

# SENATE BILL 89

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(PRE-FILED)

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By: **Chair, Finance Committee (By Request – Departmental – Health and Mental Hygiene)**

Requested: October 21, 2015

Introduced and read first time: January 13, 2016

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Medical Assistance Program – Provision of Substance Use Services to**  
3 **Enrollees of Managed Care Organizations**

4 FOR the purpose of repealing certain provisions of law relating to the provision of benefits  
5 for certain substance abuse services by managed care organizations to certain  
6 enrollees in the Maryland Medical Assistance Program; requiring a managed care  
7 organization to provide or arrange to provide substance-related disorder services for  
8 certain children; requiring the Department of Health and Mental Hygiene to  
9 establish a delivery system for substance-related disorder services; requiring the  
10 delivery system to provide certain substance-related disorder services needed by  
11 enrollees; requiring the Department to collaborate with managed care organizations  
12 to develop standards and guidelines for the provision of substance-related disorder  
13 services; authorizing the Department to contract with a managed care organization  
14 for the delivery of substance-related disorder services under certain circumstances;  
15 applying certain provisions of the insurance laws of the State to the delivery system  
16 for substance-related disorder services; and generally relating to the provision of  
17 substance-related disorder services under the Maryland Medical Assistance  
18 Program.

19 BY repealing and reenacting, without amendments,  
20 Article – Health – General  
21 Section 15-103(b)(1)  
22 Annotated Code of Maryland  
23 (2015 Replacement Volume)

24 BY repealing and reenacting, with amendments,  
25 Article – Health – General  
26 Section 15-103(b)(2), (9), and (21)  
27 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2015 Replacement Volume)

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

4 **Article – Health – General**

5 15–103.

6 (b) (1) As permitted by federal law or waiver, the Secretary may establish a  
7 program under which Program recipients are required to enroll in managed care  
8 organizations.

9 (2) (i) The benefits required by the program developed under  
10 paragraph (1) of this subsection shall be adopted by regulation and shall be equivalent to  
11 the benefit level required by the Maryland Medical Assistance Program on January 1, 1996.

12 (ii) Subject to the limitations of the State budget and as permitted  
13 by federal law or waiver, the Department shall provide reimbursement for medically  
14 necessary and appropriate inpatient, intermediate care, and halfway house substance  
15 abuse treatment services for substance abusing enrollees 21 years of age or older who are  
16 recipients of temporary cash assistance under the Family Investment Program.

17 (iii) [Each managed care organization participating in the program  
18 developed under paragraph (1) of this subsection shall provide or arrange for the provision  
19 of the benefits described in subparagraph (ii) of this paragraph.

20 (iv)] Nothing in this paragraph may be construed to prohibit a  
21 managed care organization from offering additional benefits, if the managed care  
22 organization is not receiving capitation payments based on the provision of the additional  
23 benefits.

24 [(v)] (IV) Notwithstanding subparagraph (i) of this paragraph, the  
25 benefits required by the program developed under paragraph (1) of this subsection shall  
26 include dental services for pregnant women.

27 (9) Each managed care organization shall:

28 (i) Have a quality assurance program in effect which is subject to  
29 the approval of the Department and which, at a minimum:

30 1. Complies with any health care quality improvement  
31 system developed by the Centers for Medicare and Medicaid Services;

32 2. Complies with the quality requirements of applicable  
33 State licensure laws and regulations;

- 1  
2 by the Department;
- 3  
4 enrollee hotline;
- 5  
6  
7 be taken at least annually;
- 8  
9 input from enrollees;
- 10  
11 be submitted to the Secretary; and
- 12  
13 performance measurements adopted by the Department for treating enrollees with special  
14 needs;
- 15 (ii) Submit to the Department:
- 16  
17 established by the Department;
- 18  
19 Employer Data and Information Set (HEDIS), as directed by the Department; and
- 20  
21  
22 treatment services; and
- 23  
24 treatment;
- 25  
26 for enrollees;
- 27  
28 programs, including outreach, case management, and home visiting, tailored to meet the  
29 individual needs of all enrollees;
- 30  
31 services;
3. Complies with practice guidelines and protocols specified
4. Provides for an enrollee grievance system, including an
5. Provides a provider grievance system;
6. Provides for enrollee and provider satisfaction surveys, to
7. Provides for a consumer advisory board to receive regular
8. Provides for an annual consumer advisory board report to
9. Complies with specific quality, access, data, and
1. Service-specific data by service type in a format to be
2. Utilization and outcome reports, such as the Health Plan
3. At least semiannually, aggregate data that includes:
- A. The number of enrollees provided with substance abuse
- B. The amount of money spent on substance abuse
- (iii) Promote timely access to and continuity of health care services
- (iv) Demonstrate organizational capacity to provide special
- (v) Provide assistance to enrollees in securing necessary health care

1 (vi) [Provide or assure alcohol and drug abuse treatment for  
2 substance abusing pregnant women and all other enrollees of managed care organizations  
3 who require these services;

4 (vii)] Educate enrollees on health care prevention and good health  
5 habits;

6 [(viii)] (VII) Assure necessary provider capacity in all geographic  
7 areas under contract;

8 [(ix)] (VIII) Be accountable and hold its subcontractors accountable for  
9 standards established by the Department and, upon failure to meet those standards, be  
10 subject to one or more of the following penalties:

11 1. Fines;

12 2. Suspension of further enrollments;

13 3. Withholding of all or part of the capitation payment;

14 4. Termination of the contract;

15 5. Disqualification from future participation in the Program;

16 and

17 6. Any other penalties that may be imposed by the  
18 Department;

19 [(x)] (IX) Subject to applicable federal and State law, include  
20 incentives for enrollees to comply with provisions of the managed care organization;

21 [(xi)] (X) Provide or arrange to provide primary mental health  
22 services;

23 [(xii)] (XI) Provide or arrange to provide all Medicaid-covered  
24 services required to comply with State statutes and regulations mandating health and  
25 mental health services for children in State supervised care:

26 1. According to standards set by the Department; and

27 2. Locally, to the extent the services are available locally;

28 [(xiii)] (XII) Submit to the Department aggregate information from the  
29 quality assurance program, including complaints and resolutions from the enrollee and  
30 provider grievance systems, the enrollee hotline, and enrollee satisfaction surveys;

1 [(xiv)] (XIII) Maintain as part of the enrollee's medical record the  
2 following information:

3 1. The basic health risk assessment conducted on  
4 enrollment;

5 2. Any information the managed care organization receives  
6 that results from an assessment of the enrollee conducted for the purpose of any early  
7 intervention, evaluation, planning, or case management program;

8 3. Information from the local department of social services  
9 regarding any other service or benefit the enrollee receives, including assistance or benefits  
10 from a program administered by the Department of Human Resources under the Human  
11 Services Article; and

12 4. Any information the managed care organization receives  
13 from a school-based clinic, a core services agency, a local health department, or any other  
14 person that has provided health services to the enrollee;

15 [(xv)] (XIV) Upon provision of information specified by the  
16 Department under paragraph (19) of this subsection, pay school-based clinics for services  
17 provided to the managed care organization's enrollees; and

18 [(xvi)] (XV) In coordination with participating dentists, enrollees, and  
19 families of enrollees, develop a process to arrange to provide dental therapeutic treatment  
20 to individuals under 21 years of age that requires:

21 1. A participating dentist to notify a managed care  
22 organization when an enrollee is in need of therapeutic treatment and the dentist is unable  
23 to provide the treatment;

24 2. A managed care organization to provide the enrollee or the  
25 family of the enrollee with a list of participating providers who offer therapeutic dental  
26 services; and

27 3. A managed care organization to notify the enrollee or the  
28 family of the enrollee that the managed care organization will provide further assistance if  
29 the enrollee has difficulty obtaining an appointment with a provider of therapeutic dental  
30 services.

31 (21) (i) The Department shall establish a delivery system for specialty  
32 mental health services **AND SUBSTANCE-RELATED DISORDER SERVICES** for enrollees of  
33 managed care organizations.

34 (ii) The Behavioral Health Administration shall:

35 1. Design and monitor the delivery system;

- 1                                     2.     Establish performance standards for providers in the  
2 delivery system; and
- 3                                     3.     Establish procedures to ensure appropriate and timely  
4 referrals from managed care organizations to the delivery system that include:
- 5                                     A.     Specification of the diagnoses and conditions eligible for  
6 referral to the delivery system;
- 7                                     B.     Training and clinical guidance in appropriate use of the  
8 delivery system for managed care organization primary care providers;
- 9                                     C.     Preauthorization by the utilization review agent of the  
10 delivery system; and
- 11                                    D.     Penalties for a pattern of improper referrals.
- 12                                   (iii)   The Department shall collaborate with managed care  
13 organizations to develop standards and guidelines for the provision of specialty mental  
14 health services **AND SUBSTANCE-RELATED DISORDER SERVICES**.
- 15                                   (iv)   The delivery system shall:
- 16                                     1.     Provide all specialty mental health services **AND**  
17 **SUBSTANCE-RELATED DISORDER SERVICES** needed by enrollees;
- 18                                     2.     [For enrollees who are dually diagnosed, coordinate the  
19 provision of substance abuse services provided by the managed care organizations of the  
20 enrollees;
- 21                                     3.]   Consist of a network of qualified mental health  
22 professionals from all core disciplines;
- 23                                     [4.] **3.**   Include linkages with other public service systems; and
- 24                                     [5.] **4.**   Comply with quality assurance, enrollee input, data  
25 collection, and other requirements specified by the Department in regulation.
- 26                                   (v)   The Department may contract with a managed care organization  
27 for delivery of specialty mental health services **AND SUBSTANCE-RELATED DISORDER**  
28 **SERVICES** if the managed care organization meets the performance standards adopted by  
29 the Department in regulations.
- 30                                   (vi)   The provisions of § 15-1005 of the Insurance Article apply to the  
31 delivery system for specialty mental health services **AND SUBSTANCE-RELATED**

1 **DISORDER SERVICES** established under this paragraph and administered by an  
2 administrative services organization.

3           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
4 October 1, 2016.