

HOUSE No.

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>

HOUSE No.

[Pin Slip]

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.