The Nation's Voice on Mental Illness

July 25, 2007

The Honorable Charles Rangel
Chairman
Committee on Ways and Means
U.S. House of Representatives
1100 Longworth Office Building
Washington, DC 20515

Dear Chairman Rangel:

On behalf of the 210,000 members and 1,200 affiliates of the National Alliance on Mental Illness (NAMI), I am writing to offer strong support for the Children's Health and Medicare Protection Act of 2007 (CHAMP, HR 3162). As the nation's largest organization representing children and adults with mental illness and their families, NAMI is pleased to support this important legislation to reauthorize the State Children's Health Insurance Program (SCHIP) program and make critically needed improvements in the Medicare program for people with mental illness.

SCHIP Reauthorization

NAMI is especially grateful for provisions in your legislation that will add as much as $50 billion in new funding over the next five years in order to preserve coverage for as many as 6.6 million children (including those who would have lost coverage without this new investment). These new resources will help states reach an additional 5 million of eligible uninsured children.

NAMI is especially grateful for language in CHAMP that will eliminate provisions in current law that allow SCHIP benchmark plans to offer inferior coverage for treatment of mental illness, coverage that only has to be at 75% of the actuarial value of all other medical benefits. Raising this standard to 100% will help ensure that coverage for mental illness treatment is offered on equitable terms. NAMI would urge you and your colleagues to continue to work with Rep. Tammy Baldwin on her proposal to require all SCHIP benchmark plans to meet a standard of parity for mental illness with respect to durational treatment limits and financial limitations. It is critically important that children enrolled in SCHIP plans are able to access coverage for mental illness on a non-discriminatory basis.

Medicare Protections Improvements to Part D Drug Benefits

HR 3162 contains many long overdue improvements to Medicare for beneficiaries with mental illness and their families. Critical among these are Section 203 that will finally address the discriminatory 50% cost sharing requirement for outpatient mental health services. NAMI strongly supports this important effort to bring cost sharing for mental illness treatment into alignment with the 20% requirement for all other outpatient services under Medicare Part B.

NAMI is also very grateful for the numerous improvements to the Part D prescription drug benefit contained in HR 3162. These include:

- Codification of current rules requiring broad formulary coverage within 6 protected therapeutic classes, including antidepressants, anticonvulsants and antipsychotics,
- Restoration of coverage of benzodiazepines under Part D plans,
- Elimination of cost sharing for certain non-institutionalized dual eligibles,
- New exemptions for income and assets to expand eligibility for the Low-Income Subsidy (LIS),
- Waiver of the late enrollment penalty for the LIS,
- New limits on cost sharing for LIS eligible beneficiaries,
- Intelligent assignment for low-income beneficiaries enrolling in Part D plans,
- Allowing mid-year changes in enrollment for beneficiaries adversely impacted by mid-year formulary changes, and
- A new special enrollment period for subsidy eligible individuals.

NAMI is extremely grateful for inclusion of these critical improvements to the Part D benefits for people with mental illness. Collectively, they will ensure that low-income and dual eligible beneficiaries are able to access meaningful prescription drug coverage without interruption. In addition, this legislation will ensure that Part D plans continue to offer broad access to the medications available to treat serious mental illnesses such as schizophrenia, bipolar disorder, major depression and severe anxiety disorders.

Medicaid Improvements

NAMI would like to express our appreciation for Section 143 of the bill and the improvements it makes for the required citizenship documentation process for states. It is critically important that states have greater flexibility to allow eligible individuals and families to meet these requirements and that states have the option to return to the rules they had in place prior to July 2006.

NAMI would also like to express strong support for the provisions in Section 814 imposing a 1-year moratorium on new rules now under development at CMS that pose an enormous threat to rehabilitation services now financed at the state level through Medicaid. These rules are placing at risk critical community-based services for Medicaid beneficiaries with severe mental illness, including successful evidence-based rehabilitation programs such as assertive community treatment. Thank you for including this moratorium in this legislation.

NAMI congratulates you on this important step forward for uninsured low-income children and Medicare beneficiaries living with mental illness. NAMI looks forward to working with you and your colleagues to ensure its passage and enactment later this year. Thank you for your leadership on this important national health care priority.

Sincerely,

Michael J. Fitzpatrick, M.S.W.
Executive Director