



June 4, 2013

Secretary Kathleen Sebelius
U.S. Department of Health and Human Services
Hubert H. Humphrey Building
Room 509F
200 Independence Avenue SW
Washington, DC 20201

Dear Madam Secretary,

We first want to thank you and the entire Administration for convening the White House Conference on Mental Health on Monday. As you know, a very important part of the discussion at the conference was ensuring adequate access and coverage to mental health services.

As you make final decisions on the Medicaid expansion regulation, we would like to bring to your attention a very important issue dealing with access to inpatient psychiatric care.

As you know, the Institutions for Mental Disease (IMD) exclusion prohibits federal Medicaid reimbursement for Medicaid patients between the ages of 21 and 64 in IMDs (freestanding psychiatric hospitals).

We believe there are strong legal reasons why the IMD exclusion should not apply to the new Medicaid expansion population. A full discussion of the legal analysis has been made available to Centers for Medicare & Medicaid Services (CMS) staff.

But even more important than the legal argument is the fact that there would be a real-life negative impact on millions of newly covered individuals if access to freestanding community psychiatric hospitals (IMDs) were restricted.

Newly insured individuals under the Medicaid expansion program should have the same access, choice, quality, and cost-effective treatment for inpatient psychiatric care as they do for medical/surgical treatment. This is not just about fairness and equity; it is about Americans getting the right care, in the right setting, at the right time.

Inpatient psychiatric care today is delivered in the community in short-term, acute-care settings, including freestanding psychiatric hospitals. Inpatient psychiatric care is an integral component of community-based care for people with serious mental illnesses, and it makes no sense (either from a public policy or patient-centered perspective) to limit the inpatient psychiatric settings that people in need of this life-saving service can access.

Limiting access to community psychiatric hospitals also would impact the costs of inpatient psychiatric care. More choice results in more competition and lower costs.

Since the 1990s there has been a major reduction in inpatient psychiatric facilities. This major decline in psychiatric beds per capita has resulted in a major increase in emergency department visits for

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psychiatric disorders. In many communities patients need to stay in emergency departments for hours, days, or (in some cases) more than a week before being able to find an available bed. Others are transported long distances to get inpatient psychiatric.

For these reasons we would urge you to allow freestanding psychiatric hospitals to participate in the new Medicaid expansion program.

Thank you for considering this most important issue.

Sincerely,



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