



## Office of Mental Health

### CCBHC Prospective Payment System (PPS)

The same law that created the standards for providers to be in the CCBHC Demonstration Program also made it possible for states to create a different type of system to pay CCBHC providers for their services. CMS sent guidance to the states with two Prospective Payment System (PPS) rates that states could choose from. New York State's CCBHC Demonstration Program chose the first option (CC PPS-1), which pays for the cost of all the services that are provided in a day through a single daily rate. To create the rate for Demonstration Year 1 (DY1), NYS used cost and visit data from the planning grant phase, then updated the cost using the Medicare Economic Index (MEI). Qualified satellite facilities established prior to April 1<sup>st</sup>, 2014 were also given a daily rate using this system. The CC PPS-1 is made up of:

- A daily base rate
- An update factor using the MEI

The CC PPS-1 rate is based on total annual allowable CCBHC costs divided by the total annual number of CCBHC daily visits. This calculation results in the same payment amount each day, regardless of the intensity or type of services that are provided that day. The daily rate is a cost-based, per-clinic rate that is a fixed amount for all the CCBHC services given each day to a person with Medicaid coverage. CCBHCs can bill their daily rate when one or more CCBHC services have been provided that day. In the Demonstration Application NYS wrote that Quality Bonus Payments (QBP) would be made to CCBHC providers that met 6 required quality measures as defined by CMS, MPC, AMA-PCPI, and NCQA/HEDIS. Despite writing about QBPs in the original Application, data limitations and then the impact of COVID-19 on NYS' finances has kept the state from making QBP.

For additional information please see the [SAMHSA Prospective Payment System \(PPS\) Reference Guide](#).