Mental Health Liaison Group

February 13, 2008

The Honorable Keith Ellison
United States House of Representatives
1130 Longworth House Office Bldg.
Washington DC  20515

Dear Representative Ellison:

The undersigned organizations are writing to extend our support for your legislation, HR. 5173, that would impose a moratorium until April 1, 2009 on the implementation of the interim final regulations for Medicaid Optional State Plan Case Management Services, published in the Federal Register on December 4, 2007 (CMS-2237-IFC, 72 Fed. Reg. 68077).

Medicaid case management services assist individuals in gaining access to needed medical, social, educational, housing and other necessary services -- with case managers serving as the vital link to helping beneficiaries access these critical supports. For individuals with mental illness who rely on Medicaid for their health care, case management is essential for ensuring these beneficiaries, who need a range of services and supports, can live successfully in the community despite a serious mental disorder.

As you well know, the interim final regulations were promulgated to implement part of the Deficit Reduction Act (Public Law 109-171) and are the Centers for Medicare and Medicaid Services’ interpretation of Section 6052, Reforms of Case Management and Targeted Case Management. However, the regulations stray beyond the scope of the statute, making fundamental changes that unduly restrict the ability of Medicaid beneficiaries to access needed care, including community-based, mental health services. Such limitations placed include those on payment methodology and units of service for case management that would prohibit bundled payments, and require documentation for every 15 minutes of service. Additional strict limitations include dramatic reductions in coverage of case management services necessary to assist beneficiaries in making successful transitions from institutional care to the community as well as new rules prohibiting child welfare agencies, juvenile justice and other agencies from receiving Medicaid reimbursement for case management services.

At a time when states are facing significant fiscal constraints, further federal reductions and restrictions in Medicaid would have an adverse impact on the efficient delivery of health care in the public mental health system.

In light of these regulations jeopardizing the integrity of this important Medicaid service category, we are pleased to extend our support to HR 5173 and look forward to working with you on this important issue this year.

Sincerely,

Alliance for Children and Families
American Academy of Child and Adolescent Psychiatry

National organizations representing consumers, family members, advocates, professionals and providers