

1           **TITLE \_\_—ENHANCING THE**  
2           **MENTAL HEALTH WORKFORCE**

3           **SEC. \_\_01. SHORT TITLE; TABLE OF CONTENTS.**

4           (a) IN GENERAL.—This title may be cited as the  
5 “Behavioral Health Workforce of the Future Act”.

6           (b) TABLE OF CONTENTS.—The table of contents of  
7 this title is as follows:

TITLE \_\_—ENHANCING THE MENTAL HEALTH WORKFORCE

Sec. \_\_01. Short title; table of contents.

Subtitle A—Medicare Provisions

Sec. \_\_11. Coverage of marriage and family therapist services and mental health counselor services under part B of the Medicare program.

Sec. \_\_12. Improved access to clinical social worker services under the Medicare program.

Sec. \_\_13. Expanding eligibility for incentives under the Medicare health professional shortage area bonus program to practitioners furnishing mental health and substance use disorder services.

Sec. \_\_14. Access to mental health programs for physicians.

Sec. \_\_15. Coverage and coding for qualified psychologist services furnished by advanced psychology trainees.

Sec. \_\_16. Clarifying coverage of occupational therapy under the Medicare program.

Sec. \_\_17. **【Distribution of additional residency positions in psychiatry and psychiatry subspecialties】.**

Subtitle B—Medicaid and CHIP Provisions

Sec. \_\_21. Demonstration project to increase mental health and substance use disorder care provider capacity under the Medicaid program.

Sec. \_\_22. Guidance to States on strategies under Medicaid and CHIP to increase mental health and substance use disorder care provider education, training, recruitment, and retention.

## 1     **Subtitle A—Medicare Provisions**

### 2     **SEC. \_\_11. COVERAGE OF MARRIAGE AND FAMILY THERA-** 3                   **PIST SERVICES AND MENTAL HEALTH COUN-** 4                   **SELOR SERVICES UNDER PART B OF THE** 5                   **MEDICARE PROGRAM.**

6           (a) COVERAGE OF SERVICES.—

7                 (1) IN GENERAL.—Section 1861(s)(2) of the  
8           Social Security Act (42 U.S.C. 1395x(s)(2)) is  
9           amended—

10                         (A) in subparagraph (GG), by striking  
11                         “and” after the semicolon at the end;

12                         (B) in subparagraph (HH), by inserting  
13                         “and” after the semicolon at the end; and

14                         (C) by adding at the end the following new  
15                         subparagraph:

16                         “(II) marriage and family therapist services (as  
17           defined in subsection (lll)(1)) and mental health  
18           counselor services (as defined in subsection  
19           (lll)(3));”.

20                 (2) DEFINITIONS.—Section 1861 of the Social  
21           Security Act (42 U.S.C. 1395x) is amended by add-  
22           ing at the end the following new subsection:

23                         “(lll) MARRIAGE AND FAMILY THERAPIST SERVICES;  
24           MARRIAGE AND FAMILY THERAPIST; MENTAL HEALTH  
25           COUNSELOR SERVICES; MENTAL HEALTH COUNSELOR.—

1           “(1) MARRIAGE AND FAMILY THERAPIST SERV-  
2           ICES.—The term ‘marriage and family therapist  
3           services’ means services performed by a marriage  
4           and family therapist (as defined in paragraph (2))  
5           (including services for the diagnosis and treatment  
6           of mental illnesses and services for health and be-  
7           havior assessment and intervention (identified as of  
8           January 1, 2021, by HCPCS codes 96150 through  
9           96161 (and any succeeding codes)) but not including  
10          services furnished to an inpatient of a hospital),  
11          which the marriage and family therapist is legally  
12          authorized to perform under State law (or the State  
13          regulatory mechanism provided by State law) of the  
14          State in which such services are performed, as would  
15          otherwise be covered if furnished by a physician or  
16          as incident to a physician’s professional service.

17           “(2) MARRIAGE AND FAMILY THERAPIST.—The  
18           term ‘marriage and family therapist’ means an indi-  
19           vidual who—

20                   “(A) possesses a master’s or doctoral de-  
21                   gree which qualifies for licensure or certification  
22                   as a marriage and family therapist pursuant to  
23                   State law;

1           “(B) after obtaining such degree has per-  
2           formed at least 2 years of clinical supervised ex-  
3           perience in marriage and family therapy; and

4           “(C) in the case of an individual per-  
5           forming services in a State that provides for li-  
6           censure or certification of marriage and family  
7           therapists, is licensed or certified as a marriage  
8           and family therapist in such State.

9           “(3) MENTAL HEALTH COUNSELOR SERV-  
10          ICES.—The term ‘mental health counselor services’  
11          means services performed by a mental health coun-  
12          selor (as defined in paragraph (4)) (including serv-  
13          ices for the diagnosis and treatment of mental ill-  
14          nesses and services for health and behavior assess-  
15          ment and intervention (identified as of January 1,  
16          2021, by HCPCS codes 96150 through 96161 (and  
17          any succeeding codes)) but not including services  
18          furnished to an inpatient of a hospital), which the  
19          mental health counselor is legally authorized to per-  
20          form under State law (or the State regulatory mech-  
21          anism provided by the State law) of the State in  
22          which such services are performed, as would other-  
23          wise be covered if furnished by a physician or as in-  
24          cident to a physician’s professional service.

1           “(4) MENTAL HEALTH COUNSELOR.—The term  
2           ‘mental health counselor’ means an individual who—

3                   “(A) possesses a master’s or doctor’s de-  
4                   gree in mental health counseling or a related  
5                   field;

6                   “(B) after obtaining such a degree has  
7                   performed at least 2 years of supervised mental  
8                   health counselor practice; and

9                   “(C) in the case of an individual per-  
10                  forming services in a State that provides for li-  
11                  censure or certification of mental health coun-  
12                  selors or professional counselors, is licensed or  
13                  certified as a mental health counselor or profes-  
14                  sional counselor in such State.”.

15           (3) AMOUNT OF PAYMENT.—Section 1833(a)(1)  
16           of the Social Security Act (42 U.S.C. 1395l(a)(1))  
17           is amended—

18                   (A) by striking “and (EE)” and inserting  
19                   “(EE)”; and

20                   (B) by inserting before the semicolon at  
21                   the end the following: “, and (FF) with respect  
22                   to marriage and family therapist services and  
23                   mental health counselor services under section  
24                   1861(s)(2)(II), the amounts paid shall be 80  
25                   percent of the lesser of the actual charge for

1 the services or 75 percent of the amount deter-  
2 mined for payment of a psychologist under sub-  
3 paragraph (L)”.

4 (4) EXCLUSION OF MARRIAGE AND FAMILY  
5 THERAPIST SERVICES AND MENTAL HEALTH COUN-  
6 SELOR SERVICES FROM THE SKILLED NURSING FA-  
7 CILITY PROSPECTIVE PAYMENT SYSTEM.—Section  
8 1888(e)(2)(A)(iii) of the Social Security Act (42  
9 U.S.C. 1395yy(e)(2)(A)(iii)) is amended by adding  
10 at the end the following new subclause:

11 “(VII) Marriage and family ther-  
12 apist services (as defined in section  
13 1861(III)(1)) and mental health coun-  
14 selor services (as defined in section  
15 1861(III)(3)).”.

16 (5) INCLUSION OF MARRIAGE AND FAMILY  
17 THERAPISTS AND MENTAL HEALTH COUNSELORS AS  
18 PRACTITIONERS FOR ASSIGNMENT OF CLAIMS.—Sec-  
19 tion 1842(b)(18)(C) of the Social Security Act (42  
20 U.S.C. 1395u(b)(18)(C)) is amended by adding at  
21 the end the following new clauses:

22 “(vii) A marriage and family therapist (as de-  
23 fined in section 1861(III)(2)).

24 “(viii) A mental health counselor (as defined in  
25 section 1861(III)(4)).”.

1 (b) COVERAGE OF CERTAIN MENTAL HEALTH SERV-  
2 ICES PROVIDED IN CERTAIN SETTINGS.—

3 (1) RURAL HEALTH CLINICS AND FEDERALLY  
4 QUALIFIED HEALTH CENTERS.—Section  
5 1861(aa)(1)(B) of the Social Security Act (42  
6 U.S.C. 1395x(aa)(1)(B)) is amended by striking “or  
7 by a clinical social worker (as defined in subsection  
8 (hh)(1))” and inserting “, by a clinical social worker  
9 (as defined in subsection (hh)(1)), by a marriage  
10 and family therapist (as defined in subsection  
11 (lll)(2)), or by a mental health counselor (as defined  
12 in subsection (lll)(4))”.

13 (2) HOSPICE PROGRAMS.—Section  
14 1861(dd)(2)(B)(i)(III) of the Social Security Act (42  
15 U.S.C. 1395x(dd)(2)(B)(i)(III)) is amended by in-  
16 sserting “, marriage and family therapist, or mental  
17 health counselor” after “social worker”.

18 (c) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply with respect to services furnished  
20 on or after January 1, 2024.

1 **SEC. \_\_12. IMPROVED ACCESS TO CLINICAL SOCIAL WORK-**  
2 **ER SERVICES UNDER THE MEDICARE PRO-**  
3 **GRAM.**

4 (a) ACCESS TO CLINICAL SOCIAL WORKER SERVICES  
5 PROVIDED TO RESIDENTS OF SKILLED NURSING FACILI-  
6 TIES.—

7 (1) EXCLUSION OF CLINICAL SOCIAL WORKER  
8 SERVICES FROM THE SKILLED NURSING FACILITY  
9 PROSPECTIVE PAYMENT SYSTEM.—Subclause (VII)  
10 of section 1888(e)(2)(A)(iii) of the Social Security  
11 Act (42 U.S.C. 1395yy(e)(2)(A)(iii)), as added by  
12 **【section \_\_11(a)(4)】**, is amended—

13 (A) by striking “Marriage” and inserting  
14 “Clinical social worker services (as defined in  
15 section 1861(hh)(2)), marriage”; and

16 (B) by inserting a comma after  
17 “1861(lll)(1))”.

18 (2) CONFORMING AMENDMENT.—Section  
19 1861(hh)(2) of the Social Security Act (42 U.S.C.  
20 1395x(hh)(2)) is amended by striking “and other  
21 than services furnished to an inpatient of a skilled  
22 nursing facility which the facility is required to pro-  
23 vide as a requirement for participation”.

24 (b) ACCESS TO THE COMPLETE SET OF CLINICAL  
25 SOCIAL WORKER SERVICES.—Section 1861(hh)(2) of the



1 Social Security Act (42 U.S.C. 1395x(hh)(2)), as amended  
2 by subsection (a)(2), is amended—

3 (1) by striking “for the diagnosis and treatment  
4 of mental illnesses (other than services” and insert-  
5 ing “, including services for the diagnosis and treat-  
6 ment of mental illnesses or services for health and  
7 behavior assessment and intervention (identified as  
8 of January 1, 2021, by HCPCS codes 96150  
9 through 96161 (and any succeeding codes)) but not  
10 including services”; and

11 (2) by striking “inpatient of a hospital)” and  
12 inserting “inpatient of a hospital,”.

13 (c) EFFECTIVE DATE.—The amendments made by  
14 this section shall apply to items and services furnished on  
15 or after January 1, 2024.

16 **SEC. \_13. EXPANDING ELIGIBILITY FOR INCENTIVES**  
17 **UNDER THE MEDICARE HEALTH PROFES-**  
18 **SIONAL SHORTAGE AREA BONUS PROGRAM**  
19 **TO PRACTITIONERS FURNISHING MENTAL**  
20 **HEALTH AND SUBSTANCE USE DISORDER**  
21 **SERVICES.**

22 Section 1833(m) of the Social Security Act (42  
23 U.S.C. 1395l(m)) is amended—

24 (1) by striking paragraph (1) and inserting the  
25 following new paragraph:

1 “(1) In the case of—

2 “(A) physicians’ services (other than specified  
3 health services that are eligible for the additional  
4 payment under subparagraph (B)) furnished in a  
5 year to an individual, who is covered under the in-  
6 surance program established by this part and who  
7 incurs expenses for such services, in an area that is  
8 designated (under section 332(a)(1)(A) of the Public  
9 Health Service Act) as a health professional short-  
10 age area as identified by the Secretary prior to the  
11 beginning of such year, in addition to the amount  
12 otherwise paid under this part, there also shall be  
13 paid to the physician (or to an employer or facility  
14 in the cases described in clause (A) of section  
15 1842(b)(6)) (on a monthly or quarterly basis) from  
16 the Federal Supplementary Medical Insurance Trust  
17 Fund an amount equal to 10 percent of the payment  
18 amount for the service under this part; and

19 “(B) specified health services (as defined in  
20 paragraph (5)) furnished in a year to an individual,  
21 who is covered under the insurance program estab-  
22 lished by this part and who incurs expenses for such  
23 services, in an area that is designated (under such  
24 section 332(a)(1)(A)) as a mental health profes-  
25 sional shortage area as identified by the Secretary

1 prior to the beginning of such year, in addition to  
2 the amount otherwise paid under this part, there  
3 also shall be paid to the physician or applicable  
4 practitioner (as defined in paragraph (6)) (or to an  
5 employer or facility in the cases described in clause  
6 (A) of section 1842(b)(6)) (on a monthly or quar-  
7 terly basis) from such Trust Fund an amount equal  
8 to 15 percent of the payment amount for the service  
9 under this part.”;

10 (2) in paragraph (2)—

11 (A) by striking “in paragraph (1)” and in-  
12 serting “in subparagraph (A) or (B) of para-  
13 graph (1)”;

14 (B) by inserting “or, in the case of speci-  
15 fied health services, the physician or applicable  
16 practitioner” after “physician”;

17 (3) in paragraph (3), by striking “in paragraph  
18 (1)” and inserting “in subparagraph (A) or (B) of  
19 paragraph (1)”;

20 (4) in paragraph (4)—

21 (A) in subparagraph (B), by inserting “or  
22 applicable practitioner” after “physician”; and

23 (B) in subparagraph (C), by inserting “or  
24 applicable practitioner” after “physician”; and

1           (5) by adding at the end the following new  
2 paragraph:

3           “(5) In this subsection, the term ‘specified health  
4 services’ means services otherwise covered under this part  
5 that are furnished on or after January 1, 2024, by a phy-  
6 sician or an applicable practitioner to an individual—

7           “(A) for purposes of diagnosis, evaluation, or  
8 treatment of a mental health disorder, as determined  
9 by the Secretary; or

10           “(B) with a substance use disorder diagnosis  
11 for purposes of treatment of such disorder or co-oc-  
12 ccurring mental health disorder, as determined by the  
13 Secretary.

14           “(6) In this subsection, the term ‘applicable practi-  
15 tioner’ means the following:

16           “(A) A physician assistant, nurse practitioner,  
17 or clinical nurse specialist (as defined in section  
18 1861(aa)(5)).

19           “(B) A clinical social worker (as defined in sec-  
20 tion 1861(hh)(1)).

21           “(C) A clinical psychologist (as defined by the  
22 Secretary for purposes of section 1861(ii)).

23           “(D) A marriage and family therapist (as de-  
24 fined in section 1861(lll)(2)).

1           “(E) A mental health counselor (as defined in  
2           section 1861(III)(4)).”.

3 **SEC. 14. ACCESS TO MENTAL HEALTH PROGRAMS FOR**  
4 **PHYSICIANS.**

5           Section 1877(e) of the Social Security Act (42 U.S.C.  
6 1395m(e)) is amended by adding at the end the following  
7 new paragraph:

8           “(9) MENTAL HEALTH PROGRAM FOR PHYSI-  
9           CIANS.—The provision by an entity of an evidence-  
10          based or evidence-informed program for physicians  
11          for the primary purpose of preventing suicide and  
12          improving mental health and resiliency and for  
13          training such physicians in appropriate strategies to  
14          promote their mental health, if such program—

15                 “(A) is in a policy set out in writing and  
16                 approved in advance of the operation of the  
17                 program by the governing body of the entity;

18                 “(B) is offered to all physicians on the  
19                 bona fide medical staff of the entity or in the  
20                 local community or service area of the entity;

21                 “(C) is offered to all such physicians on  
22                 the same terms and conditions regardless of the  
23                 volume or value of referrals or other business  
24                 generated by the physician for the entity; and

1           “(D) meets any other requirements as the  
2           Secretary may impose by regulation as needed  
3           to protect against program or patient abuse.”.

4 **SEC. \_15. COVERAGE AND CODING FOR QUALIFIED PSY-**  
5           **CHOLOGIST SERVICES FURNISHED BY AD-**  
6           **VANCED PSYCHOLOGY TRAINEES.**

7           (a) COVERAGE.—

8           (1) IN GENERAL.—Section 1861(ii) of the So-  
9           cial Security Act (42 U.S.C. 1395x(ii)) is amend-  
10          ed—

11                   (A) by inserting “(1)” after “(ii)”;

12                   (B) in paragraph (1), as added by para-  
13                   graph (1) of this subsection, by inserting “(or  
14                   furnished by an advanced psychology trainee  
15                   under the general supervision of a clinical psy-  
16                   chologist (as so defined))” after “(as defined by  
17                   the Secretary)”;

18                   (C) by adding at the end the following new  
19                   paragraph:

20          “(2) In this subsection:

21                   “(A) The term ‘advanced psychology trainee’  
22                   means a postdoctoral resident who has obtained a  
23                   doctoral degree in psychology, is seeking a license to  
24                   practice psychology, and is engaged in a 1- or 2-year  
25                   period of additional supervised experiential training

1 to acquire the skills or hours required for licensure  
2 through a program accredited by an organization de-  
3 termined appropriate by the Secretary.

4 “(B) The term ‘general supervision’ has the  
5 meaning given that term in section 410.26(a)(3) of  
6 title 42, Code of Federal Regulations (or any suc-  
7 cessor regulation).”.

8 (2) EFFECTIVE DATE.—The amendments made  
9 by this subsection shall apply to services furnished  
10 on or after January 1, 2024.

11 (b) ESTABLISHMENT OF MODIFIER.—Not later than  
12 January 1, 2024, the Secretary of Health and Human  
13 Services shall establish a modifier to indicate services fur-  
14 nished by an advanced psychology trainee pursuant to the  
15 amendments made by subsection (a).

16 **SEC. \_16. CLARIFYING COVERAGE OF OCCUPATIONAL**  
17 **THERAPY UNDER THE MEDICARE PROGRAM.**

18 Not later than 1 year after the date of enactment  
19 of this Act, the Secretary of Health and Human Services  
20 shall provide education and outreach to stakeholders about  
21 the Medicare Benefit Policy Manual with respect to occu-  
22 pational therapy services furnished to individuals under  
23 the Medicare program for the treatment of a substance  
24 use or mental health disorder diagnosis using applicable

1 Healthcare Common Procedure Coding System (HCPCS)  
2 codes.

3 **SEC. 17. [DISTRIBUTION OF ADDITIONAL RESIDENCY PO-**  
4 **SITIONS IN PSYCHIATRY AND PSYCHIATRY**  
5 **SUBSPECIALTIES].**

6 (a) IN GENERAL.—Section 1886(h) of the Social Se-  
7 curity Act (42 U.S.C. 1395ww(h)) is amended—

8 (1) in paragraph (4)(F)(i), by striking “and  
9 (9)” and inserting “(9), and (10)”;

10 (2) in paragraph (4)(H)(i), by striking “and  
11 (9)” and inserting “(9), and (10)”; and

12 (3) by adding at the end the following new  
13 paragraph:

14 “(10) DISTRIBUTION OF ADDITIONAL RESI-  
15 DENCY POSITIONS IN PSYCHIATRY AND PSYCHIATRY  
16 SUBSPECIALTIES.—

17 “(A) ADDITIONAL RESIDENCY POSI-  
18 TIONS.—

19 “(i) IN GENERAL.—For fiscal year  
20 **[2025]**, and for each succeeding fiscal  
21 year until the aggregate number of full-  
22 time equivalent residency positions distrib-  
23 uted under this paragraph is equal to the  
24 aggregate number of such positions made  
25 available (as specified in clause (ii)(I)), the



1 Secretary shall, subject to the succeeding  
2 provisions of this paragraph, increase the  
3 otherwise applicable resident limit for each  
4 qualifying hospital (as defined in subpara-  
5 graph (F)) that submits a timely applica-  
6 tion under this subparagraph by such  
7 number as the Secretary may approve ef-  
8 fective beginning July 1 of the fiscal year  
9 of the increase.

10 “(ii) NUMBER AVAILABLE FOR DIS-  
11 TRIBUTION.—

12 “(I) TOTAL NUMBER AVAIL-  
13 ABLE.—The aggregate number of  
14 such positions made available under  
15 this paragraph shall be equal to  
16 **[400]**.

17 “(II) ANNUAL LIMIT.—The ag-  
18 gregate number of such positions so  
19 made available shall not exceed **[200]**  
20 for a fiscal year.

21 “(iii) DISTRIBUTION FOR PSYCHIATRY  
22 OR PSYCHIATRY SUBSPECIALTY  
23 RESIDENCIES.—Each of the positions  
24 made available under this paragraph shall  
25 be in a psychiatry or psychiatry sub-

1 specialty residency (as defined in subpara-  
2 graph (F)).

3 “(iv) PROCESS FOR DISTRIBUTING PO-  
4 SITIONS.—

5 “(I) ROUNDS OF APPLICA-  
6 TIONS.—The Secretary shall initiate a  
7 separate round of applications for an  
8 increase under clause (i) for each fis-  
9 cal year for which such an increase is  
10 to be provided.

11 “(II) TIMING.—The Secretary  
12 shall notify hospitals of the number of  
13 positions distributed to the hospital  
14 under this paragraph as a result of an  
15 increase in the otherwise applicable  
16 resident limit by January 31 of the  
17 fiscal year of the increase. Such in-  
18 crease shall be effective beginning  
19 July 1 of such fiscal year.

20 “(B) DISTRIBUTION.—For purposes of  
21 providing an increase in the otherwise applica-  
22 ble resident limit under subparagraph (A), the  
23 following shall apply:

24 “(i) CONSIDERATIONS IN DISTRIBU-  
25 TION.—In determining for which qualifying

1 hospitals such an increase is provided  
2 under subparagraph (A), the Secretary  
3 shall take into account the demonstrated  
4 likelihood of the hospital filling the posi-  
5 tions made available under this paragraph  
6 within the first 5 training years beginning  
7 after the date the increase would be effec-  
8 tive, as determined by the Secretary.

9 “(ii) DISTRIBUTION FOR CERTAIN  
10 CATEGORIES OF HOSPITALS.—With respect  
11 to the aggregate number of such positions  
12 available for distribution under this para-  
13 graph, the Secretary shall distribute such  
14 aggregate number to each of the following  
15 categories of hospitals as follows: **[ Note:**  
16 ***the Committee seeks input from***  
17 ***stakeholders on the considerations***  
18 ***for the appropriate allocation of***  
19 ***slots within these prioritization***  
20 ***criteria.***]

21 “(I) [xx percent] of such aggre-  
22 gate number to hospitals that are lo-  
23 cated in a rural area (as defined in  
24 section 1886(d)(2)(D)) or are treated

1 as being located in a rural area pursu-  
2 ant to section 1886(d)(8)(E).

3 “(II) **【xx percent】** of such aggre-  
4 gate number to hospitals in which the  
5 reference resident level of the hospital  
6 (as specified in subparagraph (F)(iv))  
7 is greater than the otherwise applica-  
8 ble resident limit.

9 “(III) **【xx percent】** of such ag-  
10 gregate number to hospitals in States  
11 with—

12 “(aa) new medical schools  
13 that received ‘Candidate School’  
14 status from the Liaison Com-  
15 mittee on Medical Education or  
16 that received ‘Pre-Accreditation’  
17 status from the American Osteo-  
18 pathic Association Commission  
19 on Osteopathic College Accredita-  
20 tion on or after January 1, 2000,  
21 and that have achieved or con-  
22 tinue to progress toward ‘Full  
23 Accreditation’ status (as such  
24 term is defined by the Liaison  
25 Committee on Medical Edu-

1 cation) or toward ‘Accreditation’  
2 status (as such term is defined  
3 by the American Osteopathic As-  
4 sociation Commission on Osteo-  
5 pathic College Accreditation); or

6 “(bb) additional locations  
7 and branch campuses established  
8 on or after January 1, 2000, by  
9 medical schools with ‘Full Ac-  
10 creditation’ status (as such term  
11 is defined by the Liaison Com-  
12 mittee on Medical Education) or  
13 ‘Accreditation’ status (as such  
14 term is defined by the American  
15 Osteopathic Association Commis-  
16 sion on Osteopathic College Ac-  
17 creditation).

18 “(IV) **【xx percent】** of such ag-  
19 gregate number to hospitals that serve  
20 areas designated as health profes-  
21 sional shortage areas under section  
22 332(a)(1)(A) of the Public Health  
23 Service Act, as determined by the Sec-  
24 retary.

1                   “(V) **【xx percent】** of such aggre-  
2                   gate number to hospitals located in  
3                   States with less than 27 residents per  
4                   100,000 people.

5                   “(C) REQUIREMENTS.—

6                   “(i) IN GENERAL.—Subject to clause  
7                   (ii), a hospital that receives an increase in  
8                   the otherwise applicable resident limit  
9                   under this paragraph shall ensure, during  
10                  the 5-year period beginning on the date of  
11                  such increase, that—

12                  “(I) the number of full-time  
13                  equivalent residents in a psychiatry or  
14                  psychiatry subspecialty residency (as  
15                  defined in subparagraph (F)), exclud-  
16                  ing any additional positions attrib-  
17                  utable to an increase under this para-  
18                  graph, is not less than the average  
19                  number of full-time equivalent resi-  
20                  dents in such a residency during the  
21                  3 most recent cost reporting periods  
22                  ending prior to the date of enactment  
23                  of this paragraph; and

24                  “(II) all of the positions attrib-  
25                  utable to such increase are in a psy-

1                   chiatry or psychiatry subspecialty resi-  
2                   dency (as determined by the Sec-  
3                   retary).

4                   The Secretary may determine whether a  
5                   hospital has met the requirements under  
6                   this clause during such 5-year period in  
7                   such manner and at such time as the Sec-  
8                   retary determines appropriate, including at  
9                   the end of such 5-year period.

10                   “(ii) REDISTRIBUTION OF POSITIONS  
11                   IF HOSPITAL NO LONGER MEETS CERTAIN  
12                   REQUIREMENTS.—In the case where the  
13                   Secretary determines that a hospital de-  
14                   scribed in clause (i) does not meet either  
15                   of the requirements under subclause (I) or  
16                   (II) of such clause, the Secretary shall—

17                   “(I) reduce the otherwise applica-  
18                   ble resident limit of the hospital by  
19                   the amount by which such limit was  
20                   increased under this paragraph; and

21                   “(II) provide for the distribution  
22                   of positions attributable to such re-  
23                   duction in accordance with the re-  
24                   quirements of this paragraph.

1           “(iii) LIMITATION.—A hospital may  
2 not receive more than **[10]** additional full-  
3 time equivalent residency positions under  
4 this paragraph.

5           “(iv) PROHIBITION ON DISTRIBUTION  
6 TO HOSPITALS WITHOUT AN INCREASE  
7 AGREEMENT.—No increase in the other-  
8 wise applicable resident limit of a hospital  
9 may be made under this paragraph unless  
10 such hospital agrees to increase the total  
11 number of full-time equivalent residency  
12 positions under the approved medical resi-  
13 dency training program of such hospital by  
14 the number of such positions made avail-  
15 able by such increase under this para-  
16 graph.

17           “(D) APPLICATION OF PER RESIDENT  
18 AMOUNTS FOR NONPRIMARY CARE.—With re-  
19 spect to additional residency positions in a hos-  
20 pital attributable to the increase provided under  
21 this paragraph, the approved FTE per resident  
22 amounts are deemed to be equal to the hospital  
23 per resident amounts for nonprimary care com-  
24 puted under paragraph (2)(D) for that hospital.



1           “(E) PERMITTING FACILITIES TO APPLY  
2           AGGREGATION RULES.—The Secretary shall  
3           permit hospitals receiving additional residency  
4           positions attributable to the increase provided  
5           under this paragraph to, beginning in the fifth  
6           year after the effective date of such increase,  
7           apply such positions to the limitation amount  
8           under paragraph (4)(F) that may be aggre-  
9           gated pursuant to paragraph (4)(H) among  
10          members of the same affiliated group.

11          “(F) DEFINITIONS.—In this paragraph:

12                 “(i) OTHERWISE APPLICABLE RESI-  
13                 DENT LIMIT.—The term ‘otherwise appli-  
14                 cable resident limit’ means, with respect to  
15                 a hospital, the limit otherwise applicable  
16                 under subparagraphs (F)(i) and (H) of  
17                 paragraph (4) on the resident level for the  
18                 hospital determined without regard to this  
19                 paragraph but taking into account para-  
20                 graphs (7)(A), (7)(B), (8)(A), (8)(B), and  
21                 (9)(A).

22                 “(ii) PSYCHIATRY OR PSYCHIATRY  
23                 SUBSPECIALTY RESIDENCY.—The term  
24                 ‘psychiatry or psychiatry subspecialty resi-  
25                 dency’ means a residency in psychiatry [as

1 accredited by the Accreditation Council for  
2 Graduate Medical Education for the pur-  
3 pose of preventing, diagnosing, and treat-  
4 ing mental health disorders】.

5 “(iii) QUALIFYING HOSPITAL.—The  
6 term ‘qualifying hospital’ means a hospital  
7 described in any of subclauses (I) through  
8 (V) of subparagraph (B)(ii).

9 “(iv) REFERENCE RESIDENT  
10 LEVEL.—The term ‘reference resident  
11 level’ means, with respect to a hospital, the  
12 resident level for the most recent cost re-  
13 porting period of the hospital ending on or  
14 before the date of enactment of this para-  
15 graph, for which a cost report has been  
16 settled (or, if not, submitted (subject to  
17 audit)), as determined by the Secretary.

18 “(v) RESIDENT LEVEL.—The term  
19 ‘resident level’ has the meaning given such  
20 term in paragraph (7)(C)(i).”.

21 (b) IME.—Section 1886(d)(5)(B) of the Social Secu-  
22 rity Act (42 U.S.C. 1395ww(d)(5)(B)) is amended—

23 (1) in clause (v), in the third sentence, by strik-  
24 ing “and (h)(9)” and inserting “(h)(9), and  
25 (h)(10)”;

1 (2) by moving clause (xii) 4 ems to the left; and  
2 (3) by adding at the end the following new  
3 clause:

4 “(xiii) For discharges occurring on or after  
5 **【July 1, 2024】**, insofar as an additional payment  
6 amount under this subparagraph is attributable to  
7 resident positions distributed to a hospital under  
8 subsection (h)(10), the indirect teaching adjustment  
9 factor shall be computed in the same manner as pro-  
10 vided under clause (ii) with respect to such resident  
11 positions.”.

12 (c) PROHIBITION ON JUDICIAL REVIEW.—Section  
13 1886(h)(7)(E) of the Social Security Act (42 U.S.C.  
14 1395ww—4(h)(7)(E)) is amended by inserting “para-  
15 graph (10),” after “paragraph (8),”.

## 16 **Subtitle B—Medicaid and CHIP** 17 **Provisions**

### 18 **SEC. 21. DEMONSTRATION PROJECT TO INCREASE MEN-** 19 **TAL HEALTH AND SUBSTANCE USE DIS-** 20 **ORDER CARE PROVIDER CAPACITY UNDER** 21 **THE MEDICAID PROGRAM.**

22 Section 1903 of the Social Security Act (42 U.S.C.  
23 1396b) is amended by adding at the end the following new  
24 subsection:

1           “(cc) DEMONSTRATION PROJECT TO INCREASE MEN-  
2 TAL HEALTH AND SUBSTANCE USE DISORDER CARE  
3 PROVIDER CAPACITY.—

4           “(1) AUTHORITY TO CONDUCT DEMONSTRATION  
5 PROJECT.—

6           “(A) IN GENERAL.—Not later than 12  
7 months after the date of the enactment of this  
8 subsection, the Secretary shall conduct a 54-  
9 month demonstration project (referred to in  
10 this subsection as the ‘demonstration project’)  
11 under which States shall participate in the dem-  
12 onstration project in accordance with the pur-  
13 poses described in paragraph (2).

14           “(B) ADMINISTRATIVE REQUIREMENTS.—  
15 The Secretary shall—

16           “(i) for the first 18-month period of  
17 such project, award planning grants under  
18 paragraph (3); and

19           “(ii) for the remaining 36-month pe-  
20 riod of such project, provide to each State  
21 that received a planning grant under para-  
22 graph (3) and submits and receives ap-  
23 proval of an application under paragraph  
24 (4), payments in accordance with para-  
25 graph (5).

1           “(2) PURPOSES.—For each State that partici-  
2           pates in the demonstration project, the purposes de-  
3           scribed in this paragraph are the following:

4                   “(A) To increase the number of providers  
5                   participating under the State plan under this  
6                   title (or under a waiver of such plan) that pro-  
7                   vide mental health and substance use disorder  
8                   services under such plan (or waiver) and other-  
9                   wise improve the network of providers that  
10                  treat mental health and substance use disorders  
11                  under the State plan (or waiver).

12                  “(B) To do at least 2 of the following:

13                          “(i) To carry out activities that, tak-  
14                          ing into account the results of the assess-  
15                          ment described in paragraph (3)(B)(i) and  
16                          the consultation described in subparagraph  
17                          (C), support the recruitment, training, and  
18                          provision of technical assistance for pro-  
19                          viders participating under the State plan  
20                          (or a waiver of such plan) that offer men-  
21                          tal health and substance use disorder serv-  
22                          ices.

23                          “(ii) To improve reimbursement for,  
24                          and expansion of the number or treatment  
25                          capacity of, providers participating under

1 the State plan (or waiver) that are quali-  
2 fied under applicable State law to provide  
3 mental health and substance use disorder  
4 services through the provision of education,  
5 training, and technical assistance.

6 “(iii) To improve reimbursement for,  
7 and expansion of the number or treatment  
8 capacity of, providers participating under  
9 the State plan (or waiver) that have the  
10 qualifications to address the treatment or  
11 recovery needs of children and young  
12 adults enrolled under the State plan (or a  
13 waiver of such plan) in need of mental  
14 health or substance use disorder services.

15 “(C) To establish a process for regular as-  
16 sessment (during and after the State’s partici-  
17 pation in the demonstration project ends) of the  
18 mental health and substance use disorder treat-  
19 ment needs of the State, including regular up-  
20 dates of the information described in subclauses  
21 (I) through (VI) of paragraph (3)(B)(i).

22 “(3) PLANNING GRANTS.—

23 “(A) IN GENERAL.—During the first 18-  
24 month period of the demonstration project, the  
25 Secretary shall award planning grants to all

1 States that submit timely, complete applications  
2 for such grants which meet such requirements  
3 as the Secretary shall establish. A State award-  
4 ed a planning grant under this paragraph shall  
5 use the grant funds to carry out the activities  
6 described in subparagraph (B) and, based on  
7 the information collected from such activities,  
8 prepare an application to participate in the re-  
9 maining 36-month period of the demonstration  
10 project that meets the requirements of para-  
11 graph (4).

12 “(B) ACTIVITIES DESCRIBED.—Activities  
13 described in this subparagraph are, with respect  
14 to a State, each of the following:

15 “(i) Activities that support the devel-  
16 opment of an initial assessment of the  
17 mental health and substance use disorder  
18 treatment needs of the State to determine  
19 the extent to which providers are needed  
20 (including the types of such providers and  
21 geographic area of need) to improve the  
22 network of providers that treat mental  
23 health and substance use disorders under  
24 the State plan (or waiver), including the  
25 following:

1                   “(I) Estimates, for the most re-  
2 cent 12-month period for which data  
3 is available, of the number of individ-  
4 uals enrolled under the State plan (or  
5 a waiver of such plan) who have a  
6 mental health or substance use dis-  
7 order.

8                   “(II) Estimates, for the most re-  
9 cent 12-month period for which data  
10 is available, of the number of individ-  
11 uals who received mental health or  
12 substance use disorder related serv-  
13 ices.

14                   “(III) Information on the capac-  
15 ity of providers to provide mental  
16 health and substance use disorder  
17 services to individuals enrolled under  
18 the State plan (or waiver), including  
19 information on providers who provide  
20 such services and their participation  
21 under the State plan (or waiver).

22                   “(IV) Information on the gap in  
23 mental health and substance use dis-  
24 order services under the State plan  
25 (or waiver) based on the information



1 described in subclauses (I), (II), and  
2 (III).

3 “(V) Projections regarding the  
4 extent to which the State’s participa-  
5 tion in the demonstration project  
6 would increase the number of pro-  
7 viders offering mental health and sub-  
8 stance use disorder services under the  
9 State plan (or waiver) during the pe-  
10 riod of the demonstration project.

11 “(VI) An examination of the dis-  
12 parities in the State in terms of ac-  
13 cess to mental health and substance  
14 use disorder services and identifica-  
15 tion of any particularly underserved  
16 communities where greater attention  
17 and resources are needed.

18 “(ii) Based on the results of the ini-  
19 tial assessment described in clause (i), ac-  
20 tivities supporting the development of  
21 State infrastructure to recruit prospective  
22 providers of mental health and substance  
23 use disorder services to participate in the  
24 State plan (or waiver) and to provide

1 training and technical assistance to such  
2 providers.

3 “(C) CONSULTATION.—In carrying out the  
4 activities described in subparagraph (B) and  
5 preparing an application to participate in the  
6 remaining 36-month period of the demonstra-  
7 tion project that meets the requirements of  
8 paragraph (4), a State shall consult with rel-  
9 evant stakeholders, including Medicaid managed  
10 care plans, health care providers, and Medicaid  
11 beneficiary advocates.

12 “(4) POST-PLANNING STATE APPLICATIONS.—

13 “(A) IN GENERAL.—A State that received  
14 a planning grant under paragraph (3) and  
15 seeks to participate in the remaining 36-month  
16 period of the demonstration project, shall sub-  
17 mit to the Secretary not later than the end of  
18 the first 18-month period of the demonstration  
19 project, in such form and manner as the Sec-  
20 retary requires, an application that includes, at  
21 a minimum, the information described in sub-  
22 paragraph (B).

23 “(B) INFORMATION DESCRIBED.—The in-  
24 formation described in this subparagraph is the  
25 following:

1           “(i) A proposed process for carrying  
2 out the regular assessment described in  
3 paragraph (2)(C).

4           “(ii) A review of reimbursement meth-  
5 odologies and other policies related to men-  
6 tal health and substance use disorder serv-  
7 ices under the State plan (or waiver) that  
8 may create barriers to increasing the num-  
9 ber of providers delivering such services.

10           “(iii) The development of a plan, tak-  
11 ing into account activities carried out  
12 under paragraph (3)(B)(ii), that will result  
13 in long-term and sustainable provider net-  
14 works under the State plan (or waiver)  
15 that will offer a continuum of care for  
16 mental health and substance use disorders  
17 which includes, at a minimum, mental  
18 health and substance use disorder preven-  
19 tive services, screenings and assessments,  
20 crisis services, care provided in outpatient,  
21 residential, and inpatient settings, and  
22 home and community-based services. Such  
23 plan also shall include the following:

24           “(I) Specific activities to increase  
25 the number of providers (including

1 providers that specialize in providing  
2 mental health and substance use dis-  
3 order services, hospitals, health care  
4 systems, Federally qualified health  
5 centers, and, as applicable, certified  
6 community behavioral health clinics)  
7 that offer mental health and sub-  
8 stance use disorder services.

9 “(II) Strategies that will  
10 incentivize providers described in  
11 clauses (ii) and (iii) of paragraph  
12 (2)(B) to obtain the necessary train-  
13 ing, education, and support to deliver  
14 mental health and substance use dis-  
15 order services under the State plan  
16 (or waiver).

17 “(III) Milestones and timelines  
18 for implementing activities set forth in  
19 the plan.

20 “(IV) Specific measurable targets  
21 for increasing the mental health and  
22 substance use disorder provider net-  
23 work under the State plan (or a waiv-  
24 er of such plan).

1           “(iv) A proposed process for publicly  
2 reporting the information required under  
3 paragraph (6)(A), including information to  
4 assess the effectiveness of the efforts of the  
5 State to expand the capacity of providers  
6 to deliver mental health and substance use  
7 disorder services during the period of the  
8 demonstration project.

9           “(v) The expected financial impact of  
10 the demonstration project on the State.

11           “(vi) A description of all funding  
12 sources available to the State to provide  
13 mental health and substance use disorder  
14 services in the State.

15           “(vii) A preliminary plan for how the  
16 State will sustain any increase in the ca-  
17 pacity of providers to deliver mental health  
18 and substance use disorder services result-  
19 ing from the demonstration project after  
20 the termination of the project.

21           “(viii) If applicable, a description of  
22 how the State will coordinate the goals of  
23 the demonstration project with any waiver  
24 of the State plan in effect or pending ap-  
25 proval, as of the date of the submission of

1 the application, relating to the delivery of  
2 mental health and substance use disorder  
3 services under the State plan (or waiver).

4 “(ix) A description of consultation re-  
5 quired under paragraph (3)(C).

6 **【“(5) PAYMENT.—】**

7 “(6) REPORTS.—

8 “(A) STATE REPORTS.—

9 “(i) IN GENERAL.—A State receiving  
10 payments under paragraph (5), for the pe-  
11 riod of the demonstration project, shall  
12 submit to the Secretary an annual report  
13 with respect to expenditures for mental  
14 health and substance use disorder services  
15 for which payments are made to the State  
16 under the project, on the following:

17 “(I) The specific activities for  
18 which such payments were provided.

19 “(II) The number of providers  
20 that delivered mental health and sub-  
21 stance use disorder services in the  
22 State under the demonstration project  
23 compared to the estimated number of  
24 providers that would have otherwise

1 delivered such services in the absence  
2 of the project.

3 “(III) The number of individuals  
4 enrolled under the State plan (or a  
5 waiver of such plan) who received  
6 mental health and substance use dis-  
7 order services under the demonstra-  
8 tion project compared to the esti-  
9 mated number of such individuals who  
10 would have otherwise received such  
11 services in the absence of the project.

12 “(IV) Other relevant matters, as  
13 determined by the Secretary.

14 “(ii) PUBLICLY AVAILABLE.—Each  
15 annual report submitted by a State under  
16 clause (i) shall be made publicly available  
17 on an easily searchable website of the  
18 State.

19 “(B) CMS REPORT.—Not later than 18  
20 months after the date on which the demonstra-  
21 tion project ends, the Administrator of the Cen-  
22 ters for Medicare & Medicaid Services shall, in  
23 consultation with other agencies in the Depart-  
24 ment of Health and Human Services with ex-  
25 pertise in mental health, substance abuse use

1 disorder, and data collection, submit to Con-  
2 gress a report on the following:

3 “(i) Activities carried out under the  
4 demonstration project.

5 “(ii) The extent to which States with  
6 an approved application under paragraph  
7 (4) have achieved the stated goals sub-  
8 mitted in their applications under subpara-  
9 graph (B) of such paragraph.

10 “(iii) A description of the strengths  
11 and limitations of such demonstration  
12 project.

13 “(iv) A plan for sustainability of pro-  
14 vider capacity improvements under such  
15 demonstration project.

16 “(v) An assessment of the extent to  
17 which the demonstration project achieved  
18 the purposes set out in paragraph (2).

19 “(7) DATA SHARING AND BEST PRACTICES.—  
20 During the period the demonstration project is con-  
21 ducted, the Secretary shall, in collaboration with  
22 States with approved applications under paragraph  
23 (4), facilitate data sharing and the development of  
24 best practices between such States.

25 **【“(8) FUNDING.—】”**.



1 **SEC. 22. GUIDANCE TO STATES ON STRATEGIES UNDER**  
2 **MEDICAID AND CHIP TO INCREASE MENTAL**  
3 **HEALTH AND SUBSTANCE USE DISORDER**  
4 **CARE PROVIDER EDUCATION, TRAINING, RE-**  
5 **CRUITMENT, AND RETENTION.**

6 Not later than 12 months after the date of enactment  
7 of this Act, the Secretary of Health and Human Services  
8 shall issue guidance to States on strategies under Med-  
9 icaid and CHIP to increase education, training, recruit-  
10 ment, and retention of mental health and substance use  
11 disorder care providers that participate in Medicaid or  
12 CHIP, with a focus on improving the capacity of the men-  
13 tal health and substance use disorder care workforce in  
14 rural and underserved areas. Such guidance shall include,  
15 and not be limited to, strategies on how States may utilize  
16 waivers under section 1115 of the Social Security Act (42  
17 U.S.C. 1315) and authorities under titles XIX and XXI  
18 of such Act (42 U.S.C. 1396 et seq., 1397aa et seq.) for  
19 such purposes.