

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 944

(Senator Eckardt)

Finance

Health and Government Operations

Behavioral Health Programs – Outpatient Mental Health Centers – Medical
Directors

This bill requires regulations governing behavioral health programs to include a provision authorizing a psychiatric nurse practitioner to serve as a medical director of an accredited outpatient mental health center, including through the use of telehealth.

Fiscal Summary

State Effect: The bill’s requirements can be handled with existing budgeted resources. Revenues are not affected.

Local Effect: The bill is not anticipated to affect local government finances or operations.

Small Business Effect: Meaningful.

Analysis

Current Law: A behavioral health program must be licensed by the Secretary of Health before program services may be offered; however, the Secretary may exempt specified entities from licensure requirements, including (1) a licensed health professional, in either solo or group practice, who is providing mental health or substance-related disorder services according to the requirements of the appropriate professional board; (2) Alcoholics Anonymous, Narcotics Anonymous, recovery residences, peer support services, family support services, or other similar organizations; and (3) accredited outpatient behavioral health treatment and rehabilitation services provided in a regulated space in a hospital.

Regulations governing behavioral health programs must include (1) requirements for licensure; (2) the license application process; (3) a description of the behavioral health programs that must be licensed; (4) any governance requirements, including a provision prohibiting a conflict of interest between the interests of the provider and those of the individual receiving services; (5) inspection provisions; and (6) provisions for denials, sanctions, suspensions, and revocations of licenses, including imposition of civil monetary penalties, and notice and an opportunity to be heard. Regulations may include provisions setting reasonable fees for applying for a license and for the issuance and renewal of licenses.

As a condition of licensure, an outpatient mental health center must employ a medical director who (1) is a *psychiatrist*; (2) has overall responsibility for clinical services; and (3) is *on-site* for at least 20 hours per week. Additionally, an outpatient mental health center must provide regularly scheduled outpatient mental health treatment services in a community-based setting, including, at a minimum, medication management and individual, group, and family therapy.

Background: According to a 2017 report by the National Council Medical Director Institute, the pool of psychiatrists working with public sector and insured populations declined by 10% between 2003 and 2013, due in part to aging of the workforce, low rates of reimbursement, burnout, burdensome documentation requirements, and restrictive regulations around sharing clinical information necessary to coordinate care. The report noted that, nationally, 77% of counties are underserved by psychiatrists, and there is a 6.4% shortage in the psychiatry workforce, which is anticipated to grow to as much as 25% by 2025.

Outpatient mental health centers are required to have a medical director who is a psychiatrist and who is on-site for at least 20 hours per week. Due to the shortage of psychiatrists, especially in rural areas of the State, some facilities have difficulty recruiting and retaining medical directors. However, the Maryland Department of Health advises that the Behavioral Health Administration already has a variance process in place for behavioral health programs, with the exception of opioid treatment programs, to allow a psychiatric nurse practitioner to *temporarily* serve as a medical director if the program is located in a federally designated health professional shortage area or if a medical director has abandoned their position.

Small Business Effect: Small business outpatient mental health centers throughout the State may be able to more easily recruit and retain medical directors as the available recruitment pool is expanded to include psychiatric nurse practitioners, including through the use of telehealth.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Health; U.S. Department of Health and Human Services' Health Resources and Services Administration; National Council Medical Director Institute; Department of Legislative Services

Fiscal Note History: First Reader - March 14, 2019
mag/jc Third Reader - April 3, 2019
Revised - Amendment(s) - April 3, 2019

Analysis by: Amber R. Gundlach

Direct Inquiries to:
(410) 946-5510
(301) 970-5510