

SENATE BILL 497

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6lr1146
CF HB 595

By: **Senators Guzzone, Astle, Benson, Conway, Currie, Feldman, Ferguson, Kagan, Kelley, King, Klausmeier, Lee, Madaleno, Manno, Mathias, McFadden, Middleton, Nathan–Pulliam, Peters, Pinsky, Pugh, Ramirez, Raskin, Rosapepe, Waugh, Young, and Zirkin**
Introduced and read first time: February 3, 2016
Assigned to: Finance and Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Behavioral Health Community Providers – Keep the Door Open Act**

3 FOR the purpose of requiring, except under certain circumstances, the Department of
4 Health and Mental Hygiene to adjust the rate of reimbursement for certain
5 community providers each fiscal year by the rate adjustment included in a certain
6 State budget; requiring that the Governor’s proposed budget for a certain fiscal year,
7 and for each fiscal year thereafter, include rate adjustments for certain community
8 providers based on the funding provided in certain legislative appropriations;
9 requiring that a certain rate of adjustment equal the average annual percentage
10 change in a certain Consumer Price Index for a certain period; requiring, under
11 certain circumstances, managed care organizations to pay a certain rate for a certain
12 time period for services provided by community providers and to adjust the rate of
13 reimbursement for community providers each fiscal year by at least a certain
14 amount; defining certain terms; providing for the application of this Act; and
15 generally relating to the rate of reimbursement for behavioral health community
16 providers.

17 BY adding to

18 Article – Health – General
19 Section 16–201.3
20 Annotated Code of Maryland
21 (2015 Replacement Volume)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
23 That the Laws of Maryland read as follows:

24 **Article – Health – General**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **16-201.3.**

2 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
3 INDICATED.

4 (2) "COMMUNITY PROVIDER" MEANS A COMMUNITY-BASED AGENCY
5 OR PROGRAM FUNDED BY THE BEHAVIORAL HEALTH ADMINISTRATION OR THE
6 MEDICAL CARE PROGRAMS ADMINISTRATION TO SERVE INDIVIDUALS WITH
7 MENTAL DISORDERS, SUBSTANCE-RELATED DISORDERS, OR A COMBINATION OF
8 THESE DISORDERS.

9 (3) "CONSUMER PRICE INDEX" MEANS THE CONSUMER PRICE INDEX
10 FOR ALL URBAN CONSUMERS FOR MEDICAL CARE FOR THE
11 WASHINGTON-BALTIMORE REGION.

12 (4) "RATE" MEANS THE REIMBURSEMENT RATE PAID BY THE
13 DEPARTMENT TO A COMMUNITY PROVIDER FROM THE STATE GENERAL FUND,
14 MARYLAND MEDICAL ASSISTANCE PROGRAM FUNDS, OTHER STATE OR FEDERAL
15 FUNDS, OR A COMBINATION OF THESE FUNDS.

16 (B) THIS SECTION DOES NOT APPLY TO REIMBURSEMENT FOR ANY SERVICE
17 PROVIDED BY A COMMUNITY PROVIDER WHOSE RATES ARE REGULATED BY THE
18 HEALTH SERVICES COST REVIEW COMMISSION.

19 (C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION AND EXCEPT
20 AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, THE DEPARTMENT SHALL
21 ADJUST THE RATE OF REIMBURSEMENT FOR COMMUNITY PROVIDERS EACH FISCAL
22 YEAR BY THE RATE ADJUSTMENT INCLUDED IN THE STATE BUDGET FOR THAT
23 FISCAL YEAR.

24 (2) (I) THE GOVERNOR'S PROPOSED BUDGET FOR FISCAL YEAR
25 2018, AND FOR EACH FISCAL YEAR THEREAFTER, SHALL INCLUDE RATE
26 ADJUSTMENTS FOR COMMUNITY PROVIDERS BASED ON THE FUNDING PROVIDED IN
27 THE LEGISLATIVE APPROPRIATION FOR THE IMMEDIATELY PRECEDING FISCAL
28 YEAR FOR EACH OF THE FOLLOWING:

29 1. OBJECT 08 CONTRACTUAL SERVICES IN PROGRAM
30 M00Q01.10 MEDICAID BEHAVIORAL HEALTH PROVIDER REIMBURSEMENT
31 - MEDICAL CARE PROGRAMS ADMINISTRATION;

32 2. OBJECT 08 CONTRACTUAL SERVICES IN PROGRAM
33 M00L01.02 COMMUNITY SERVICES - BEHAVIORAL HEALTH ADMINISTRATION; AND

1 **3. OBJECT 08 CONTRACTUAL SERVICES IN PROGRAM**
2 **M00L01.03 COMMUNITY SERVICES FOR MEDICAID STATE FUND RECIPIENTS**
3 **- BEHAVIORAL HEALTH ADMINISTRATION.**

4 **(II) A RATE ADJUSTMENT REQUIRED TO BE INCLUDED IN THE**
5 **GOVERNOR'S PROPOSED BUDGET UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH**
6 **SHALL EQUAL THE AVERAGE ANNUAL PERCENTAGE CHANGE IN THE CONSUMER**
7 **PRICE INDEX FOR THE 3-YEAR PERIOD ENDING IN JULY OF THE IMMEDIATELY**
8 **PRECEDING FISCAL YEAR.**

9 **(3) THE GOVERNOR'S PROPOSED BUDGET FOR FISCAL YEAR 2018,**
10 **AND FOR EACH FISCAL YEAR THEREAFTER, FOR COMMUNITY PROVIDERS SHALL BE**
11 **PRESENTED IN THE SAME MANNER, INCLUDING OBJECT AND PROGRAM**
12 **INFORMATION, AS IN THE FISCAL YEAR 2017 BUDGET.**

13 **(D) IF SERVICES PROVIDED BY COMMUNITY PROVIDERS ARE PROVIDED**
14 **THROUGH MANAGED CARE ORGANIZATIONS, THE MANAGED CARE ORGANIZATIONS**
15 **SHALL:**

16 **(1) PAY THE RATE IN EFFECT DURING THE IMMEDIATELY PRECEDING**
17 **FISCAL YEAR FOR THE FIRST FISCAL YEAR THE MANAGED CARE ORGANIZATIONS**
18 **PROVIDE THE SERVICES; AND**

19 **(2) ADJUST THE RATE OF REIMBURSEMENT FOR COMMUNITY**
20 **PROVIDERS EACH FISCAL YEAR BY AT LEAST THE SAME AMOUNT THAT OTHERWISE**
21 **WOULD HAVE BEEN REQUIRED UNDER SUBSECTION (C)(2)(II) OF THIS SECTION.**

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
23 1, 2016.