

# **SB0581 VBP Pilot.pdf**

Uploaded by: Dan Martin

Position: FAV



Heaver Plaza  
1301 York Road, #505  
Lutherville, MD 21093  
phone 443.901.1550  
fax 443.901.0038  
www.mhamd.org

**Senate Bill 581 Behavioral Health Care Coordination  
Value-Based Purchasing Pilot Program**

Finance Committee

March 7, 2023

**TESTIMONY IN SUPPORT**

The Mental Health Association of Maryland is a nonprofit education and advocacy organization that brings together consumers, families, clinicians, advocates and concerned citizens for unified action in all aspects of mental health and substance use disorders (collectively referred to as behavioral health). We appreciate the opportunity to provide this testimony in support of Senate Bill 581.

SB 581 establishes a three-year pilot program to provide intensive care coordination using value-based purchasing (VBP) in the specialty behavioral health system. The pilot will serve at least 500 individuals whose behavioral health needs place them at risk of emergency department utilization or inpatient hospitalization. Pilot providers will be financially incentivized to meet certain outcome measures.

Recovery from a behavioral health disorder is complex and multifaceted. It is a highly personal process and occurs via many pathways. It may include clinical treatment, medications, faith-based approaches, peer support, family support, self-care, and other approaches. It often requires a variety of traditional medical services and nontraditional social services and supports. Coordination and linkages across systems is critical.

Whereas Maryland's current fee-for-service system rewards the volume of services delivered, VBP rewards results. It allows the flexibility, coordination, and creativity necessary to meet the unique multidimensional needs of individuals with complex behavioral health disorders.

VBP arrangements are already in use across systems operating in Maryland, including Medicare, the Total Cost of Care (TCOC) model, and Maryland's Primary Care Program (MDPCP). Over twenty state Medicaid programs have begun implementing VBP in the delivery of their public behavioral health services. It makes sense for Maryland to start moving in this direction too.

For these reasons, MHAMD supports SB 581 and urges a favorable report.

*For more information, contact Dan Martin at (410) 978-8865*

# **SB 581\_BH Care Coordination VBP Pilot BHSB\_FAVORAB**

Uploaded by: Dan Rabbitt

Position: FAV



March 7, 2023

**Senate Finance Committee  
TESTIMONY IN SUPPORT**

*SB 581 – Behavioral Health Care Coordination Value-Based Purchasing Pilot Program*

Behavioral Health System Baltimore (BHSB) is a nonprofit organization that serves as the local behavioral health authority (LBHA) for Baltimore City. BHSB works to increase access to a full range of quality behavioral health (mental health and substance use) services and advocates for innovative approaches to prevention, early intervention, treatment and recovery for individuals, families, and communities. Baltimore City represents nearly 35 percent of the public behavioral health system in Maryland, serving over 78,000 people with mental illness and substance use disorders (collectively referred to as “behavioral health”) annually.

**Behavioral Health System Baltimore supports SB 581 – Behavioral Health Care Coordination Value-Based Purchasing Pilot Program.** Value-based purchasing (VBP) programs have great potential to save costs and improve care. They should be expanded upon and further considered by the state.

VBP programs, in contrast to traditional fee-for-service (FFS) that rewards volume, reward providers for reaching certain outcomes like reduced hospital emergency department (ED) and inpatient usage. This model of care has been used in other systems like Medicare and the Maryland Total Cost of Care approach to hospital financing for many years but has not been fully explored in for behavioral health in Maryland. Twenty-two other state Medicaid programs require plans to implement VBP in behavioral health and Maryland should do the same.

VBP is not a novel or risky approach to care. In Baltimore City, BHSB has overseen the capitation program for several years, serving 350 of the highest need residents in the City. The capitation program uses similar tenets to VBP and has shown significant promise in improving care and lowering costs. VBP pilots in other parts of the state could add to this growing evidence base and help the state innovate in caring for the hardest to serve individuals living with behavioral health conditions.

Too many Marylanders with severe mental illness are cycling through hospital emergency departments and VBP could help improve their care and break this cycle. **We urge a favorable report of SB 581.**

***For more information, please contact BHSB Policy Director Dan Rabbitt at 443-401-6142***

# **Reck Testimony SB 581.pdf**

Uploaded by: Daniel Reck

Position: FAV

# MATClinics

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Medication Assisted Treatment

**Testimony on SB 581**  
**Behavioral Health Care Coordination Value-Based Purchasing Pilot Program**  
Senate Finance Committee  
Mach 7, 2023

**POSITION: FAVORABLE**

Good afternoon. I am Dan Reck, CEO of MATClinics. Established in 2016, we now have eight locations across Maryland: Hagerstown, Westminster, Havre de Grace, Dundalk, Towson, Annapolis, Laurel, and Salisbury. Each year we treat more than 4,000 patients for substance use disorders, approximately 75% of whom are Maryland Medicaid recipients.

I spent most of my career in commodity and financial markets but a family member's experience gave me a frontrow perspective on the need to improve the quality of care in addiction treatment. My co-founders and I launched MATClinics with the goal of doing just that by applying our experience in successfully managing large, sophisticated businesses. At the expense of profitability, we have funded the development of systems that demonstrably improve outcomes for our patients.

The first of these systems is the use of data analytics to help patients achieve recovery more efficiently — an approach we developed with scientists at the National Institute of Drug Abuse that is documented in the peer-reviewed Journal of Addiction Medicine. Essentially, we calculate scores which represent adherence to treatment. Low scoring patients are allocated additional resources, such as intensive outpatient counseling, mental health therapy, and psychiatry. At the same time, high scoring patients are able to engage in maintenance treatment only.

The second of these systems is the 24/7 support services we provide each patient to manage everyday challenges, including a lack of transportation and hectic work-life schedule, that are often barriers to recovery. As evidenced by the fact that roughly three-quarters of our patients use these support services, the lives of people with a substance use disorder are typically in a disarray. By helping our patients manage their everyday lives, we make their recovery more manageable for them.

Unfortunately, in a fee-for-service environment, our investments in critical services are ignored by the State. We would very much like the opportunity to compete on the quality of patient outcomes but there is currently no mechanism to allow us to do so. As a result, the State is missing an opportunity to broadly incentivize higher quality care in addiction treatment.

I strongly advocate for the passage of SB 581 to allow Medicaid to pilot a program in which performance standards are used to reimburse providers. MATClinics is demonstrating that data can be used on a patient-by-patient, visit-by-visit basis to improve health outcomes. Moreover, our data can be combined with other objective metrics to assess the overall quality of outcomes, including retention. Providers should be accountable for the outcomes of all of their patients, not simply the ones who have achieved recovery.

In the U.S., a human life is lost every five minutes to the opioid crisis, in addition to costing the national economy \$1.5 trillion every year. It's beyond time for us to adopt a model that rewards providers for achieving positive patient outcomes. Ignoring quality of care has proven far too costly, after all.

Thank you for the opportunity to share my perspective with you today.

# **IL Written Testimony SB581 2023.pdf**

Uploaded by: Hindley Williams

Position: FAV





**SB581 – Behavioral Health Care Coordination Value –Based Purchasing Pilot**  
**Position: Supportt**

Testimony of Maryland Centers for Independent Living

Senate Finance Committee 03/07/2023

The Maryland Centers for Independent Living are in support of SB581. SB581 Will create a pilot program for value-based purchasing within the Behavioral Health system in Maryland. A Value Based Purchasing model of care incentivizes quality health outcomes. The value-based purchasing pilot will provide flexibility to providers to provide an appropriate level of care as well as help to manage social determinants of health, such as housing, access to food, employment, etc. that affect an individual’s mental health and wellness. Additionally, the pilot creates incentives for providers to reduce hospitalizations and Emergency Department utilization which are currently at crisis levels. The Maryland Centers for

The seven Centers for Independent Living (CIL) were established by federal law and work to ensure the civil rights and quality services of people with disabilities in Maryland. Centers for Independent Living are nonprofit disability resource and advocacy organizations located throughout Maryland operated by and for people with disabilities. CIL staff and Boards are at least 51% people with disabilities. We are part of a nationwide network which provides Information and Referral, Advocacy, Peer Support, Independent Living Skills training, and Transition Services.

**Contact Information:**

Sarah Basehart  
Independence Now  
240-898-2183  
[sbasehart@innnow.org](mailto:sbasehart@innnow.org)

Hindley Williams  
The IMAGE Center  
410-305-9199  
[hwilliams@imagemd.org](mailto:hwilliams@imagemd.org)

**SB 581-CBH-FAV.pdf**

Uploaded by: Lori Doyle

Position: FAV



**Testimony on SB 581**  
**Behavioral Health Care Coordination Value-Based Purchasing Pilot Program**

Senate Finance Committee

March 7, 2023

**POSITION: SUPPORT**

The Community Behavioral Health Association of Maryland (CBH) is the leading voice for community-based providers serving the mental health and addiction needs of vulnerable Marylanders. Our 110 members serve the majority of those accessing care through the public behavioral health system. CBH members provide outpatient and residential treatment for mental health and addiction-related disorders, day programs, case management, Assertive Community Treatment (ACT), employment supports, and crisis intervention.

Value-based purchasing (VBP) simply means financially incentivizing providers to meet selected outcome measures. VBP differs from the current fee-for-service (FFS) reimbursement in critical ways:

- FFS rewards volume, so the more services provided, the more money brought in. VBP rewards results. There is no incentive to provide unnecessary services.
- FFS does not distinguish between quality providers and those who are not. Because VBP rewards results, only those providers who can achieve the desired outcomes receive incentives.
- FFS is inflexible and prescriptive. VBP allows the flexibility needed to meet individual needs and population health goals.

The somatic healthcare system migrated to VBP many years ago. VBP arrangements exist in Medicare and are also seen here in Maryland in the Total Cost of Care (TCOC) model and the Maryland Primary Care Program (MDPCP).

Twenty-two state Medicaid programs require plans to implement VBP in behavioral health.

We know from Maryland Hospital Association and Maryland Institute for Emergency Medical Services Systems (MIEMSS) data that behavioral health is overrepresented in emergency department (ED) utilization and ED boarding time, both of which contribute to stagnant ED throughput, resulting in Maryland's ED wait times being the longest in the nation.

SB 581 will help address these problems by incentivizing providers to meet such goals as reduced ED and inpatient utilization and lowering total healthcare expenditures. The goals would also include quality metrics, such as Healthcare Effectiveness Data and Information Set (HEDIS) measures.

SB 581 establishes a 3-year pilot program involving at least 500 individuals whose behavioral health condition or functioning places them at risk of ED utilization or inpatient hospitalization. Chosen providers would be paid a per member per month fee to provide intensive care coordination for these individuals.



Following the initial startup year, providers will receive their full care management allotment only if they have achieved the goals targeted by the state. The amount of allotment withheld will increase in Year 3.

On or before Nov. 1, 2027, the Maryland Department of Health (MDH) will report to the Governor and the General Assembly on the findings and recommendations from the pilot program.

This bill will help rebalance our behavioral health system from one that is crisis-focused to one that prevents crises by addressing needs quickly and flexibly.

We urge a favorable report on SB 581.

**SB0581\_FAV\_MedChi, MACHC, MdCSWC\_BH Care Coordinat**

Uploaded by: Pam Kasemeyer

Position: FAV



MID-ATLANTIC ASSOCIATION OF  
COMMUNITY HEALTH CENTERS



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*The Maryland State Medical Society*  
1211 Cathedral Street  
Baltimore, MD 21201-5516  
410.539.0872  
Fax: 410.547.0915  
1.800.492.1056  
www.medchi.org

TO: The Honorable Melony Griffith, Chair  
Members, Senate Finance Committee  
The Honorable Katherine Klausmeier

FROM: Pamela Metz Kasemeyer  
J. Steven Wise  
Danna L. Kauffman  
Andrew G. Vetter  
Christine K. Krone  
410-244-7000

DATE: March 7, 2023

RE: **SUPPORT** – Senate Bill 581 – *Behavioral Health Care Coordination Value-Based Purchasing Pilot Program*

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On behalf of the Maryland State Medical Society, the Mid-Atlantic Association of Community Health Centers, and the Maryland Clinical Social Work Coalition, we submit this letter of **support** for Senate Bill 581.

Senate Bill 581 establishes the Behavioral Health Value-Based Purchasing Pilot Program. The program is designed to pilot an intensive care coordination model using value-based purchasing in the specialty behavioral health system. The pilot is designed to provide person-centered, team-based services designed to assess and meet the needs of an individual with a behavioral health condition and help the individual navigate the healthcare system. Mandatory funding for the pilot is provided for in Fiscal Years 2025-27.

The above-named organizations strongly support a comprehensive approach to addressing the challenges and needs of individuals in the State to access necessary behavioral health services. There is a pressing need to enhance and expand current access. The pilot program established with the passage of Senate Bill 581 provides an opportunity to evaluate the potential of a value-based purchasing program to meet those objectives. A favorable report is requested.

# **MPA Testimony 2023 - Support - Senate Bill 581 - B**

Uploaded by: Pat Savage

Position: FAV



10480 Little Patuxent Parkway, Ste 910, Columbia, MD 21044. Office 410-992-4258. Fax: [410-992-7732](tel:410-992-7732). [www.marylandpsychology.org](http://www.marylandpsychology.org)

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Senator Melony Griffith, Chair  
Senator Katherine Klausmeier, Vice Chair  
Finance Committee  
Miller Senate Office Building, 3 East  
Annapolis, MD 21401

March 6, 2023

Dear Chair Griffith, Vice Chair Klausmeier, and Members of the Committee:

**RE: SB 581 – Behavioral Health Care Coordination Value-Based Purchasing Pilot Program**

**Position: SUPPORT**

Dear Chair, Vice-Chair and Members of the Committee:

The Maryland Psychological Association, (MPA), which represents over 1,000 doctoral level psychologists throughout the state, asks the Senate Finance Committee to **FAVORABLY report on SB 581.**

The MPA supports the pilot program which would identify at least 500 high risk adults and then utilize a value-based payment system for specialty behavioral health. We do believe that an intensive coordinated care model with a payment system other than fee-for-service can provide efficient and effective care that is also better care for the consumer and less costly to the medical care system. We support the pilot program and look forward to assessing outcomes.

Thank you for considering our comments on SB 581. If we can be of any further assistance as the Senate Finance Committee considers this bill, please do not hesitate to contact MPA's Legislative Chair, Dr. Pat Savage at [mpalegislativcommittee@gmail.com](mailto:mpalegislativcommittee@gmail.com).

Respectfully submitted,

*Rebecca Resnik, Psy.D.*

Rebecca Resnick, Psy.D.  
President

*R. Patrick Savage, Jr., Ph.D.*

R. Patrick Savage, Jr., Ph.D.  
Chair, MPA Legislative Committee

cc: Richard Bloch, Esq., Counsel for Maryland Psychological Association  
Barbara Brocato & Dan Shattuck, MPA Government Affairs



# **Testimony In Support of SB 581 - Senate Finance -**

Uploaded by: Rich Ceruolo

Position: FAV



March 4, 2023

Maryland Senate  
11 Bladen St.  
Annapolis, MD. 21401

**In Support of SB 581: Behavioral Health Value Based Model – Pilot Program**

Members of the Maryland Senate’s Finance Committee.

We are an organization of military and non-military families with over 1500 members and support our local non-profits that fill necessary roles in our non-profit support and services networks. We fully support SB 581 and the help that it will bring to all the citizens that benefit from the Value Based, coordinated Behavioral Health Care Model.

“Behavioral health care coordination” means a person-centered, team-based activity designed to (1) assess and meet the needs of an individual with a behavioral health condition and (2) help the individual navigate the health care system effectively and efficiently.

Too often many individuals waiting for behavioral health care services are left languishing in emergency rooms waiting for a bed in a behavioral health treatment facility. The additional 500 beds that this program creates is a step forward that we hope MDH can build upon and expand it as the need within our communities is already greater than the existing system’s capacity.

We would like to ask and encourage this committee to explore and expand the use and overall benefits of such a program through this type of care model and program. Especially as these programs impact a variety of communities including; Black, Brown, Disabled, the elderly or infirmed, Poor, Non-English Speakers, Veterans and Non-Veterans alike.

The future of Maryland’s interlocking support service networks supports the lives of so many citizens. And the future care of all Maryland citizens relies on these networks and its service providers. Please support and protect the rights of citizens that access these medical assistance programs while improving access and the quality of these service offerings. We ask the committee to please support Senate Bill 581 and return a favorable report. Thank you for your time, and for considering our testimony today.

Mr. Richard Ceruolo | Public Policy Director | [richceruolo@gmail.com](mailto:richceruolo@gmail.com)  
Parent, Lead Advocate and Director of Public Policy Parent Advocacy Consortium  
<https://www.facebook.com/groups/ParentAdvocacyConsortium>

**2023 MCHS SB 581 Senate Side FAV.pdf**

Uploaded by: Robyn Elliott

Position: FAV



## Maryland Community Health System

**Committee:** Senate Finance Committee

**Bill Number:** SB 581 – Behavioral Health Coordination Value-Based Purchasing Pilot Program

**Hearing Date:** March 7, 2023

**Position:** Support

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Maryland Community Health System (MCHS) supports *Senate Bill 581 – Behavioral Health Coordination – Value Based Purchasing Pilot Program*. The bill proposes the establishment of a pilot intensive care coordination model using value-based purchasing in the specialty behavioral health system. The pilot will serve at least 500 Medicaid participants.

Under a value-based purchasing model, the health care system is incentivized to focus on patient outcomes. As we are in the midst of a behavioral health crisis, it makes sense to determine if this model can effectively support people with complex behavioral health needs. There are some challenges in making sure incentives are aligned correctly, so we support the thoughtful approach of this bill by first establishing a pilot.

There are some lessons that we can learn from models in other states, including Arizona, Maine, New York, Pennsylvania, and Tennessee. Those states had to navigate implementation issues such as provider capacity and quality measurement.<sup>i</sup> With knowledge of those other states' experiences, we will have a head start in implementing our own pilot.

We ask for a favorable report. If we can provide further information, please contact Robyn Elliott at [relliott@policypartners.net](mailto:relliott@policypartners.net).

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<sup>i</sup> <https://www.chcs.org/resource/moving-toward-value-based-payment-medicare-behavioral-health-services/>

# **MDDCSAM - 2023 SB 581 FAV - Value-Based Purchasing**

Uploaded by: Scott Whetsell

Position: FAV

## SB 581 Behavioral Health Care Coordination Value-Based Purchasing Pilot Program

**SUPPORT** Senate Finance Committee March 7, 2023

MDDCSAM is a chapter of the American Society of Addiction Medicine whose members are physicians and other health providers who treat people with substance use disorders.

MDDCSAM supports Senate Bill 581. For the past several decades, the cost of healthcare has outpaced the improvement of outcomes in all of medicine, including behavioral health. This is at least in part to the traditional fee for service model of reimbursement. In this model, a plethora of services may be utilized and reimbursed without consideration of outcomes. The inherent incentive is for providers to utilize more reimbursable services, rather than deliver services based on the individual needs of the patient. Furthermore, there is a disincentive to provide additional or alternative services that may be beneficial for the patient, but are not reimbursed.

For example, family therapy is typically not a reimbursable service during residential or outpatient substance use disorder treatment. Family therapy is an integral part of treating substance use disorders that likely improves outcomes, but many programs offer very little family therapy because the cost to do so may be prohibitive. In addition, there is no financial incentive to follow patient outcomes after patients have completed programs, so we still have much to learn about how to best treat patients. Finally, the costs of treating patients is increasing faster than the rise in reimbursement, making it increasingly difficult to create and continue quality programs.

Value based reimbursement (VBR) is an alternative reimbursement model that potentially could correct the above issues with the fee for service model. In a VBR model, reimbursement is contingent on positive outcomes. This incentivizes providers to track patient outcomes over time, which, as noted, have been lacking in behavioral health, and in particular, substance disorder treatment. In addition, it allows providers to utilize a wide spectrum of therapeutic interventions based on individual needs rather than being limited to a number of reimbursable services that often do not take into consideration the complex needs of patients or the social determinants of health (housing, employment, wellness, etc...). Providers will be rewarded for innovation, which will ultimately be needed to truly improve outcomes. Payors and providers will both assume financial risk in a VBR model and the providers that administer quality of care will be rewarded, while those that do not will find it difficult to continue without changing.

If executed well, VBR would reduce the cost of care while improving patient outcomes. There is ample evidence to support this in other areas of medicine. However, there is no single model that has proven to be successful in behavioral health. In order to design an effective model, pilot programs should be implemented and evaluated. To place this burden on individual providers/programs and insurance companies would likely cause unnecessary delays and a variety of models that could be difficult to navigate.

We ask for a favorable report.

*References:*

*Henkel, Robert J. FACHE; Maryland, Patricia A.. The Risks and Rewards of Value-Based Reimbursement. Frontiers of Health Services Management 32(2):p 3-16, Winter 2015.*

*Porter, M. E., & Kaplan, R. S. (2020). Value-based health care delivery: core concepts. Published online, Harvard Bus Sch.*

*Mjåset, C., Ikram, U., Nagra, N. S., & Feeley, T. W. (2020). Value-based health care in four different health care systems. NEJM Catalyst Innovations in Care Delivery, 1(6).*

*Martin, J. (2017). Preparing for the transition to value-based reimbursement: What you need to know. The Journal of Medical Practice Management: MPM, 32(5), 313.*

*Sharma, S. (2022). The Impact of Value-Based Reimbursement on Patient Care.*

# **SB 581 - Support - MPS WPS.pdf**

Uploaded by: Thomas Tompsett

Position: FAV





March 5, 2023

The Honorable Melony Griffith  
Finance Committee  
3 East - Miller Senate Office Building  
Annapolis, MD 21401

RE: Support – Senate Bill 581: Behavioral Health Care Coordination Value-Based Purchasing Pilot Program

Dear Chair Griffith and Honorable Members of the Committee:

The Maryland Psychiatric Society (MPS) and the Washington Psychiatric Society (WPS) are state medical organizations whose physician members specialize in diagnosing, treating, and preventing mental illnesses, including substance use disorders. Formed more than sixty-five years ago to support the needs of psychiatrists and their patients, both organizations work to ensure available, accessible, and comprehensive quality mental health resources for all Maryland citizens; and strive through public education to dispel the stigma and discrimination of those suffering from a mental illness. As the district branches of the American Psychiatric Association covering the state of Maryland, MPS and WPS represent over 1000 psychiatrists and physicians currently in psychiatric training.

MPS/WPS support Senate Bill 581: Behavioral Health Care Coordination Value-Based Purchasing Pilot Program (SB 581), which essentially creates a mental health capitated mental health pilot program. Capitation programs for mental health are payment models in which healthcare providers are reimbursed based on the number of patients enrolled in their program, rather than the volume or complexity of services provided to each patient. In other words, the provider receives a set amount of money per patient, regardless of how many services are rendered.

These programs are designed to encourage healthcare providers to deliver cost-effective and efficient care, by incentivizing them to focus on preventive measures, early intervention, and holistic approaches to care that address the root causes of mental health problems. Under capitation programs for mental health, healthcare providers are responsible for managing the full range of mental health services for their enrolled patients, including assessment, diagnosis, treatment, and ongoing care. Providers are also responsible for coordinating care with other healthcare professionals, such as primary care physicians, specialists, and community-based organizations.

Capitation programs for mental health can be structured in various ways, such as per member per month (PMPM) payments, fee-for-service (FFS) with a cap on total spending, or a hybrid of the two. The specific structure and payment amount depend on the needs of the patient



population, the local healthcare market, and the goals of the program. Overall, capitation programs for mental health aim to improve the quality and accessibility of mental health services while containing costs and promoting accountability among healthcare providers. Therefore, MPS/WPS ask this committee for a favorable report on SB 581. If you have any questions with regard to this testimony, please feel free to contact Thomas Tompsett Jr. at [tommy.tompsett@mdlobbyist.com](mailto:tommy.tompsett@mdlobbyist.com).

Respectfully submitted,

The Maryland Psychiatric Society and the Washington Psychiatric Society  
Legislative Action Committee

# **SB0581 - CareFirst Testimony - Support.pdf**

Uploaded by: Tricia Swanson

Position: FAV

Tricia Swanson  
Acting Director  
Government Affairs – Maryland



**CareFirst BlueCross BlueShield**  
1501 S. Clinton Street, Suite 700  
Baltimore, MD 21224-5744  
Tel. 410-528-7054  
Fax 410-528-7981

## **Senate Bill 581 – Behavioral Health Care Coordination Value-Based Purchasing Pilot Program**

### **Position: Favorable**

Thank you for the opportunity to provide comments in support of Senate Bill 581. This bill would establish the Behavioral Health Value-Based Purchasing Pilot Program in the Maryland Department of Health to establish and implement an intensive care coordination model using value-based purchasing in the specialty behavioral health system.

This is one of several bills that aims to take a holistic approach to analyze and make recommendations for how the State can best provide appropriate, accessible, and comprehensive behavioral health services to all Marylanders. CareFirst applauds the General Assembly for taking this approach as it complements our own efforts to enhance access to behavioral health and improve health outcomes. For example, we are partnering with [7 Cups](#), a digital resource for members to get emotional support 24/7. We are also collaborating with [Headway](#), a tech-enabled solution that shows up-to-date provider appointment availability and enables real-time data sharing to gain further insights into member experience.

CareFirst strongly supports value-based care arrangements as a vehicle to incentivize providers to provide high-quality care in an efficient manner. This pilot program will drive better health outcomes and improve patient experience as part of a welcome step towards broader delivery system transformation to better serve those with behavioral health needs. We look forward to reviewing the results of this pilot to more deeply understand how we can collectively better serve all Marylanders.

Behavioral health is essential to advancing whole-person care and improving health outcomes. Barriers to accessing behavioral health persist, including a fragmented system of care, stigma, and an insufficient supply of mental health providers. However, demand continues to rise, which has increased the need for innovative approaches, such as those included in this bill. CareFirst strongly supports Senate Bill 581 and looks forward to partnering with legislators, health departments, public health groups, and other stakeholders to ensure our communities have access to necessary mental health and substance use disorder services.

### **We urge a favorable report.**

#### **About CareFirst BlueCross BlueShield**

*As the largest healthcare insurer in the Mid-Atlantic region, CareFirst provides health insurance products and administrative services to 3.6 million individuals and employers in Maryland, the District of Columbia, and Northern Virginia. We participate in the individual, small group and large employer markets, as well as in Medicare and Medicaid. CareFirst is Maryland's only nonprofit health service plan and consistent with our not-for-profit mission, we are committed to improving the overall health of the communities we serve, and increasing the accessibility, affordability, safety, and quality of healthcare throughout our service area.*

*To learn more about CareFirst BlueCross BlueShield, visit our website at [www.carefirst.com](http://www.carefirst.com) and our transforming healthcare page at [www.carefirst.com/transformation](http://www.carefirst.com/transformation), or follow us on [Facebook](#), [Twitter](#), [LinkedIn](#), or [Instagram](#).*

**SB0581\_SB0582\_testimony-20230306.pdf**

Uploaded by: Franklin Welch

Position: UNF

## SB0581 and SB0582: UNFAVORABLE and UNFAVORABLE

Communist much? SB0581 states, in-part, “‘Value-Based Purchasing’ means financially incentivizing providers to meet specified outcome measures.” Nothing like government “incentives” to produce an outcome for which government has zero authority for involvement. Leave health care to doctors and their patients. The People don’t need the same harmful government involvement (at any level) in medical affairs as has been demonstrated in the past few years. Thanks.

SB0582 goes on to state, “‘Behavioral Health’ includes substance-related disorders, addictive disorders, mental disorders, life stressors and crises, and stress-related physical symptoms.” Would this include the mental anguish suffered by say, gender detransitioners, who must suffer for the rest of their lives due falling for an agenda pushed by certain politicians as depicted in the following article? <https://nypost.com/2022/06/18/detransitioned-teens-explain-why-they-regret-changing-genders/>

Once again, government has no business meddling in health care. In-short: butt out.

**SB 581\_Medicaid BH VBP\_Letter of Information.pdf**

Uploaded by: Allison Taylor

Position: INFO



Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc  
2101 East Jefferson Street  
Rockville, Maryland 20852

March 7, 2023

The Honorable Melony Griffith  
Senate Finance Committee  
3 East, Miller Senate Office Building  
11 Bladen Street  
Annapolis, Maryland 21401

**RE: SB 581 – Letter of Information**

Dear Chair Griffith and Members of the Committee:

Kaiser Permanente appreciates the opportunity to provide comments on SB 581, “Behavioral Health Care Coordination Value-Based Purchasing Pilot Program.” Kaiser Permanente is the largest private integrated health care delivery system in the United States, delivering health care to over 12 million members in eight states and the District of Columbia.<sup>1</sup> Kaiser Permanente of the Mid-Atlantic States, which operates in Maryland, provides and coordinates complete health care services for over 825,000 members. In Maryland, we deliver care to approximately 475,000 members.

SB 581 solves a problem that Kaiser Permanente has been looking to address for a number of years. KP participates as an MCO in the HealthChoice program, but due to the design of Maryland’s Medicaid program and Kaiser’s model of care, KP is unable to provide the same specialty behavioral health services to Medicaid members that are provided to their Commercial and Medicare members. During the pandemic, KP had thousands of members transition from Commercial coverage to Medicaid due to a job loss or other circumstance, and those individuals lost access to the providers they were able to previously see.

In response to this problem, KP approached the legislature and MDH about establishing a pilot program to allow KP to serve behavioral health patients through HealthChoice; however there was no interest in establishing a managed care behavioral health program in HealthChoice at that time. SB 581 provides an alternate avenue for Kaiser Permanente to provide specialty behavioral health services to its Medicaid members.

Thank you for the opportunity to comment. Please feel free to contact me at [Allison.W.Taylor@kp.org](mailto:Allison.W.Taylor@kp.org) or (202) 924-7496 with questions.

Sincerely,

A handwritten signature in cursive script that reads "Allison Taylor".

Allison Taylor  
Director of Government Relations  
Kaiser Permanente

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<sup>1</sup> Kaiser Permanente comprises Kaiser Foundation Health Plan, Inc., the nation’s largest not-for-profit health plan, and its health plan subsidiaries outside California and Hawaii; the not-for-profit Kaiser Foundation Hospitals, which operates 39 hospitals and over 650 other clinical facilities; and the Permanente Medical Groups, self-governed physician group practices that exclusively contract with Kaiser Foundation Health Plan and its health plan subsidiaries to meet the health needs of Kaiser Permanente’s members.



**4 - SB 581 - FIN - MDH - LOI.docx.pdf**

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## DEPARTMENT OF HEALTH

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

March 7, 2023

The Honorable Melony Griffith  
Chair, Finance Committee  
3 East, Miller Senate Office Building  
Annapolis, MD 21401-1991

### **RE: SB 581 – Behavioral Health Care Coordination Value-Based Purchasing Pilot Program – Letter of Information**

Dear Chair Griffith and Committee Members:

The Maryland Department of Health (MDH) respectfully submits this letter of information for Senate Bill (SB) 581 – Behavioral Health Care Coordination Value-Based Purchasing Pilot Program. SB 581 establishes a Behavioral Health Care Coordination Value-Based Purchasing Pilot Program (Program) and requires MDH to administer the program to 500 adults at risk of hospital emergency department utilization or inpatient psychiatric hospital admission over a three-year period. To implement the program, SB 581 mandates an appropriation of \$600,000 for fiscal years 2025 through 2027.

MDH notes that there are several important and complex considerations to study prior to establishing the Program. MDH will need to examine the different value based rate methodologies to ensure rates match the value expected of the service line and do not reduce or inflate costs in other service lines. MDH will also need to determine what the impact is on medical necessity criteria. Furthermore, the implications of paying for the service through the administrative service organization, including the monitoring and adjusting of claims and having an effective audit methodology, will be important considerations. Lastly, the selection criteria of the specific service line(s) as well as provider selection to perform the pilot will require careful consideration.

A feasibility study to implement a value based pilot program would inform an appropriate approach to understand the interaction of the special considerations noted above. To this end, MDH is currently undertaking the process of Behavioral Health Rate setting which includes a provider cost review process prior to reviewing methodologies for setting future rates which will include examination of value-based purchasing options. Additionally, MDH is focused on cost-based behavioral health rate setting as required by the Heroin and Opioid Prevention Effort (HOPE) and Treatment Act of 2017 (Chapters 571 and 572 of the Acts of 2017).

If you would like to discuss this further, please do not hesitate to contact Megan Peters, Acting Director of Governmental Affairs at [megan.peters@maryland.gov](mailto:megan.peters@maryland.gov) or (410) 260-3190.

Sincerely,

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