

# HOUSE . . . . . No. 1396

## The Commonwealth of Massachusetts

PRESENTED BY:

*James J. O'Day*

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act strengthening mental health centers.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>James J. O'Day</i>	<i>14th Worcester</i>	<i>1/15/2025</i>
<i>David Paul Linsky</i>	<i>5th Middlesex</i>	<i>2/5/2025</i>
<i>Carmine Lawrence Gentile</i>	<i>13th Middlesex</i>	<i>2/6/2025</i>
<i>Paul McMurtry</i>	<i>11th Norfolk</i>	<i>2/10/2025</i>
<i>Brian W. Murray</i>	<i>10th Worcester</i>	<i>2/10/2025</i>
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>	<i>2/10/2025</i>
<i>Daniel Cahill</i>	<i>10th Essex</i>	<i>2/10/2025</i>
<i>James K. Hawkins</i>	<i>2nd Bristol</i>	<i>2/12/2025</i>
<i>James C. Arena-DeRosa</i>	<i>8th Middlesex</i>	<i>2/13/2025</i>
<i>Marjorie C. Decker</i>	<i>25th Middlesex</i>	<i>2/18/2025</i>
<i>John H. Rogers</i>	<i>12th Norfolk</i>	<i>2/24/2025</i>
<i>James Arciero</i>	<i>2nd Middlesex</i>	<i>2/24/2025</i>
<i>Natalie M. Higgins</i>	<i>4th Worcester</i>	<i>2/24/2025</i>
<i>Manny Cruz</i>	<i>7th Essex</i>	<i>2/25/2025</i>
<i>Samantha Montaño</i>	<i>15th Suffolk</i>	<i>2/27/2025</i>
<i>Rodney M. Elliott</i>	<i>16th Middlesex</i>	<i>3/3/2025</i>
<i>Daniel M. Donahue</i>	<i>16th Worcester</i>	<i>3/7/2025</i>
<i>Tara T. Hong</i>	<i>18th Middlesex</i>	<i>3/7/2025</i>

<i>Danillo A. Sena</i>	<i>37th Middlesex</i>	<i>3/11/2025</i>
<i>Adrian C. Madaro</i>	<i>1st Suffolk</i>	<i>3/19/2025</i>
<i>Erika Uytterhoeven</i>	<i>27th Middlesex</i>	<i>3/21/2025</i>
<i>Jennifer Balinsky Armini</i>	<i>8th Essex</i>	<i>3/31/2025</i>
<i>Mike Connolly</i>	<i>26th Middlesex</i>	<i>4/22/2025</i>
<i>David Henry Argosky LeBoeuf</i>	<i>17th Worcester</i>	<i>4/22/2025</i>
<i>David M. Rogers</i>	<i>24th Middlesex</i>	<i>4/22/2025</i>
<i>Priscila S. Sousa</i>	<i>6th Middlesex</i>	<i>5/12/2025</i>
<i>John Francis Moran</i>	<i>9th Suffolk</i>	<i>5/12/2025</i>
<i>Margaret R. Scarsdale</i>	<i>1st Middlesex</i>	<i>5/13/2025</i>
<i>Sean Garballey</i>	<i>23rd Middlesex</i>	<i>5/21/2025</i>
<i>Edward R. Philips</i>	<i>8th Norfolk</i>	<i>7/21/2025</i>
<i>Christopher Hendricks</i>	<i>11th Bristol</i>	<i>7/21/2025</i>
<i>Patricia A. Duffy</i>	<i>5th Hampden</i>	<i>7/21/2025</i>
<i>Lindsay N. Sabadosa</i>	<i>1st Hampshire</i>	<i>10/8/2025</i>
<i>Hadley Luddy</i>	<i>4th Barnstable</i>	<i>10/16/2025</i>

**HOUSE . . . . . No. 1396**

By Representative O'Day of West Boylston, a petition (accompanied by bill, House, No. 1396) of James J. O'Day and others for legislation to increase minimum payment rates for certain behavioral health services. Health Care Financing.

**The Commonwealth of Massachusetts**

**In the One Hundred and Ninety-Fourth General Court  
(2025-2026)**

An Act strengthening mental health centers.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Chapter 118E of the General Laws, as appearing in the 2022 official  
2 edition, is hereby amended by inserting after 13D½ the following section:-

3 Section 13D¾.

4 (a) For the purposes of this section, the following words shall have the following  
5 meanings:

6 “Behavioral health clinic”, a clinic licensed by the department of public health pursuant  
7 to section 3 and sections 51 through 56 of chapter 111 and regulated pursuant to 130 CMR  
8 429.000.

9 “Behavioral health services”, evaluation, diagnosis, treatment, care coordination,  
10 management or peer support of patients with mental health, developmental or substance use  
11 disorder.

12 “Independent practitioner”, an individual who is licensed by the board to practice  
13 independent clinical social work and who meets the qualifications set forth in section 131 of  
14 chapter 112 for an independent clinical social worker and is regulated pursuant to 130  
15 CMR462.000.

16 “Minimum payment rates”, rates of payment for services below which managed care  
17 entities may not enter into provider agreements.

18 (b) The division shall increase minimum payment rates for behavioral health services by  
19 5% per procedure code for rates of payment effective as of January 1, 2027.

20 (c) Pursuant to sections 13C and 13D, and notwithstanding any general or special law to  
21 the contrary, the division shall ensure that each rate of payment or component payment in a  
22 bundled rate for behavioral health services delivered in behavioral health clinics are no less than  
23 20% above comparable behavioral health services delivered by independent practitioners.

24 (d) The division shall review behavioral health service rates biennially. This review shall  
25 include, but not be limited to, the following: (i) adoption of an inflationary adjustment factor no  
26 less than the total Medicare Economic Index percentage for the past two calendar years; (ii)  
27 where possible, comparison of the wage estimate for each classification of staff position to the  
28 75th percentile wage estimate for that position as determined by the most current United States  
29 Bureau of Labor Statistics for the commonwealth; and (iii) consideration of the reasonable cost  
30 to providers of any existing or new governmental mandate that has been enacted, promulgated or  
31 imposed by any governmental unit or federal governmental authority.

32 SECTION 2. Said chapter 118E is hereby amended by inserting after section 13L the  
33 following new section:-

34 Section 13M.

35 (a) For the purposes of this section, the following words shall have the following  
36 meanings:

37 “Behavioral health clinic”, a clinic licensed by the department of public health pursuant  
38 to section 3 and sections 51 through 56 of chapter 111, and that is regulated pursuant to title 130  
39 CMR 429.000.

40 “Behavioral health services”, evaluation, diagnosis, treatment, care coordination,  
41 management or peer support of patients with mental health, developmental or substance use  
42 disorder.

43 “Independent practitioner”, an individual who is licensed by the board to practice  
44 independent clinical social work and who meets the qualifications set forth in section 131 of  
45 chapter 112 and who is regulated pursuant to 130 CMR462.000.

46 “Managed care entity”, all contracted health insurers, health plans, health maintenance  
47 organizations, behavioral health management firms and third-party administrators under contract  
48 to a Medicaid managed care organization or primary care clinician plan, and accountable care  
49 organizations.

50 “Minimum payment rates”, rates of payment for services below which managed care  
51 entities may not enter into provider agreements.

52 (b) Notwithstanding applicable state and federal laws, the division shall direct its  
53 managed care entities to increase minimum payment rates for behavioral health services by 5%  
54 per procedure code for rates of payment effective as of January 1, 2027.

55 (c) The division shall direct managed care entities to ensure that each rate of payment or  
56 component payment in a bundled rate for behavioral health services delivered in behavioral  
57 health clinics is no less than 20% above comparable behavioral health services delivered by  
58 independent practitioners.

59 (d) The division shall review rates of payment by managed care entities for behavioral  
60 health services biennially. This review shall include, but not be limited to, the following: (i)  
61 adoption of an inflationary adjustment factor no less than the total Medicare Economic Index  
62 percentage for the past two calendar years; (ii) where possible, comparison of the wage estimate  
63 for each classification of staff position to the 75th percentile wage estimate for that position as  
64 determined by the most current United States Bureau of Labor Statistics for the commonwealth;  
65 and (iii) consideration of the reasonable cost to providers of any existing or new governmental  
66 mandate that has been enacted, promulgated or imposed by any governmental unit or federal  
67 governmental authority.