



MEDICARE NEWS

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Contact: CMS Media Relations Group
(202) 690-6145

Centers for Medicare & Medicaid Services releases new Medicaid Emergency Psychiatric Demonstration

New demonstration program to help states to improve the quality of care for patients suffering from a psychiatric emergency

The Centers for Medicare & Medicaid Services (CMS) today announced a new Medicaid Emergency Psychiatric Demonstration designed to provide states with more flexibility and resources to care for Medicaid beneficiaries with mental illnesses.

This demonstration provides up to \$75 million in funding to states over three years, as authorized by the Affordable Care Act, to help care for Medicaid patients (aged 21 through 64) with psychiatric emergencies, in private inpatient psychiatric facilities with 17 or more beds, also known as institutions for mental diseases (IMDs). The demonstration defines psychiatric emergencies as expressions of suicidal or homicidal thoughts or gestures resulting in a determination that the patient is dangerous to himself or to others.

As a result, in order for states to receive federal reimbursement for medical assistance to care for psychiatric emergencies warranting hospitalization, Medicaid patients must receive services in non-IMD settings such as general hospital emergency rooms, which can often result in higher cost and less appropriate care settings. This demonstration will permit federal reimbursement for treatment of psychiatric emergencies in IMD settings, providing Medicaid patients with improved access to psychiatric treatment and enabling states to ensure the provision of needed services at lower cost.

“By changing the way the federal government can partner with states in the care of those suffering from mental illness, we are giving states the resources needed to provide higher quality care,” said CMS Administrator Dr. Don Berwick. “The Affordable Care Act was clear in its charge that we must continuously strengthen our commitment to mental health parity -- which remains one of the most silent, yet pervasive conditions affecting millions of Americans.”

The Medicaid Emergency Psychiatric Demonstration is part of the CMS’s commitment to improving the quality of care available to Medicaid beneficiaries. The demonstration is being administered by the Center for Medicare and Medicaid Innovation (the Innovation Center). Created by the Affordable Care Act, the Innovation Center is committed to achieving the three aims of better health, better health care, and reduced costs through improvement for CMS beneficiaries by testing delivery system models.

CMS is now accepting applications to participate in this demonstration from interested State Medicaid Directors. States will be selected competitively based on their application proposals.

More information, including the solicitation, application and fact sheet can be found at
<http://www.cms.gov/DemonstrProjectsEvalRepts/MDP/itemdetail.asp?filterType=none&filterByDID=-99&sortByDID=3&sortOrder=ascending&itemID=CMS1249074&intNumPerPage=10>
