

## 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.