



Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

February 21, 2023

The Honorable Joseline Pena-Melnyk
Chair, House Health and Government Operations Committee
Room 241, House Office Building
Annapolis, MD 21401-1991

RE: HB 322 – Public Health – Home- and Community-Based Services for Children and Youth – Letter of Concern

Dear Chair Peña-Melnyk and Committee Members:

The Maryland Department of Health (MDH) respectfully submits this letter of concern on House Bill (HB) 322 – Public Health – Home- and Community-Based Services for Children and Youth. HB 322 requires MDH to expand eligibility to ensure that all children who are Medicaid eligible have access to the 1915(i) Intensive Behavioral Health Services for Children, Youth, and Families Program (the 1915(i) Program).

The 1915(i) Program serves some of Maryland’s most vulnerable children and is a home and community-based services benefit for children and youth with serious emotional disturbance and their families. Additionally the 1915(i) Program covers family peer support services, respite services, expressive and experiential behavioral services, and intensive in-home services. Currently, children must meet certain Medical Necessity Criteria (MNC) to be enrolled. Participants are eligible with incomes up to 300% of the Federal Poverty Line (FPL). This includes all children enrolled in Maryland Medicaid, Maryland Children’s Health Program (MCHP), and MCHP Premium.

Currently, the FPL limits of the 1915(i) Program cover all Medical Assistance enrolled children. Therefore, to expand eligibility to all Medicaid eligible children and youth, the MNC requirements for 1915(i) services will need to be eliminated. The elimination of MNC will substantially increase service utilization and costs for MDH as MDH assumes that all children with a mental health diagnosis could be eligible for services. In fiscal year (FY) 2022, the total costs for the 1915(i) Program amounted to \$112,429 for 31 participants. MDH estimates that removing MNC requirements would result in annual total costs of approximately \$195 - \$206 million and approximately \$955 million over the next five Fiscal Year (FY)s.

MDH further notes that the elimination of the MNC requirements will generate issues from both a network adequacy perspective and a clinical perspective. Removing the MNC requirement will lead to a substantial increase in the use of the 1915(i) Program and add additional burden on

service providers. MDH is concerned that children who need 1915(i) services, who currently meet the MNC standards, will be unable to access the care they need. In addition, the high intensity services included in the 1915(i) program, including respite services, are meant to give caregivers of children with acute mental health concerns a break. By opening this benefit more broadly, there is a potential for misuse of the services from potential bad actors who will use the 1915(i) Program as a childcare service unnecessarily and limit access to those most in need.

MDH also assumes the required stakeholder group may recommend expanding eligibility to those children with primary substance use disorders or co-occurring mental health and substance use disorders in the future. An additional 1,887 children would be eligible in FY 2024, increasing costs by at least \$6.8 million for that year. The actual costs of services may be higher and, in addition, qualifications for service providers may be different and need to be updated to serve a population with a substance use diagnosis.

If you have any questions, please contact Megan Peters, Acting Director of Governmental Affairs, at megan.peters@maryland.gov or (410) 260-3190.

Sincerely,



Laura Herrera Scott, M.D., M.P.H.
Secretary

