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Commissioner



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April 27, 2021

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

Re: LD 1470 – *Resolve, Regarding Reimbursement for Providing Inpatient Care to Individuals with Acute Mental Health Care Needs*

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

This letter is to provide testimony in opposition to LD 1470, *Resolve, Regarding Reimbursement for Providing Inpatient Care to Individuals with Acute Mental Health Care Needs*. This resolve requires the Department to amend its rule Chapter 101: MaineCare Benefits Manual, Chapter III, Section 45.03 to provide reimbursement for patients discharged from Southern Maine Health Care's psychiatric inpatient unit in the amount of \$10,166 per distinct discharge. It also directs the Department to seek and apply for federal funds and funds from any other sources to pay the costs of providing psychiatric services to uninsured patients. It further directs the Department to submit a report to the Joint Standing Committee on Health and Human Services regarding the progress the Department has made in developing a reimbursement rate to provide inpatient psychiatric care under its rule Chapter 101: MaineCare Benefits Manual, Chapter III, Section 45.03.

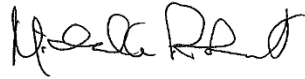
The Department currently specifies a discharge rate of \$6,438.72 for all but two of the state's distinct psychiatric units. Per separate pieces of legislation, Northern Maine Medical Center and St. Mary's have their own rates (\$15,679.94 and \$9,128.31, respectively). The \$6,438.72 rate has not been updated since 2011. The Comprehensive Rate System Evaluation (RSE) conducted on behalf of the Department recommends a rate study to standardize what MaineCare pays for distinct psychiatric units; enacting yet another facility-specific rate is inconsistent with this approach and moves in the wrong direction. The RSE recommends this rate study be conducted along with broader hospital rate reform efforts as a top priority beginning in fiscal year 2022. The Department is reviewing these recommendations for adoption.

Regarding Section 2 of this bill, the Department is unaware of any federal funds available to cover the cost of psychiatric inpatient care for the uninsured. If by "uninsured" the bill intends to reference adult MaineCare members in Institutions for Mental Diseases (IMD), for whom federal law prohibits reimbursement of inpatient care with federal Medicaid dollars, the Department would have to apply for an 1115 IMD Exclusion waiver for Serious Mental Illness (SMI) to cover the cost of care for adult members in IMD facilities. The Department held hearings on our intent to submit such a waiver for both SMI and Substance Use Disorder (SUD) on March 6th and 7th, 2019. Stakeholder feedback indicated a strong preference for the Department to proceed with an

1115 IMD Exclusion waiver for the SUD only, not for SMI. Stakeholders expressed a need for further community-based behavioral health needs assessment and funding for services prior to consideration and submission of the SMI waiver.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Michelle Probert". The signature is fluid and cursive, with the first name being more prominent.

Michelle Probert
Director
MaineCare Services