

**Medicaid Section 1115 Serious Mental Illness and Serious  
Emotional Disturbance Demonstrations  
Monitoring Report Template**

*Note: PRA Disclosure Statement to be added here*

The time required to complete this information collection is estimated to average 28 minutes per response, which totals 17 hours. Additional time was spent reviewing instructions, searching existing data resources, gathering the data needed, and reviewing the information collected averaging approximately 5 days.

**1. Title page for the state’s serious mental illness and serious emotional disturbance (SMI/SED) demonstration or the SMI/SED component of the broader demonstration**

*This section collects information on the approval features of the state’s section 1115 SMI/SED demonstration overall. The state completed this title page as part of its SMI/SED monitoring protocol. The state should complete this table using the corresponding information from its CMS-approved monitoring protocol and submit this as the title page of all monitoring reports. The content of this table should stay consistent over time. Definitions for certain rows are below the table.*

<b>State</b>	<i>Alabama</i>
<b>Demonstration name</b>	<i>Institutions for Mental Diseases Waiver for Serious Mental Illness/Substance Use Disorder</i>
<b>Approval period for section 1115 demonstration</b>	<i>05/1/2022-05/19/2027</i>
<b>SMI/SED demonstration start date<sup>a</sup></b>	<i>5/1/2022</i>
<b>Implementation date of SMI/SED demonstration, if different from SMI/SED demonstration start date<sup>b</sup></b>	<i>5/1/2022</i>
<b>SMI/SED (or if broader demonstration, then SMI/SED-related) demonstration goals and objectives</b>	<i>Reduced utilization of emergency departments; Reduced preventable readmissions to acute care hospitals and residential settings; Improved availability of crisis stabilization services; Improved access to community-based services; Improved care coordination, especially continuity of care in the community following episodes of acute care in acute hospitals settings.</i>
<b>SMI/SED demonstration year and quarter</b>	<i>SMI/SED DY1 Q2</i>
<b>Reporting period</b>	<i>09/1/2022 – 12/31/2022</i>

<sup>a</sup> **SMI/SED demonstration start date:** For monitoring purposes, CMS defines the start date of the demonstration as the *effective date* listed in the state’s STCs at the time of SMI/SED demonstration approval. For example, if the state’s STCs at the time of SMI/SED demonstration approval note that the SMI/SED demonstration is effective January 1, 2020 – December 31, 2025, the state should consider January 1, 2020, to be the start date of the SMI/SED demonstration. Note that the effective date is considered to be the first day the state may begin its SMI/SED demonstration. In many cases, the effective date is distinct from the approval date of a demonstration; that is, in certain cases, CMS may approve a section 1115 demonstration with an effective date that is in the future. For example, CMS may approve an extension request on December 15, 2020, with an effective date of January 1, 2021 for the new demonstration period. In many cases, the effective date also differs from the date a state begins implementing its demonstration.

<sup>b</sup> **Implementation date of SMI/SED demonstration:** The date the state began claiming or will begin claiming federal financial participation for services provided to individuals in institutions for mental disease.

## **2. Executive summary**

*On May 20, 2022, the state of Alabama implemented the Serious Mental Illness (SMI) portion of the demonstration.*

*In this demonstration, the Alabama Medicaid Agency (AMA) will maintain and enhance access to mental health services and continue delivery system improvements for these services to provide more coordinated and comprehensive treatment of Medicaid beneficiaries with Serious Mental Illness (SMI). This demonstration will provide AMA with the authority to provide high-quality, clinically appropriate treatment to beneficiaries with SMI while they are short-term residents in residential and inpatient treatment settings that qualify as Institutions for Mental Disease (IMD) in Baldwin and Mobile counties for Medicaid-eligible individuals ages 21-64 diagnosed with SMI.*

*Although reimbursement is limited to this region, Medicaid enrollees in need of inpatient behavioral health services will be able to access services via the IMDs participating in the demonstration, regardless of their county of residence. It will also support state efforts to enhance provider capacity and improve access to a continuum of treatments for SMI.*

**3. Narrative information on implementation, by milestone and reporting topic**

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
<b>1. Ensuring Quality of Care in Psychiatric Hospitals and Residential Settings (Milestone 1)</b>			
<b>1.1 Metric trends</b>			
1.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 1.	X		
<b>1.2 Implementation update</b>			
1.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 1.2.1.a The licensure or accreditation processes for participating hospitals and residential settings	X		
1.2.1.b The oversight process (including unannounced visits) to ensure participating hospital and residential settings meet state’s licensing or certification and accreditation requirements			<i>The state visited a provider located in Mobile County on January 20, 2023. The state plans to visit the provider located in Baldwin County soon after; and will provide unscheduled visits on a continuous basis. Licensure and accreditations were assessed at the unannounced site visit conducted on January 20, 2023.</i>
1.2.1.c The utilization review process to ensure beneficiaries have access to the appropriate levels and types of care and to provide oversight on lengths of stay			<i>The state established a reporting structure to continuously monitor both EastPointe and BayPointe facilities for appropriate level of care assignments.</i>

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
1.2.1.d The program integrity requirements and compliance assurance process	X		
1.2.1.e The state requirement that psychiatric hospitals and residential settings screen beneficiaries for co-morbid physical health conditions, SUDs, and suicidal ideation, and facilitate access to treatment for those conditions	X		
1.2.1.f Other state requirements/policies to ensure good quality of care in inpatient and residential treatment settings			<i>The state's Quality Improvement Organizational vendor will conduct post-retrospective reviews to ensure good quality of care in inpatient and residential treatment settings.</i>
1.2.2 The state expects to make other program changes that may affect metrics related to Milestone 1.	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
<b>2. Improving Care Coordination and Transitions to Community-Based Care (Milestone 2)</b>			
<b>2.1 Metric trends</b>			
2.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 2.	X		
<b>2.2 Implementation update</b>			
2.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 2.2.1.a Actions to ensure that psychiatric hospitals and residential treatment settings carry out intensive pre-discharge planning, and include community-based providers in care transitions			<i>The state developed the necessary compliance monitoring procedures specific to Institutions for Mental Diseases requirements for IMD providers by way of using rigorous, incorporate baseline and comparison group assessments, as well as statistical significance testing. The state has partnered with contract group to ensure that the existing contract monitoring policy and procedures are being executed thoroughly and effectively. In addition, the state continues to provide education and outreach with the current provider to meet this condition.</i>
2.2.1.b Actions to ensure psychiatric hospitals and residential settings assess beneficiaries' housing situations and coordinate with housing services providers	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
2.2.1.c State requirement to ensure psychiatric hospitals and residential settings contact beneficiaries and community-based providers within 72 hours post discharge			<i>The provider will contact the Alabama Coordinated Health Networks (ACHN) in the residing counties to coordinate post-discharge care for Serious Mental Issue (SMI) recipients.</i>
2.2.1.d Strategies to prevent or decrease the lengths of stay in EDs among beneficiaries with SMI or SED (e.g., through the use of peers and psychiatric consultants in EDs to help with discharge and referral to treatment providers)			<i>The state will ensure that appropriate mental health referrals are made to the Department of Mental Health. In addition, the state will utilize the State’s Mobile Crisis Intervention Care Coordination established through the ACHN’s utilization of local community mental health centers.</i>
2.2.1.e Other state requirements/policies to improve care coordination and connections to community-based care	X		
2.2.2 The state expects to make other program changes that may affect metrics related to Milestone 2.	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
<b>3. Access to Continuum of Care, Including Crisis Stabilization (Milestone 3)</b>			
<b>3.1 Metric trends</b>			
3.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 3.	X		
<b>3.2 Implementation update</b>			
3.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 3.2.1.a State requirement that providers use an evidenced-based, publicly available patient assessment tool to determine appropriate level of care and length of stay	X		
3.2.1.b Other state requirements/policies to improve access to a full continuum of care including crisis stabilization			<p><i>By collaborating with the Department of Mental Health, the state anticipates improving the availability of crisis stabilization services, including services made available through call centers and mobile crisis units, intensive outpatient services, as well as services provided during acute short-term stays in residential crisis stabilization programs, psychiatric hospitals, and residential treatment settings throughout the state and participating counties.</i></p> <p><i>The state continues to collaborate with the Department of Mental Health and other stakeholders to improve access to a full continuum of care.</i></p>



Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
3.2.2 The state expects to make other program changes that may affect metrics related to Milestone 3.	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
<b>4. Earlier Identification and Engagement in Treatment, Including Through Increased Integration (Milestone 4)</b>			
<b>4.1 Metric trends</b>			
4.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 4.	X		
<b>4.2 Implementation update</b>			
4.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 4.2.1.a Strategies for identifying and engaging beneficiaries in treatment sooner (e.g., with supported education and employment)	X		
4.2.1.b Plan for increasing integration of behavioral health care in non-specialty settings to improve early identification of SED/SMI and linkages to treatment	X		
4.2.1.c Establishment of specialized settings and services, including crisis stabilization services, focused on the needs of young people experiencing SMI or SED	X		
4.2.1.d Other state strategies to increase earlier identification/engagement, integration, and specialized programs for young people	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
4.2.2 The state expects to make other program changes that may affect metrics related to Milestone 4.	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
<b>5. SMI/SED health information technology (health IT)</b>			
<b>5.1 Metric trends</b>			
5.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to its health IT metrics.	X		
<b>5.2 Implementation update</b>			
5.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 5.2.1.a The three statements of assurance made in the state’s health IT plan	X		
5.2.1.b Closed loop referrals and e-referrals from physician/mental health provider to physician/mental health provider and/or physician/mental health provider to community-based supports			<i>Alabama’s One Health Record® offers an encrypted, HIPAA compliant messaging service, called Direct Messaging. The service provides providers with an auditable stream of communications that requires no special software or Electronic Health Record (EHR) system. Direct Messaging is compliant with all relevant standards both current and emerging. AltaPointe’s two IMD facilities, as well as their outpatient treatment programs, in the proposed demonstration region utilize Netsmart, a certified electronic health record. Netsmart provides closed loop referral capabilities as well as secure messaging which is currently being utilized by AltaPointe.</i>

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
5.2.1.c Electronic care plans and medical records			<i>The comprehensive inpatient and CMHC provider participating in this demonstration has an EHR and allows access to both inpatient and outpatient clinical notes, including treatment plans, to the care teams serving an individual.</i>
5.2.1.d Individual consent being electronically captured and made accessible to patients and all members of the care team			<i>Consents are captured in both the demonstration’s provider EHR and the Alabama One Health Record® HIE.</i>
5.2.1.e Intake, assessment and screening tools being part of a structured data capture process so that this information is interoperable with the rest of the health IT ecosystem			<i>All clinical documentation components are included in the participating provider’s EHR. One Health Record® has the capability to link with the provider EHR and behavioral health providers are a priority group for linkage with the HIT system.</i>
5.2.1.f Telehealth technologies supporting collaborative care by facilitating broader availability of integrated mental health care and primary care			<i>Behavioral health providers are currently providing telehealth services. In addition, the CMHC in the demonstration region currently provides crisis intervention supports to emergency departments in the region via telehealth.</i>
5.2.1.g Alerting/analytics			<i>The state continues to work with the state’s analytics department to collect and evaluate on-going data for the purpose of reporting on Institutions for Mental Diseases (IMDs).</i>
5.2.1.h Identity management	X		
5.2.2 The state expects to make other program changes that may affect metrics related to health IT.	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
<b>6. Other SMI/SED-related metrics</b>			
<b>6.1 Metric trends</b>			
6.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to other SMI/SED-related metrics.	X		
<b>6.2 Implementation update</b>			
6.2.1 The state expects to make the following program changes that may affect other SMI/SED-related metrics.	X		

**4. Narrative information on other reporting topics**

Prompts	State has no update to report (place an X)	State response
<b>7. Annual Assessment of Availability of Mental Health Services (Annual Availability Assessment)</b>		
<b>7.1 Description of changes to baseline conditions and practices</b>		
7.1.1 Describe and explain any changes in the mental health service needs of Medicaid beneficiaries with SMI/SED compared to those described in the Initial Assessment of the Availability of Mental Health Services (for example, prevalence and distribution of SMI/SED). Recommended word count is 500 words or less.	X	
7.1.2 Describe and explain any changes to the organization of the state’s Medicaid behavioral health service delivery system compared to those described in the Initial Assessment of the Availability of Mental Health Services. Recommended word count is 500 words or less.	X	
7.1.3 Describe and explain any changes in the availability of mental health services for Medicaid beneficiaries with SMI/SED in the state compared to those described in the Initial Assessment of the Availability of Mental Health Services. At minimum, explain any changes across the state in the availability of the following services: inpatient mental health services, outpatient and community-based services, crisis behavioral health services, and care coordination and care transition planning. Recommended word count is 500 words or less.	X	

Prompts	State has no update to report (place an X)	State response
7.1.4 Describe and explain any changes in gaps the state identified in the availability of mental health services or service capacity while completing the Annual Availability Assessment compared to those described in the Initial Assessment of the Availability of Mental Health Services. Recommended word count is 500 words or less.	X	
7.1.5 Describe and explain whether any changes in the availability of mental health services have impacted the state’s maintenance of effort (MOE) on funding outpatient community-based mental health services. Recommended word count is 500 words or less.	X	
<b>7.2 Implementation update</b>		
7.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 7.2.1.a The state’s strategy to conduct annual assessments of the availability of mental health services across the state and updates on steps taken to increase availability	X	
7.2.1.b Strategies to improve state tracking of availability of inpatient and crisis stabilization beds	X	



Prompts	State has no update to report (place an X)	State response
<b>8. Maintenance of effort (MOE) on funding outpatient community-based mental health services</b>		
<b>8.1 MOE dollar amount</b>		
8.1.1 Provide as a dollar amount the level of state appropriations and local funding for outpatient community-based mental health services for the most recently completed state fiscal year.	X	
<b>8.2 Narrative information</b>		
8.2.1 Describe and explain any reductions in the MOE dollar amount below the amount provided in the state’s application materials. The state should confirm that it did not move resources to increase access to treatment in inpatient or residential settings at the expense of community-based services.	X	

Prompts	State has no update to report (place an X)	State response
<b>9. SMI/SED financing plan</b>		
<b>9.1 Implementation update</b>		
9.1.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 9.1.1.a Increase availability of non-hospital, non-residential crisis stabilization services, including services made available through crisis call centers, mobile crisis units, and observation/assessment centers, with a coordinated community crisis response that involves law enforcement and other first responders	X	
9.1.1.b Increase availability of ongoing community-based services, e.g., outpatient, community mental health centers, partial hospitalization/day treatment, assertive community treatment, and services in integrated care settings such as the Certified Community Behavioral Health Clinic model	X	

Prompts	State has no update to report (place an X)	State response
<b>10. Budget neutrality</b>		
<b>10.1 Current status and analysis</b>		
10.1.1 Describe the current status of budget neutrality and an analysis of the budget neutrality to date. If the SMI/SED component is part of a broader demonstration, the state should provide an analysis of the SMI/SED-related budget neutrality and an analysis of budget neutrality as a whole.		<i>State has an independent evaluator (Optimus) who assists the staff with the budget neutrality report. The budget neutrality report for DY1Q2 is submitted for CMS review with other reports. In addition, the state will continue to assist the independent evaluator to ensure that all required information is included.</i>
<b>10.2 Implementation update</b>		
10.2.1 The state expects to make other program changes that may affect budget neutrality.	X	

Prompts	State has no update to report (place an X)	State response
<b>11. SMI/SED-related demonstration operations and policy</b>		
<b>11.1 Considerations</b>		
11.1.1 The state should highlight significant SMI/SED (or if broader demonstration, then SMI/SED-related) demonstration operations or policy considerations that could positively or negatively impact beneficiary enrollment, access to services, timely provision of services, budget neutrality, or any other provision that has potential for beneficiary impacts. Also note any activity that may accelerate or create delays or impediments in achieving the SMI/SED demonstration’s approved goals or objectives, if not already reported elsewhere in this document. See Monitoring Report Instructions for more detail.	X	
<b>11.2 Implementation update</b>		
11.2.1 The state experienced challenges in partnering with entities contracted to help implement the demonstration (e.g., health plans, credentialing vendors, private sector providers) and/or noted any performance issues with contracted entities.	X	
11.2.2 The state is working on other initiatives related to SMI/SED.	X	
11.2.3 The initiatives described above are related to the SMI/SED demonstration as described (The state should note similarities and differences from the SMI/SED demonstration).	X	

Prompts	State has no update to report (place an X)	State response
11.2.4 Compared to the demonstration design and operational details, the state expects to make the following changes to: 11.2.4.a How the delivery system operates under the demonstration (i.e., through the managed care system or fee for service)	X	
11.2.4.b Delivery models affecting demonstration participants (e.g. Accountable Care Organizations, Patient Centered Medical Homes)	X	
11.2.4.c Partners involved in service delivery	X	
11.2.4.d The state Medicaid agency’s Memorandum of Understanding (MOU) or other agreement with its mental health services agency	X	

Prompts	State has no update to report (place an X)	State response
<b>12. SMI/SED demonstration evaluation update</b>		
<b>12.1 Narrative information</b>		
12.1.1 Provide updates on SMI/SED evaluation work and timeline. The appropriate content will depend on when this monitoring report is due to CMS and the timing for the demonstration. There are specific requirements per 42 Code of Federal Regulations (CFR) § 431.428a(10) for annual [monitoring] reports. See Monitoring Report Instructions for more details.		<i>The state submitted the evaluation design on January 31, 2023.</i>
12.1.2 Provide status updates on deliverables related to the demonstration evaluation and indicate whether the expected timelines are being met and/or if there are any real or anticipated barriers in achieving the goals and timeframes agreed to in the STCs.	X	<i>Currently, the following reports are due:</i> <ul style="list-style-type: none"> <li>• <i>The quarterly monitoring report is due on January 31, 2023.</i></li> <li>• <i>The draft evaluation design is due on January 31, 2023.</i></li> <li>• <i>The quarterly budget neutrality report is due on January 31, 2023.</i></li> </ul> <i>Additional upcoming reports are due:</i> <ul style="list-style-type: none"> <li>• <i>The quarterly budget neutrality report is due on April 30, 2023.</i></li> <li>• <i>The quarterly monitoring report is due on April 30, 2023.</i></li> </ul>
12.1.3 List anticipated evaluation-related deliverables related to this demonstration and their due dates.		<i>In addition to this report, the state is reviewing and revising the SMI monitoring protocol, which is due by February 28, 2023.</i>

Prompts	State has no update to report (place an X)	State response
<b>13. Other SMI/SED demonstration reporting</b>		
<b>13.1 General reporting requirements</b>		
13.1.1 The state reports changes in its implementation of the demonstration that might necessitate a change to approved STCs, implementation plan, or monitoring protocol.	X	
13.1.2 The state anticipates the need to make future changes to the STCs, implementation plan, or monitoring protocol, based on expected or upcoming implementation changes.	X	
13.1.3 Compared to the demonstration design and operational details, the state expects to make the following changes to: 13.1.3.a The schedule for completing and submitting monitoring reports	X	
13.1.3.b The content or completeness of submitted monitoring reports and/or future monitoring reports	X	
13.1.4 The state identified current or anticipated issues submitting timely post-approval demonstration deliverables, including a plan for remediation.	X	
13.1.5 Provide updates on the results of beneficiary satisfaction surveys, if conducted during the reporting year, including updates on grievances and appeals from beneficiaries, per 42 CFR 431.428(a)5.	X	

Prompts	State has no update to report (place an X)	State response
<b>13.2 Post-award public forum</b>		
13.2.2 If applicable within the timing of the demonstration, provide a summary of the annual post-award public forum held pursuant to 42 CFR § 431.420(c) indicating any resulting action items or issues. A summary of the post-award public forum must be included here for the period during which the forum was held and in the annual monitoring report.	X	



Prompts	State has no update to report (place an X)	State response
<b>14. Notable state achievements and/or innovations</b>		
<b>14.1 Narrative information</b>		
14.1.1 Provide any relevant summary of achievements and/or innovations in demonstration enrollment, benefits, operations, and policies pursuant to the hypotheses of the SMI/SED (or if broader demonstration, then SMI/SED-related) demonstration or that served to provide better care for individuals, better health for populations, and/or reduce per capita cost. Achievements should focus on significant impacts to beneficiary outcomes. Whenever possible, the summary should describe the achievement or innovation in quantifiable terms (e.g., number of impacted beneficiaries).	X	

\*The state should remove all example text from the table prior to submission.

Note: Licensee and states must prominently display the following notice on any display of Measure rates:  
*The MPT, FUH-CH, FUH-AD, FUA-AD, FUM-AD, AAP, and APM measures (#13, 14, 15, 16, 17, 18, 7, 8, 9, 10, 26, 29) are Healthcare Effectiveness Data and Information Set (HEDIS®) measures that are owned and copyrighted by the National Committee for Quality Assurance (NCQA). HEDIS measures and specifications are not clinical guidelines, do not establish a standard of medical care and have not been tested for all potential applications. The measures and specifications are provided “as is” without warranty of any kind. NCQA makes no representations, warranties, or endorsements about the quality of any product, test or protocol identified as numerator compliant or otherwise identified as meeting the requirements of a HEDIS measure or specification. NCQA makes no representations, warranties, or endorsement about the quality of any organization or clinician who uses or reports performance measures and NCQA has no liability to anyone who relies on HEDIS measures or specifications or data reflective of performance under such measures and specifications. The measure specification methodology used by CMS is different from NCQA’s methodology. NCQA has not validated the adjusted measure specifications but has granted CMS permission to adjust. A calculated measure result (a “rate”) from a HEDIS measure that has not been certified via NCQA’s Measure Certification Program, and is based on adjusted HEDIS specifications, may not be called a “HEDIS rate” until it is audited and designated reportable by an NCQA-Certified HEDIS Compliance Auditor. Until such time, such measure rates shall be designated or referred to as “Adjusted, Uncertified, Unaudited HEDIS rates.”*