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Re: Stabilizing Behavioral Health Provider Revenue During COVID-19 Public Health Emergency

Dear Dr. Hepburn, Mr. Morrison and Mr. Salo:

On behalf of the National Council for Behavioral Health and our 3,000 member organizations providing community-based mental health and addiction treatment services, I am writing today to ask for your assistance in responding to urgent needs within your provider community. Specifically, I am asking that you urge your members to immediately begin making interim prospective payments to Community Behavioral Health Organizations (CBHOs) in their states to support these critical entities in responding to the COVID019 pandemic.

CBHOs serve populations at higher-than-average risk in the COVID-19 pandemic and are providing care to the growing population of individuals who are infected or may be in high risk of becoming infected. Meanwhile, they are also maintaining access to care for those patients who are not infected but require ongoing care for their mental illness and substance use disorders. CBHOs have been operating on thin margins; consequently, many have small cash reserves and little ability to access lines of credit. As a result of social distancing recommendations, the majority of CBHOs are experiencing substantial reduction in routine face-to-face services that are billable to provide revenue.

The increased flexibility in telehealth provided by State Authorities, CMS and commercial payers has been important in providing the means to extend care to vulnerable populations in a manner that protects them from unwarranted exposure. However, it is not offsetting the entire loss in revenue being experienced by CBHOs. The telephone and video services that have replaced face-to-face services are either not yet billable, or the coding adjustments to payer systems have not yet been implemented to actually pay providers. Many are within weeks of not being able to make their payroll and becoming bankrupt leading to layoffs and inability to serve a growing need for mental health and addiction treatment exacerbated by the fear, anxiety, and social distancing that is a result of the pandemic.

As Community Behavioral Health Providers face growing financial difficulties, they will be forced to make operational decisions in the next two to six weeks that could jeopardize access to care for their patients and the communities they serve. We believe these unprecedented times call for unprecedented action by state agencies responsible for providing and funding access to behavioral health services.

On March 13, 2020, President Trump declared the rapidly evolving COVID-19 situation a national emergency, enabling CMS to waive certain requirements in Medicare, Medicaid, and CHIP under section 1135 emergency authority. I urge your members to work with their Medicaid agency to use 1135 waiver authority, and their own state authorities in the case of behavioral health services funded outside of Medicaid, to establish a simple streamlined process for all CBHOs to opt-in to receive periodic interim prospective payments (PIPP). We urge states to:

- Set the maximum amount of the PIPP to be the total amount of payment collected by the provider during the same time period in the preceding year (e.g. if April 2019 payment was $10,000, then April 2020 PIP would be $10,000)
- Allow longer fixed payment intervals of one-month to two-quarters
- Waive the requirement that the PIPP a provider receives be reconciled against clean claims at some point in the future. The PIPP should be a true prospective payment.
- Ensure that if the public health emergency spans multiple calendar years, the PIPP amount shall not exceed the total amount of revenue collected by the facility during the same time period in the most recent calendar year prior to the start of the public health emergency.

We recognize that CMS' and state agency view is generally that policy and procedures on advance and accelerated payments are made with the expectation that bills will be used to offset the advance payments, not to compensate providers for lost revenues due to a decrease in non-emergent services. However, we believe it is imperative for CMS and state agencies to rapidly implement truly prospective periodic interim payments, ensuring caregivers on the front lines are receiving levels of funding comparable to before the pandemic and are able to continue providing care during the national emergency and thereafter.

Paying a true PIPP is simpler and allows for less of an administrative burden for providers, state agencies, and MCOs to spend less time on the bureaucracy of paperwork and more time serving people in need. It will prevent short term bankruptcies and support the community behavioral health system in continuing to play a vital role on the front lines of this crisis.

We would appreciate discussing with you and your members how to implement this recommendation. Thank you for your consideration of how to ensure providers can continue to provide care during this national crisis.

Sincerely,

Charles Ingoglia
President and CEO

CC:
Dr. Elinore McCance-Katz
National Council State Affiliates