

August 13, 2012

Deputy Secretary Charles Milligan  
Department of Health and Mental Hygiene  
Health Care Financing  
201 West Preston Street  
5<sup>th</sup> Floor  
Baltimore, MD 21201-2301

**RE: Behavioral Health Integration Phase 2 – Call for Comment**

Dear Deputy Secretary Milligan:

Jai Medical Systems Managed Care Organization, Inc. (Jai Medical Systems) would like to thank the Department of Health and Mental Hygiene (Department) for the opportunity to provide comments concerning the Behavioral Health Integration models currently being considered. The comments we provide are based on our knowledge and experience as an organization that has worked with the Medicaid program for over forty years. Our experience includes working with vulnerable populations as a historic community health care provider; serving as a Patient Centered Medical Home; and serving as a substance abuse treatment provider. Further, as a managed care organization our experience has included participation on the Lieutenant Governor's Task Force on Substance Abuse, and more recently service as the co-chair of the administrative work group of the Department's Substance Abuse Task Force. We feel our participation in the delivery improvement process has yielded positive results. Most notably, the codification of the current self-referral protocol into regulations has contributed greatly to a significant increase in utilization and access to substance abuse services for all Medicaid recipients. In fact, it is our understanding that substance abuse treatment is being provided at historically high rates.

In our opinion, there are many aspects of the existing system that are beneficial. Utilization and payment for substance abuse services is at historically high levels. The self-referral methodology currently in place is working well. However, while we are pleased with these improvements; we believe a greater focus on *provider* quality and outcomes must occur. Further, it is our belief that any model adopted by the Department should have the monitoring of quality and outcomes as its central components.

Jai Medical Systems has reviewed the three Behavioral Health Options presented by the Department. Based on our review of the information presented, we believe Option 1, Protected Carve-In, to be the best option in terms of comprehensive integration of care,

especially when considered within the broader spectrum of the Affordable Care Act and Health Care reform. Our rationale is as follows:

- Option 1 is the only model which achieves *full* integration of somatic health care, mental health care, and addiction care.
- Option 1 aligns incentives across all systems and rewards care coordination and improved outcomes based on risk assumption.
- Option 1 promotes single source data integration and collection.
- Option 1 reduces administrative complexity for recipients by creating single source access to benefits and services.
- Option 1 will reduce administrative complexity for providers by eliminating the selection process of which “entity” should be billed.
- Option 1 will reduce the administrative complexity of the Maryland Medicaid program for the Department, ultimately reducing program costs.
- Option 1 is the only model which facilitates the transition of individuals between Maryland Medicaid and the Maryland Health Benefit Exchange (Exchange), in that it is the model that is most similar to the commercial products that will be offered through the Exchange. Further, Option 1 allows information to be shared through a single source, which will reduce administrative and clinical complexity for individuals transitioning between Medicaid and the Exchange.

Unfortunately, Jai Medical Systems does not believe that Option 2 or Option 3 will accomplish the Department’s and stakeholders’ goals of creating a comprehensive, integrated health care delivery system. Our rationale is as follows:

Option 2, Risk-Bearing Carve Out, will *further* fragment care by removing substance abuse treatment from the HealthChoice MCO benefit package to join mental health services as a carve out. This presents a *prima facie* problem, in that the desired outcome of integration of behavioral health with somatic care is not achieved. In fact, fragmented care is *expanded* under this model. For over 15 years, integration and coordination of mental health services with somatic care services offered under the HealthChoice program has been an unrealized goal for the program. There is no logical reason to assume that the addition of substance abuse under the mental health carve out would improve integration or solve this problem. We believe the most significant contributing factor to this lack of integration of mental health with somatic health has historically been concerns about violating privacy laws. We do not believe that these concerns would be alleviated through the additional carve out of substance abuse, in fact this would expand the problem. Additionally, Option 2 would be dissimilar from the products offered through the Exchange, adding unnecessary complexity for individuals transitioning between Medicaid and the Exchange. We also believe that this option is regressive in that it undermines Patient Centered Medical Home concepts, which place a major emphasis on *patient focused* health care integration and a team management approach to care.

Jai Medical Systems opposes Option 3, Specialty Behavioral Health MCO, because it *segregates* people and potentially creates an unnecessary stigma for those individuals

suffering from mental health and substance abuse problems. Like Option 2, Option 3 creates a model that will increase the difficulty of integration with health care reform, in that it is dissimilar to the products that will be offered in the Exchange. Essentially, Medicaid would be the only health insurance program in Maryland that segregates people based on an illness or disease process over which the individual has no control.

As the Department considers its various options, we suggest the Department attempt to leverage existing delivery systems and infrastructure to support integration. Further, we believe that in addition to adequate funding, a greater emphasis must be placed on provider quality monitoring and outcomes regardless of the option selected by the Department and stakeholders. Again, thank you for the opportunity to comment. Please feel free to contact me in the office at (410) 433-2200 if you have any questions regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jai Seunarine', with a long horizontal flourish extending to the right.

Jai Seunarine  
Chief Executive Officer