National Association for Behavioral Healthcare

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29 September 2020

Ms. Seema Verma
Administrator, Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Re: Partial Hospitalization Program Provisions in the Hospital Outpatient Prospective Payment System Proposed Rule for 2021 [CMS-1736-P]

Dear Ms. Verma:

On behalf of the National Association for Behavioral Healthcare (NABH), thank you for the opportunity to comment on the Centers for Medicare and Medicaid Services (CMS) proposed rule regarding the Medicare Hospital Outpatient Prospective Payment System. Our comments will focus on the proposed reimbursement rates for partial hospitalization programs and other outpatient behavioral healthcare programs.

NABH represents behavioral healthcare provider systems that include inpatient psychiatric facilities, residential treatment settings, partial hospitalization and intensive outpatient programs, medication assistant treatment centers including opioid treatment programs, and other facility-based outpatient services. Our members offer behavioral healthcare services in almost every state and are focused on providing high-quality mental healthcare and addiction treatment.

Many of our members have long-standing experience providing partial hospitalization programs (PHPs) to individuals with serious mental illness and/or addiction. Currently, NABH members support an average of almost 700 PHP admissions per year, ranging from an average of 500 admissions to an average of almost 850 admissions per year, depending on the size of the facility.[i] Payers for these services are almost evenly split between commercial insurance and government programs, with Medicare and Medicaid making up about 18% of revenue each.[ii]

PHPs provide a critical level of care supporting people with serious behavioral health conditions who often need this intermediate level of support to help them transition back into their communities and avoid relapse and readmission.[iii] Furthermore, PHPs can also serve as alternatives to inpatient care or residential treatment. They can be more efficient options for those who may need more intensive treatment with a behavioral healthcare provider, but who do not necessarily need to reside in a facility. These types of programs can enable individuals with serious behavioral health conditions to stay more connected with their communities.

The need for partial hospitalization and other intensive outpatient services has been increasing. According to the latest survey data from the Substance Abuse and Mental Health Services Administration, even before the Covid-19 pandemic, the incidence of serious mental illness (SMI) had increased significantly from 2018 to 2019, especially among those aged 18 to 25 years old. [iv] Major depressive episodes increased significantly for youth and young adults, and suicidal thoughts, plans, and attempts also increased significantly during this period.[v] However, almost 44% of young adults with SMI did not receive treatment in 2019,[vi] and suicide rates have continued to increase to an alarming degree, up 35% between 1999 and 2018.[vii] Moreover, drug overdose deaths climbed to a record high again last year,[viii] and the administration has reported that overdose deaths have spiked during the pandemic.[ix] At the same time, it has been reported widely that Covid-19 has had a significant negative impact on the U.S. population's behavioral health.

Given the increasing incidence of serious mental health conditions and addiction and need for more intensive forms of treatment, it is critical that Medicare, as a key payor of behavioral healthcare services, continue to provide strong support for PHPs that are designed to help those with more serious mental health conditions and addiction. Unfortunately, we have seen the number of PHPs decrease significantly in recent years.

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NABH supports the provisions in the proposed rule to continue using the geometric mean per diem cost methodology to set the rates for PHPs. In addition, we support maintaining a separate cost floor for the Community Mental Health Center PHPs and the Hospital-based PHPs. We agree that it is important that the per diem rates not fluctuate too greatly from year to year to provide stability for PHP providers. In order to ensure stability in future rates, we recommend that CMS consider incorporating an annual adjustment to the cost floor in order to ensure that it reflects updated cost information and continues to help minimize the impact of significant changes in the median costs.

We are concerned about the decrease in the rate for ambulatory payment classification (APC) 5822 Level 2 Health and Behavior Services. This payment classification includes a number of commonly needed behavioral health services including group therapy. It supports outpatient programs that are less intensive than PHPs but are still important for those who may not need a full day of treatment all week long, but who do require substantial support. We urge CMS to reexamine the data used in developing the APC 5822 as the downward shift in the rate is inconsistent with the rates for other similar APCs, including Level 3 Health and Behavior Services.

Finally, we greatly appreciate the flexibility CMS provided in the interim final rule with comment published on May 8, 2020[x] to allow PHPs to provide services to their patients via telehealth during the on-going public health emergency. Individuals with preexisting mental health or substance use conditions are more at risk for the effects of this pandemic. The ability to continue these programs virtually has been crucial for maintaining access to treatment for individuals with serious behavioral health conditions during these difficult times. We encourage CMS to consider continuing coverage of PHP services provided via telehealth and of associated facility fees so that individuals with serious behavioral health conditions can continue to access this critical level of care.

Thank you for considering our comments. We encourage CMS to use the outpatient prospective payment rule to support broader availability of a full continuum of care including PHP and intensive outpatient services that are so important for individuals with serious behavioral health conditions but unavailable in too many communities.

If you have questions, please contact me directly at shawn@nabh.org or 202-393-6700, ext. 100, or contact NABH Director of Policy and Regulatory Affairs Kirsten Beronio at kirsten@nabh.org or 202-393-6700, ext. 115.

Sincerely,

Shawn Coughlin
President and CEO

About NABH

The National Association for Behavioral Healthcare (NABH) represents provider systems that treat children, adolescents, adults, and older adults with mental health and substance use disorders in inpatient behavioral healthcare hospitals and units, residential treatment facilities, partial hospitalization and intensive outpatient programs, medication assisted treatment centers, specialty outpatient behavioral healthcare programs, and recovery support services in nearly all 50 states. The association was founded in 1933.

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[i] National Association for Behavioral Healthcare, "2019 NABH Annual Survey" (reporting 2017 data from members), available online.

[ii] *Ibid*.

[iii] National Association of State Mental Health Program Directors, "Care Transition Interventions to Reduce Psychiatric Re-hospitalizations" (a white paper), Sept. 2015, available online.

[iv] Substance Abuse and Mental Health Services Administration, "Key Substance Use and Mental Health Indicators in the United States: Results from the 2019 National Survey on Drug Use and Health", 2020, available online.
[v] *Ibid.*
[vi] *Ibid*.
[vii] Hedegaard H, Curtin SC, Warner M, "Increase in suicide mortality in the United States, 1999–2018", Data Brief No. 362, National Center for Health Statistics, 2020, available online.
[viii] National Vital Statistics System, "Rapid Release Provisional Drug Overdose Death Counts" (based on data available for analysis on 9/13/ 2020), available online.
[ix] Ehley B, "Pandemic unleashes a spike in overdose deaths", Politico, June 29, 2020.
[x] Centers for Medicare and Medicaid Services, "Medicare and Medicaid Programs, Basic Health Program, and Exchanges; Additional Policy and Regulatory Revisions in Response to the Covid-19 Public Health Emergency and Delay of Certain Reporting Requirements for the Skilled Nursing Facility Quality Reporting Program", interim final rule with comment, May 8, 2020, 85 FR 27550-27566, available online.