**Introduction**

Good morning. My name is Elise Ressa, Senior Policy Manager with the MassHealth Office of Behavioral Health, Executive Office of Health and Human Services (EOHHS). I am here to present staff testimony on the proposed new regulation 101 CMR 305.00: Rates of Payment for Behavioral Health Services Provided in Community Behavioral Health Centers. The proposed regulation contains rates effective for dates of service on or after January 1, 2023.

**Background**

MassHealth is proposing 101 CMR 305.00, a new regulation establishing a new provider type, Community Behavioral Health Centers (CBHCs). The proposed regulation 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 CBHCs. Additionally, the new regulation establishes CBHC provider billing of codes existing in other rate regulations for certain non-bundled behavioral health services.

**Description of Proposed Rates**

Implementation of the new CBHC service-delivery model is anticipated to expand access to outpatient behavioral health services. The addition of this new provider type with the proposed service delivery model is intended to enhance same-day evaluation and referral to treatment and to provide expanded access to outpatient behavioral health services, including community-based alternatives to the Emergency Department. Additionally, CBHCs will be required to remain open into the evenings and weekends for outpatient services. The Adult and Youth Mobile Crisis Intervention, as well as Adult and Youth Crisis Stabilization Services, are required to be available 24/7/365. It is anticipated that approximately 25% of the current Community Mental Health Center (CMHC) utilization of services, currently provided under 101 CMR 306.00: Rates of Payment for Mental Health Services Provided in Community Health Centers and Mental Health Centers, will be shifted to CBHC providers, once the CBHC network is implemented in 2023.

CBHCs will predominantly be paid for services provided through an encounter bundled rate, which is proposed to be established in this regulation. CBHCs will also be required to offer additional services that are payable separately from the encounter bundled rate, including: Certified Peer Specialists, Recovery Coaches, Recovery Support Navigators, Community Support Programs, Adult Mobile Crisis Intervention, Adult Crisis Stabilization Services, Youth Mobile Crisis Intervention, and Youth Crisis Stabilization Services. Rates for these additional services are also proposed in this regulation either directly or through reference to other rate regulations.

*Proposed Rates for CBHC Encounter Bundled Services*

To reflect the difference in clinical intensity required for serving children and youth versus adults, separate encounter bundled rates have been developed for each. The Adult CBHC Encounter Bundled rate has been set at $233.90 per diem, and the Children/Youth CBHC Encounter Bundled rate at $241.86 per diem. The encounter bundled rate is a single rate paid for a day when any of the delineated services, such as psychiatric diagnosis, medication management, and psychotherapy, are provided. These rates were developed using a model budget informed by the uniform financial report (UFR) data, stakeholder feedback, and provider responses to a request for information issued by EOHHS. The rates were also developed in consideration of the CBHC program requirements, including same-day and extended hour availability, team-based staffed, and staff training.

*Proposed Rates for Adult and Youth Mobile Crisis Intervention and Adult and Youth Crisis Stabilization Services*

Adult Mobile Crisis Intervention, Youth Mobile Crisis Intervention, Adult Crisis Stabilization, and Youth Crisis Stabilization services are redesignated and restructured services under the Behavioral Health Roadmap to encourage more diversion from the hospital Emergency Departments and encourage mobile crisis and crisis stabilization interventions in the community for adults as well as children and youth. The proposed regulation establishes codes and rates related to Adult Mobile Crisis Intervention, Youth Mobile Crisis Intervention, Adult Crisis Stabilization, and Youth Crisis Stabilization based on the restructuring of the existing rates for ESP and MCI services provided under 101 CMR 306.00: Rates of Payment for Mental Health Services Provided in Community Health Centers and Mental Health Centers, and 101 CMR 352.00: Rates of Payment for Certain Children’s Behavioral Health Services, respectively.

The existing ESP service (code S9485) is proposed to be used for the initial evaluation and first day of Adult and Youth Mobile Crisis Intervention services with modifiers and place of service codes to delineate sites of service, , as well as Adult and Youth Crisis Stabilization Services. The existing MCI services (codes H2011-HN and H2011-HO) are proposed to be used for follow-up Adult and Youth Mobile Crisis Intervention services provided at various sites of service.

The proposed per diem rates for the initial evaluation and first day of intervention for Adult and Youth Mobile Crisis Intervention services provided at sites of service outside of the Emergency Department were informed by the model budget used to develop the current ESP rate in 101 CMR 306.00: Rates of Payment for Mental Health Services Provided in Community Health Centers and Mental Health Centers, and includes staffing, salary, and utilization assumptions to reflect the restructured CBHC-based service model.

The per diem rates for the initial evaluations and first day of services for Adult MCI, which vary by site of service, are as follows: 1) $931.49 per diem for encounters that occur in community-based locations, 2) $632.08 per diem for encounters in the CBHC site locations, and 3) $505.64 per diem, which aligns to the current ESP rate in 101 CMR 306.00, will be used for encounters that occur in an Emergency Department. Responsibility for Emergency Department-based crisis intervention will transition to hospitals.

The per diem rates for the initial evaluation and first day of services for Youth MCI are as follows:, and 1) $978.06 per diem for services provided in community-based sites 2) $632.08 per diem for encounters in the CBHC site locations. MCI rates under 101 CMR 352: *Rates of Payment for Certain Children’s Behavioral Health Services* will be used for encounters that occur in an Emergency Department.

Proposed per-15-minute rates for Adult MCI and Youth MCI follow-up services for the second and third days of intervention for adults, and the second through seventh days of intervention for youth, align with the existing MCI rates established in 101 CMR 352.00. MassHealth anticipates that the Adult and Youth follow-up services rates will be subsequently removed from the 101 CMR 352 regulation.

The proposed rate for Adult Crisis Stabilization services is aligned to the current rate of $505.64 per diem for ESP services established in 101 CMR 306.00. The proposed rate for Youth Crisis Stabilization services is $744.58 per diem, which was developed using a model budget. The proposed rate for Youth Crisis Stabilization services is $744.58 per diem, which was developed using a model budget. The model budget for these services included assumptions for occupancy rates, estimated filled bed days, projected lengths of stay, and annual admissions estimates.

*Proposed Rates for Other Non-Encounter Bundled Services*

 CBHCs will be required or permitted to provide additional services, which will be paid outside the bundled rate. The proposed rates for these services are established in other regulations, as follows:

* Certified Peer Specialist rate will be set in alignment with the rate in 101 CMR 306.00: *Rates of Payment for Mental Health Services Provided in Community Health Centers and Mental Health Centers.* Upcoming amendments to 101 CMR 306.00, proposed to be effective January 1, 2023, will contain this rate.
* Community Support Program rates will be governed by a forthcoming new regulation 101 CMR 362.00: *Rates for Community Support Program Services.*
* Recovery Coaching rates are governed by 101 CMR 346.00: *Rates for Certain Substance-Related and Addictive Disorders Programs.*
* Recovery Support Navigator rates are governed by 101 CMR 444.00: *Rates for Certain Substance Use Disorders Services.* Psychological Testing rates are governed by 101 CMR 329.00: *Psychological and Independent Clinical Social Work Services,* proposed to be renamed as such as of January 1, 2023*.*

The proposed rates are in compliance with the requirements of M.G.L. Chapter 118E Section 13C, which requires that rates established by the Executive Office of Health and Human Services for health care services be “adequate to meet the 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.”

**Fiscal Impact**

The estimated annual aggregate fiscal impact on the fee-for-service spending is $19.3 million based on the proposed rates.

This concludes my testimony.

Thank you.