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House Bill 1142 – Public Health – Maryland Interested Parties Advisory Group - Establishment
House Health and Government Operations Committee
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Position: FAVORABLE

Mental Health Association of Maryland (MHAMD) 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 SB 920.

HB 1142 requires the Department of Health to convene an Interested Parties Advisory Group. The primary purpose of the Advisory Group is to ensure that Medicaid payment rates are sufficient to provide adequate access to home-and community-based services and an adequate direct care workforce.

Home- and community-based services for children and youth with behavioral health needs have been negatively impacted for years by inadequate Medicaid payment rates.

In 2014 the Maryland Department of Health applied to the Center for Medicare and Medicaid Services for a 1915(i) Medicaid State Plan Amendment (SPA) to provide home- and community-based services to children and youth with significant behavioral health challenges. The 1915(i) was to provide intensive care coordination based on the Wraparound model, family peer support, intensive in-home services, mobile crisis services, in-home and out-of-home respite, expressive and experiential therapies, and flex funds for customized goods and services. It was estimated at the time that the 1915(i) would serve 200 children a year. In fact, it served 0-15 children a year.

In 2019 BHA amended the 1915(i) to expand eligibility and slightly revised the community-based services available to children and families. Again, it was estimated that the 1915(i) would serve 200 children a year. In fact, it served 10-30 children a year.

There are several reasons for the failure of the 1915(i), including overly narrow eligibility requirements and extremely onerous administrative requirements. In addition, however, there was no push to enroll families in the 1915(i), because it did not offer much benefit. Those families who enrolled expressed frustration that there were no providers of the services that they were entitled to receive (such as respite services, experiential therapies, and intensive in-home services), there was extremely high turnover of care coordinators resulting in no continuity of care, and the overall quality of services was mediocre. The extreme shortage of service providers, the astonishingly high turnover of staff, and the low quality of services are all due to inadequate rates.

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Therefore in 2023,The Maryland General Assembly passed legislation (HB 322/SB 255) requiring MDH to reimburse for 1915(i) services in a way that is "*commensurate with industry standards for the reimbursement of the delivery of wraparound services*." HB 322/SB 255 also required that the 1915(i) utilize rates "*commensurate with industry standards for the reimbursement of the delivery of family-centered treatment, functional family therapy, and other evidence-based practices."*

The need to increase reimbursement rates for 1915(i) home- and community-based services was also recognized by Maryland's Commission on Behavioral Health Care Treatment and Access. In its 2023 final report, the Commission's youth-focused workgroup recommended that: "*This funding model could be significantly improved by braiding and blending Medicaid and grant funding to improve the sustainability of all Medicaid expansion efforts and develop highly competitive rates for areas such as 1915i and 1115 Waivers."*

MDH is now in the process of again amending the 1915(i) SPA and circulated a draft of their proposed changes. While there are several commendable revisions, such as expanding eligibility, reducing administrative burden, and adding youth peer support, the revised SPA states "*the proposed changes do not impact the current rates of reimbursement or rate methodologies for currently available 1915(i) services*."

We are concerned that failure to increase the rates for services under the 1915(i) will result in continued limited access to the home- and community-based services that children and families enrolled in the 1915(i) are entitled to, and a continued shortage of direct care workers. An Advisory Group that will do a deep dive into Medicaid payment rates for home- and community-based services is needed and welcomed.

For this reason, MHAMD supports HB 1142 and urges a favorable report.