Medicaid and CHIP State Plan, Waiver, and Program Submissions
Certified Community Behavioral Health Clinic (CCBHC) Cost Report
CMS-10398 #43, OMB 0938-1148

This January 2024 iteration is a revision of an active collection of information request.

A. Background

Certified Community Behavioral Health Clinics (CCBHCs) are designated clinics that provide mental health and substance use disorder care to individuals regardless of their ability to pay for services, or place of residence. As critical components of the public mental health system, these clinics were initially authorized under Section 223 of the 2014 Protecting Access to Medicare Act (PAMA) "Demonstration Programs to Improve Community Mental Health Services." The initial two-year federal demonstration project enabled CCBHCs to be paid through prospective payment systems (PPS) by state Medicaid programs. To support participation, the PAMA appropriated Federal funding which allowed the Centers for Medicare & Medicaid Services (CMS) in conjunction with the Substance Abuse and Mental Health Services Administration (SAMHSA) to award one-year planning grants in 2015 to 24 states to develop their CCBHC programs and to apply to join the demonstration. Eight states were selected on October 21, 2016, to launch CCBHCs in their state that began in 2017.

Congress extended the CCBHC demonstration several times since 2014. In 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES) expanded the program, directing HHS to select two more demonstration states. Subsequently, Michigan and Kentucky were selected as two additional states added to the CCBHC demonstration. Michigan launched demonstration programs in their states effective October 1, 2021, and Kentucky's program began effective January 1. 2022.

Most recently, under the section 11001 of the Bipartisan Safer Communities Act[1] (BSCA) of 2022, Congress extended the CCBHC demonstration program through September 30, 2025, for the original 8 states and increased program participation to allow for an additional 10 states to be added in 2024 and 2026. On March 16, 2023, CMS and SAMHSA awarded one-year planning grants[2] to 15 states to develop CCBHC programs and at the end of the year-long planning phase in March 2024, apply to be considered for selection as part of 10 new states added to the CCBHC demonstration as early as July 1, 2024. Both agencies will restart the process again in 2025 that begins with awarding another round of BSCA one-year planning grants to 15 states also eligible to apply and be selected as the next cohort of 10 CCBHC demonstration states added in 2026.

CCBHCs are required to meet 6 program requirements related to staffing, available and accessible services, care coordination, scope of services, quality and other reporting, and their organizational authority, governance and accreditation. The requirements to provide available and accessible services include a requirement that CCBHCs offer crisis management services 24 hours a day. A state health official letter released on December 28, 2021 describes the optional

[1] Bipartisan Safer Communities Act
[2] planning grants

benefit for states to claim up to 85 percent federal medical assistance percentage (FMAP) matching rate allowable under section 9813 of the American Rescue Plan Act of 2021[3] for expenditures associated with qualifying community-based mobile crisis intervention services for the first 12 fiscal quarters within a five-year period during which a state meets the conditions outlined in statute to qualify for the increased match[4]. To enable CCBHCs to take advantage of this opportunity, on May 12, 2023, CMS released for public comment, proposed updates to the 2015 CMS CCBHC PPS Technical Guide, in which two additional PPS rate options (Certified Clinic (CC)PPS-3 and PPS-4) were proposed to address the high costs associated with mobile crisis intervention services and other crisis services provided onsite at a crisis stabilization facility. CC PPS-3 which is a daily payment rate, and CC PPS-4, the monthly rate option supports expansion of crisis intervention services and gives states and clinics flexibility to address the special needs and characteristics of these types of services that may affect provider reimbursement[5]. Based on positive feedback from states on the two additional rate methodologies, CMS is currently finalizing updates to the formal CCBHC PPS Technical Guide that will be released in final either late December or early January 2024.

B. Description of Information Collection

The CCBHC cost report allows clinics in the demonstration to calculate PPS rates using clinic-specific cost and visit data associated with delivery of the 9 statutory services as outlined under the authorizing PAMA at section 223(D) Scope of Services. Currently CCBHCs use the cost report to calculate rates based on the existing CC PPS-1 daily, or CC PPS-2 monthly rate that do not include separate crisis rate options. Calculation of the new daily and monthly special crisis services PPS rates required CMS to revise the existing CCBHC cost report to include addition worksheets to address the new crisis rate offerings being finalized in the CCBHC Technical Guide. SCS rates would be effective beginning January 1, 2024, for any existing states that may be interested in implementing either CC PPS-3 or CC PPS-4, and new states entering the program by July 2024 will have the option to choose from among the four PPS rate options made available under the updated Technical Guide and CCBHC cost report.

States and clinics selecting either the CC PPS-3 or CC PPS-4 crisis rate methodology will require additional time to separate costs and visit data for up to three special crisis services rates. CCBHCs in states that choose CC PPS-2 rate methodology will require additional time to gather data for special populations and account for outlier thresholds.

Because use of this cost report involves participation in the CCBHC demonstration program, the information is expected to be collected annually, assuming rates are trended forward for the second year of the program using the Medicare Economic Index (MEI), rebased in the third year of the demonstration and trended forward for the fourth year of the demonstration using the MEI. However, if the state requires CCBHCs to rebase rates for other years of the demonstration using

[3] https://www.congress.gov/bill/117th-congress/house-bill/1319/text

[4] https://www.medicaid.gov/sites/default/files/2021-12/sho21008.pdf

[5] https://www.medicaid.gov/sites/default/files/2023-07/ccbh-pps-prop-updates.pdf

CCBHC cost report data, the provider would be required to complete the cost report each time the state rebases the rate. CMS does also require CCBHC demonstration states to submit cost reports in trended years although rates may only reflect changes based on MEI adjustment for inflationary changes.

C. Deviations from Generic Request

This collection of information request does not include any deviations.

D. Burden Hour Deduction

Wage Data

To derive average costs, we used data from the U.S. Bureau of Labor Statistics' May 2022 National Occupational Employment and Wage Estimates for all salary estimates (https://www.bls.gov/oes/2022/may/oes_nat.htm). In this regard, the following table presents the median hourly wage, the cost of fringe benefits and other indirect costs (calculated at 100 percent of salary), and the adjusted hourly wage.

Occupation Title	Occupation Code	Mean Hourly Wage ($/hr)	Fringe Benefits and Other Indirect Costs ($/hr)	Adjusted Hourly Wage ($/hr)
Accountants and Auditors	13-2011	41.70	41.70	83.40
Chief Executive	11-1011	118.48	118.48	236.96
Financial Manager	11-3031	79.83	79.83	159.66

As indicated, we are adjusting our employee hourly wage estimates by a factor of 100 percent. This is necessarily a rough adjustment, both because fringe benefits and other indirect costs vary significantly from employer to employer, and because methods of estimating these costs vary widely from study to study. Nonetheless, we believe that doubling the hourly wage to estimate total cost is a reasonably accurate estimation method.

CCBHC Burden

The burden for CCBHCs to complete the cost report is estimated to average 56.33 hours per response for CC PPS-1, 72.33 hours per response for CC PPS-3, 112.66 hours per response for CC PPS-2, and 132.66 hours per response for CC PPS-4. This includes time for reviewing instructions, searching existing data sources, analyzing that data, and completing and reviewing the collection of information. Since CC PPS-2 rate methodology requires additional time to gather data for certain populations, we anticipate that it would take twice as long to complete and review each cost report. Since CC PPS-3 and CC PPS-4 rate methodologies require additional time to parse out costs and visit data for each special crisis service rate, we anticipate the extra time needed would be 16 hours for CC PPS-3 and 20 hours for CC PPS-4 as most of this data is

already available for CC PPS-1 and CC PPS-2, respectively. We anticipate that the complexity of the cost report and the certification requirements will require varying levels of employee to gather, input, and review the data. Regardless of the methodology used, we expect that an Accountant and Auditor (13-2011) at a rate of $83.40/hr would complete the report and that a Chief Executive (11-1011) at a rate of $236.96/hr would review and certify the report.

Projecting a total of 30 CCBHC respondents (at 2 clinics per state), we anticipate 14 respondents for **CC PPS-1**, 6 respondents for **CC PPS-2**, 6 respondents for **CC PPS-3** and 4 respondents for **CC PPS-4**, based on polling data during the technical assistance sessions and experience from the states currently participating in the demonstration.

For one **CC PPS-1** cost report, we estimate 56.33 hours (Accountants and Auditors 54.33 hours x $83.40 = $4,531.12; Chief Executive 2 hours x $236.96 = $473.92) for a cost of $5,005.04 for one report. For 14 cost reports, we estimate a total of 788.62 hours for a total of $70,071.

Given the complexity of **CC PPS-2** (i.e., additional data requirements, special population calculations, etc.), we anticipate that about 56.33 additional hours will be required to complete the cost report. For one CC PPS-2 cost report, we estimate 112.66 hours (Accountants and Auditors 108.66 hours x $83.40 = $9,062.24; Chief Executive 4 hours x $236.96 = $947.84) for a cost of $10,010.08 for one report. For 6 cost reports we estimate 337.98 hours for a total of $60,061.

For one **CC PPS-3** cost report, we estimate 72.33 hours (Accountants and Auditors 70.33 hours x $83.40 = $5,865.52; Chief Executive 2 hours x $236.96 = $473.92) for a cost of $6,339.44 for one report. For 6 cost reports, we estimate a total of 433.98 hours for a total of $38,037.

For separating the special crisis services data from non-crisis data, we anticipate that about 20.00 additional hours will be required to complete the cost report for CC PPS-4 over CC PPS-2. For one **CC PPS-4** cost report, we estimate 132.66 hours (Accountants and Auditors 128.66 hours x $83.40 = $10,730.24; Chief Executive 4 hours x $236.96 = $947.84) for a cost of $11,678.08 for one report. For 4 cost reports, we estimate a total of 531 hours at a cost of $46,712.

CCBHC Burden Summary

Cost Report	No. Respondents	Total No. Responses	Time per response (hr)	Total Time (hr)	Adjusted Hourly Wage ($/hr)	Total Cost ($)
CC PPS-1	14	14	54.33	761	83.40	63,436
			2	28	236.96	6,635

Subtotal: CC PPS-1	*14*	*14*	*varies*	*789*	*varies*	*70,071*
CC PPS-2	6	6	108.66	652	83.40	54,373
			4	24	236.96	5,687
Subtotal: CC PPS-2	*6*	*6*	*varies*	*676*	*varies*	*60,061*
CC PPS-3	6	6	70.33	422	83.40	35,193
			2	12	236.96	2,844
Subtotal: CC PPS-3	*6*	*6*	*varies*	*434*	*varies*	*38,037*
CC PPS-4	4	4	128.66	515	83.40	42,921
			4	16	236.96	3,791
Subtotal: CC PPS-4	*4*	*4*	*varies*	*531*	*varies*	*46,712*
TOTAL	**30**	**30**	**varies**	**2,430**	**varies**	**214,880**

State Burden

States will be required to review the cost reports through a desk-review or an audit. We estimate the average time for a Financial Manager (11-3031) at a rate of $159.66/hr to complete a desk review is 22 hours for CC PPS-1, 44 hours for CC PPS-2, 30 hours for CC PPS-3, and 52 hours for CC PPS-4. We project that 15 states will review responses from 2 CCBHCs per state, distributed as 7 states with CC PPS-1, 3 states with CC PPS-2, 3 states with CC PPS-3 and 2 states with CC PPS-4.

For one **CC PPS-1** cost report, we estimate 22 hours at a cost of $3,512.52. For 14 cost reports, we estimate 308 hours at a cost of $49,175.28.

For one **CC PPS-2** cost report, we estimate 44 hours at a cost of $7,025.04. For 6 cost reports, we estimate 264 hours at a cost of $42,150.24.

For one **CC PPS-3** cost report, we estimate 30 hours at a cost of $4,789.80. For 6 cost reports, we estimate 180 hours at a cost of $28,738.80.

For one **CC PPS-4** cost report, we estimate 52 hours at a cost of $8,302.32. For 4 cost reports, we estimate 208 hours at a cost of $33,209.28.

In aggregate for all PPS methodologies, we estimate 960 hours at a total cost of $153,274.

The crosswalk is provided to states as a guide for use when in lieu of using the Federal OMB approved CCBHC cost report, the state may choose to modify an existing state-level cost report to align with elements as outlined in the CCBHC cost report crosswalk. For those using the crosswalk, there may be additional time requirements needed to make revisions to an existing state cost report, which will depend on the areas they are changing, and how broad and deep the changes are. We estimate any modifications to the state specific cost report along with edits to supplemental instructions, could take an additional 1 to 4 hours of time depending on these factors. State must submit the revised state-level cost report to CMS for review to ensure alignment with the Federal CCBHC cost report and crosswalk elements prior to use.

State Burden Summary

Cost Report	**No. Respondents**	**Total No. Responses**	**Time per response (hr)**	**Total Time (hr)**	**Adjusted Hourly Wage ($/hr)**	**Total Cost ($)**
CC PPS-1	14	14	22	308	159.66	49,175
CC PPS-2	6	6	44	264	159.66	42,150
CC PPS-3	6	6	30	180	159.66	28,739
CC PPS-4	4	4	52	208	159.66	33,209
TOTAL	**30**	**30**	**varies**	**960**	**159.66**	**153,273**

Total Burden

The total burden for CC PPS-1 is 1,096.62 hours (788.62 hours + 308 hours) at a cost of $119,245.87 ($70,070.59 + $49,175.28).

The total burden for CC PPS-2 is 939.96 hours (675.96 hours + 264 hours) at a cost of $102,210.74 ($60,060.50 + $42,150.24).

The total burden for CC PPS-3 is 613.98 hours (433.98 hours + 180 hours) at a cost of $66,775.45 ($38,036.65 + $28,738.80).

The total burden for CC PPS-4 is 738.64 hours (530.64 hours + 208 hours) at a cost of $79,921.62 ($46,712.34 + $33,209.28).

The total aggregate burden for all PPS methodologies is 3,389.2 hours at a cost of $368,153.68.

Total CCBHC and State Burden

Cost Report	**No. Respondents**	**Total No. Responses**	**Time per response (hr)**	**Total Time (hr)**	**Adjusted Hourly Wage ($/hr)**	**Total Cost ($)**
CCBHC Burden	30	30	varies	2,430	varies	214,880
State Burden	30	30	varies	960	159.66	153,273
TOTAL	**30**	**60**	**varies**	**3,390**	**varies**	**368,153**

Collection of Information Instruments and Instructions

- CCBHC Cost Report (Revised)
- CCBHC Cost Report Elements Crosswalk (Revised)
- CCBHC Cost Report Instructions (Revised)

E. Timeline

Our 14-day notice published in the Federal Register on January 9, 2024 (89 FR 1095). Comments must be received by January 23, 2024.

We request OMB's approval as expeditiously as possible but no later than February 9. Ideally, we would like to make the updated CCBHC Cost Report and instructions available for state use on January 24, 2024.