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Public Disclosure Office
200 Constitution Avenue NW
Room N1513
Washington, DC 20210

COMMENT ON PROPOSED FINAL REGULATIONS ON MENTAL HEALTH PARITY

The proposed rule notes the requirement that health plans must include so called intermediate care that may include residential care or other intensive outpatient programs.

It is our belief that this level of care is likely to be medically necessary following most psychiatric hospitalizations and we would hope that CMS could offer a clarifying statement confirming our analysis as set forth below.

We base this on the pattern of care for Medicare fee for service recipients (including those who are also enrolled in Medicaid – so called dual eligibles) who experience psychiatric hospitalizations. For that population the typical follow up care and discharge planning includes a period of time in a partial hospitalization program (usually owned and operated by the same hospital and billable under Medicare fee for service). The fact that this commonly occurs is evidence that this is considered medically necessary by the health care professionals managing the individual’s care and accepted by the Medicare fiscal intermediary.

However, the typical discharge for others with psychiatric hospitalizations is to offer a brief supply of medications and the name and address of a psychiatrist for follow up care. California MediCal statistics show that only a tiny fraction of patients (estimated at around 10%) actually do follow up and receive such an appointment as it is clear that someone who was sick enough to have a psychiatric hospitalization is likely to need much more extensive follow up care.

It is our view that Parity and medical necessity would require that there be meaningful discharge planning with a care manager determining the level of care needed and with health plans obligated to provide the level that is considered necessary to ensure continued stabilization and recovery.

Does CMS concur?

Rusty Selix, Executive Director