



Written Testimony before the Public Health Committee

March 18, 2015

The Department of Social Services would like to offer the following written testimony on a bill that impacts the agency.

S.B. No. 1089 (RAISED) AN ACT CONCERNING MENTAL HEALTH SERVICES

This bill amends the general statutes concerning the provision of mental health services.

The Department would like to take this opportunity to provide comments related to the specific sections of this proposal that directly affect the agency.

Section 14 of the proposal requires the Department, along with the Department of Children and Families and the Department of Mental Health and Addiction Services to “develop and implement a program to (1) improve the provision of behavioral health services to Medicaid recipients, (2) improve the coordination of such services among health care providers, and (3) reduce costs to the state.”

While the Department fully supports the continual improvement of the provision of behavioral health services, this bill is unnecessary, as there is currently an extensive public sector behavioral health service system in Connecticut managed by the three Departments referenced above under the statutory authority of the Behavioral Health Partnership. It is also not clear to the Department what the term “program” means within this proposed legislation.

The Department has already implemented an enhanced payment structure for behavioral health providers called Enhanced Care Clinics (ECCs). ECCs must meet established access standards for emergent, urgent and routine appointments. The Department is willing to collaborate with stakeholders on developing and/or refining value-based payment models which would include healthcare quality measures.

Section 15 of the proposal requires the Commissioner of Social Services to submit a State Plan amendment to increase the Medicaid rates for all providers of behavioral health services.

The Department is willing to work collaboratively with stakeholders and other state agencies regarding payment reform within the behavioral health system but cannot support a general increase in rates as funding is not available to support such an increase. It should be noted that there are several procedure codes within the ECCs that already exceed the Medicare rates. For behavioral health services provided at behavioral health clinics, the Department is required to demonstrate to the Centers for Medicare and Medicaid Services (CMS) that, in aggregate, the

Medicaid program does not pay more for services than what Medicare would pay for the equivalent service. This is known as the Upper Payment Limit (UPL) demonstration. DSS is required to do a UPL demonstration on a yearly basis for several services, including clinic services. The Department has been working with CMS on our UPL for clinic services for several months. Even though we have received positive feedback on the UPL, we still have not received approval from CMS. We cannot change our behavioral health clinic rates until the clinic UPL is approved by CMS.

For those procedure codes that are below the Medicare rate, we estimate it would cost \$7.4 million to increase those rates to the Medicare rates. Because the Governor's proposed budget does not allocate additional funds for these proposed increases, we cannot support this section of the bill as written.

Section 16 of the proposal requires the Commissioner of Mental Health and Addiction Services in consultation with the Commissioner of Social Services to submit a State Plan amendment to expand the behavioral health homes delivery model to allow hospitals and federally qualified health centers to be designated as behavioral health homes.

The Department has no objection to including FQHCs and hospitals as behavioral health homes.

Section 20 of the proposal requires the Commissioner of Mental Health and Addiction Services, in consultation with the Commissioner of Children and Families and Social Services to participate in a study to include: “(1) A determination of the number of short-term, intermediate and long-term psychiatric beds needed in each region of the state, (2) the average wait times for each type of psychiatric beds, (3) the impact of wait times on persons in need of inpatient psychiatric services, such persons' families and providers of such inpatient care, and (4) identification of public and private funding sources to maintain the number of psychiatric beds needed in the state.”

The Department is willing to work with our sister agencies to participate in this study.