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Healthcare Alert

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Expansion of CCBHCs is critical to manage the mental health crisis

By April E. Schweitzer¹

Increased funding opportunities for the 500+ CCBHCs ensures accessible behavioral health services for nearly three million people.



What's the impact?

- CCBHCs make behavioral mental health care more accessible and affordable.
- Two tracks of planning grants are available to states implementing and expanding the CCBHC model. Ten new states are added to the Medicaid Demonstration Program every two years.
- State legislation and constitutional amendments are protecting and expanding CCBHCs.

Certified Community Behavioral Health Clinics (CCBHCs) are needed now more than ever to manage the mental health crisis. [Mental Health America's](#) key findings of 2024 noted that 60 million American adults had experienced a mental illness between 2021 and 2022, 12.8 million had experienced serious thoughts of suicide, and 18% had a substance use disorder in the past year. Additionally, in the past year, 13% of youth between 12 and 17 years old reported serious thoughts

of suicide, 20% experienced at least one major depressive episode, and 9% had a substance use disorder. Even with a generous estimate of the number of mental health professionals available in the US, there is a significant disparity of 340 people for every mental health provider. CCBHCs are taking on the current mental health crisis and seeing nationwide support for implementation and expansion.

What are CCBHCs?

CCBHCs provide mental health and substance use services to individuals regardless of their ability to pay, insurance status, age, place of residence, or diagnosis.

Funding CCBHCs

More than 100 clinics receive funding through the [Medicaid Demonstration](#) Program, authorized under Section 223 of the Protecting Access to Medicare Act (PAMA). This funding pays CCBHCs using a [prospective payment system](#), which provides reimbursements based on a predetermined, fixed amount. The program was expanded under section 11001 of the Bipartisan Safer Communities Act (BSCA) of 2022, which gave the US Department of Human and Health Services (HHS) authority to add ten new states to the Medicaid Demonstration Program every two years. On [March 16, 2023](#), BSCA awarded 15 states \$1 million, one-year planning grants, ten of which joined the full Medicaid Demonstration Program in 2024.

A separate major source of funding is available through individual grants awarded by the Substance Abuse and Mental Health Services Administration ([SAMHSA](#)). In 2018, when SAMHSA started providing expansion grants, the funding supported up to \$2 million per year for two years. In 2022, the expansion grant program was extended to four years, with CCBHCs receiving up to \$1 million per year. As part of the 2022 changes, two tracks of funding were created: CCBHC-Planning, Development, and Implementation (CCBHC-PDI) for behavioral health providers to establish new CCBHC clinics and CCBHC-Improvement and Advancement (CCBHC-IA) for existing CCBHCs to expand and improve their services.

Additionally, once established via either of these funding sources, CCBHCs may receive funding from [independent state programs](#), generally a Medicaid state plan or Section 1115 demonstration authority, which is different than the Section 223 CCBHC demonstration authority referenced above. These CCBHCs remain subject to state purview but may also receive SAMHSA expansion grants. Recent examples of this funding include Nevada moving its CCBHC program out of the Section 223 demonstration by permanently making it part of its state Medicaid program in 2023. The [National Conference of State Legislatures](#) (NCSL) reported that states like Minnesota, Missouri, Nevada, and Oklahoma have implemented this model through approved state plan amendments. Others like Kansas, Indiana, West Virginia, Illinois, Maine, and Idaho have done so through legislation.

[The National Council for Mental Wellbeing](#) created a state-by-state deep dive on CCBHC funding, updated as recently as January 2024. This document provides information on the number and type of CCBHCs in each state, the counties served, the status of CCBHC implementation efforts in Medicaid, and links to any relevant state legislation, appropriations, state plan amendments, or data reports.

CCBHC Requirements

To operate as a CCBHC, specific standards must be met, such as care coordination to support people utilizing services across behavioral health care, physical health care, social services, and any other systems. Additionally, CCBHCs must have crisis services available 24/7 and comprehensive behavioral health services.

In March 2023, SAMHSA released [updated certification criteria](#) for CCBHCs, with compliance required by July 1, 2024. The revised criteria establish a “basic level of service” required to operate as a CCBHC. The criteria are sorted into seven key program areas: (1) staffing availability and licensing, (2) accessibility of services, (3) care coordination across services and providers, (4) scope of services, (5) quality and other reporting, (6) consumer representation in governance, and (7) appropriate state accreditation.

The scope of services includes [nine required services](#) provided directly by the CCBHC or through a formal partnership. These services include (1) crisis services, (2) outpatient mental health and substance use services, (3) person and family-centered treatment planning, (4) community-based mental health care for veterans, (5) peer family support and counselor services, (6) targeted care management, (7) outpatient primary care screening and monitoring, (8) psychiatric rehabilitation services, and (9) screening, diagnosis, and risk assessment.

Conclusion

Nixon Peabody is monitoring the latest developments in CCBHCs. We are available to track the rise of independent state programs passed through constitutional amendments and legislation to ensure that existing CCBHCs remain compliant and new ones are set up efficiently. Additionally, for CCBHC applicants utilizing partnerships to meet operational requirements, Nixon Peabody can assist with contract drafting, review, and negotiation.

For more information on the content of this alert, please contact your Nixon Peabody attorney or:

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