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October 7, 2016

Mark E. Miller, Ph.D.
Executive Director
Medicare Payment Advisory Commission (MedPAC)
425 I Street
Suite 701
Washington, DC 20001

RE: Behavioral Health Care and the Medicare Program: Need to Cover Peer Support Ambulatory Services under Medicare Part B and Medicare Part C

Dear Dr. Miller:

The National Association of Mental Health Program Directors (NASMHPD)—the organization representing the state executives responsible for the \$41 billion public mental health service delivery systems serving 7.3 million people annually in 50 states, 4 territories, and the District of Columbia—asks that, in considering its future recommendations to Congress on policies to improve Medicare ambulatory behavioral health services, include coverage under Medicare Part B fee-for-service for peer support specialist services and encourage Medicare Advantage plans to include peer support services as supplemental services.

As I noted in the public comment period following the October 6 staff presentation and Commission discussion, two-thirds of state Medicaid programs currently reimburse, either directly or in bundle, for peer support services on the recommendation of an August 15, 2007 State Medicaid Director Letter from the Center for Medicaid and CHIP Services (CMCS). As we noted then, coverage is also provided for peer support under Veterans Administration, Department of Defense, and Tricare health services for both mental health patients and substance use disorder treatment patients. It is also worth noting that CMS followed its 2007 recommendations with a “clarifying” May 1, 2013 guidance that also suggested ways to cover peer support specialist services for caregivers.

In its 2007 guidance, CMS defined “peer support providers” as “self-identified consumers who are in recovery from mental illness and/or substance use disorders.”

One worldwide organization representing peer support service providers, Peers for Progress, defines peer support to involve four key functions:

- assistance in daily management;
• social and emotional support;
• linkage to clinical care and community resources; and
• ongoing support.

In its 2007 determination that peer support services could be Medicaid billable, CMS recognized those services as an evidence-based model of care, and established initial requirements for supervision, training, care coordination, and certification. As with many Medicaid funded services, CMS said peer support services must be coordinated within the context of a comprehensive, individualized plan of care that includes specific individualized goals. CMS said an individual providing peer support can perform a range of tasks not only for beneficiaries but also for their supportive family members, including developing formal and informal supports, instilling confidence, assisting in the development

of goals in the person-centered planning process, and serving as an advocate, mentor, or facilitator for resolution of issues, as well as those skills necessary to enhance and improve the health of an individual (in this guidance a child specifically) with emotional, behavioral, or co-occurring disorders.

There is an emerging evidence base for peer support services. A recent comprehensive evidence-based review<sup>1</sup> noted that peer support services have demonstrated many notable positive outcomes. The study's authors observed that *"across the service types, improvements have been shown in the following outcomes: reduced inpatient service use; improved relationship with providers; better engagement with care; higher levels of empowerment; higher levels of patient activation; and higher levels of hopefulness for recovery."*<sup>2</sup>

Despite the acknowledgement, acceptance, and support for coverage of peer support services by the Medicaid program, the State Behavioral Health Agencies have discovered that the Medicare program is reluctant to cover such services, even as a wrap around Medicaid services provided to dual eligible enrollees. In part, this resistance may be because Medicare outpatient (Part B) benefits are statutorily defined in 42 U.S.C. § 1395k. However, § 1395k(a)(2)(J) includes coverage for "partial hospitalization services provided by a community mental health center (as described in 42 U.S.C. § 1395x(ff)(2)),<sup>3</sup>" and those services in turn include *"such other items and services as the Secretary may provide ... that are reasonable and necessary for the diagnosis or active treatment of the individual's condition, reasonably expected to improve or maintain the individual's condition and functional level and to prevent relapse or hospitalization, and furnished pursuant to such guidelines relating to frequency and duration of services as the Secretary shall by regulation establish (taking into account accepted norms of medical practice and the reasonable expectation of patient improvement)"*. Even a casual read of that provision leads to the conclusion that peer support services could be easily covered in community mental health centers under Medicare partial hospitalization coverage.

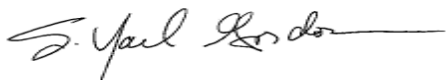
**NASMHPD believes that peer support services provided by individuals with lived experience would serve to address a number of the issues raised by staff and Commission members during the October 6 presentation and discussion: patient isolation, difficulty in transitioning from institutional to community-based settings, compliance with therapy and medication regimens, the barrier presented by stigma to obtaining necessary services, patient suicide risk, and workforce shortages.**

For all of these reasons, we hope that MedPAC will give serious consideration to recommending fee-for-service coverage for peer support specialist services under Medicare Part B, as well as encourage Medicare Advantage plans to provide the services as a supplemental benefit. We have separately made these recommendations to the U.S. Senate Finance Committee Workgroup on Chronic Care.

Please feel free to contact me at [stuart.gordon@nasmhpd.org](mailto:stuart.gordon@nasmhpd.org) or 703-682-7552 with any questions regarding this issue.

Thank you for your attention to this important matter.

Sincerely,



Stuart Yael Gordon  
Director of Policy and Communications  
National Association of State Mental Health Program Directors (NASMHPD)

cc: Paolo Del Vecchio, Substance Abuse and Mental Health Services Administration (SAMHSA)

<sup>1</sup> Chinman M, George P, Dougherty RH, Daniels AS, Ghose SS, Swift A, Delphin-Rittmon ME; "Peer Support Services for Individuals with Serious Mental Illnesses: Assessing the Evidence;" *Psychiatric Services* 65(4): 429-441(2014).

<sup>2</sup> *Ibid.*