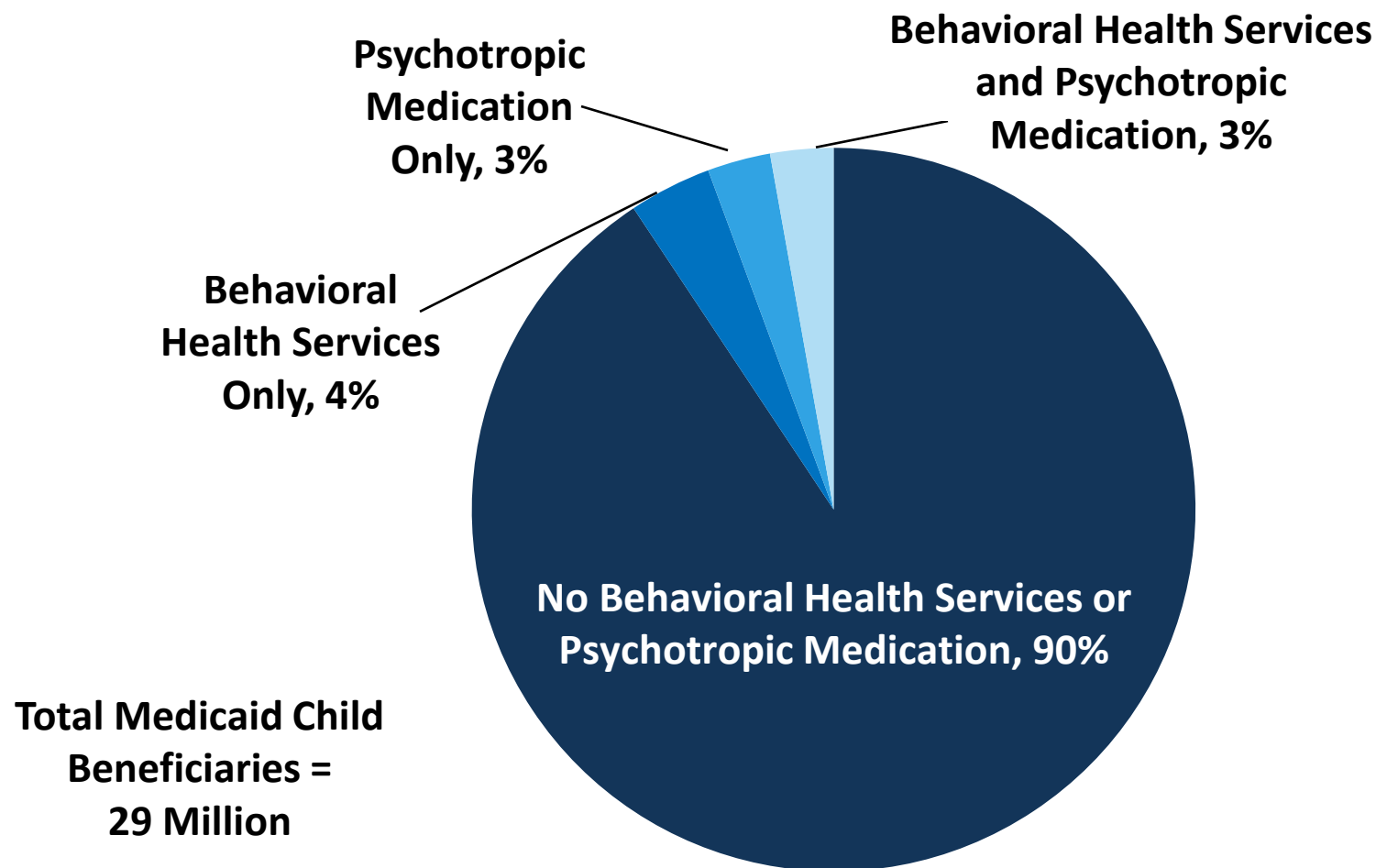


**All-Health Spending,
\$1,850 Billion**

SOURCE: SAMHSA, Medicaid Handbook: Interface with Behavioral Health Services at 1-2 (2010) (citing National Expenditures for Mental Health Services and Substance Abuse Treatment, 1986-2005), available at http://store.samhsa.gov/shin/content/SMA13-4773/SMA13-4773_Mod1.pdf.

Figure 2

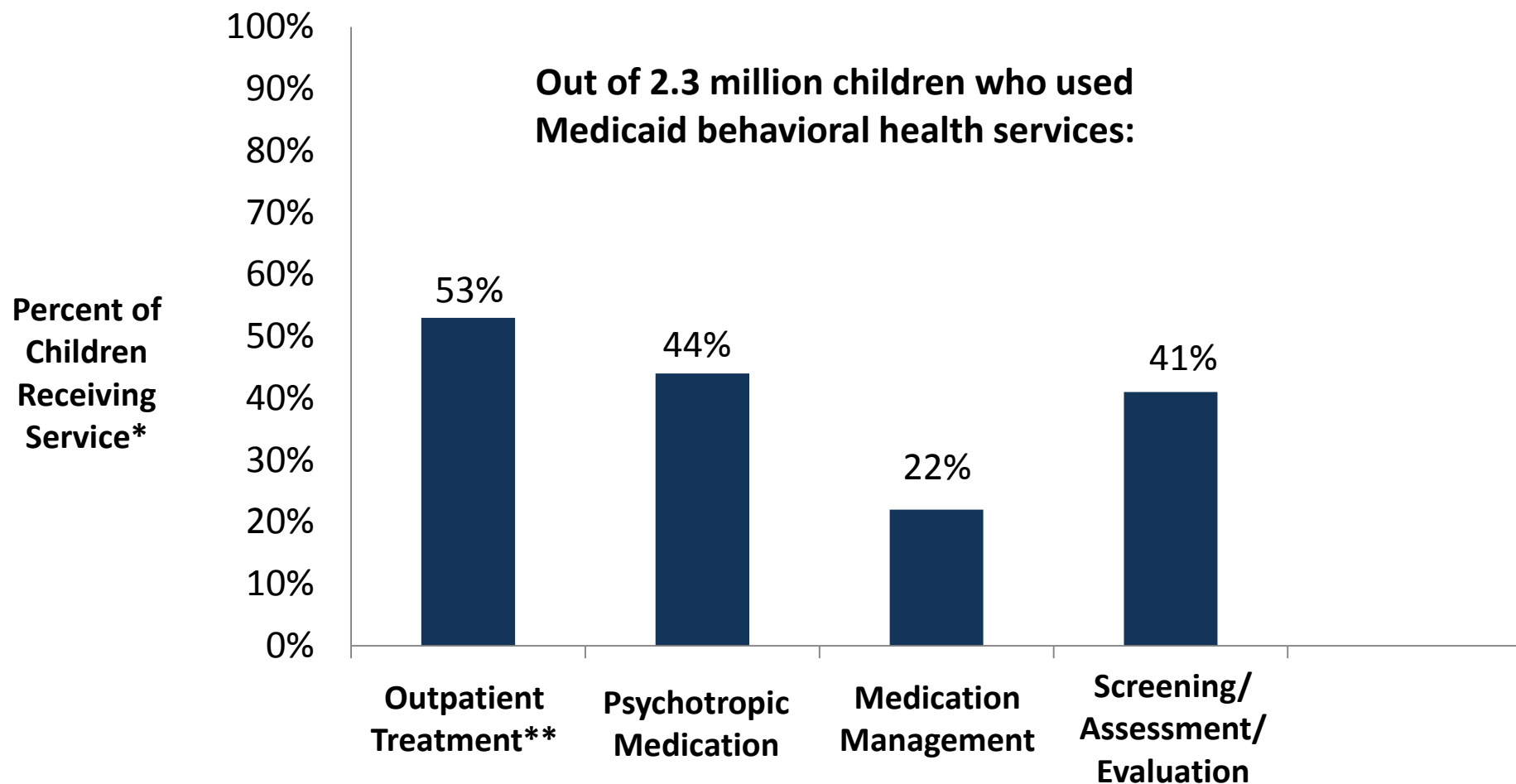
10% of Medicaid Child Beneficiaries Used Behavioral Health Services and/or Psychotropic Medication, 2005



SOURCE: Center for Health Care Strategies, Examining Children's Behavioral Health Service Utilization and Expenditures at 23-24 (2013), available at http://www.chcs.org/publications3960/publications_show.htm?doc_id=1261588#.UzLedKPD-Uk. Figures have been rounded.

Figure 3

Most Frequently Used Behavioral Health Services Among Medicaid Child Beneficiaries, 2005



NOTES: *Includes children with at least 1 claim for behavioral health services, with or without psychotropic medication use; excludes children with psychotropic medication use and no other behavioral health services claim. **Outpatient treatment is primarily individual. SOURCE: Center for Health Care Strategies, Examining Children's Behavioral Health Services Utilization and Expenditures at 34 (2013), available at

http://www.chcs.org/publications3960/publications_show.htm?doc_id=1261588#.UzLedKPD-Uk.

Figure 4

Medicaid Eligibility Pathways for Children

- *Income-related coverage groups:*
 - The ACA requires states to expand Medicaid to all children with household income up to 138% FPL as of January 2014 (\$27,310 for a family of 3 in 2014).
 - About 2/3 of children who use Medicaid mental health services qualify in a non-disability-related coverage group.*
- *Disability-related coverage groups:*
 - Remain in place/unaffected by ACA changes (e.g., SSI-related, otherwise require institutional level of care).
 - As of 2012, 8.5% of children receiving SSI qualify based on a mental health diagnosis**
- *Maintenance of effort:* the ACA requires states to maintain their Medicaid eligibility and enrollment policies for children in effect on 3/23/10 until 9/30/19.

SOURCES: *KCMU, *Mental Health Financing in the U.S.: A Primer* at 6 (2011), available at <http://kff.org/medicaid/report/mental-health-financing-in-the-united-states/>. **SSA, SSI Annual Statistical Report (2012), Table 20 (includes mood, organic, and other mental disorders and schizophrenic and other psychiatric disorders), available at http://www.ssa.gov/policy/docs/statcomps/ssi_asr/2012/sect04.html.

Figure 5

Medicaid Benefits

	Mandatory	State Option
Acute Care	<ul style="list-style-type: none"> • Inpatient & outpatient hospital services • Laboratory and x-ray services • Physician, nurse practitioner services, nurse midwife, and other advanced practice nursing services • Federally-qualified health centers; rural health centers • EPSDT for children • Family planning services and supplies • Transportation 	<ul style="list-style-type: none"> • Care by other licensed practitioners (chiropractic, podiatry, etc.) • Pharmacy • Dental services • Diagnostic, screening, preventive, and rehab services • Clinic services • Primary care case management • Occupational & physical therapy • Speech, hearing, and language disorder services • Medical supplies and durable medical equipment, eyeglasses, and orthotic and prosthetic devices • Other diagnostic, screening, preventive and rehabilitative care
Long Term Care	<ul style="list-style-type: none"> • Nursing facility for age 21 and up • Home health (if entitled to NF care) 	<ul style="list-style-type: none"> • Inpatient psychiatric services—if age under 21 or over 65 • Intermediate care facilities for people with developmental disabilities • Home health • Case management • Community-based care (private duty nursing, personal care, hospice, adult day health, other licensed practitioners) • Section 1915(i) home and community-based services (HCBS) • Health homes

SOURCE: See, e.g., KCMU, Medicaid Enrollment and Expenditures by Federal Core Requirements and State Options (Jan. 2012), available at <http://kff.org/medicaid/issue-brief/medicaid-enrollment-and-expenditures-by-federal-core/>,

Figure 6

Medicaid's Early Periodic Screening, Diagnostic, and Treatment Services (EPSDT) Benefit

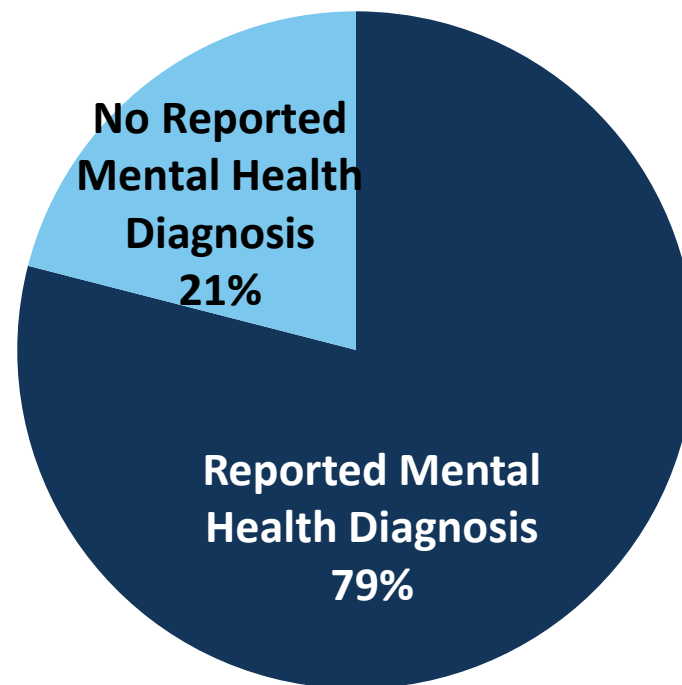
- States must cover EPSDT for children from birth to age 21.
- EPSDT includes medical, vision, hearing, and dental screens at pre-set intervals and whenever a problem is suspected.
- EPSDT treatment includes any services “necessary. . . to correct or ameliorate” physical and mental health conditions, regardless of whether such services are covered in the state’s Medicaid program for adults.
- All Medicaid service categories (mandatory and optional) must be available to EPSDT beneficiaries as medically necessary.

Figure 7

Medicaid's Rehabilitation Option, Enrollment and Spending, 2004



Enrollment = 1.46 Million



Spending = \$4.9 Billion

Figure 8

Examples of Behavioral Health Services Provided By States Under the Medicaid Rehab Option

- Individual and group therapy
- Crisis intervention
- Family psychosocial education
- Peer support and counseling
- Basic life and social skills training
- Medication management
- Community residential services
- Supported employment
- Recovery support and relapse prevention training
- Partial hospitalization
- Assertive community treatment

SOURCE: SAMHSA, Medicaid Handbook: Interface with Behavioral Health Services at 3-5 (2013), available at http://store.samhsa.gov/shin/content/SMA13-4773/SMA13-4773_Mod1.pdf.

Figure 9

Section 1915(i) HCBS option, as amended by the ACA:

- Allows states to provide HCBS as state plan benefits instead of through a waiver
- Financial eligibility:
 - up to 150% FPL (\$17,505/year for an individual in 2014)
 - state option to expand up to 300% SSI federal benefit rate (\$25,956/year for an individual in 2014) if eligible for HCBS through a waiver
- Must meet needs-based criteria less stringent than institutional care
- No enrollment caps; statewideness required; population targeting permitted
- Services include
 - case management
 - homemaker/home health aide/personal care services
 - adult day health
 - habilitation
 - respite
 - day treatment/partial hospitalization
 - psychosocial rehabilitation
 - chronic mental health clinic services
 - other services approved by HHS Secretary

SOURCE: 42 U.S.C. § 1396n(i); Joint CMCS and SAMHSA Informational Bulletin, Coverage of Behavioral Health Services for Children, Youth, and Young Adults with Significant Mental Health Conditions (May 7, 2013) (for state examples), available at <http://medicaid.gov/Federal-Policy-Guidance/Downloads/CIB-05-07-2013.pdf>.

Figure 10

Medicaid Health Homes State Plan Option

- Added by the ACA
- States using Medicaid health homes for children and youth with serious and persistent mental health conditions as of May 2013: MO, NY, OH
- Targets beneficiaries with at least 2 chronic conditions; one chronic condition and the risk of developing another; or at least one serious and persistent mental health condition
- Conditions include mental health, substance use, asthma, diabetes, heart disease, obesity
- 90% enhanced federal matching rate for first 2 years
- Services include
 - comprehensive care management
 - care coordination
 - health promotion
 - comprehensive transitional care from inpatient to other settings
 - individual and family support
 - referral to community and support services
 - use of health information technology to link services

SOURCE: 42 U.S.C. § 1396w-4; Joint CMCS and SAMHSA Informational Bulletin, Coverage of Behavioral Health Services for Children, Youth, and Young Adults with Significant Mental Health Conditions (May 7, 2013) (for state examples), available at <http://medicaid.gov/Federal-Policy-Guidance/Downloads/CIB-05-07-2013.pdf>.

Figure 11

Medicaid Alternative Benefit Plans (ABPs) and Mental Health Parity Requirements

- States have the option to offer a Medicaid ABP instead of the state plan benefits package. An ABP is a set of covered services based on 1 of 3 commercial insurance plans or determined appropriate by the HHS Secretary.
- States may offer different ABPs targeted to different subpopulations, such as beneficiaries with particular medical needs.
- States must provide ABP coverage to adults newly eligible under the ACA's Medicaid expansion and may provide ABP coverage to other populations.
- Certain groups, such as people who are medically frail (now including substance use disorder), cannot be required to enroll in an ABP and instead must have access to the state plan benefits package.
- ABPs must provide parity in coverage between physical and mental health services and must provide EPSDT to children under age 21.

SOURCE: 42 C.F.R. § 440.345(c); CMS Dear State Health Official Letter, Application of the Mental Health Parity and Addiction Equity Act to Medicaid MCOs, CHIP and Alternative Benefit (Benchmark) Plans (Jan. 16, 2013), available at <http://www.medicaid.gov/Federal-Policy-Guidance/downloads/SHO-13-001.pdf>.

Figure 12

CMS Psychiatric Residential Treatment Facility (PRTF) Demonstration Program

- Sought to determine effectiveness of community-based services for youth in or at risk of entering PRTF
- Participating states: AK, GA, IN, KS, MD, MS, MT, SC, VA
- Examples of “non-traditional” demonstration services:
 - intensive care coordination (wraparound approach)
 - family and youth peer support services
 - intensive in-home services (individual and family therapy, skills training, behavioral interventions)
 - respite care
 - mobile crisis response and residential crisis stabilization
 - flex funds (one-time payment of utilities and rent when transitioning from institution to community; academic coaching, boys and girls club memberships)
- Found that HCBS cost 25% of institutional care, with average savings of \$40,000/year/child
- Also found that HCBS improved school attendance and performance, behavioral and emotional strengths, clinical and functional outcomes, stability of living situations, and caregiver work attendance; and decreased suicide attempts and law enforcement contacts

SOURCE: Joint CMCS and SAMHSA Informational Bulletin, Coverage of Behavioral Health Services for Children, Youth, and Young Adults with Significant Mental Health Conditions (May 7, 2013), available at <http://medicaid.gov/Federal-Policy-Guidance/Downloads/CIB-05-07-2013.pdf>.