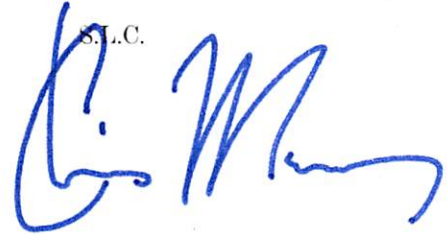


S.L.C.


AMENDMENT NO. 1 Calendar No. _____

Purpose: To provide for Medicare and Medicaid reforms.

IN THE SENATE OF THE UNITED STATES—114th Cong., 2d Sess.

(no.) _____

(title) _____

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. MURPHY

Viz:

1 At the end, add the following:

2 **TITLE IX—MEDICARE AND**
3 **MEDICAID REFORMS**

4 **SEC. 901. ENHANCED MEDICAID COVERAGE RELATING TO**
5 **CERTAIN MENTAL HEALTH SERVICES.**

6 (a) MEDICAID COVERAGE OF MENTAL HEALTH
7 SERVICES AND PRIMARY CARE SERVICES FURNISHED ON
8 THE SAME DAY.—

9 (1) IN GENERAL.—Section 1902(a) of the So-
10 cial Security Act (42 U.S.C. 1396a(a)) is amended
11 by inserting after paragraph (77) the following new
12 paragraph:

1 “(78) not prohibit payment under the plan for
2 a mental health service or primary care service fur-
3 nished to an individual at a community mental
4 health center meeting the criteria specified in section
5 1913(e) of the Public Health Service Act or a Fed-
6 erally qualified health center (as defined in section
7 1861(aa)(4)) for which payment would otherwise be
8 payable under the plan, with respect to such indi-
9 vidual, if such service were not a same-day quali-
10 fying service (as defined in subsection (ll)).”.

11 (2) SAME-DAY QUALIFYING SERVICES DE-
12 FINED.—Section 1902 of the Social Security Act (42
13 U.S.C. 1396a) is amended by adding at the end the
14 following new subsection:

15 “(ll) SAME-DAY QUALIFYING SERVICES DEFINED.—
16 For purposes of subsection (a)(78), the term ‘same-day
17 qualifying service’ means—

18 “(1) a primary care service furnished to an in-
19 dividual by a provider at a facility on the same day
20 a mental health service is furnished to such indi-
21 vidual by such provider (or another provider) at the
22 facility; and

23 “(2) a mental health service furnished to an in-
24 dividual by a provider at a facility on the same day
25 a primary care service is furnished to such individual

1 by such provider (or another provider) at the facil-
2 ity.”.

3 (b) STATE OPTION TO PROVIDE MEDICAL ASSIST-
4 ANCE FOR CERTAIN INPATIENT PSYCHIATRIC SERVICES
5 TO NONELDERLY ADULTS.—Section 1905 of the Social
6 Security Act (42 U.S.C. 1396d) is amended—

7 (1) in subsection (a)—

8 (A) in paragraph (16)—

9 (i) by striking “effective” and insert-
10 ing “(A) effective”; and

11 (ii) by inserting before the semicolon
12 at the end the following: “, and (B) quali-
13 fied inpatient psychiatric hospital services
14 (as defined in subsection (h)(3)) for indi-
15 viduals over 21 years of age and under 65
16 years of age”; and

17 (B) in the subdivision (B) that follows
18 paragraph (29), by inserting “(other than serv-
19 ices described in subparagraph (B) of para-
20 graph (16) for individuals described in such
21 subparagraph)” after “patient in an institution
22 for mental diseases”; and

23 (2) in subsection (h), by adding at the end the
24 following new paragraph:

1 “(3) For purposes of subsection (a)(16)(B), the
2 term ‘qualified inpatient psychiatric hospital serv-
3 ices’ means, with respect to individuals described in
4 such subsection, services described in subparagraphs
5 (A) and (B) of paragraph (1) that are furnished in
6 an acute care psychiatric unit in a State-operated
7 psychiatric hospital or a psychiatric hospital (as de-
8 fined section 1861(f)) if such unit or hospital, as ap-
9 plicable, has a facility-wide average (determined on
10 an annual basis) length of stay of less than 20
11 days.”.

12 (c) STUDY AND REPORT.—

13 (1) STUDY.—The Secretary shall conduct a
14 study to determine the impact of the amendments
15 made by this section on the Medicaid IMD exclusion.

16 (2) REPORT.—Not later than 2 years after the
17 date of enactment of this Act, the Secretary shall
18 submit to Congress a report containing the results
19 of the study conducted under paragraph (1). The re-
20 port shall include the following information:

21 (A) An assessment of the level of State ex-
22 penditures on short-term acute inpatient psy-
23 chiatric hospital care for which no Federal fi-
24 nancial participation is provided for the most
25 recent State fiscal year ending prior to the ef-

1 fective date of the amendments made by this
2 section and an analysis of the impact of the
3 changes to the Medicaid IMD exclusion made
4 by such amendments on State expenditures for
5 such care.

6 (B) An assessment of the extent to which
7 States used disproportionate share hospital pay-
8 ment adjustments described in section 1923 of
9 the Social Security Act (42 U.S.C. 1396r-4) to
10 fund short-term acute inpatient psychiatric hos-
11 pital care prior to the effective date of the
12 amendments made by this section and an anal-
13 ysis of the impact of the changes to the Med-
14 icaid IMD exclusion made by such amendments
15 on the use of such payment adjustments to
16 fund such care.

17 (C) The total amount by which State ex-
18 penditures and the extent to which States use
19 disproportionate share hospital payment adjust-
20 ments for short-term acute inpatient psychiatric
21 hospital care have been reduced due to the
22 changes to the Medicaid IMD exclusion made
23 by the amendments made by this section.

24 (D) Recommendations for strategies to en-
25 courage States to reinvest savings in State ex-

1 penditures and disproportionate share hospital
2 payment adjustments that result from the
3 changes to the Medicaid IMD exclusion made
4 by the amendments made by this section in
5 community-based mental health services.

6 (3) DEFINITIONS.—For purposes of this sub-
7 section:

8 (A) MEDICAID IMD EXCLUSION.—The term
9 “Medicaid IMD exclusion” means the prohibi-
10 tion on Federal matching payments under Med-
11 icaid for care or services provided to patients
12 who have attained age 22, but have not at-
13 tained age 65, in an institution for mental dis-
14 eases under subdivision (B) of the matter fol-
15 lowing paragraph (29) of section 1905(a) of the
16 Social Security Act (42 U.S.C. 1396d(a)).

17 (B) SECRETARY.—The term “Secretary”
18 means the Secretary of Health and Human
19 Services.

20 (C) SHORT-TERM ACUTE INPATIENT PSY-
21 CHIATRIC HOSPITAL CARE.—The term “short-
22 term acute inpatient psychiatric hospital care”
23 means care provided in either—

24 (i) an acute-care psychiatric unit with
25 an average annual length of stay of fewer

1 than 20 days that is operated within a
2 State-operated psychiatric hospital; or

3 (ii) a psychiatric hospital with an av-
4 erage length of stay of fewer than 20 days
5 on an annual basis.

6 (d) EFFECTIVE DATE.—

7 (1) IN GENERAL.—Subject to paragraphs (2)
8 and (3), the amendments made by this section shall
9 apply to items and services furnished after the first
10 day of the first calendar year that begins after the
11 date of the enactment of this section.

12 (2) CERTIFICATION OF NO INCREASED SPEND-
13 ING.—The amendments made by this section shall
14 not be effective unless the Chief Actuary of the Cen-
15 ters for Medicare & Medicaid Services certifies that
16 the inclusion of qualified inpatient psychiatric hos-
17 pital services (as defined by paragraph (3) of section
18 1905(h) of the Social Security Act (42 U.S.C.
19 1396d(h)), as added by subsection (b)) furnished to
20 nonelderly adults as medical assistance under section
21 1905(a) of the Social Security Act (42 U.S.C.
22 1396d(a)), as amended by subsection (b), would not
23 result in any increase in net program spending
24 under title XIX of such Act.

1 (3) EXCEPTION FOR STATE LEGISLATION.—In
2 the case of a State plan under title XIX of the So-
3 cial Security Act, which the Secretary of Health and
4 Human Services determines requires State legisla-
5 tion in order for the respective plan to meet any re-
6 quirement imposed by amendments made by this
7 section, the respective plan shall not be regarded as
8 failing to comply with the requirements of such title
9 solely on the basis of its failure to meet such an ad-
10 ditional requirement before the first day of the first
11 calendar quarter beginning after the close of the
12 first regular session of the State legislature that be-
13 gins after the date of enactment of this section. For
14 purposes of the previous sentence, in the case of a
15 State that has a 2-year legislative session, each year
16 of the session shall be considered to be a separate
17 regular session of the State legislature.

18 **SEC. 902. MODIFICATIONS TO MEDICARE DISCHARGE PLAN-**
19 **NING REQUIREMENTS.**

20 Section 1861(ee) of the Social Security Act (42
21 U.S.C. 1395x(ee)) is amended—

22 (1) in paragraph (1), by inserting “and, in the
23 case of a psychiatric hospital or a psychiatric unit
24 (as described in the matter following clause (v) of
25 section 1886(d)(1)(B)), if it also meets the guide-

1 lines and standards established by the Secretary
2 under paragraph (4)” before the period at the end;
3 and

4 (2) by adding at the end the following new
5 paragraph:

6 “(4) The Secretary shall develop guidelines and
7 standards, in addition to those developed under
8 paragraph (2), for the discharge planning process of
9 a psychiatric hospital or a psychiatric unit (as de-
10 scribed in the matter following clause (v) of section
11 1886(d)(1)(B)) in order to ensure a timely and
12 smooth transition to the most appropriate type of,
13 and setting for, posthospital or rehabilitative care.
14 The Secretary shall issue final regulations imple-
15 menting such guidelines and standards not later
16 than 24 months after the date of the enactment of
17 this paragraph. The guidelines and standards shall
18 include the following:

19 “(A) The hospital or unit must identify the
20 types of services needed upon discharge by a
21 patient being treated by the hospital or unit.

22 “(B) The hospital or unit must—

23 “(i) identify organizations that offer
24 community services to the community that
25 is served by the hospital or unit and the

1 types of services provided by the organiza-
2 tions; and

3 “(ii) make demonstrated efforts to es-
4 tablish connections, relationships, and
5 partnerships with such organizations.

6 “(C) The hospital or unit must arrange
7 (with the participation of the patient and of any
8 other individuals selected by the patient for
9 such purpose) for the development and imple-
10 mentation of a discharge plan for the patient as
11 part of the patient’s overall treatment plan
12 from admission to discharge. Such discharge
13 plan shall meet the requirements described in
14 subparagraphs (G) and (H) of paragraph (2).

15 “(D) The hospital or unit shall coordinate
16 with the patient (or assist the patient with) the
17 referral for posthospital or rehabilitative care
18 and as part of that referral the hospital or unit
19 shall include transmitting to the receiving orga-
20 nization, in a timely manner, appropriate infor-
21 mation about the care furnished to the patient
22 by the hospital or unit and recommendations
23 for posthospital or rehabilitative care to be fur-
24 nished to the patient by the organization.”