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Bolstering the Youth Behavioral Health System:
Innovative State Policies to Address Access & Parity

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Overview

The COVID-19 pandemic has exacerbated rates of depression, anxiety, and other behavioral health issues among youth – with suicide now the second leading cause of death among ages 10-12.[1] Pre-pandemic, 1 in 5 children experienced a mental health condition every year and only 54 percent of non-institutionalized youth enrolled in Medicaid or CHIP received mental health treatment.[2] Between March 2020 to October 2020, mental health–related emergency department visits increased 24 percent among youth ages 5 to 11 and 31 percent among ages 12 to 17, compared with 2019 emergency department visits.[3]

Today, there are far too many young people experiencing significant behavioral health issues who are unable to access treatment. In this brief we examine policies aiming to advance access and availability of behavioral health services (encompassing mental health and substance use disorders) for youth. Below we explore opportunities for states to adopt levers to ensure access to the full continuum of children's behavioral health services. States should consider developing a multi-faceted strategy to address accessibility issues including the following elements:

- A policy mechanism for insurance coverage and funding for infrastructure, support and services across behavioral health, child welfare and Medicaid
- A robust delivery system for provision of services
- Comprehensive benefit design
- A mechanism to monitor network adequacy, access, and parity

Youth covered by Medicaid and the State Children's Health Insurance Program (CHIP), and the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) of the Medicaid Act require state Medicaid agencies to provide enrollees under age 21 with access to periodic and preventive screenings, and services that are necessary to "correct or ameliorate" medical conditions, including other additional health care services such as behavioral health conditions. It remains the responsibility of states to determine medical necessity on a case-by-case basis. As of 2020, states are mandated to submit a CHIP state plan amendment to demonstrate compliance with the new behavioral health coverage provisions. However, behavioral health services are not a specifically defined category of benefits in federal Medicaid law and coverage of many services is at state discretion. The 2008 Mental Health Parity and Equity Act (MHPAEA) requires that Medicaid managed care and private health insurers who do reimburse for behavioral health services provide behavioral health benefits to cover mental health and substance use services that is no more restrictive than the coverage generally available for medical and surgical benefits. While MHPAEA was designed to reduce inequities in coverage between behavioral and physical health services,

1 https://www.aacap.org/AACAP/Families_and_Youth/Facts_for_Families/FFF-Guide/Teen-Suicide-010.aspx
2 "Access to Mental Health Services for Adults Covered by Medicaid", MACPAC Report to Congress, June 2021. https://www.macpac.gov/wp-content/uploads/2021/06/Chapter-2-Access-to-Mental-Health-Services-for-Adults-Covered-by-Medicaid.pdf
3 Leeb, R. T., et al., Morbidity and Mortality Weekly Report, Vol. 69, No. 45, 2020.

it does not reduce inequities in reimbursement as payers are not required to cover behavioral health services.[4]

Ambitious efforts are underway to prioritize behavioral health services for youth. The Department of Health and Human Services (HHS) recently called for states to prioritize and maximize efforts to strengthen youth mental health. The American Academy of Pediatrics (AAP), American Academy of Child and Adolescent Psychiatry (AACAP) and Children's Hospital Association declared a national emergency in children's mental health. In addition, passage of the Bipartisan Safer Communities legislation includes significant funding for mental health screening, expansion of community behavioral health center (CCBHC) model; improving access to mental health services for children, youth, and families through the Medicaid program and CHIP; increasing access to mental health services for youth and families in crisis via telehealth; and investments to expand provider training in mental health, supporting suicide prevention, crisis and trauma intervention, and recovery.

Policies to Ensure Coverage

While states have significant variation in the array of children's behavioral health services offered in Medicaid, they face similar challenges as it relates to coverage of services by other insurance plans. Recent reports found many states had gaps in Medicaid mental health coverage, with the most significant coverage gaps for residential services (covered by 28 states), and crisis residential services (covered by 29 states). Additionally, people of color experience greater barriers to accessing behavioral health services, a decades long issues that predates the pandemic.[5] Less than 40% of youth with mental health needs receive mental health services, and racial and ethnic minority youth are more likely to have unmet mental health needs compared with their non-Latino white counterparts.[6] Complicating this is the failure of marketplace health insurance to offer comprehensive behavioral health services compared to what is offered by Medicaid.[7] This often leaves parents who have employer based or marketplace insurance seeking options for Medicaid-eligibility to access the necessary services that meet their child's needs. This frequently occurs when children are experiencing a behavioral health crisis and parents are forced to relinquish custody and place their child in foster care when there is no child abuse or neglect meriting child welfare.[8]

States are taking innovative approaches to address these issues. California enacted the Children and Youth Behavioral Health Initiative, a $4.4B investment intended to enhance, expand, and redesign the systems that support behavioral health for youth.[9] The goal of the Children and Youth Behavioral Health Initiative is to reimagine mental health and emotional well-being for children, youth, and families in California by delivering equitable, appropriate, timely and accessible behavioral health services and supports. This multi-year strategy includes robust stakeholder collaboration and mandates both Medi-Cal (Medicaid) and

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4 https://www.macpac.gov/wp-content/uploads/2021/07/Implementation-of-the-Mental-Health-Parity-and-Addiction-Equity-Act-in-Medicaid-and-CHIP.pdf
5 Margarita Alegría et al. "Removing Obstacles To Eliminating Racial And Ethnic Disparities In Behavioral Health Care," Health Affairs, June 2016, https://www.healthaffairs.org/doi/10.1377/hlthaff.2016.0029
6American Psychological Association, Working Group for Addressing Racial and Ethnic Disparities in Youth Mental Health. (2017). Addressing the mental health needs of racial and ethnic minority youth: A guide for practitioners. Retrieved from www.apa.org/pi/families/resources/mental-healthneeds.pdf
7 Available at: http://kff.org/interactive/subsidy-calculator/ For a more detailed examination of plans available in the Health Insurance Marketplaces in 2021, see Kaiser Family Foundation, How ACA Marketplace Premiums Are Changing by County in 2021. https://www.kff.org/private-insurance/issue-brief/how-aca-marketplace-premiums-are-changing-by-county-in-2021/
8 Stroul, B. (2020). Relinquishing Custody for Behavioral Health Services: Progress and Challenges. Baltimore, Md.: The Institute for Innovation and Implementation, University of Maryland School of Social Work.
https://theinstitute.umaryland.edu/media/ssw/institute/Relinquishing-Custody-Issue-Brief-FINAL-August-2020.pdf
9 https://www.chhs.ca.gov/home/children-and-youth-behavioral-health-initiative/

commercial plans to reimburse providers for the predefined services in the fee schedule at or nearby public schools. A key component of this plan is incentivizing partnerships between Medi-Cal managed care plans and schools to destigmatize using supports, increase access to prevention and early intervention services and create a pathway for youth to actively participate in services, known as the Student Behavioral Health Incentive Program (SBHIP). Blending health services and educational institutions is significant progress in bolstering the mental health delivery system for children.

In 2022, Washington furthered its efforts to ensure coverage for all emergency behavioral health services (for adults and youth) through passage of the Behavioral Health Emergency Services legislation E2SHB 1688 (Chap. 263, Laws of 2022) to protect consumers from charges for out-of-network health care services by addressing coverage of emergency services, including behavioral health emergencies and mobile crisis services.[10] A key provision of the law requires fully insured and group health plans (excluding self-funded plans consistent with ERISA) cover emergency services provided in a hospital up to the point of stabilization without prior authorization regardless of the network status of the hospital or provider. The state law defines behavioral health emergency services as those that extend beyond the hospital emergency department to include: a crisis stabilization unit; an evaluation and treatment facility that can provide directly, or by direct arrangement emergency evaluation and treatment, outpatient care; an agency certified by the Department of Health to provide outpatient crisis services; a triage facility; a medically managed or medically monitored withdrawal management services; and a mobile rapid response crisis team as defined that is contracted with a behavioral health administrative services organization to provide crisis response services. This law requires insurers to cover behavioral health emergency services delivered by behavioral health emergency services providers whether the provider is out of network or in-network, without prior authorization.

Delivery System

Incidents of psychiatric boarding - when patients remain in the ED or are admitted to inpatient medical/surgical units to await placement at a psychiatric treatment program – have increased significantly in the past several years.[11] Psychiatric boarding is often a pervasive issue in the youth behavioral health delivery system as there are few residential facilities with bed capacity to place youth when they are in crisis.[12] It remains critical to ensure the behavioral health delivery system for children and youth – home, community, schools – can provide the right care in the right setting at the right time. States should leverage these locations to address mental health screening in youth through prevention and early intervention to intervene before crises at schools, primary care, and community settings. This includes providing the full continuum of behavioral health services – short term stabilization centers, residential levels of care, access to step-down programs from inpatient units, intensive outpatient programs, outpatient and community-based response teams.

In California, the Department of Health Care Services (DHCS) in collaboration with the Department of Managed Health Care (DHMC) is required by 2024 to maintain a school-linked statewide fee schedule for outpatient behavioral health services to students, up to age

10 "E2SHB 1688 (as passed Legislature) – Aligning the No Surprises Act & the Balance Billing Protection Act," Washington State Office of the Insurance Commissioner, March 7th, 2022.
https://www.insurance.wa.gov/sites/default/files/documents/e2shb-1688-as-passed-legislature-summary-table-3-8-22_1.pdf
11 https://www.aha.org/2022-02-03-aha-house-statement-americas-mental-health-crisis-february-2-2022
12'This Is A Crisis': Mom Whose Son Has Boarded 33 Days For Psych Bed Calls For State Action, 2021.
https://www.wbur.org/news/2021/02/26/mental-health-boarding-hospitals

25, at or near a school-site.[13] This requirement will help bridge two historically bifurcated systems by ensuring that the children's behavioral health delivery system will provide access to the full continuum of services.

School-based health centers (SBHCs), also referred to as school-based wellness centers or student wellness centers, are a type of health care delivery model that provides students with comprehensive physical, behavioral, and preventive health services delivered by qualified medical and behavioral health providers in school settings. School-based health centers operate as a partnership between the school and a community health organization, such as a community health center, hospital, or local health department, which serves as the medical sponsor for the SBHC to provide appropriate physical and mental health services. SBHCs include multi-disciplinary teams of health professionals who use a holistic approach to address a broad range of health and health-related needs of students. These centers are funded through a combination of state funds, Medicaid reimbursement, and reimbursement from commercial insurance, but also rely on community partnerships and in-kind support from schools and medical sponsors. Specific services provided by SBHCs are determined through collaborations between the community, school district, and health care providers. In FY22 the Bipartisan Safer Communities Act allocated over $140 million in competitive grants to states and school districts to increase the number of qualified mental health services providers delivering school-based mental health services to students in local educational agencies with demonstrated need.[14]

Benefit Design

Research shows that many state Medicaid programs do not provide the full continuum of behavioral health services for youth under age 21. Additional barriers include a limit on the number of visits, higher co-pays, in-network restrictions, more stringent prior authorization criteria, strict limits on who can provide services.[15] The CMS Center for Medicaid & CHIP Services (CMCS) is working with state Medicaid agencies to ensure beneficiaries have access to services across the continuum of care: prevention, diagnosis, treatment, crisis, and recovery services; and across settings of care, from outpatient to intermediate and acute care settings. CMCS is encouraging states to use the Medicaid program to promote better access to behavioral health services, including elimination of prohibitions on billing for primary care and behavioral health treatments on the same day.

States can legislatively mandate and expand optional behavioral health services through Medicaid's 1115 Waivers, state plan amendments (SPAs), and 1915 waivers. If prevention and crisis intervention services are delivered agnostic of payer type, the delivery system will provide more equitable care. This will also ensure youth receive the right dose of care at the right time to prevent more intensive costly services such as residential care.

States are enacting a variety of authorities to expand behavioral health services for youth. For example, New Jersey amended its state plan to make Mobile Response and Stabilization

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13 Children and Youth Behavioral Health Initiative. https://www.chhs.ca.gov/home/children-and-youth-behavioral-health-initiative/
14 The White House Fact Sheet: Biden-Harris Admin Announces Two New Actions to Address Youth Mental Health Crisis. https://www.whitehouse.gov/briefing-room/statements-releases/2022/07/29/fact-sheet-biden-harris-administration-announces-two-new-actions-to-address-youth-mental-health-crisis/
15 MACPac, 2021 Access to Behavioral Health Services for Children and Adolescents Covered by Medicaid and CHIP. https://www.macpac.gov/wp-content/uploads/2021/06/Chapter-3-Access-to-Behavioral-Health-Services-for-Children-and-Adolescents-Covered-by-Medicaid-and-CHIP.pdf

Services (MRSS) for youth up to age 21 reimbursable under Medicaid's EPSDT benefit.[16] New York also amended its SPA to expand the EPSDT benefit to enable a greater focus on prevention, early intervention, and expansion of behavioral health services.[17] This includes providing a greater array of available services and the capacity to intervene earlier in a child/youth's life to prevent the onset or progression of behavioral health conditions. Washington State passed legislation that requires coverage of partial hospitalization (PHP)/intensive outpatient treatment (IOP) programs for children under 18 years old as a covered benefit under the Medicaid state plan by Jan. 1, 2024. This would expand the current Medicaid coverage of behavioral health services for youth to ensure they receive the necessary treatment services and support across the continuum.

Monitoring Network Adequacy, Access, and Parity

CMS, Substance Abuse and Mental Health Services Administration (SAMHSA) and the departments of Labor and the Treasury are working to advance mental health and substance use disorder treatment parity with physical care through implementation and enforcement of the Mental Health Parity and Addiction Equity Act.[18] This includes: advancing coverage of behavioral health care as part of the Affordable Care Act's (ACA) Essential Health Benefits (EHBs); providing guidance to state regulators and behavioral health staff about how to implement and comply with parity regarding employee-sponsored health plans and group and individual health insurance. SAMHSA is also providing resources to inform Americans of their insurance benefits under law and to help state insurance regulators and behavioral health staff better understand parity laws.

Since 2019, CMS has worked with six states including Illinois, South Dakota, Michigan, New Mexico, Oregon, and Colorado to add additional behavioral health services to their state "benchmark" plan. Colorado recently created a Behavioral Health Administration (BHA) led by a Cabinet Level Commissioner. The BHA will lead a statewide behavioral health strategy, coordinating policy, payment, and system design through networked government with other state agencies. This includes leading policy for children and youth behavioral health strategy with a Senior Child and Youth Advisor working with the Commissioner to ensure a coherent child and youth system of care. Part of the BHA's governance is also an Advisory council that will raise individual and community voice in the state and a commitment to ensure community centered practice.[19]

The BHA intends to establish:

- A system for addressing complaints and grievances with behavioral health care
- A system for monitoring the performance of behavioral health providers
- A comprehensive behavioral health safety-net system, including emergency care, outpatient services and case management
- A new system for licensing behavioral health organizations and providers

16 Bunts, W. Youth Mobile Response Services. Center for Law and Social Policy, 2022. https://www.clasp.org/wp-content/uploads/2022/01/Youth-Mobile-Response-Services_0.pdf
17https://www.health.ny.gov/health_care/medicaid/redesign/behavioral_health/children/docs/updated_spa_manual.pdf
18 Health Affairs, Strengthening Behavioral Healthcare To Meet The Needs Of Our Nation," Health Affairs Forefront, May 31, 2022. https://www.healthaffairs.org/do/10.1377/forefront.20220531.328821/
19 https://cdhs.colorado.gov/press-release/bill-to-establish-behavioral-health-administration-signed-into-law

Moving Ahead

States have a collective responsibility to ensure equitable access to a plethora of high-quality behavioral health services for youth. These recent federal funds offer a tremendous opportunity for states to advance the full continuum of youth behavioral services. This includes making continued investments and a commitment across payers – Medicaid, CHIP, and commercial insurers – to advance policies and systems improvements that will support young people in seeking out behavioral health resources, learning how to heal, and using coping tools to lead happy, successful, and independent lives as they shift into adulthood.