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**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.

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