

## **February 21, 2025: Public Policy Committee Read Ahead Information**

### **Discussion of Threats to Access to Care**

#### **Medicaid/ACA Reforms: Where Things Stand**

Reforms to Medicaid and the Affordable Care Act (ACA) have been floated by members of Congress in both the House and the Senate as a method of paying for several policy proposals, particularly an extension of tax cuts originally passed in 2017 (which are set to expire at the end of 2025). At this time, we have yet to see any legislative text containing specific proposals; however, some of the potential Medicaid/ACA reforms being discussed include:

- Medicaid Work Requirements
- Block Grants/Per Capita Caps
- Reduction of FMAP Rate for Medicaid Expansion States
- Lowering the FMAP Floor (Below 50% for all States)
- Reducing the DC FMAP Rate (from 70% to 50%)
- Lowering the Medicaid Provider Tax Safe Harbor

We have included fact sheets containing more detailed information on the above topics in the same email that contains this document. We will likely know more about the specific proposals to be included in the coming weeks after the Senate and House pass their respective budget resolutions through each chamber. The full Senate may vote on their budget resolution this week, while the House is currently in recess and will look to try and pass their resolution next week. Once this happens, committees in each chamber will begin drafting language for a reconciliation package, and we will see which of these items are included. The two sides will then need to reconcile their strategies in order to eventually pass a bill under the rules of budget reconciliation, which allows them to avoid the 60-vote filibuster rule in the Senate.

#### **Discussion Questions:**

1. For discussion: Let's talk through what each of these proposals could mean to your organization and members. While all of these proposals represent significant threats, which of these would present the most immediate and substantial risk to you and your members?
2. Are there questions about current and future advocacy efforts surrounding these or any other potential Medicaid reforms?

### **Discussion of Proposed Federal Legislation**

The following proposals are being drafted into bills that National Council plans to support in the 119<sup>th</sup> Congress. At this time, none of these bills have been introduced and some details are still being finalized, but we welcome discussion and feedback on the legislative proposals below.

#### **CCBHC 3.0 (unofficial bill title)**

- The next iteration of the Ensuring Excellence in Mental Health Act, this bill would:
  - Create a definition for CCBHCs within Medicare.
  - Establish a PPS methodology for CCBHCs within Medicare.

- Provide operating grants for CCBHCs to strengthen the workforce, establish community partnerships, and build capacity for evidence-based practices.
- Provide grants for technical assistance.
- Provide funds to create a data reporting infrastructure program.
- Give CCBHCs the option the choice to offer primary care services.
- Allow HHS to establish an accreditation procedure for CCBHCs and recognize nonprofit entities as accreditation bodies.
- Provide liability protections for providers working at CCBHCs through the Federal Tort Claims Act.
- Establish an exemption for CCBHCs similar to the one in place for FQHCs which exempts them from federal regs prohibiting wraparound payments.
- Allow for specialty CCBHC designations created for organizations that serve specialty populations, specifically organizations serving children/youth and those serving veterans.

#### **First Episode Psychosis** (unofficial bill title)

- This legislation would create a new category of Medicaid eligibility for uninsured children/youth (under age 21) who have been diagnosed with schizophrenia spectrum or other psychotic disorders, or who have been determined to be at high risk of first-episode psychosis. Eligibility would be included in a state plan at the state's option (modeled after existing categorical eligibility provisions for individuals diagnosed with breast cancer, cervical cancer, and tuberculosis). Specifically, the legislation would:
  - Create a a new category of Medicaid eligibility to provide coordinated specialty care for first-episode psychosis available for children and youth at risk for first-episode psychosis.
  - Create a Medicaid wraparound benefit for children/youth who have commercial or other health coverage (coordinated specialty care is the only benefit for which individuals in this group are eligible).
  - Establish presumptive eligibility for the groups described above.
  - Allow coverage for the Medicaid and wraparound benefit to extend to the full duration of needed treatment, but in no case less than 3 years or beyond the age of 26.

#### **Residential Recovery for Seniors Act**

- This legislation was introduced in the last Congress and will likely be reintroduced sometime this year. It would create a new Medicare Part A benefit for residential addiction treatment programs (i.e., ASAM Level 3) meeting nationally recognized standards.
  - Eligible programs must offer a planned and structured regimen of twenty-four-hour care. Specifically, the new benefit would cover the following adult patient programs:
    - Level 3.1: Clinically Managed Low-intensity Residential Treatment;
    - Level 3.5: Clinically Managed High-intensity Residential Treatment; and
    - Level 3.7: Medically Managed Residential Treatment.

- Additionally, the bill would establish a new PPS for covered residential addiction treatment services.
- A one-pager on the bill can be found [here](#), and the bill text (from the previous Congress) can be found [here](#).

**Behavioral Teaching Health Centers** (unofficial bill title)

- This legislation is modeled closely after the primary care Teaching Health Center program. It creates a grant program through HHS for community-based clinics to establish or expand behavioral health clinician training programs.
- The grants can be used to cover the costs of:
  - Curriculum development;
  - Recruitment, training and retention of clinicians-in-training and faculty;
  - Faculty salaries during the development phase; and
  - Technical assistance
- Clinics provide training to “behavioral health trainees” which are defined as professionals who are prelicensure candidates gaining the supervision and supervised experience necessary to be a fully licensed behavioral health professional.
- The amount of the grants has not been determined yet, but the grants will be awarded for a period of three years.

**Discussion Questions:**

1. National Council is working with members of Congress to introduce the four federal bills described above in the near future. Because several provisions of these bills involve new spending, they will likely register a score with the Congressional Budget Office, making them less likely to pass in the current political environment. Considering that several of these are long-term endeavors, what comments, questions, or other feedback do you have related to these bills?