Maryland Behavioral Health Coalition

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April 2, 2020

Governor Larry Hogan 100 State Circle Annapolis, MD 21401

Governor Hogan -

I write on behalf of the hundreds of mental health and substance use disorder consumer and family groups, providers, and local behavioral health authorities represented by the member organizations of the Maryland Behavioral Health Coalition. We are incredibly appreciative of the steps taken by you and your administration to combat the spread of COVID-19 in Maryland, and to ensure that all Marylanders can access needed health and behavioral health services during this public health emergency.

Behavioral health services are critically important at this time. As the crisis escalates, the need for quality mental health and substance use treatment will continue to increase. Many Marylanders will experience exacerbations of existing behavioral health disorders. Others will develop and contend with a variety of emotional issues and stressors tied to the loss of income, isolation, and grief resulting from the loss of a loved one. A robust system of community behavioral health providers is essential now more than ever.

The increased flexibility you have provided in telehealth and telephonic service delivery is allowing community behavioral health providers to treat Marylanders in a way that ensures continuity of care and protects all parties from exposure to the coronavirus. Unfortunately, this flexibility will not offset a loss in revenue that threatens the short- and long-term viability of our community provider network. We must act now to prevent a potential reduction in access to community mental health and substance use treatment, both during the immediate crisis and in the aftermath.

Community behavioral health providers operate on razor thin margins. Many have small cash reserves and limited ability to access lines of credit. Adherence to social distancing protocols has reduced face-to-face treatment visits, the primary revenue generator for these programs. Even with the flexibility of telehealth and telephonic interventions, billable encounters have declined. Many providers are faced with serious financial uncertainties, and layoffs and program closures are a very real concern.

Parallel to the COVID-19 crisis, Maryland behavioral health providers have been dealing with an ASO transition that, despite the hard work and commitment of the Maryland Department of Health and the new ASO vendor (Optum), has been beset by a series of setbacks. The transition has had a financially destabilizing impact on providers, a situation that is now exacerbated by the ongoing public health emergency.

Before the coronavirus disrupted life as we know it, the state began issuing estimated payments to providers to stabilize the system while Optum worked to fix its claims processing structure. Those estimated payments have been essential. They have enabled community providers to continue to

maintain essential staffing during this crisis despite fluctuations in volume. But they are slated to end on April 20 in conjunction with a planned system relaunch. While we now understand that the relaunch date may be pushed back, the concerns about Optum system and provider readiness remain unchanged. Relaunching the ASO claims payment system without first guaranteeing estimated payments could be the breaking point for some of these essential community providers. We urge you to maintain the estimated payment structure throughout the duration of the public health state of emergency and continue to postpone the ASO relaunch until such time that the system can be adequately tested.

We know you are juggling many urgent priorities in your effort to save lives. However, the potential impact of further service disruption for the one in five Marylanders living with mental health and substance use needs is of deep concern, and we felt it important to bring this issue to your attention.

We thank you for your consideration and would welcome the opportunity to discuss this and other time sensitive issues of importance to the behavioral health community.

Sincerely,

Linda J. Raines

Chair, Maryland Behavioral Health Coalition

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cc: Robert R. Neall, Secretary, Maryland Department of Health

Dennis R. Schrader, Chief Operating Officer and Medicaid Director, Maryland Department of Health

Aliya Jones, M.D., MBA, Deputy Secretary and Executive Director, Behavioral Health Administration