

United States Senate

WASHINGTON, DC 20510

September 23, 2016

Andrew M. Slavitt
Acting Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Avenue, S.W.
Washington, DC 20201

Dear Mr. Slavitt:

As the authors of the Improving Access to Emergency Psychiatric Care Act (P.L. 114-97), we write to express our concerns regarding the Centers for Medicare & Medicaid Services' (CMS) analysis of state data to extend the Medicaid Emergency Psychiatric Demonstration (Demonstration). Specifically, we urge CMS to re-evaluate the data submitted, along with any supplementary materials, and reconsider the cost neutrality findings.

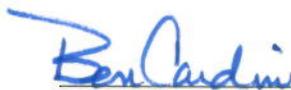
As you know, the legislation passed both the House and Senate unanimously and was signed into law by President Obama on December 11, 2015. This law extends the Demonstration that began in 2010 and was implemented in 11 states through September 2016, and further extends it through December 2019, if the demonstration is cost-beneficial or cost-neutral in a given state. However on August 25, 2016 the Center for Medicare and Medicaid Innovation (CMMI) notified states that it would not extend the Demonstration because it could not establish the budget neutrality of continuing the effort. We are concerned that CMS's lack of timely direction and guidance to participating state Medicaid directors and institutions of mental disease (IMDs) regarding relevant data needs may have led to an incomplete and inaccurate budget picture.

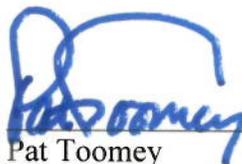
Most concerning is that it appears CMS may have made a critical decision about the future of the program without having all the relevant information. In CMS's August 25, 2016 letter to states participating in the Demonstration, CMS acknowledged it "[did] not have sufficient information upon which to base a certification of budget neutrality." The CMS Office of the Actuary (OACT) also stated that due to the limited information submitted, they could not "certify that a state's participation in an extension of the Demonstration is projected not to increase net Medicaid spending and maintain budget neutrality . . ."

It is our understanding that CMS did not communicate to relevant state Medicaid directors or IMDs that the data submitted was insufficient to make a determination of budget neutrality even once before the final determination was made. As a result, we urge CMS to accept amended data from state Medicaid directors in order to produce a new cost neutrality analysis, using any supplementary materials. CMS should provide states with an appropriate and full opportunity to submit all necessary and relevant data. Furthermore, we ask that CMS immediately provide a clear data template to states in order for them to submit the necessary data.

The Demonstration has been successful at expanding access to emergency psychiatric services, shortening hospital stays, and improving care for those with severe mental illness. We thank you in advance for giving this your full and prompt attention and for CMS' commitment for improving access to care.

Sincerely,


Benjamin L. Cardin
United States Senator


Pat Toomey
United States Senator


Susan M. Collins
United States Senator