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March 25, 2021

Senator Ned Claxton, Chair
Representative Michele Meyer, Chair
Members, Joint Standing Committee on Health and Human Services
100 State House Station
Augusta, ME 04333-0100

Re: LD 674 – An Act To Support Early Intervention and Treatment of Psychotic Disorders
(Emergency)

Senator Claxton, Representative Meyer, and Members of the Joint Standing Committee on
Health and Human Services:

This letter is to provide information on LD 674, An Act To Support Early Intervention and Treatment of Psychotic Disorders. This bill requires the Department of Health and Human Services to establish a reimbursement rate for a coordinated specialty care model to treat individuals showing early signs of psychotic disorder. The Department is directed to establish a bundled rate, no later than July 1, 2021, to reimburse for services provided under the coordinated specialty care model that are not otherwise covered under MaineCare. The Department is directed to apply to the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) for a waiver or state plan amendment to establish a bundled reimbursement rate and to utilize federal funding under the community mental health services block grant.

The Department has been developing a bundled rate for Coordinated Specialty Care (CSC) and working to identify cost neutral implementation given the research that this model is both effective at improving patient outcomes and reduces inpatient admissions as well as length of inpatient stays. We are determining cost savings from services that CSC would replace for transition age youth in the early stages of psychosis. The Department recognizes that this a valuable, evidenced based program. We have been committing greater than the required 10% early intervention set aside from our Community Mental Health Block Grant appropriation in order to support expansion of the service. Before becoming Director of the Office of Behavioral Health, I started multiple CSC programs, conducted research and wrote peer reviewed articles on CSC^{1,2,3}, and was invited by the federal Substance Abuse and Mental Health Services Administration (SAMHSA) to develop national guidelines for CSC workforce development⁴, best practices in transitioning from CSC to usual care⁵, and resources for CSC on working effectively with the criminal justice system⁶. I served as Clinical Director of the Specialized Treatment Program Early in Psychosis (STEP) at Yale University. STEP completed the first randomized clinical trial of CSC in the US⁷, one of the few successful early detection campaigns⁸, established economic return on investment⁹, published the first paper on criminal

justice outcomes from a CSC clinical trial¹⁰, establishing that CSC not only has a positive impact on clinical and functional measures and reduces hospitalization, but also improves criminal justice outcomes.

While we are in support of the model, we respectfully recommend changes regarding some of the language within this bill. The date of effect for the rate in this bill should be tied to the date of CMS approval for federal authority. In order to receive federal match, the Department must receive CMS approval of a waiver or state plan amendment. If the Department cannot get federal authority and thus cannot receive federal match for these services, there would be a significant fiscal impact to the State. The current timeline is not consistent with the timeline for work needed in order to develop a rate, prepare and submit a waiver application or state plan amendment for approval and engage in rulemaking.

We wanted the Committee to be aware of the above information as it considers this bill moving forward. If you have any further questions, please feel free to contact me.

Sincerely,



Jessica Monahan Pollard, PhD, Director
Office of Behavioral Health

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4. Pollard, J. M., & Hoge, M. A. (Issue Brief) Workforce Development in Coordinated Specialty Care Programs. Alexandria, VA: National Association of State Mental Health Program Directors, 2017.
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6. Substance Abuse and Mental Health Services Administration (SAMHSA) Webinar "Partnering with the Justice System to Improve Outcomes in Coordinated Specialty Care"
7. Srihari, V.H., Tek, C., Kucukgoncu, S., Phutane, V.H., Breitborde, N.J., Pollard J, Ozkan, B., Saksa, J., Walsh, B.C., & Woods, S.W., First-Episode Service for Psychotic Disorders in the U.S. Public Sector: A Pragmatic Randomized Controlled Trial. *Psychiatric Services* 2015, 66(7): 705-712.

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10. Pollard, J.M., Ferrara, M., Lin, I., Kucukgoncu, S., Wasser, T., Li, F., & Srihari, V. Analysis of Early Intervention Services on Adult Judicial Outcomes. *JAMA Psychiatry* 2020, 77(8):871-872.