

Department of Legislative Services  
Maryland General Assembly  
2015 Session

FISCAL AND POLICY NOTE

Senate Bill 807  
Finance

(Senator Middleton)

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Department of Health and Mental Hygiene - Certified Community Behavioral  
Health Clinic Demonstration Program - Grant Application

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This bill requires the Department of Health and Mental Hygiene (DHMH) to apply to the U.S. Department of Health and Human Services for a planning grant to have the State selected as a demonstration state for the establishment of certified community behavioral health clinics (CCBHCs) under the federal Protecting Access to Medicare Act.

The bill takes effect June 1, 2015.

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Fiscal Summary

**State Effect:** DHMH's Behavioral Health Administration (BHA) advises that it already plans to apply for the grant. Therefore, BHA advises that the bill's requirements can be handled with existing resources.

**Local Effect:** BHA advises that, while the grant application announcement has not yet been released, BHA may need to collaborate with local addiction authorities and local core service agencies to complete the grant application; these organizations are generally encompassed within local health departments. Local health departments can likely provide this support with existing resources.

**Small Business Effect:** Potential minimal. BHA advises that it may need to collaborate with private health care providers to complete the grant application.

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Analysis

**Current Law/Background:** In 2014, the U.S. Congress passed the Protecting Access to Medicare Act, which included provisions of the Excellence in Mental Health Act to

increase access to community mental health and substance use treatment services while also improving Medicaid reimbursement for these services. The Excellence in Mental Health Act established CCBHCs as entities designed to serve individuals with serious mental illnesses and substance use disorders through the provision of intensive, person-centered, multidisciplinary, and evidence-based screening, assessment, diagnostics, treatment, prevention, and wellness services.

The Secretary of Health and Human Services must establish a process for selecting states to participate in a two-year pilot program. The Act also makes \$25 million available in planning grants to states so that states can develop applications to participate in the pilot program. Only states that receive the planning grant may apply to participate in the pilot program. Ultimately, eight states will be selected to participate in the pilot program. Additionally, the match rate for CCBHC services varies by state and beneficiary, but it is either the enhanced Federal Medical Assistance Percentage (FMAP) rate for the Children's Health Insurance Program (CHIP) or, for newly eligible "expansion" Medicaid beneficiaries, the current FMAP for that population, which is currently 100% but decreases to 90% by 2020. (For Maryland, the current enhanced FMAP/CHIP rate is 65%; this increases to 88% from October 1, 2015, through September 30, 2019, due to provisions in the federal Patient Protection and Affordable Care Act.) Participating states must also develop a prospective payment system to reimburse CCBHCs for services.

The Secretary of Health and Human Services must publish criteria for CCBHCs and guidance on the development of prospective payment systems by September 1, 2015. The criteria for CCBHCs must include requirements relating to staffing, availability of services, care coordination, scope of services, reporting, and organizational authority. The Secretary must award planning grants to states by January 1, 2016, and must select states to participate in the pilot program by September 1, 2017.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 1173 (Delegate Hammen) - Health and Government Operations.

**Information Source(s):** Department of Health and Mental Hygiene, Maryland Association of County Health Officers, U.S. Department of Health and Human Services, National Council for Behavioral Health, Department of Legislative Services

**Fiscal Note History:** First Reader - March 16, 2015  
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