Testimony on SB 582
Behavioral Health Care – Treatment and Access
(Behavioral Health Model for Maryland)
Behavioral Health Care Coordination Value-Base 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 582 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 582 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 582.