

White Paper on Mental Health Legislation

The NM Legislative Health and Human Services Interim committee met in Albuquerque the week of August 11 thru August 13. The focus of the committee hearing was to be on Mental Health here in our state of NM.

Testimony received centered on several areas for improving access to mental health services. One area of concern is how we pay for behavioral health services. How to pay and retain behavioral health professionals is a concern. Reimbursement rates have been increased, but, MCO's will refuse payment citing utilization management or lack of medical necessity in denying payment.

One suggestion during the committee hearing was to consider switching the Medicaid payment for behavioral health services from reimbursement to a pro-active model where funding for services would be paid up-front guaranteeing continuity of services and adding reimbursements, a modified global budget approach. A global budget is a fixed prospective payment that is based on historical utilization and is adjusted annually. Global budgets can provide a predictable revenue source. The states of New York, Maryland, Vermont and Pennsylvania have experience with global budgeting for hospital systems.

In a report/study supported by the Robert Wood Johnson Foundation for the NM Office of Superintendent of Insurance, dated Jan 28, 2022, suggests that if NM is to consider global budgeting, the report gives a list of entities who should participate, ie., Medicare FFS, Medicaid FFS and managed care and also the state's largest commercial insurers. Further study of this approach is important with the NM OSI, HSD, legislators especially as HSD is in process of filing the new Medicaid Plan with federal government.

Another suggestion during the committee hearing was to consider SBIRT (Screening, Brief Intervention and Referral to Treatment) to not just be applicable to adults but to also include children. CMS allows states to provide any service covered by the state's Medicaid Plan to any student enrolled in Medicaid. We should review NM's Medicaid Plan. If SBIRT is not covered, this should be added to the Medicaid Plan currently being prepared for submission to CMS.

Behavioral health agencies do not qualify for the Federal Primary Health Care funding. Concern exists that new programs in underserved communities need to access monies that will help to hire staff. Having access to start up monies would be helpful. The Federal HHS was seeking public comment on it Initiative to Strengthen Primary Health Care from June 27, 2022 to Aug. 1, 2022. Although the period for public comment has closed, questions from NM DOH, HSD, OSI and legislators can be made for further information. NM can also consider creating a start-up fund for behavioral health programs in underserved communities utilizing a funding stream tbd.