Illinois Health and Hospital Association

June 22, 2022

ILLINOIS HEALTH AND HOSPITAL ASSOCIATION
M E M O R A N D U M

SUBJECT: Behavioral Health Medicaid Updates

Below are several updates concerning hospital and health system behavioral healthcare, including:

- A June 28 feedback session with the Illinois Dept. of Healthcare and Family Services (HFS) on potential Medicaid crisis stabilization coverage in hospitals;
- Medicaid reimbursement rate proposals for psychiatric collaborative care and substance use providers;
- A recent advocacy letter encouraging the removal of prior authorization and step therapy barriers for Illinois Medicaid beneficiaries with serious mental illnesses; and,
- Federal guidance on audio-only telehealth to maintain compliance with privacy laws.

Medicaid Updates

Medicaid Proposes Hospital-Based Crisis Stabilization Rate
Click here to register to attend an **Illinois Crisis Stabilization Unit (CSU) Feedback Session** with HFS and the University of Illinois' Office of Medicaid Innovation (OMI) OMI on **Tuesday, June 28 from 2:00 p.m. to 3:30 p.m**. This will be an open forum for providers and stakeholders interested in CSUs and who want to share any feedback around HFS' design before the agency finalizes its Request for Qualifications (RFQ), estimated for release in August, with awards potentially announced in early fall.

In a presentation to IHA's Behavioral Health Advisory Forum, **HFS shared that they are seeking acute care hospitals with an ED interested in becoming early adopters of CSU services.** Potential CSU requirements were described as:

- An inpatient unit of 16 or fewer beds that provides patients with 24/7 crisis stabilization and recovery services in a safe, secure environment;
- Providing short-term services (~3-5 days, 7 days maximum), including immediate crisis stabilization, brief assessment and crisis planning using an HFS-approved template, and short-term counseling services; and
- Voluntary admissions with access via walk-in or drop-off.

Due to current 1115 Waiver requirements, **hospital per diem reimbursement would be $395** and patient enrollment for the first year would be limited to 8,493 episodes of care, with initial participation of five to seven hospitals at maximum. Funding may be available to support hospital implementation. New IMPACT enrollment would be required, including a new National

Provider Identifier (NPI). Although CSUs will not be subject to prior authorization from Medicaid fee-for-service or managed care, patients must be screened prior to admission using the Illinois Medicaid Crisis Assessment Tool (IM-CAT) to determine whether community resources are insufficient to meet their current needs.

CSUs must complete a Crisis Safety and Services plan within 24 hours of admission, including crisis safety planning, description of immediate service needs, criteria for discharge, and establishment of referrals and linkages. After the first 24 hours, daily contact with CSU staff and one hour of therapeutic programming are required. A minimum of two staff members must staff the CSU with a registered nurse remaining onsite at all times. Similarly, a physician or advanced practice nurse must be available to CSU staff at all times to provide medication consultation and authorize the use of emergency safety interventions. More details will be shared during the feedback session.

CSU questions may be directed to **OMI1115.CSU@uillinois.edu**.

Questions or comments on the HFS Public Notices summarized below may be submitted to:

Bureau of Program and Policy Coordination
Division of Medical Programs
Healthcare and Family Services
201 South Grand Avenue
East Springfield, IL 62763-0001
E-mail address: HFS.bpra@illinois.gov

Medicaid Psychiatric Collaborative Care Reimbursement
On June 15, HFS issued a **Public Notice** **proposing to reimburse psychiatric collaborative care model (CoCM) services** delivered by qualified teams of healthcare professionals working under the direction of a physician or advanced practice nurse beginning July 1, 2022. **On June 21, HFS issued a related Provider Notice that expanded upon coverage requirements and provider enrollment.** Questions regarding the **Provider Notice** may be directed to a billing consultant in the Bureau of Professional and Ancillary Services at 877-782-5565 or the applicable managed care plan.

As described in the **Public Notice**, the proposed changes will increase expenditures by approximately $1.2 to $1.7 million annually based on current utilization patterns. Reimbursement changes will apply to services provided by CoCM teams organized by a physician, advanced practice nurse, Federally Qualified Health Center (FQHC), Rural Health Clinic (RHC), Encounter Rate Clinic (ERC), local health department, **or** School-Based Health Clinic.

The proposed reimbursement rate for services will be at 75% of the Medicare practitioner rate for equivalent practitioner procedure codes, while reimbursement for FQHCs, RHCs, and ERCs will also be separate from provider encounter payments. This coverage was mandated by Public Act 101-0574, which lists the practitioner procedure codes and also requires commercial insurers regulated by the Illinois Dept. of Insurance to provide coverage for CoCM services. **IHA worked with HFS, Illinois advocates and member hospitals to share national best practices on CoCM services and encourage Medicaid implementation.**

Medicaid Substance Use Provider Rate Increase
On June 15, HFS issued a **Public Notice** **proposing a 47% rate increase** for the Dept. of Human Services' Division of Substance Use Prevention and Recovery Providers (DHS-SUPR) beginning July 1, 2022. This rate increase was mandated by this year's budget implementation bill, also referred to as the BIMP (Public Act 102-0699). The rate increase follows a proposed 2% rate increase for these services on Jan. 1, 2022. The rate increase applies to all Medicaid **and** non-Medicaid contract reimbursement rates. For covered services and corresponding base rates reflecting the 47% rate increase, see the Fiscal Year 2023 DHS-SUPR Contractual Policy Manual for non-Medicaid contract reimbursement rates. The manual for Medicaid reimbursement rates has not yet been updated with either increase due to pending CMS approval (Fiscal Year 2021 SUPR Policy Manual for Participants Covered Under HFS Medical Programs, p.7), but are expected to have retroactive implementation and mirror the non-Medicaid contract rates.

The rate increases do **not apply** to hospital inpatient detoxification (Level IV-D Medically Monitored Inpatient Withdrawal Management). The proposed changes are estimated to result in a $19.4 million annual increase in Medicaid expenditures for services provided through fee-for-service or managed care organizations.

Policy & Advocacy Updates

Illinois Advocates Urge Medicaid Removal of Access Barriers for Serious Mental Illnesses
On May 24, **IHA and Illinois advocates sent a comment letter to Governor Pritzker** encouraging the removal of prior authorization and step therapy (also known as "fail first") barriers for Illinois Medicaid beneficiaries with serious mental illnesses (SMI), which prevents them from obtaining life-altering treatments that meet their unique needs. Earlier in the year, related Illinois legislation (Senate Bill 1623) stalled after being re-referred to Senate Assignments. IHA will continue to work with stakeholders and provide updates on this issue. Both the Illinois fee-for-service Medicaid program and contracted managed care organizations maintain numerous prior authorization and step therapy barriers for individuals with SMIs, although research shows:

- States with utilization management controls have significantly higher medication access issues;
- Medication access problems lead to higher likelihood of hospitalization, incarceration, and homelessness; and

- Medication utilization management controls in Medicaid cost states money.

Behavioral Health Resources

Feds Issue Guidance on Audio-Only Telehealth for Privacy Law Compliance
On June 13, **guidance was issued** by the U.S. Dept. of Health and Human Services' Office for Civil Rights (HHS OCR) intended for healthcare providers and health plans to comply with the Health Insurance Portability and Accountability Act (HIPAA). The guidance specifically offers information to help healthcare providers and plans understand **how to use remote communication technologies for audio-only telehealth in compliance with the HIPAA Rules**, including **after** OCR's Notification of Enforcement Discretion for Telehealth Remote Communications (Telehealth Notification) is no longer in effect.

The Notification will remain in effect until the Secretary of HHS declares that the public health emergency no longer exists, or upon the expiration date of the declared public health emergency, including any extensions, whichever occurs first. OCR will issue a notice to the public when it is no longer exercising its enforcement discretion. This new guidance is intended to help ensure that individuals can continue to benefit from audio-only telehealth, by providing clarification on how covered entities can provide telehealth services and to help increase public confidence that covered entities are protecting the privacy and security of their health information.

Contact us with questions or comments for IHA regarding these notices.