



January 29, 2019

The Honorable Kay Ivey  
Governor of Alabama  
State Capitol  
600 Dexter Avenue  
Montgomery, AL 36130-2751

Via electronic mail

Dear Governor Ivey:

Mental Health America (MHA) and the National Association for Behavioral Healthcare (NABH) thank you for your leadership in mental health and addiction services. We would like to highlight a recent opportunity from the Centers for Medicare and Medicaid Services (CMS) that offers states new tools to addressing mental health and substance use disorders. As the national opioid and suicide crises continue, CMS' letter can support your state's strategy for improving behavioral health outcomes while also reducing costs.

MHA – founded in 1909 – is the nation's leading community-based nonprofit dedicated to addressing the needs of those living with mental illness and to promoting the overall mental health of all Americans. Our work is driven by our commitment to promote mental health as a critical part of overall wellness, including prevention services for all, early identification and intervention for those at risk, integrated care, services, and supports for those who need it, with recovery as the goal.

NABH – formerly the National Association of Psychiatric Health Systems – has been a leader in advocating high-quality mental health and substance abuse care delivery for more than 85 years. The association advocates for behavioral healthcare and represents provider systems that are committed to delivering responsive, accountable, and clinically effective prevention, treatment and care for children, adolescents, adults, and older adults with mental and substance use disorders. Today NABH represents delivery systems working to coordinate a full spectrum of treatment services, including inpatient, residential, partial hospitalization, and outpatient programs as well as prevention and management services.

On November 13, 2018, CMS released a letter entitled “State Medicaid Directors Opportunities to Design Innovative Service Delivery Systems for Adults with a Serious Mental Illness or Children with a Serious Emotional Disturbance.” The letter is a result of the *21<sup>st</sup> Century Cures Act of 2016*, and it offered guidance to states on how to provide a number of different mental health services within the Medicaid program, including:

- Crisis response services and call lines;
- Integrated data systems and telehealth;
- Peer support services integrated into multiple settings;
- Early identification and intervention with integrated mental health care;
- Supported employment and education;

- Outreach and engagement services;
- Assertive community treatment and coordinated specialty care; and
- Mental health services in schools and coordinated care for children.

Notably, the letter also included an opportunity for states to implement 1115(i) Medicaid demonstrations to offer additional inpatient mental health services, bypassing the so called “Institutions for Mental Diseases” (IMD) exclusion of coverage for inpatient mental health services for facilities with more than sixteen beds in the Medicaid statute. In particular, CMS is interested in reviewing demonstration proposals that achieve the following goals:

- “Reduced utilization and lengths of stay in EDs among Medicaid beneficiaries with SMI or SED while awaiting mental health treatment in specialized settings;
- Reduced preventable readmissions to acute care hospitals and residential settings;
- Improved availability of crisis stabilization services including services made available through call centers and mobile crisis units, intensive outpatient services, as well as services provided during acute short-term stays in residential crisis stabilization programs, psychiatric hospitals, and residential treatment settings throughout the state;
- Improved access to community-based services to address the chronic mental health care needs of beneficiaries with SMI or SED including through increased integration of primary and behavioral health care; and
- Improved care coordination, especially continuity of care in the community following episodes of acute care in hospitals and residential treatment facilities.”

In achieving these goals, CMS set a series of requirements for the proposals and milestones that the demonstrations must reach.

We understand preparing a demonstration application that meets all of CMS’ criteria can be a challenging task. The MHA and NABH teams are glad to help you and your team if your state is interested in submitting a 1115(i) demonstration application or addressing any of the other opportunities listed in the agency’s letter.

We thank you again for your consideration and look forward to your continued leadership in mental health and substance use. Please do not hesitate to reach out to Nathaniel Counts, JD, Senior Policy Director of MHA at [ncounts@mentalhealthamerica.net](mailto:ncounts@mentalhealthamerica.net) or Scott Dziengelski, Director of Policy and Regulatory Affairs at NABH at [Scott@nabh.org](mailto:Scott@nabh.org) for questions, support, or collaboration.

Sincerely,



President and CEO  
Mental Health America



President and CEO  
National Association for Behavioral Healthcare