

GAO@100 Highlights

Highlights of [GAO-21-104466](#), a report to congressional committees

Why GAO Did This Study

Behavioral health conditions affected an estimated 61.2 million adults in 2019. Congress has taken steps to expand access to behavioral health treatment, including authorizing the CCBHC demonstration, which is intended to improve the availability of community-based behavioral health services.

The CARES Act included a provision for GAO to report on states' experiences participating in the CCBHC demonstration. Among other objectives, this report describes what states reported about how the CCBHC demonstration affected state spending on behavioral health services; and examines CMS guidance for states on Medicaid CCBHC payments.

GAO reviewed documentation from and interviewed Medicaid and behavioral health officials from the eight CCBHC demonstration states, as well as federal officials tasked with demonstration oversight. GAO also reviewed documentation and interviewed officials from a nongeneralizable sample of three CCBHCs, which GAO selected for a number of reasons, including variation in geographic location.

What GAO Recommends

GAO is making two recommendations, including that CMS issue clear and consistent written guidance to help states (1) better align payment rates with clinics' costs; and (2) avoid potential duplication between CCBHC and other Medicaid payments.

HHS concurred with GAO's recommendations, and provided technical comments, which were incorporated as appropriate.

View [GAO-21-104466](#). For more information, contact Carolyn L. Yocom at (202) 512-7114 or yocomc@gao.gov

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MEDICAID BEHAVIORAL HEALTH

CMS Guidance Needed to Better Align Demonstration Payment Rates with Costs and Prevent Duplication

What GAO Found

In 2016, the Department of Health and Human Services (HHS) selected eight states to participate in a time-limited demonstration to establish certified community behavioral health clinics (CCBHC). These states, in turn, certified 66 behavioral health clinics as CCBHCs. Required to provide a broad range of behavioral health services—mental health and substance use services—CCBHCs are reimbursed by state Medicaid programs using clinic-specific rates designed to cover expected costs. Under the demonstration, states receive enhanced federal funding for CCBHC services provided to Medicaid beneficiaries.

GAO found that five of the eight demonstration states reported generally increased state spending on CCBHCs, which officials from these states attributed to an increased number of individuals receiving treatment, an increased array of services provided, or both. In contrast, officials from the other three demonstration states did not report that the demonstration resulted in greater state spending. Officials from two of these states noted that the demonstration resulted in spending decreases, citing factors such as the demonstration's enhanced federal Medicaid funding. Officials from the remaining state said the effects on spending were unknown. In addition, four of the eight states assessed potential cost savings from the demonstration resulting from reductions in the use of more expensive care, such as emergency department visits. Officials from three of the four states viewed the results of their assessments as suggestive of potential cost savings, while officials from the fourth state did not.

GAO's review of payment guidance for the demonstration from the Centers for Medicare & Medicaid Services (CMS), an agency within HHS that oversees Medicaid at the federal level, found that the guidance lacked clear and consistent information on better aligning CCBHC payment rates with costs and preventing duplicate payments. For example:

- CMS guidance gives states the option to rebase their initial payment rates after the first demonstration year (i.e., use data on actual costs incurred and number of client visits during the first demonstration year to recalculate rates for subsequent years). CMS officials said rebasing would mean states would not have to rely on anticipated cost and client visit data after the first year, and would align rates more closely with costs. While officials said CMS expected all states to rebase their rates at some point, CMS's guidance does not reflect this expectation, or provide details on rebasing, such as suggested time frames.
- CMS guidance conflicts as to whether CCBHCs that are also Federally Qualified Health Centers (FQHC)—safety net providers that generally provide some behavioral health services—should receive CCBHC and FQHC payments for the same client on the same day if provided services overlap.

Addressing these weaknesses is important to help ensure that Medicaid CCBHC payments meet requirements for Medicaid payments under federal law, including that they be consistent with efficiency, economy, and quality of care, and are sufficient to ensure access to care.