



Ascension

Mr. Nicholas Di Meo
Waukesha State Office Building
Department of Health Services, Division of Medicaid Services
141 NW Barstow St. Rm 126
Waukesha, WI 53188-3789

October 29, 2024

Submitted electronically via: DHSMedicaidSMISED@dhs.wisconsin.gov

**RE:Medicaid Program; Section 1115 BadgerCare Reform Waiver for Serious Mental Illness
And Serious Emotional Disturbance Amendment**

Dear Mr. Di Meo:

Ascension Wisconsin appreciates the opportunity to submit comments on the draft Section 1115 BadgerCare Reform Waiver Amendment which would extend coverage for services provided to Medicaid enrollees ages 21 to 64 during short-term stays in an institution for mental diseases (“IMD”) primarily to treat serious mental illness (“SMI”) or serious emotional disturbance (“SED”). We respectfully submit the comments below for consideration by the Department of Health Services (“Department”).

Ascension Wisconsin is part of one of the nation’s leading nonprofit and Catholic health systems with approximately 10,614 associates, 2,215 affiliated providers, and 10 wholly-owned acute care hospitals, serving communities in Southeastern Wisconsin and the Fox Valley Region. Ascension Wisconsin is a ministry of Ascension, one of the nation’s leading non-profit and Catholic health systems, with a Mission of delivering compassionate, personalized care to all with special attention to persons living in poverty and the most vulnerable.

Ascension Wisconsin supports the intent and goals of this proposed waiver amendment. Individuals with mental health diagnoses require access points across the continuum of care, including equitable access to services rendered during short-term acute care stays in qualifying IMD facilities. As demonstrated in other states with similarly approved waivers, we believe this waiver amendment will enhance access to care for Medicaid beneficiaries in need of psychiatric

care and will improve their care coordination amongst providers. For Ascension Wisconsin, we expect this waiver amendment will further stretch our resources into the community by reducing preventable readmissions and reducing utilization and length of stays in our emergency departments among Medicaid beneficiaries with SMI and SED.

Despite these meaningful improvements to care delivery in our state, we are concerned that the draft amendment, as written, may create unintentional barriers in establishing modernized qualifying IMD sites of care to meet existing and future needs of Medicaid beneficiaries with SMI and SED. The draft amendment limits reimbursement for Medicaid covered services rendered only in psychiatric hospitals or qualified residential treatment programs (“QRTPs”). We appreciate that the Department is submitting this waiver amendment in accordance with the directive provided in 2023 Act 177 from the Wisconsin Legislature and in alignment with the guidance from the Centers for Medicare & Medicaid Services (“CMS”) in their State Medicaid Directors (“SMD”) Letter #18-011 published in 2018 and its subsequent technical guidance.¹ However, **we ask the Department to amend the draft waiver to request expenditure authority for covered services during short-term stays for acute care in *any facility* that qualifies as an IMD provided such facility can adhere to all other requirements and is not expressly excluded from federal financial participation (i.e., nursing homes) as outlined within SMD Letter #18-011.**

While psychiatric hospitals and QRTPs are vital access points to short-term acute care stays for psychiatric care, they are not the only qualifying IMD sites of care capable of meeting this waiver’s requirements as outlined by CMS. IMDs are not a licensed entity. IMDs are defined under federal law by their characteristics, which enable healthcare providers to evolve and modernize their footprint into an IMD when necessary to meet the needs of their communities.² As Ascension Wisconsin and other providers across the state examine how best to serve our communities, ensuring a sustainable pathway exists to create modernized IMD qualifying facilities is imperative to addressing current and future gaps in care for Medicaid beneficiaries with SMI and SED.

In its SMD Letter #18-011, CMS did not consider other sites of care eligible for reimbursement that would qualify as an IMD that aren’t either a psychiatric hospital, QRTP, or a nursing home (for example, acute care hospitals that provide primarily or over 50% psychiatric services). CMS instead encourages states to inquire as to the limitations on eligible sites of care and to further collaborate on this waiver authority to better serve the Medicaid population. In alignment with the

¹Centers for Medicare & Medicaid Services. (2018, November 13). Opportunities to Design Innovative Service Delivery Systems for Adults with a Serious Mental Illness or Children with a Serious Emotional Disturbance, SMD # 18-011.

² SSA §1905(i) and CFR Title 42 Part 435.1010.

requested waiver amendment alteration, **we ask the Department to inquire to CMS if they would extend federal financial participation for Medicaid covered services to facilities qualifying as IMDs that are not expressly prohibited or would fall subject to the same rationale used for those facilities expressly prohibited under SMD Letter #18-011.**³

As Ascension Wisconsin continues to transform our footprint to best serve our communities' most critical health needs, comprehensive psychiatric care, specifically inpatient care, stands out as a critical need. If the Department determines they lack authority to address this concern as a result of the nonstatutory language in 2023 Act 177, we look forward to continued collaboration and addressing this concern with the Department and the Legislature in the near future to provide an evergreen and sustainable pathway towards expanded access to psychiatric care for our state's most vulnerable residents.

We greatly appreciate the opportunity to provide comments on the proposed waiver amendment as part of our on-going efforts to transform our state's healthcare delivery system. If you have any questions, please do not hesitate to contact Reggie Newson, Chief Advocacy Officer, at reginald.newson@ascension.org or Tracy Wymelenberg, Director of Advocacy Ascension Wisconsin at tracy.wymelenberg@ascension.org.

Thank you in advance for your consideration.

Sincerely,



Jonathon Matuszewski MHA, BS-MT (ASCP)
President, Ascension Franklin Hospital and Ascension St. Francis Hospital
Ascension Wisconsin

³ See p. 13 of SMD Letter # 18-011; nursing homes are excluded from being a qualifying IMD site of care eligible for federal financial participation because they lack specialization in rendering mental health treatment and may not have staff with appropriate training or credentials to provide quality treatment to individuals with SMI or SED.