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Director



DEPARTMENT OF HEALTH AND HUMAN SERVICES



Stacie Weeks, JD MPH Administrator

DIVISION OF HEALTH CARE FINANCING AND POLICY Helping people. It's who we are and what we do.

August 30, 2024

Inter-Tribal Council of Nevada Serrell Smokey, ITCN President Tribal Chairman of Washoe Tribe 919 Highway 395 South Gardnerville, Nevada 89410

Dear Tribal Members:

In accordance with established consultation guidelines, the Division of Health Care Financing and Policy (DHCFP) is notifying Nevada tribes of the following proposed change in policy:

Nevada is committed to reforming its system of care to improve health outcomes for individuals with serious mental illness (SMI). In the 81st (2021) Session of the Nevada Legislature, Senate Bill 154 was approved, which permits the Department of Health and Human Services to apply for a waiver to reimburse for acute inpatient stays in Institutions for Mental Disease (IMDs) for Medicaid-eligible individuals ages 21 years – 64 years with a SMI, to include treatment rendered at psychiatric hospitals.

On December 29, 2022, Nevada received approval for a Section 1115 waiver under Title XIX of the Social Security Act, titled "Nevada's Treatment of Opioid Use Disorders (OUD) and Substance Use Disorders (SUD) Transformation Project." This waiver allows the State to receive federal Medicaid matching funds to support Medicaid reimbursement for SUD treatment when provided in an IMD. This amendment requests additional waiver authority to expand federal Medicaid matching funds to pay IMDs that deliver treatment and services to recipients with a SMI. Additionally, the State seeks federal waiver authority to cover services that aim to address certain health-related social needs (HRSNs). By covering HRSN services, the State believes it can better support successful community transitions and stable community living.

The Nevada Department of Health and Human Services (DHHS), Division of Health Care Financing and Policy (DHCFP), requests authority from the Centers for Medicare & Medicaid Services (CMS) to amend the existing five-year, Section 1115 demonstration waiver. We are pleased to submit Nevada's Section 1115 demonstration waiver amendment request entitled "Nevada's Treatment of Substance Use Disorders (SUDs) and Serious Mental Illness (SMI) Transformation Project".

This project is intended to expand the behavioral health continuum of care for Medicaid-enrolled Nevadans over the age of 21 years, by supporting individuals with often co-occurring disorders, as well as HRSNs, that complicate accessing treatment and achieving community stability. Specifically, DHHS seeks a waiver to implement housing and nutrition supports for recipients experiencing, or at-risk of, homelessness, in addition to the waiver of the IMD exclusion for individuals between 21 years and 64 years receiving treatment for SMI in an IMD. This demonstration is aligned with the

objectives of Title XIX and Title XXI of the Social Security Act to improve access to high-quality, person-centered services that produce positive health outcomes for individuals.

Included in this application, Nevada has identified the strategies to address goals and milestones specific for the 1115 SMI Demonstration. Hypothetical budget-neutrality projections were also developed using CMS requirements, with the format adjusted to accommodate the SMI and HRSN services outlined in this demonstration request. The Demonstration will not modify the State's current Medicaid program or Children's Health Insurance Program outside of the benefits and reimbursement methodologies described within this application.

Please review the provided Public Notice as well as Nevada's Section 1115 Demonstration Waiver Amendment application entitled "Nevada's Treatment of Substance Use Disorders (SUDs) and Severe Mental Illness (SMI) Transformation Project" and we invite any comments and questions.

There is no anticipated fiscal impact to Tribal Governments.

If you would like a consultation regarding this proposed change in policy, please contact Nahayvee Flores-Rosiles at <u>nflores-rosiles@dhcfp.nv.gov</u> or (775) 350-0786 who will schedule a meeting. We would appreciate a reply within 30 days from the date of this letter. If we do not hear from you within this time, we will consider this an indication that no consultation is requested.

Sincerely,

Casey Angres

Casey Angres Division Compliance Chief, DHCFP

cc: Cynthia Leech, Compliance Agency Manager, DHCFP Malinda Southard D.C., CPM, Deputy Administrator, DHCFP Theresa Carsten, Deputy Administrator, DHCFP Michael Gorden, Social Services Chief III, DHCFP Sarah Dearborn, Social Services Chief III, DHCFP Nahayvee Flores-Rosiles, Tribal & Community Liaison, DHCFP