



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 8, 2015

S. 599

Improving Access to Emergency Psychiatric Care Act

As ordered reported by the Senate Committee on Finance on June 24, 2015

S. 599 would extend the period of time during which the Secretary of Health and Human Services could conduct the Medicaid Emergency Psychiatric Demonstration Project and would require the Secretary to recommend to the Congress whether to continue and expand the demonstration. CBO estimates that implementing S. 599 would increase direct spending by \$100,000 over the 2015-2025 period. Because enacting the bill would affect direct spending pay-as-you-go procedures apply. Enacting the bill would not affect revenues.

With limited exception, under current law, Medicaid does not cover services provided in psychiatric institutions to enrollees aged 21 to 64. Rather, Medicaid payment is available to other providers such as general hospitals that may provide emergency psychiatric services to such enrollees. The demonstration was established to assess the health outcomes and cost effectiveness of allowing private psychiatric hospitals to provide emergency psychiatric services to Medicaid enrollees aged 21 to 64.

S. 599 would authorize the Secretary to extend a state's participation in the demonstration from December 2015 through September 2016 if the Secretary determines and certifies that doing so would not increase net spending in the Medicaid program. The bill would require, not later than September 30, 2016, that the Secretary recommend to the Congress whether the demonstration should be continued beyond September 2016 or expanded to any additional states. The Secretary would be authorized to extend and expand the demonstration if the Secretary also determines and certifies that doing so would not increase net spending in the Medicaid program. After December 31, 2019, the Secretary's authority to continue or expand the demonstration would expire. Finally, the bill would appropriate \$100,000 for fiscal year 2015 for Secretary to carry out the demonstration; thus increasing direct spending by that amount.

S. 599 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandate Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Lisa Ramirez-Branum. The estimate was approved by Holly Harvey, Deputy Assistant Director for Budget Analysis.