
CMCS Informational Bulletin

DATE: May 7, 2019

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SUBJECT: Guidance for States on the Availability of an Extension of the Enhanced Federal Medical Assistance Percentage (FMAP) Period for Certain Medicaid Health Homes for Individuals with Substance Use Disorders (SUD)

The purpose of this informational bulletin is to provide guidance to states regarding the availability of an extension of the enhanced FMAP period for certain Medicaid health homes for individuals with SUD. Authority for the extension was recently enacted in section 1006(a) of the Substance Use–Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act (SUPPORT for Patients and Communities Act), Pub. L. No. 115-271 (2018). Section 1006(a) of the SUPPORT for Patients and Communities Act amended section 1945(c) of the Social Security Act (Act).

Summary:

New paragraph 1945(c)(4) of the Act permits CMS to extend, at state request, the period of 90% FMAP for certain Medicaid health homes, provided that certain conditions are met. The extension of the enhanced FMAP period is available only for expenditures for the provision of health home services to “SUD-eligible individuals” under a “SUD-focused state plan amendment” (both terms are defined by the statute) that was approved by the Secretary on or after October 1, 2018. States whose health homes meet those criteria may request that the Secretary extend the enhanced FMAP period beyond the first 8 fiscal year quarters, for the subsequent 2 fiscal year quarters, for a total of 10 fiscal year quarters from the effective date of the state plan amendment. States interested in this opportunity should submit a proposal for a new SUD-focused health home state plan amendment along with a letter of request for an extension of the period of enhanced FMAP.

Statutory Definitions:

The term “SUD-focused state plan amendment” is defined in section 1945(c)(4)(D) of the Act to mean a state plan amendment under section 1945 of the Act that is designed to provide health home services primarily to SUD-eligible individuals.

The term “SUD-eligible individual” is defined in section 1945(c)(4)(D) of the Act to mean an individual who satisfies all of the following:

- 1) The individual is an eligible individual with chronic conditions.
- 2) The individual is an individual with a substance use disorder.

- 3) The individual has not previously received health home services under any other state plan amendment approved for the state under section 1945 by the Secretary.

State Reporting Requirements:

There are new reporting requirements in section 1945(c)(4)(B) of the Act for states that receive approval for an additional two quarters of enhanced FMAP for a SUD-focused health home state plan amendment. Specifically, these states must report to the Secretary on the following, with respect to SUD-eligible individuals provided health home services under the SUD-focused health home state plan amendment:

- The quality of health care provided to these individuals, with a focus on outcomes relevant to the recovery of each such individual.
- The access of these individuals to health care.
- The total expenditures of these individuals for health care.

CMS expects to issue guidance about the new reporting requirements, including information about the deadline for reporting, in the near future.

Guidance on Submitting a Request to Extend the Enhanced FMAP Period

States interested in submitting a request to extend the enhanced FMAP period for a SUD-focused health home should review the requirements described in section 1945(c)(4). In particular, the period of enhanced FMAP can only be extended for “SUD-focused” health home state plan amendments approved on or after October 1, 2018.

State requests to extend the period of enhanced FMAP under section 1945(c)(4) should include the following:

- A letter of request in MACPro to receive the additional two quarters of enhanced FMAP.
- Information that will enable CMS to determine whether the request to extend the enhanced FMAP period relates to a state plan amendment that is “SUD-focused” (as defined at section 1945(c)(4)(D)). Although this is not required, CMS encourages states to include Medication Assisted Treatment (MAT) providers as part of the health home team structure. Including MAT providers as part of the health home team structure would be a strong indication that the health home is “designed to provide health home services primarily to SUD-eligible individuals” and thus, is “SUD-focused.”
- The state should submit a proposal for a new health home state plan amendment that is “SUD-focused” (as defined at section 1945(c)(4)(D)). If a state already has an approved health home state plan amendment that is not SUD-focused, nothing in the recent amendments would prohibit that state from proposing another, new state plan amendment for a SUD-focused health home and seeking an extended period of enhanced FMAP under the new state plan amendment.

Next Steps after Approval of a Request to Extend the Enhanced FMAP Period

If CMS approves an extension of the enhanced FMAP period, the state's health home services expenditures for the applicable SUD-focused health home should be reported on line 45 on the MBES 64.9 series and 37.3 budget form.

There are also new reporting requirements in section 1945(c)(4)(B) for states receiving two additional quarters of enhanced FMAP for a SUD-focused health home. CMS expects to issue guidance on these requirements in the near future.

Please refer to the attached Frequently Asked Questions (FAQs) for additional information.

For states interested in receiving technical assistance on SUD-focused health home state plan amendments and requests for extensions of the enhanced FMAP period, please contact: Mary Pat Farkas, Technical Director at 410-786-5731 or marypat.farkas@cms.hhs.gov.

For general questions about health home state plan amendments or to request technical assistance, please contact healthhomes@cms.hhs.gov.

For guidance on the MACPro system, please contact the MACPro Help Desk at MACPro_HelpDesk@cms.hhs.gov.

Guidance for States on the Availability of an Extension of the Enhanced Federal Medical Assistance Percentage (FMAP) Period for Certain Medicaid Health Homes for Individuals with Substance Use Disorders (SUD)

Frequently Asked Questions – May 7, 2019

1) What is the effect of the amendments related to Medicaid health homes in section 1006(a) of the Substance Use–Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act (SUPPORT for Patients and Communities Act)?

These amendments permit CMS to extend, at state request, the period of 90% FMAP for certain Medicaid health homes from eight to ten quarters, provided that certain conditions are met. The additional two quarters of enhanced FMAP are available only for expenditures for the provision of health home services to “SUD-eligible individuals” under a “SUD-focused state plan amendment” (both terms are defined by the statute) that was approved by the Secretary on or after October 1, 2018.

2) When does the extension of the enhanced FMAP period for approved SUD-focused health homes go into effect?

Extensions of the enhanced FMAP period for SUD-focused health home state plan amendments will take effect only after CMS approves a state’s request, and the period of enhanced FMAP will begin on the effective date of the applicable state plan amendment. The extensions are available for SUD-focused health home state plan amendments approved on or after October 1, 2018.

3) What is the statutory definition of SUD-focused state plan amendment?

The term “SUD-focused state plan amendment” means a state plan amendment under section 1945 of the Social Security Act (Act) that is designed to provide health home services primarily to SUD-eligible individuals.

4) What is the statutory definition of SUD-eligible individual?

The term “SUD-eligible individual” means an individual who satisfies all of the following:

- 1) The individual is an eligible individual with chronic conditions.
- 2) The individual is an individual with a substance use disorder.
- 3) The individual has not previously received health home services under any other state plan amendment approved for the state under section 1945 of the Act by the Secretary.

5) What does a state need to do to receive the additional quarters of enhanced FMAP?

States should submit a letter requesting the additional quarters of enhanced FMAP to CMS through the MACPro system. If CMS determines that the request is consistent with section 1945(c)(4) of the Act, CMS will approve the request. The state should submit a

proposed SUD-focused state plan amendment at the same time it submits the letter requesting the additional quarters of enhanced FMAP.

6) Are states that have an approved health home program that targets substance use disorders eligible for the additional two quarters of enhanced FMAP if their health home state plan amendment was approved prior to October 1, 2018?

No. CMS can approve extensions of the enhanced FMAP period only for SUD-focused health home state plan amendments (as defined in the statute) that were approved on or after October 1, 2018.

7) Can states receive the additional two quarters of enhanced FMAP for health homes that serve individuals with both mental health needs and SUD (sometimes referred to as behavioral health - health homes)?

In order to receive an extension of the enhanced FMAP period, the state's health home must be "SUD-focused," which means that it must be designed to provide health home services primarily to "SUD-eligible individuals." "SUD-eligible individuals" are those who meet all of the following criteria: (1) they are eligible individuals with chronic conditions; (2) they have a SUD; and (3) they have not previously received health home services under any other state plan amendment approved for the state under section 1945 by the Secretary. Additionally, CMS can approve an extension of the enhanced FMAP period only for a state plan amendment approved on or after October 1, 2018. CMS will review all requests to extend the enhanced FMAP period carefully against all applicable statutory criteria, including to ensure that the related state plan amendment is SUD-focused and was approved on a date consistent with the statutory requirements. It is possible that some behavioral health - health homes might meet the approval criteria, but only if they primarily serve SUD-eligible individuals.

8) If a state has an existing SUD-focused health home state plan amendment that was approved prior to October 1, 2018, but it is only available in certain geographic areas, can the state add new geographic areas and receive the additional two quarters of enhanced FMAP?

States with an existing SUD-focused health home approved prior to October 1, 2018 can propose a new state plan amendment to provide SUD-focused health home services in new geographic areas. If that new state plan amendment is approved on or after October 1, 2018, and meets all other statutory criteria for the extended period of enhanced FMAP, then the state could be eligible to receive ten quarters of enhanced FMAP under the new amendment.

9) To be SUD-focused, does a health home have to include Medication Assisted Treatment (MAT) providers as part of the health home provider team structure?

Although this is not required, we strongly encourage states to include Medication Assisted Treatment (MAT) providers as part of the health home team structure. This would be a strong indication that the health home is "designed to provide health home

services primarily to SUD-eligible individuals” and thus, is “SUD-focused.” CMS expects to issue separate guidance soon on section 1006(b) of the SUPPORT for Patients and Communities Act, which establishes a requirement that Medicaid state plans cover MAT as a mandatory benefit.

10) What are the state reporting requirements in section 1945(c)(4)(B)?

There are new reporting requirements in section 1945(c)(4)(B) for states that receive approval for an additional two quarters of enhanced FMAP for a SUD-focused health home state plan amendment. CMS expects to issue guidance about the new reporting requirements, including information about the deadline for reporting, in the near future.

11) Where on the CMS 64 Report do states with an approved extension of the period of enhanced FMAP for a SUD-focused health home report health home services expenditures?

States with an approved extension of the period of enhanced FMAP for a SUD-focused health home should report health home services expenditures for the applicable SUD-focused health home on Line 45 on the MBES 64.9 series and 37.3 budget form. All other approved health home services expenditures should be reported on Line 43.

12) Where can I find more information about health homes?

For information on health homes, please refer to the following link on Medicaid.gov.
<https://www.medicaid.gov/state-resource-center/medicaid-state-technical-assistance/health-home-information-resource-center/index.html>

For general questions on health home state plan amendments or to request technical assistance, please contact healthhomes@cms.hhs.gov.

For guidance on the MACPro system, please contact the MACPro Help Desk at MACPro_HelpDesk@cms.hhs.gov

For technical assistance related to calculating, reporting, or using reporting measures, submit your questions to the TA Mailbox at MACQualityTA@cms.hhs.gov.