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Donald M. Berwick, MD, MPP, FRCP
Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
Room 445-G, Hubert H. Humphrey Building
200 Independence Avenue, SW
Washington, DC 20201

RE: CMS-1345-P: Proposed Rule: "Medicare Program; Medicare Shared Savings Program: Accountable Care Organizations" (42 CFR Part 425)

Dear Dr. Berwick,

As an association representing behavioral healthcare provider organizations and professionals, the National Association of Psychiatric Health Systems (NAPHS) appreciates the opportunity to provide comments on the proposed rule titled "Medicare Program; Medicare Shared Savings Program: Accountable Care Organizations" as published in the April 7, 2011, *Federal Register*.

ABOUT NAPHS

Founded in 1933, NAPHS advocates for behavioral health and represents provider systems that are committed to the delivery of responsive, accountable, and clinically effective prevention, treatment, and care for children, adolescents, adults, and older adults with mental and substance use disorders. Our members are behavioral healthcare provider organizations, including more than 700 psychiatric hospitals, addiction treatment facilities, general hospital psychiatric and addiction treatment units, residential treatment centers, youth services organizations, outpatient networks, and other providers of care. Our members deliver all levels of care, including inpatient treatment, residential treatment, partial hospitalization, and outpatient services.

COMMENTS

The *Affordable Care Act* provided a number of innovative approaches to change the way payers incentivize the healthcare system to improve care for patients while working within budget constraints.

This proposed rule would implement section 3022 of the *Affordable Care Act*, which contains provisions relating to Medicare payments to providers of services and suppliers participating in accountable care organizations (ACOs). Under these provisions, providers of

services and suppliers can continue to receive traditional Medicare fee-for-service payments under Parts A and B, and they can be eligible for additional payments based on meeting specified quality and savings requirements.

As CMS works to develop the parameters for ACOs, we encourage you to consider several principles:

- Behavioral health is integral to overall.
- Coordination of care is essential to improving quality and efficiency.
- Accountability through nationally recognized quality measures is necessary.
- Financial rewards must be sufficient to offset provider risks and start-up costs.
- Legal and regulatory impediments to care coordination must be reduced.
- Partnering between physicians, hospitals, and other providers needs to be encouraged.

We encourage CMS to:

- Ensure that behavioral health is embedded in the overall ACO framework. Services for mental and addictive disorders must be encouraged as part of all ACOs.
- Increase the shared savings split with providers in order to encourage innovation.
- Limit quality measures so that data collection is manageable for the ACO.
- Provide more flexibility in overcoming antitrust and other legal impediments so that collaboration and coordination can truly work on behalf of Medicare beneficiaries.

CONCLUSION

Thank you for your consideration of our comments. We look forward to working with CMS and the Department of Health and Human Services to ensure that policy decisions support quality patient care and continuing access to essential behavioral health services.

Sincerely,

Mark Covall
President/CEO