

111TH CONGRESS
1ST SESSION

H. R. 3065

To establish a chronic care improvement demonstration program for Medicaid beneficiaries with severe mental illnesses.

IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 2009

Ms. SCHAKOWSKY (for herself and Ms. KILPATRICK of Michigan) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To establish a chronic care improvement demonstration program for Medicaid beneficiaries with severe mental illnesses.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Mental Illness Chronic
5 Care Improvement Act of 2009”.

6 **SEC. 2. CHRONIC CARE IMPROVEMENT DEMONSTRATION**
7 **PROGRAM FOR MEDICAID BENEFICIARIES**
8 **WITH SEVERE MENTAL ILLNESSES.**

9 (a) DEFINITIONS.—In this section:

1 (1) CHRONIC CARE IMPROVEMENT PROGRAM
2 OPERATOR.—

3 (A) IN GENERAL.—Subject to subpara-
4 graph (B), the term “chronic care improvement
5 program operator” means a qualified commu-
6 nity program under section 1913(b)(1) of the
7 Public Health Service Act that has entered into
8 a chronic care improvement program operator
9 agreement that meets the requirements of sub-
10 section (e) with a participating State to carry
11 out, directly or through contracts with sub-
12 contractors, a severe mental illness chronic care
13 improvement demonstration program for tar-
14 geted beneficiaries in the State.

15 (B) OTHER ENTITIES PERMITTED.—Sub-
16 ject to approval by the Secretary, such term
17 may include any other entity that a partici-
18 pating State determines is appropriate to carry
19 out a severe mental illness chronic care im-
20 provement demonstration program for targeted
21 beneficiaries in the State.

22 (2) MEDICAID.—The term “Medicaid” means
23 the Federal-State medical assistance program estab-
24 lished under title XIX of the Social Security Act (42
25 U.S.C. 1396 et seq.).

1 (3) PARTICIPATING STATE.—The term “partici-
2 pating State” means a State with an approved appli-
3 cation that has entered into a chronic care improve-
4 ment demonstration agreement with the Secretary to
5 conduct a severe mental illness chronic care improve-
6 ment demonstration program under this section.

7 (4) SECRETARY.—The term “Secretary” means
8 the Secretary of Health and Human Services.

9 (5) SEVERE MENTAL ILLNESS CHRONIC CARE
10 IMPROVEMENT DEMONSTRATION PROGRAM.—The
11 term “severe mental illness chronic care improve-
12 ment demonstration program” means a program de-
13 scribed in subsection (d) that is conducted pursuant
14 to a chronic care improvement demonstration agree-
15 ment between the Secretary and a participating
16 State.

17 (6) STATE.—The term “State” has the mean-
18 ing given that term for purposes of Medicaid.

19 (7) THRESHOLD CONDITION.—

20 (A) IN GENERAL.—The term “threshold
21 condition” means a chronic mental illness such
22 as schizophrenia, schizoaffective disorder, bipo-
23 lar disorder, major clinical depression, or such
24 conditions with co-occurring substance abuse
25 disorders.

1 (B) OTHER STATE-SPECIFIED CONDI-
2 TIONS.—Such term includes other conditions
3 contained in the Diagnostic and Statistical
4 Manual of Mental Disorders IV published by
5 the American Psychiatric Association (or any
6 successor publication by such Association) se-
7 lected by the participating State as appropriate
8 criteria for selection of targeted beneficiaries
9 for participation in a severe mental illness
10 chronic care improvement demonstration pro-
11 gram.

12 (8) TARGETED BENEFICIARY.—

13 (A) IN GENERAL.—The term “targeted
14 beneficiary” means an adult individual who—

15 (i) is entitled to benefits under the
16 State Medicaid plan (or a waiver of such
17 plan);

18 (ii) has 1 or more of the threshold
19 conditions; and

20 (iii) has been identified by the State
21 as likely to benefit from participation in a
22 severe mental illness chronic care improve-
23 ment demonstration program.

24 (B) VOLUNTARY PARTICIPATION.—A tar-
25 geted beneficiary may participate in a severe

1 mental illness chronic care improvement dem-
2 onstration program on a voluntary basis and
3 may terminate participation at any time.

4 (b) AUTHORITY TO CONDUCT DEMONSTRATION PRO-
5 GRAM.—

6 (1) CHRONIC CARE IMPROVEMENT DEMONSTRA-
7 TION AGREEMENTS.—

8 (A) IN GENERAL.—The Secretary shall
9 enter into chronic care improvement demonstra-
10 tion agreements with States that submit ap-
11 proved applications under this section to pro-
12 vide for the development, testing, evaluation,
13 and implementation of severe mental illness
14 chronic care improvement demonstration pro-
15 grams in accordance with this section.

16 (B) PERIOD.—A chronic care improvement
17 demonstration agreement entered into by the
18 Secretary and a participating State shall be for
19 a period of 4 years.

20 (C) DEADLINE FOR INITIAL AGREE-
21 MENTS.—Not later than October 1, 2010, the
22 Secretary shall enter into chronic care improve-
23 ment demonstration agreements with not more
24 than 10 participating States to conduct a severe

1 mental illness chronic care improvement dem-
2 onstration program under this section.

3 (2) CHRONIC CARE IMPROVEMENT PROGRAM
4 OPERATOR AGREEMENTS.—A chronic care improve-
5 ment demonstration agreement entered into between
6 the Secretary and a participating State shall require
7 the participating State to enter into chronic care im-
8 provement program operator agreements, consistent
9 with subsection (e), with chronic care improvement
10 program operators to carry out the severe mental ill-
11 ness chronic care improvement demonstration pro-
12 gram in the State.

13 (3) POST-DEMONSTRATION PLAN FOR CON-
14 TINUITY OF SERVICES.—A State desiring to conduct
15 a severe mental illness chronic care improvement
16 demonstration program under this section shall in-
17 clude in its application to be selected as a partici-
18 pating State a plan for ensuring continuity of serv-
19 ices for targeted beneficiaries who are participating
20 in the program on any date (expected or unexpected)
21 that the demonstration program ceases to be con-
22 ducted in the State.

23 (c) PAYMENTS; FUNDING.—

24 (1) IN GENERAL.—Beginning October 1, 2010,
25 the Secretary shall provide for payments for not

1 more than 10 participating States to conduct a se-
2 vere mental illness chronic care improvement dem-
3 onstration program in accordance with the require-
4 ments of this section.

5 (2) MANNER OF PAYMENT.—Payment to a
6 State under this section shall be made in the same
7 manner as other payments are made to the State
8 under section 1903(a) of the Social Security Act (42
9 U.S.C. 1396b(a)).

10 (3) NO STATE MATCH REQUIRED.—No State
11 shall be required to provide State matching funds as
12 a condition for receiving payments under this sec-
13 tion.

14 (4) FUNDING.—

15 (A) LIMITATION ON FUNDS.—The total
16 amount of payments under this section shall
17 not exceed \$250,000,000 for the period of fiscal
18 years 2011 through 2014.

19 (B) BUDGET AUTHORITY.—This section
20 constitutes budget authority in advance of ap-
21 propriations Acts and represents the obligation
22 of the Secretary to provide for the payment of
23 amounts provided under this section.

24 (C) LIMITATION ON PAYMENTS.—In no
25 case may—

1 (i) the aggregate amount of payments
2 made by the Secretary to a participating
3 State for administrative expenses relating
4 to conducting a severe mental illness
5 chronic care improvement demonstration
6 program under this section exceed 10 per-
7 cent of the aggregate amount of payments
8 made to the State under this section; and

9 (ii) payments be provided by the Sec-
10 retary under this section for services pro-
11 vided under a severe mental illness chronic
12 care improvement demonstration program
13 conducted under this section for any fiscal
14 year after fiscal year 2014.

15 (d) SEVERE MENTAL ILLNESS CHRONIC CARE IM-
16 PROVEMENT DEMONSTRATION PROGRAM.—

17 (1) IN GENERAL.—A severe mental illness
18 chronic care improvement demonstration program
19 shall be designed to improve the health outcomes
20 and satisfaction of targeted beneficiaries partici-
21 pating in the program and shall—

22 (A) provide such beneficiaries with regular
23 screening, registry tracking, and outcome meas-
24 urement processes at the time of psychiatric
25 visits for, among other purposes, developing an

1 individualized, goal-oriented care management
2 plan that satisfies the requirements of para-
3 graph (2);

4 (B) provide each such beneficiary with
5 such a plan; and

6 (C) carry out such plan and other chronic
7 care improvement activities carried out by the
8 State;

9 (2) ELEMENTS OF CARE MANAGEMENT PLAN.—

10 A care management plan for a targeted beneficiary
11 shall be developed with the beneficiary using person-
12 centered planning principles and shall, to the extent
13 appropriate, include the following:

14 (A) Explicit general health care goals,
15 measured on a regular basis, such as—

16 (i) improved access to primary care
17 services;

18 (ii) improved prevention;

19 (iii) early identification and interven-
20 tion to avoid serious health issues; and

21 (iv) better management of chronic dis-
22 eases, including but not limited to hyper-
23 tension, diabetes, obesity, and cardio-
24 vascular disease.

1 (B) A designated point of contact respon-
2 sible for communications with the beneficiary
3 and for facilitating communications with other
4 health care and related community providers
5 under the plan.

6 (C) Coordination and communication with
7 family members who are actively engaged in
8 supporting the targeted beneficiary's participa-
9 tion in the program.

10 (D) Self-care education for the beneficiary
11 in recognizing and managing symptoms of
12 threshold conditions, educating parents and
13 family members, and educating physicians and
14 medical specialists as appropriate.

15 (E) Education for physicians and other
16 community providers on required collaboration
17 to enhance communication of relevant clinical
18 information.

19 (F) Active coordination of supportive com-
20 munity services, including peer support, trans-
21 portation, day care, personal assistance, hous-
22 ing, primary care (including accompanying tar-
23 geted beneficiaries to medical appointments),
24 mental health care, and other required services.

1 (G) The use of monitoring technologies
2 that enable patient guidance through the ex-
3 change of pertinent clinical information.

4 (e) TERMS AND CONDITIONS OF CHRONIC CARE IM-
5 PROVEMENT PROGRAM OPERATOR AGREEMENTS.—

6 (1) REQUIREMENTS.—A chronic care improve-
7 ment program operator agreement entered into
8 under this section between a participating State and
9 a chronic care improvement program operator shall
10 require the operator, with respect to targeted bene-
11 ficiaries enrolled in the program and covered by the
12 agreement, to—

13 (A) guide the beneficiaries in managing
14 their health (including all co-occurring medical
15 or surgical conditions, relevant health care serv-
16 ices, and pharmaceutical needs) and in per-
17 forming activities as specified under each such
18 beneficiaries care management plan;

19 (B) use decision-support tools, such as evi-
20 dence-based practice guidelines, medication al-
21 gorithms, or other criteria as determined by the
22 Secretary;

23 (C) arrange for core medical home team
24 staff members, such as medical nurse practi-

1 tioners, primary care supervising physicians,
2 and embedded nurse care managers;

3 (D) initiate wellness activities, including
4 smoking cessation and weight management and
5 physical exercise programs;

6 (E) participate with the State to develop a
7 clinical information database to track and mon-
8 itor the beneficiaries across settings and to
9 evaluate outcomes;

10 (F) monitor and report to the participating
11 State, in a manner specified by the Secretary,
12 on health care quality, cost, outcomes, and clin-
13 ical milestones in achieving recovery from men-
14 tal illnesses and co-occurring addiction dis-
15 orders;

16 (G) meet medical home quality standards,
17 as promulgated by the National Committee on
18 Quality Assurance (NCQA) or such other qual-
19 ity assurance organizations as the Secretary
20 may specify;

21 (H) meet such clinical, quality improve-
22 ment, financial, and other requirements as the
23 participating State deems to be appropriate for
24 the targeted beneficiaries to be served; and

1 (I) comply with such additional require-
2 ments as the participating State may specify.

3 (2) OPTIONAL SERVICES.—The chronic care im-
4 provement program operator agreement may permit
5 a chronic care improvement program operator to—

6 (A) use intake assessment, health examina-
7 tion, medication management, vital signs moni-
8 toring, preventive healthcare, disease specific
9 goals implementation, patient health education,
10 or other primary care or general healthcare
11 services as deemed appropriate by the operator
12 to carry out the program;

13 (B) be recognized as a patient-centered
14 medical home in accordance with paragraph
15 (4); and

16 (C) where feasible, to collaborate with pri-
17 mary care providers, including federally quali-
18 fied health centers or other community health
19 centers, to provide the services described in
20 clause (i).

21 (3) MANNER OF PAYMENT.—The chronic care
22 improvement program operator agreement shall pro-
23 vide that the State shall pay the chronic care im-
24 provement program operator in accordance with a

1 methodology developed by the Secretary for deter-
2 mining payment.

3 (4) PATIENT-CENTERED MEDICAL HOME REC-
4 OGNITION.—The Secretary shall enter into an agree-
5 ment with the National Committee for Quality As-
6 surance (NCQA), or other quality assurance organi-
7 zation with appropriate experience evaluating pa-
8 tient-centered medical homes as the Secretary may
9 specify, for the purposes of granting patient-centered
10 medical home status to qualified chronic care im-
11 provement operator sites.

12 (f) INDEPENDENT EVALUATION.—

13 (1) IN GENERAL.—The Secretary shall conduct
14 an independent evaluation of the severe mental
15 chronic care improvement demonstration programs
16 conducted under this section. Such evaluation shall
17 be done by grant, contract, or interagency agree-
18 ment with an entity with knowledge of severe mental
19 illness chronic care improvement programs and dem-
20 onstrated experience in the evaluation of such pro-
21 grams. The evaluation shall include an assessment
22 of whether the State demonstration programs con-
23 ducted under this section—

1 (A) enhance coordination and integration
2 of primary care and community mental health
3 and substance use disorder services;

4 (B) improve prevention, early identifica-
5 tion, and intervention to avoid serious health
6 issues, including chronic diseases;

7 (C) improve the overall health status of
8 targeted beneficiaries using a patient-centered
9 approach; and

10 (D) produce financial outcomes, including
11 any cost savings to Medicaid.

12 (2) INCLUSION OF FAMILY MEMBERS.—The
13 Secretary shall ensure that the evaluation collects
14 and assesses information from family members who
15 are involved with supporting a targeted beneficiary’s
16 participation in a severe mental illness chronic care
17 improvement demonstration program conducted
18 under this section with respect to the results of the
19 beneficiary’s participation in the program.

20 (3) REPORT TO CONGRESS.—The Secretary
21 shall submit a report to Congress on the results of
22 the evaluation conducted under this subsection. The
23 report shall include such recommendations as the
24 Secretary determines appropriate to—

1 (A) guide the development of future pro-
2 grams that provide comprehensive and inte-
3 grated behavioral and physical health care serv-
4 ices to the severely mentally ill;

5 (B) assist pediatric populations (with ad-
6 justments made based on age-related clinical
7 profiles); and

8 (C) assist Medicare beneficiaries under
9 title XVIII of the Social Security Act (42
10 U.S.C. 1395 et seq.).

11 (g) RULES OF CONSTRUCTION.—Nothing in this sec-
12 tion shall be construed as—

13 (1) expanding the amount, duration, or scope of
14 benefits under a State Medicaid plan (or waiver of
15 such plan);

16 (2) providing an individual entitlement to par-
17 ticipate in a severe mental illness chronic care im-
18 provement demonstration program; or

19 (3) providing any hearing or appeal rights with
20 respect to a severe mental illness chronic care im-
21 provement demonstration program established under
22 this section.

23 (h) CLARIFICATION OF MEDICAID REIMBURSEMENT
24 FOR INTEGRATED MENTAL HEALTH AND PRIMARY CARE
25 SERVICES.—Not later than October 1, 2010, the Sec-

1 retary shall provide, by regulation, for changes to require-
2 ments under Medicaid relating to reimbursement for pri-
3 mary care and behavioral health services to the same pa-
4 tient, on the same day, at the same service site, so as to
5 permit payment for the provision of both types of services
6 on the same day to the same patient.

7 (i) SECRETARIAL OVERSIGHT AND COORDINATION.—
8 The Secretary shall establish procedures to promote active
9 and effective coordination, collaboration, and communica-
10 tion among the agencies, administrations, and centers of
11 the Department of Health and Human Services that are
12 responsible for any matter relating to the conduct or eval-
13 uation of the severe mental illness chronic care improve-
14 ment demonstration programs carried out under this sec-
15 tion.

○