

**Behavioral Health System of Care Workplan  
May 9, 2019**

HB846/SB482 Maryland Medical Assistance Program – Managed Care Organizations – Behavioral Health Services from the 2019 Session of the General Assembly proposed to carve in behavioral health services to the HealthChoice Program.

These bills were the beginning of an important conversation to bring stakeholders together to try to improve the way behavioral health services are coordinated with somatic services in HealthChoice.

During the debate the Health Department offered a Letter of Information that provided the broad outlines of a System of Care that could hopefully advance the discussion.

The Chairs of the Senate Finance and Health and Government Operations Committees requested that the Department convene and lead an interim workgroup to examine and make recommendations on how the State should provide, administer and finance behavioral health in conjunction with the Total Cost of Care Model that increases the coordination and quality of somatic and behavioral health care for Medicaid enrollees, is cost efficient, and promotes access to care. The Committees request a briefing of this work prior to the 2020 Session.

We propose to do this work during the summer and fall of this year (2019). The attached chart begins to outline a structure for managing this project.

The structure of the project should be framed around the following three initiatives:

1. Behavioral Health System of Care Design
2. Behavioral Health Rate Setting (required by 2017 Hope Act)
3. Maryland Behavioral Health (MBH) Commission

*I. System of Care Design*

A well-functioning behavioral health system should include three design components:

- Quality Integrated Care Management,
- Cost Management, and
- Behavioral Health Provider Management and Network Adequacy

These three components should have the following criteria:

- Quality Integrated Care Management
  - Ensure that our State's health care providers, both behavioral health and somatic providers in coordination with the MCOs are delivering quality health care that addresses coordinating somatic and behavioral health needs.
  - Ensure that the system of care comports with Mental health parity requirements.
- Cost management
  - Ensure that the system has appropriate measures and tools in place to be effective from a cost management perspective.

- Behavioral Health Provider Management and Network Adequacy
  - Ensure that Marylanders have access to quality health care providers.
  - Minimize the administrative burden on Behavioral Health providers as they achieve accreditation compliance, adapt to fee for service model, and raise the level of industry quality.
  - Avoid the overhead of dealing with multiple and different administrative systems.

One could argue that the current state has elements of the third design component, but not the first two.

Next Steps: Convene a stakeholder group to discuss the System of Care Design over the summer with representatives from the provider, advocate, consumer, and legislative communities.

## *II. Behavioral Health Rate Setting*

In accordance with SB 280 -Labor and Employment – Payment of Wages – Minimum Wage, the Department is required to increase behavioral health provider rates between 3 and 4 % annually until 2026. In addition, the 2017 HOPE Act requires the Department to conduct an independent, cost-driven, rate setting study to set community provider rates for community-based behavioral health services that includes a rate analysis and an impact study that considers the actual cost of providing community-based behavioral health services. This work should be complete by December 2019.

Given the mandatory rate increases and the amount of work required to conduct the cost studies, the Department will ask the Legislature for more time to complete the cost studies. The work will need to be done by a contractor through the State’s procurement system

We expect the contractor to be an expert in financial auditing and to provide technical assistance to providers to ensure that the cost reports are completed accurately.

Next Steps: Develop a Request for Information and procure a contractor.

## *III. Commission to Study Mental and Behavioral Health in Maryland*

An Executive Order was signed by Governor Hogan on January 10, 2019 to create the Commission to Study Mental and Behavioral Health in Maryland. The Commission was created to provide a forum for the State to continue to ensure a coordinated, high quality system of care by coordination among state agencies, local governments and community partners to establish best practices and improve the State’s Public Mental Health System.

The Commission’s membership includes members of the Executive, Legislative and Judicial branches of government as well as public members who live in Maryland. The Commission is responsible for advising and assisting the Governor in improving access to a continuum of mental health services across the State, review findings of reports, conduct regional summits across the State and submit an interim report by June 2019 and a final report by December 31, 2019. The final report must include, but is not

limited to, recommendations for policy, regulations or legislation to improve the statewide, comprehensive crisis response system and ensure parity of resources to meet mental health needs.

The Commission will review access to mental health treatment services, improving statewide, comprehensive response system and ensure parity of resources to meet mental health needs. There will be four subcommittees to work through these issues: Financing and Funding, Youth and Families, Crisis Services and Criminal Justice.

Next Steps: The work of the Commission will assist the overall work to develop an appropriate System of Care.