



Netsmart Statement June 9, 2020 Provider Relief Act Medicaid Allocation

The U.S. Department of Health and Human Services (HHS) and the Health Resources and Services Administration (HRSA) have announced the distribution of approximately \$15 billion in COVID-19 Provider Relief Funds to providers that participate in state Medicaid and CHIP programs.

Unfortunately, it appears that most community mental health centers (CMHCs) and community behavioral health organizations (CBHOs) – already underfunded critical pillars in our nation’s behavioral health system – have been left out of the opportunity to receive these funds at a time of escalating need for their services and unprecedented challenges to their financial sustainability.

The funding criteria states that providers that received a payment from earlier Provider Relief Fund General Allocations are ineligible to receive a second payment. A majority of CMHCs and CBHOs received a payment in the April Medicare allocation because they serve dual-eligible patients. A sampling of members by the National Council for Behavioral Health shows the allocations were very small...many ranging from \$300 to \$25,000 with a small number of respondents reporting they received more than \$100,000.

It appears that only about 30-35% of CMHCs and CBHOs nationwide will be eligible to receive funds from the Medicaid portal, despite the fact that these organizations offer the critical core component of providing Medicaid-funded mental healthcare and substance use disorder services for millions nationwide. These providers serve the underserved -- high-risk patients that are often the most frequent utilizers of health services, many with chronic co-occurring health conditions that further heightens their risk from COVID-19.

A recent [Kaiser Family Foundation poll](#) found that 45 percent of respondents reported that the pandemic is negatively affecting their mental health, up from 32 percent just a month prior. [The Atlantic](#) reported on a National Council for Behavioral Health survey of nearly 900 providers across the country that found “the pandemic is forcing practices to reduce services, provide care to patients without sufficient protective equipment, lay off and furlough employees and risk closure within months.”

As the leading technology partner for CMHCs and CBHOs nationwide, we join the [National Council for Behavioral Health](#) in calling for HHS to reevaluate the funding criteria and include these organizations for more proportional COVID-19 emergency financing in future Health Care Provider Fund allocations.

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