

Mental Health Bill Increases Psychiatry Slots

End of Year Passage Likely For Some Reforms & USPSTF Allows Depression Screening

This morning, the Senate Finance committee released a third discussion draft of legislation aiming to address mental health across the nation, encompassing Medicare, Medicaid, and healthcare worker shortage issues. The draft can be found [here](#). The bill is a bipartisan effort, supported by Sens. Ron Wyden (D-OR), Mike Crapo (R-ID), Steve Daines (R-MT) and Debbie Stabenow (D-MI).

- **Senate Finance Committee emphasizes a comprehensive mental health plan.** Driven by the COVID-19 pandemic exposing far-reaching issues relating to anxiety, depression, suicide, and opioid addiction. Congress is hoping to address barriers to accessing mental health and addiction care.
- **Mental health reform is the highest healthcare priority for Senate Finance bipartisan leadership (Chairman Wyden, D-OR), given that Drug Reform has passed into law.** Earlier this year, the committee announced five focus areas for addressing shortfalls in mental health care: (1) strengthening the workforce, (2) increasing care integration, coordination, and access to care, (3) mental health parity, (4) furthering telehealth use, and (5) improving access to behavioral health for youth. The announcement is [here](#).
- **Unrelated to the bills, the U.S. Preventive Services Task Force's draft recommendation Tuesday (Sept. 20) says that all adults be screened for depression (\$0 copay),** and those 65 and under for anxiety could, if finalized, spur cost-free private insurance coverage for such screenings, depending on how a high-profile lawsuit over the *Affordable Care Act's* preventive services provision pans out.
- **4,000 new Psychiatry residency slots would be created, which is extremely expensive, though we see a partial increase in slots as possible.** The legislation, with bipartisan backing, would support 400 new Medicare-funded residency slots a year (4,000 over ten) for training psychiatrists in an effort to address the mental health worker shortage.
- **The bill does not provide an immediate fix, as most key provisions will begin in 2024.** Key policies are outlined below:
 - **Expanding Psychiatrist Workforce through Medicare Graduate Medical Education is expensive:** Beginning October 1, 2024, the bill would provide 400 additional Medicare Graduate Medical Education (GME) slots for psychiatry residencies, funding the training of 400 additional psychiatrists per year. The number of positions made available per fiscal year (FY) is limited to 200. The Secretary must notify hospitals of the number of positions distributed to the hospital by January 21 of the FY of the increase, and the increase would be effective beginning on July 1 of the FY. Over a decade, 4,000 additional psychiatrists would be added to the workforce. The Committee seeks input regarding the allocation of the slots to hospitals dependent on medical school categories, age, and geographic region (rural and underserved areas, etc.).
 - **Reducing Burnout: Access to Mental Health Programs for Physicians:** The bill would create a new exception to the Stark Law (prevents physician self-referral) to allow hospitals

and other entities to provide evidence-based wellness programs to physicians, aiming to improve mental health and prevent suicide.

- **Access to Medicare Clinical Social Workers:** Beginning on January 1, 2024, Medicare Part B coverage will extend to licensed professional counselors and marriage and family therapists, bringing Medicare up to par with most private payers. Therapists are defined as providers who hold a master's or doctoral degree that qualifies them to practice under state law and has practiced for at least 2 years in marriage & family therapy under clinical supervision.
 - **Improving Distribution of the Workforce to Shortage Areas through Medicare Bonus:** Beginning on January 1, 2024, there would be an expansion of Medicare's Health Professional Shortage Area (HPSA) bonus program to include psychiatrists, psychologists, clinical social workers, marriage and family therapists, mental health counselors, and other non-physician practitioners, encompassing all providers that provide mental health and substance use disorder services. They would all be eligible to receive bonuses when they practice in HPSAs.
 - **Medicaid Workforce Capacity Demonstration:** Beginning no later than one year after enactment, any state may receive special federal funding to create a demonstration project expanding or improving the capacity of mental health and substance use disorder providers in their Medicaid program.
 - **Updating Medicare for Coverage of Clinical Social Worker Services:** Beginning on January 1, 2024, licensed clinical social workers (LCSWs) would be able to bill Medicare for health behavior assessment and intervention (HBAI) services. HBAI services offer psychologist care for patients with chronic diseases, and help patients prevent mental health challenges from impinging on treatment for and self-management of chronic conditions.
 - **Medicaid Guidance on Increasing Mental Health and Substance Use Disorder Care:** Beginning no later than one year after enactment, the HHS Secretary must issue guidance under Medicaid and CHIP to help states increase and educate the mental health and substance use disorder care workforce in rural and underserved regions.
 - **Flexibility in Medicare's Supervision Rules for Psychologist Trainees:** Beginning on January 1, 2024, psychologist trainees are allowed to provide mental health therapy under general supervision of a clinical psychologist, rather than direct supervision, under proposed Medicare supervision rules. This would help expand the workforce.
 - **Leveraging Occupational Therapists to Support Mental Health and Substance Use Disorder Care:** No later than one year after enactment, the bill would require Medicare to provide education and outreach to physicians and interested parties about the ability of occupational therapists to help individuals with substance use or mental health disorders.
- **NEXT STEPS: We view some – not all – mental health provisions possibly passing with an end-of-the year Appropriations bill.** Recall the House is also evaluating policies. Mental health and healthcare staffing shortages are two high priority topical areas on the Hill currently. This bill falls into both buckets. The drafted legislation may be included in separate legislation this year. The Senate HELP Committee, House Energy and Commerce subcommittee, and the House Ways and Means Committee are also all reportedly engaged in talks about additional mental health legislation, likely on the horizon. Provisions to keep an eye on are listed here: Telemedicine and behavioral health, lessons learned of the COVID pandemic; Privacy may be highlighted as an issue; Medication therapy management and adherence is likely in the mix; Mental health apps and tech companies in the wellness space are boosted.
 - **BACKGROUND: IMD not included, as its too expensive, but would be helpful for industry (UHC, ACHC etc) ([here](#)).** The latest draft on mental health comes after two other mental health discussion drafts released by the Senate Finance Committee early this summer.
INTRODUCED: May 26, 2022 - Telehealth's Role in Care: Read discussion draft [here](#). This

draft included provisions that would remove Medicare's in-person visit requirement for telemental health services, establish benefit transparency for mental health care delivered via telehealth, and direct Medicare and Medicaid to support provider use of telehealth. Released by Senate Finance Committee members Sens. Ron Wyden (D-OR), Mike Crapo (R-ID), Ben Cardin (D-MD) and John Thune (R-SD). INTRODUCED: June 15, 2022 - **Youth Mental Health**: Read discussion draft [here](#). This draft included policies that would allow all providers to receive Medicaid reimbursement for behavioral and physical health services delivered on the same day, support mental health care in schools, and direct Medicaid to guide states on how to cover treatment for foster youth with mental health care needs. Released by Sens. Ron Wyden (D-OR), Mike Crapo (R-ID), Tom Carper (D-DE) and Bill Cassidy (R-LA)