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MACPAC Releases June 2021 Report to Congress

Congressional advisory panel makes recommendations for addressing high-cost specialty drugs in Medicaid, improving access to mental health services

The Medicaid and CHIP Payment and Access Commission (MACPAC) released its June 2021 *Report to Congress on Medicaid and CHIP* today, recommending that Congress take measures to address the effect of high-cost specialty drugs on state Medicaid programs and to take steps that would improve access to mental health services for adults, children, and adolescents enrolled in Medicaid and the State Children's Health Insurance Program (CHIP). The report also contains additional topics of interest to Congress, such as promoting integration of physical and behavioral health care through electronic health records (EHRs), the non-emergency transportation (NEMT) benefit in Medicaid, and state strategies for integrating care for people who are dually eligible for Medicaid and Medicare.

"This report offers Congress a number of timely recommendations it can use right now that focus on the unmet mental health needs of adults and children in the Medicaid and CHIP program," said MACPAC Chair Melanie Bella. "The report also looks at ways to reduce costs to Medicaid while maintaining access to lifesaving drugs, as well as addressing ways that we can better integrate care for people who are dually eligible for Medicaid and Medicare."

Chapter 1 addresses high-cost specialty drugs, which are increasingly driving Medicaid spending and creating financial pressure for states, without making changes to the requirement that Medicaid cover these drugs. The Commission recommends that Congress increase the minimum rebate percentage on drugs approved by the U.S. Food and Drug Administration (FDA) through the accelerated approval pathway until the clinical benefit of these drugs is verified. The Commission also recommends an increase in the additional inflationary rebate on drugs that receive approval from the FDA through the accelerated approval pathway if the manufacturer has not yet completed the postmarketing confirmatory trial after a specified number of years. Once the FDA grants traditional approval, the Medicaid rebates would revert back to the standard amounts. The recommendation only applies to the price Medicaid would pay for these drugs and does not limit Medicaid's obligation to cover these drugs.

Chapter 2 focuses on the needs of adults with mental health conditions, and the important role of both Medicaid and CHIP in improving access to care for people who are in crisis. By July 2022, the 9-8-8 three-digit dialing code for the National Suicide Prevention Lifeline is expected to be complete and could increase demand for behavioral health services. The Commission recommends that the Secretary of the U.S. Department of Health and Human Services (HHS) direct relevant agencies to issue guidance that addresses how Medicaid and CHIP can be used to fund a crisis continuum for beneficiaries experiencing behavioral health crises. The second recommendation calls on the Secretary to direct a coordinated effort to provide education, technical assistance, and planning support to expand access to such services.



Chapter 3 makes recommendations to address the unmet behavioral health needs of children enrolled in Medicaid and CHIP and avoid out-of-home placements. The Commission recommends that the Secretary direct relevant agencies to issue joint subregulatory guidance that would improve access to home- and community-based behavioral health services for children and adolescents with significant mental health conditions covered by Medicaid and CHIP. The second recommendation calls on the Secretary to direct a coordinated effort to provide education, technical assistance, and planning support to expand access to such services.

Chapter 4 looks at how EHRs can be used to strengthen clinical integration and improve patient care. Adoption of EHRs remains low among behavioral health providers. The chapter discusses barriers to EHR adoption and concludes by identifying ways to strengthen EHR uptake among Medicaid's behavioral health providers. The Commission will continue examining how Medicaid policy can be used to support adoption among behavioral health providers.

Chapter 5 fulfills a congressionally mandated report on Medicaid's NEMT benefit. Federal law requires that state Medicaid programs ensure transportation to and from providers. MACPAC reviewed state policies, conducted interviews with stakeholders, analyzed administrative data, and held focus groups to examine beneficiaries' experience using NEMT and state approaches to administering the benefit. While the share of Medicaid beneficiaries who use NEMT is relatively small, it plays a vital role in facilitating access to care for those who rely on it. The chapter concludes with a discussion of how states are using technology to improve program performance and addressing concerns about program integrity.

The **final chapter** of the June report continues the Commission's work on integrating care for individuals who are dually eligible for Medicaid and Medicare. It explores ways that states can better integrate care through Medicare Advantage dual eligible special needs plans (D-SNPs) using existing contracting authority. The chapter describes contracting strategies available to state Medicaid programs, the ability of states to use these strategies, and MACPAC's plans for future work on federal policy that could give further momentum to state efforts. The Commission has recommended additional resources to help states design and implement integrated care models.

Download the June 2021 [Report to Congress on Medicaid and CHIP](#) and each of its chapters at macpac.gov.

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ABOUT MACPAC

The Medicaid and CHIP Payment and Access Commission is a non-partisan legislative branch agency that provides policy and data analysis and makes recommendations to Congress, the Secretary of the U.S. Department of Health and Human Services, and the states on a wide array of issues affecting Medicaid and the State Children's Health Insurance Program (CHIP). For more information, please visit: www.macpac.gov.



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