

Introduction

Good morning. My name is Paul Velho, Senior Manager of Finance and Strategy at the MassHealth Office of Accountable Care and Behavioral Health within the Executive Office of Health and Human Services (EOHHS). I am here to present testimony on the proposed amendments to 101 CMR 305.00: *Rates of Payment for Behavioral Health Services Provided in Community Behavioral Health Centers*. The proposed amendments are anticipated to be effective for dates of service on or after July 4, 2025.

Background

Regulation 101 CMR 305.00 governs payment rates to be used by all governmental units and workers' compensation insurers for outpatient behavioral health services, behavioral health emergency services, and diversionary crisis stabilization services provided by community behavioral health centers (CBHCs), including services in community-based locations and on a mobile basis in the community or in a nursing facility, and through telehealth modalities.

CBHCs are predominantly paid for services provided through an encounter bundled rate. CBHCs are required to offer additional services paid outside the encounter bundled rate, including: certified peer specialists (CPS), recovery coaches (RC), recovery support navigators (RSN), community support programs (CSP), adult mobile crisis intervention (AMCI), adult community crisis stabilization services (ACCS), youth mobile crisis intervention (YMCI), and youth community crisis stabilization services (YCCS). CBHCs may also provide certain optional services, including: psychology testing, structured outpatient addiction program services (SOAP), enhanced structured outpatient addiction program services (E-SOAP), and intensive outpatient program (IOP) services. Additionally, CBHCs are required to remain open into the evenings and weekends for outpatient services, as well as maintaining the required 24/7/365 crisis component availability for adult and youth MCI and CCS services.

The MassHealth CBHC provider type was first established by the current regulation which went into effect January 1, 2023.

Description of Proposed Amendments

All proposed rates are presented in accordance with M.G.L. Chapter 118, Section 13C, requiring that rates established by EOHHS for health care services be “adequate to meet costs incurred by efficiently and economically operated facilities providing care and services in conformity with applicable state and federal laws and regulations and quality and safety standards and which are within the financial capacity of the commonwealth.”

The proposed amendments update the existing ACCS rate and YCCS services, remove the rates for MCI services occurring in emergency departments, establish the references to the outside regulations for the rates for CPS, SOAP and E-SOAP services, and maintain all other rates. All current rates and their respective models were reviewed. In addition, the proposed amendments reflect updated terminology and current policy.

Changes to the Existing Rate Models:

In its review, EOHHS has considered the following changes to the existing rate models:

- Update all salary inputs in the models to median salaries from 2022 Bureau of Labor Statistics (BLS) Massachusetts salary data for corresponding staff types.
- Reduce the utilization factor in the youth CSS model from 90% to 80%. Reduce the utilization factor in the adult CSS model from 90% to 80%. Providers report lower utilization factor than modelled previously.
- Update the number of FTEs for proposed staffing in both the youth and adult CCS models for various positions.
- Apply a prospective cost adjustment factor (CAF) of 2.48% to the resulting rates from each model. The CAF was calculated using the Fall 2023 Massachusetts Consumer Price Index (CPI) optimistic forecast from S&P Global Market Intelligence using a base period of quarter one of calendar year 2025 and a two-year prospective rate period from quarter two of calendar year 2025 through quarter one of calendar year 2027.

Community Crisis Stabilization Services and Rates:

Utilizing the considered changes to the proposed rate models, as described, EOHHS proposes to increase the adult CCS per diem rate from \$632.05 to a new rate of \$672.05. EOHHS further proposes to expand the definition of youth CCS services to allow provision of these services by independently enrolled providers. Providers operating independently of a CBHC will utilize the per diem rate and code for youth CCS as currently established in 101 CMR 305.00. No other changes are proposed to the adult or youth CCS rates.

Mobile Crisis Intervention Services and Rates:

EOHHS proposes to remove the crisis and specialty code and rate for adult MCI (code S9485-HB) services that occur at the emergency department setting from 101 CMR 305.00. EOHHS also proposes to no longer refer to the rate and code for youth emergency department-based MCI services established in 101 CMR 352.00: *Rates of Payment for Certain Children's Behavioral Health Services*, and thus remove the service from 101 CMR 305.00. These services have been replaced by behavioral health services administered by acute hospitals. No other changes are proposed to the adult or youth MCI rates.

Certified Peer Specialist, Structured Outpatient Addiction Program, and Enhanced Structured Outpatient Addiction Program Services and Rates

The rate and code for CPS services are currently established in both 101 CMR 305.00 and 101 CMR 306.00: *Rates for Mental Health Services Provided in Community Health Centers and Mental Health Centers* at a rate of \$16.92 per 15 minutes. Effective July 4, 2025, EOHHS proposes to refer to 101 CMR 306.00 for the rate for CPS services provided by CBHCs.

The rates and codes for E-SOAP and SOAP services are currently established in 101 CMR 306.00. Effective July 4, 2025, EOHHS proposes to refer to 101 CMR 444.00: *Rates for Certain Substance Use Disorder Services* for the rates for E-SOAP and SOAP services provided by CBHCs. No other changes are proposed to the CPS, E-SOAP or SOAP rates.

Testimony on Amendments to 101 CMR 305.00
Rates of Payment for Behavioral Health Services Provided in Community Behavioral Health Centers
Effective July 4, 2025
March 21, 2025

Maintenance of Certain Existing Rates

All other rates established in 101 CMR 305.00 are proposed to remain at their current rates, including the CBHC encounter bundle, youth CCS, and adult and youth MCI services. EOHHS proposes maintaining these rates following application of the changes to the existing rate models as described. If these changes were applied to the models, it would result in decreases to these rates.

Fiscal Impact

The estimated aggregate annual fiscal impact of the proposed amendments results in a savings of \$418,000, attributed to the removal of rates for MCI services provided in hospital emergency departments from 101 CMR 305.00.

This concludes my testimony.

Thank you.