

March 26, 2008

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
H-232 Capitol Building
Washington, D.C. 20515

The Honorable John Dingell
Chairman
House Energy & Commerce Committee
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Speaker Pelosi and Chairman Dingell:

On behalf of the National Council for Community Behavioral Healthcare – an organization representing 1,400 Community Mental Health Centers (CMHCs) and other community mental health and substance abuse agencies serving over 6 million low income children and adults with mental illnesses – I am writing to express our strongest possible support for the “Protecting the Medicaid Safety Net Act of 2008,” H.R. 5613.

In particular, the National Council has written to the Centers for Medicare and Medicaid Services (CMS) requesting that the state rehabilitative services option and the Targeted Case Management (TCM) regulations be rescinded. A recent Kaiser Family Foundation report noted that over 1.1 million persons with mental disorders receive services through the rehabilitation option alone. It should also be noted that these two Medicaid programs combined primarily finance intensive community-based services and supports for people with developmental disabilities, children in the foster care system, individuals living with HIV/AIDS and elderly persons with multiple mental and physical disabilities.

While National Council members have actively participated in CMS state Medicaid audits over many years, we categorically reject the notion that the rehabilitation and TCM rules are about protecting the integrity of Medicaid. In fact, the stunning administrative overreach inherent the rulemaking process, and the fact that hundreds of pages highly detailed regulatory requirements contained in the rules appear to have little or no statutory basis in Title XIX whatsoever, lead to only one conclusion: CMS is attempting to impose \$6 billion back door Medicaid budget cut by shifting the cost of community-based services to cash strapped state and county governments.

Let me conclude this correspondence by saying that the National Council is happy to debate the policy and financing issues raised in the TCM and rehabilitation option rules. However, we need to secure the passage of H.R. 5613 to ensure that the dialogue has meaning.

Sincerely,



Linda Rosenberg, MSW, CSW
President and CEO