



February 19, 2021

The Honorable Norris Cochran
Acting Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Re: Washington State Medicaid Transformation Project Section 1115 Demonstration Extension Request

Dear Acting Secretary Cochran:

NAMI appreciates the opportunity to submit comments on Washington's demonstration extension request. NAMI, the National Alliance on Mental Illness, is the nation's largest grassroots mental health organization dedicated to building better lives for people affected by mental illness. We support renewal of Washington's entire demonstration extension request but will focus our comments on the particular importance of reapproval for the state's institution for mental disease (IMD) waiver components.

Throughout our 40-year history, NAMI has fought for dignity, fairness, and equity for people with mental illness. Many of those we represent are also covered by Medicaid, the nation's largest payer of behavioral health services,ⁱ which covers more than one in four adults with a serious mental illness.ⁱⁱ We know that access to mental health services is essential for people with mental illness to successfully manage their condition, get on a path of recovery, and live healthy, fulfilling lives. Research shows that people with Medicaid coverage are more than twice as likely to receive behavioral health treatment as adults without any health insurance.ⁱⁱⁱ

Medicaid typically covers a wide range of benefits that are important to people with mental illness. For some, and particularly those with the most serious mental illnesses, access to inpatient psychiatric care is part of the full continuum of services needed for successful treatment. Unfortunately, the federal Institutions for Mental Diseases (IMD) exclusion policy has long blocked the development of a truly comprehensive mental health care system for individuals, limiting access to needed inpatient psychiatric care and contributing to a shortage of psychiatric beds nationwide. Without enough inpatient beds, people experiencing mental health crises are too often forced to turn to general hospital emergency departments, ill-equipped to handle people experiencing a mental health crisis. A study by the American College of Emergency Physicians found that 62 percent of emergency departments provided no psychiatric services to people with mental health crises who were waiting, or "boarded," in ERs.^{iv}

People with mental illness are also frequently discharged from emergency departments without any place to go because no bed is available. Sadly, we know what happens when people do not get treatment they need, they can end up in jail or on the streets – with worse long-term individual outcomes, greater pain for their families and a greater cost to the state and the federal government. The IMD exclusion has had a real-life impact on people's ability to access needed treatment, while

perpetuating the systematic belief that mental illness should be treated as separate and unequal to physical illness.

Fortunately, states have begun working toward addressing this issue and creating comprehensive mental health care systems within their Medicaid programs, thanks to the 2018 CMS guidance allowing new opportunities to pay for services provided in IMDs. NAMI is grateful that CMS recognized the barrier that the IMD exclusion plays for people in need of inpatient psychiatric care. We are also pleased by the growing number of states pursuing this promising option and commend Washington for its efforts thus far.

Washington State is seeking a one-year extension for its Medicaid Transformation Project (MTP), a Section 1115 Medicaid waiver demonstration first approved in 2017. Activities within the MTP aim to improve the health care delivery system's capacity to address local health priorities; deliver high-quality, cost-effective, and whole-person care; and create a sustainable link between clinical and community-based services.

The extension would also continue Washington's IMD waivers for substance use disorder (SUD) and mental health, referred to as Initiative 4 and Initiative 5 respectively of the MTP. These waivers, approved in July 2018 (SUD) and November 2020 (mental health), allow the state to leverage federal funding to provide treatment services in residential and inpatient treatment settings that qualify as IMDs. This in turn supports the state's goal of expanding capacity to address the needs of some of Washington's most vulnerable populations with SUD and mental health conditions.

According to initial evaluations, the state is seeing early results from the SUD IMD waiver, including improvements in initiation of alcohol and other drug dependence treatment and access to preventive services. Washington anticipates future success with the IMD waiver for mental health. Unfortunately, due to the COVID-19 pandemic, much of the work of the MTP overall was disrupted including the state's ability to plan a full waiver renewal application. Nevertheless, access to SUD and mental health treatment enhanced by these initiatives is especially critical in the current environment. According to a June 2020 report released by the WA State Department of Health, the impacts of COVID-19 and related government and social actions have "caused a surge in behavioral health symptoms across the state."^v These factors create the necessity of a one-year waiver extension that can maintain the flexibilities and federal funding afforded by the SUD and mental health components to address both longstanding and emerging behavioral health needs across the state.

Through this extension of the 1115 waiver demonstration and IMD components, the state can further evaluate the improvements tied to access, treatment, and related capacity and service enhancements. Altogether, NAMI believes that these efforts will help address key gaps in coverage for essential behavioral health services and improve health outcomes for more Washington residents.

Amidst a time of increasing mental health needs, NAMI is thankful that Washington recognizes the importance of a comprehensive mental health system and are encouraged by the SUD and mental health provisions of the MPT waiver extension request. [We urge CMS to approve this request.](#) Thank you for the opportunity to provide comments on this important issue. If you have any questions or would like to discuss this issue, please do not hesitate to contact Jodi Kwarciany, Manager of Mental Health Policy at jkwarciany@nami.org.

Sincerely,

/s/

Jennifer Snow
Director of Public Policy
NAMI, National Alliance on Mental Illness

ⁱ Medicaid and CHIP Payment and Access Commission, “Behavioral Health in the Medicaid Program—People, Use, and Expenditures,” June 2015, <https://www.macpac.gov/publication/behavioral-health-in-the-medicaid-program%E2%80%95people-use-and-expenditures/>.

ⁱⁱ Rebecca Ahrnsbrak et al., “Key Substance Use and Mental Health Indicators in the United States: Results from the 2016 National Survey on Drug Use and Health,” Substance Abuse and Mental Health Services Administration, September 2017, <https://www.samhsa.gov/data/sites/default/files/NSDUH-FFR1-2016/NSDUH-FFR1-2016.pdf>.

ⁱⁱⁱ Kaiser Family Foundation, “Medicaid’s Role in Behavioral Health,” May 2017, <https://www.kff.org/infographic/medicaids-role-in-behavioral-health/>.

^{iv} American College of Emergency Physicians, “ACEP Psychiatric and Substance Abuse Survey 2008,” April 2008, <http://newsroom.acep.org/download/ACEP+Psychiatric+and+Substance+Abuse+Survey+-+April+2008.pdf>.

^v Washington State Department of Health. “June Update: Statewide High Level Analysis of Forecasted Behavioral Health Impacts from COVID-19.” June 18, 2020: https://www.doh.wa.gov/Portals/1/Documents/1600/coronavirus/COVID-19StatewideSummaryForecast_BH_ImpactsSUD_June.pdf.