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Testimony of the Office of MaineCare Services and the Office of Behavioral Health
Maine Department of Health and Human Services

Before the Joint Standing Committee on Health and Human Services

In Opposition to 2223, *Resolve, to Direct the Department of Health and Human Services to Amend Rules and Establish a Study Group Related to Funding and Reimbursement for Mental Health Crisis Resolution Services.*

Hearing Date: March 5, 2024

Senator Baldacci, Representative Meyer, and members of the Joint Standing Committee on Health and Human Services, my name is Olivia Alford, and I serve as the Director of Delivery System Reform of the Office of MaineCare Services (OMS). I am joined in the Committee room by Brianne Masselli, the Mental Health Division Manager at the Office of Behavioral Health (OBH). Despite the Department's strong commitment to and action toward developing and improving crisis response services in Maine, we are testifying today in opposition to LD 2223, *Resolve, to Direct the Department of Health and Human Services to Amend Rules and Establish a Study Group Related to Funding and Reimbursement for Mental Health Crisis Resolution Services.*

This Resolve directs the Department to design a reimbursement model for crisis resolution services that includes an annual cost reimbursement model rather than a per encounter basis model. The reimbursement model must be designed to fully cover staffing and operational costs for crisis resolution services to operate 24 hours per day, 7 days per week. The Resolve also directs the Department to establish the Crisis Resolution Services System Study Group to conduct a study to evaluate and recommend funding sources for crisis resolution services and to submit a report of its findings by January 15, 2025.

The Office of MaineCare Services is currently undergoing a rate determination for these services, in alignment with 22 MRSA §3173-J. This collaborative effort has engaged crisis providers for over two years and intends to elevate Maine's mobile crisis services to align with national best standards for mobile crisis response services.

Section 9813 of the American Rescue Plan amended Title XIX of the Social Security Act to add a new section 1947. Section 1947 authorizes a state option to provide qualifying community-based mobile crisis intervention services and receive enhanced federal funding to support these services. Maine received a planning grant to develop this model, which resulted in a proposal for encounter-based billing. This encounter model, if adopted, includes an investment of over \$5 million dollars annually to these services. This model was responsive to provider concerns regarding the current 15-minute billing of Crisis Resolution Services. Further, this model will serve to strengthen Mobile Crisis Services with a focus on building a trauma informed approach

including expanding mobile crisis response teams to include peers, in addition to after care services and supports.

The Department is currently reviewing public comments regarding its rate reform recommendation for these services. As always, the Department is willing to consider all feedback to improve the proposed rate model. This bill would circumvent the agreed upon process established within 22 MRSA §3173-J and slow Maine's ability to improve the quality and timeliness of Maine's crisis services. Delays would also mean Maine losing the ability to claim the time-limited enhanced federal match for these services.

As part of its Comprehensive Rate System Evaluation concluded in 2021 and its ongoing rate determination process across MaineCare services, the Department has repeatedly reported on the challenges of cost reimbursement systems, which include but are not limited to providing a lack of incentive for cost efficiency or quality service provision, resulting in significant variation and inequities in reimbursement across providers, and creating substantial provider and Department administrative burden. In addition, the reimbursement model as proposed in this legislation would have to be cost settled with Medicaid paying one portion and non-Medicaid dollars paying for other portions (such as, but not limited to, the Office of Behavioral Health).

The Department assumes that this bill is focused on current Crisis Resolution services as they are billed to support 24/7 mobile crisis response teams, which are the regionally based network of DHHS selected providers. If this LD is intended to address other billers of Crisis Resolution services outside of the mobile crisis response teams, then the Department would have additional concerns.

Lastly, it is important to note that, per federal regulation, the State cannot utilize Medicaid dollars to cover the cost of services related to non-Medicaid members. The rate process underway seeks to maximize Medicaid dollars, state, and other federal dollars to support the crisis system.

Thank you for your time and attention. I would be happy to answer any questions you may have and to make myself available for questions at the work session.