

# HOUSE BILL 938

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By: **Delegate Rosenberg**

Introduced and read first time: February 8, 2019

Assigned to: Health and Government Operations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Behavioral Health Transformation Act of 2019**

3 FOR the purpose of requiring the Maryland Department of Health to establish a delivery  
4 system for certain specialty behavioral health services, rather than for only specialty  
5 mental health services, for enrollees of managed care organizations; requiring the  
6 delivery system to assume certain financial risk; requiring the delivery system to  
7 provide certain services to certain individuals; requiring the delivery system to  
8 provide a certain point of contact and certain processes, reimburse certain providers,  
9 measure and collect certain data, report on certain outcomes, provide coordination  
10 with certain entities, manage certain processes, comply with certain laws, and  
11 ensure opportunities for stakeholder involvement in certain matters; authorizing the  
12 Department to contract with a certain managed care organization for delivery of  
13 certain specialty behavioral health services under certain circumstances; providing  
14 that a certain provision of law applies to the delivery system; requiring the Secretary  
15 of Health to modify and reissue a certain request for proposals to incorporate this  
16 Act; making conforming changes; defining certain terms; and generally relating to a  
17 delivery system for specialty behavioral health services.

18 BY repealing and reenacting, without amendments,  
19 Article – Health – General  
20 Section 15–101(a) and 15–103(b)(1)  
21 Annotated Code of Maryland  
22 (2015 Replacement Volume and 2018 Supplement)

23 BY adding to  
24 Article – Health – General  
25 Section 15–101(f–1) and (i–1)  
26 Annotated Code of Maryland  
27 (2015 Replacement Volume and 2018 Supplement)

28 BY repealing and reenacting, with amendments,

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – Health – General  
2 Section 15–103(b)(21)  
3 Annotated Code of Maryland  
4 (2015 Replacement Volume and 2018 Supplement)

5 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
6 That the Laws of Maryland read as follows:

7 **Article – Health – General**

8 15–101.

9 (a) In this title the following words have the meanings indicated.

10 **(F–1) “PRIMARY BEHAVIORAL HEALTH SERVICES” MEANS THE CLINICAL**  
11 **EVALUATION AND ASSESSMENT OF MENTAL HEALTH AND SUBSTANCE USE**  
12 **DISORDER SERVICES NEEDED BY AN INDIVIDUAL AND THE PROVISION OF MENTAL**  
13 **HEALTH AND SUBSTANCE USE DISORDER SERVICES OR REFERRAL FOR ADDITIONAL**  
14 **MENTAL HEALTH AND SUBSTANCE USE DISORDER SERVICES AS DETERMINED**  
15 **MEDICALLY APPROPRIATE BY A PRIMARY CARE PROVIDER.**

16 **(I–1) “SPECIALTY BEHAVIORAL HEALTH SERVICES” MEANS ANY MENTAL**  
17 **HEALTH AND SUBSTANCE USE DISORDER SERVICES OTHER THAN PRIMARY**  
18 **BEHAVIORAL HEALTH SERVICES.**

19 15–103.

20 (b) (1) As permitted by federal law or waiver, the Secretary may establish a  
21 program under which Program recipients are required to enroll in managed care  
22 organizations.

23 (21) (i) The Department shall establish a delivery system for specialty  
24 [mental] **BEHAVIORAL** health services for enrollees of managed care organizations.

25 (ii) The Behavioral Health Administration shall:

26 1. Design and monitor the delivery system;

27 2. Establish performance standards for providers in the  
28 delivery system; and

29 3. Establish procedures to ensure appropriate and timely  
30 referrals from managed care organizations to the delivery system that include:

31 A. Specification of the diagnoses and conditions eligible for  
32 referral to the delivery system;

1 B. Training and clinical guidance in appropriate use of the  
2 delivery system for managed care organization primary care providers;

3 C. Preauthorization by the utilization review agent of the  
4 delivery system; and

5 D. Penalties for a pattern of improper referrals.

6 (iii) The Department shall collaborate with managed care  
7 organizations to develop standards and guidelines for the provision of specialty [mental]  
8 **BEHAVIORAL** health services.

9 (iv) The delivery system shall:

10 **1. ASSUME FULL FINANCIAL RISK;**

11 [1.] **2. Provide all specialty [mental] BEHAVIORAL health**  
12 **services needed by enrollees, UNDER-INSURED INDIVIDUALS, AND UNINSURED**  
13 **INDIVIDUALS, INCLUDING SERVICES NOT COVERED BY THE PROGRAM;**

14 [2. For enrollees who are dually diagnosed, coordinate the  
15 provision of substance abuse services provided by the managed care organizations of the  
16 enrollees;]

17 3. Consist of a network of qualified [mental] **BEHAVIORAL**  
18 **health professionals from all core disciplines;**

19 4. Include **COORDINATION WITH AND** linkages [with] **TO**  
20 **other public service systems; [and]**

21 5. Comply with quality assurance, enrollee input, data  
22 collection, and other requirements specified by the Department in regulation;

23 **6. PROVIDE A SINGLE POINT OF CONTACT AND UNIFORM**  
24 **PROCESSES FOR PROVIDER CREDENTIALING, CLAIMS PROCESSING, PAYMENT, AND**  
25 **FORMULARY AND SERVICE AUTHORIZATION;**

26 **7. REIMBURSE PROVIDERS AT A RATE THAT**  
27 **ADEQUATELY COMPENSATES FOR COSTS INCURRED AND MINIMIZES UNNECESSARY**  
28 **ADMINISTRATIVE BURDEN;**

29 **8. MEASURE, COLLECT, AND REPORT ON QUALITY OF**  
30 **CARE OUTCOMES AT THE INDIVIDUAL, PROVIDER, AND SYSTEM LEVEL;**

1                   **9.     COMPILE OUTCOMES DATA THAT IS EASY TO USE AND**  
2 **BROADLY ACCESSIBLE TO CONSUMERS, PROVIDERS, AND THE GENERAL PUBLIC;**

3                   **10.   COORDINATE WITH LOCAL BEHAVIORAL HEALTH**  
4 **AUTHORITIES AND LOCAL HEALTH DEPARTMENTS;**

5                   **11.   MANAGE PROVIDER NETWORK AND PARTICIPATION**  
6 **PROCESSES THAT SUPPORT QUALITY CARE;**

7                   **12.   PROVIDE     VALUE-BASED     PAYMENTS     FOR**  
8 **PARTICIPATING PROVIDERS;**

9                   **13.   REIMBURSE PROVIDERS FOR SERVICES DELIVERED**  
10 **IN THE INSTITUTIONS FOR MENTAL DISEASE;**

11                   **14.   COMPLY WITH FEDERAL AND STATE INSURANCE**  
12 **PARITY LAWS;**

13                   **15.   PROVIDE FAIR, IMPARTIAL, AND TIMELY INTERNAL**  
14 **AND EXTERNAL GRIEVANCE AND APPEALS PROCESSES;**

15                   **16.   SERVE ALL ELIGIBLE INDIVIDUALS, REGARDLESS OF**  
16 **AGE; AND**

17                   **17.   ENSURE OPPORTUNITIES FOR STAKEHOLDER**  
18 **INVOLVEMENT IN SYSTEM DESIGN, MANAGEMENT, AND OVERSIGHT.**

19                   (v)    The Department may contract with a managed care organization  
20 for delivery of specialty [mental] **BEHAVIORAL** health services if the managed care  
21 organization meets the performance standards adopted by the Department in regulations.

22                   (vi)   The provisions of § 15–1005 of the Insurance Article apply to the  
23 delivery system for specialty [mental] **BEHAVIORAL** health services established under this  
24 paragraph and administered by an administrative services organization.

25                   **SECTION 2. AND BE IT FURTHER ENACTED,** That the Secretary of Health shall  
26 modify and reissue Request for Proposals No. MDH/OPASS 20–18319, issued November  
27 29, 2018, and entitled “Administrative Services Organization for Maryland’s Public  
28 Behavioral Health System”, to incorporate the provisions of Section 1 of this Act.

29                   **SECTION 3. AND BE IT FURTHER ENACTED,** That this Act shall take effect  
30 October 1, 2019.