



PROVIDER ALERT

TRANSITION TO FEE-FOR-SERVICE

REVISED

JUNE 3, 2016

Below is a correction and clarification to an earlier alert issued on April 28, 2016.

As has been the plan since the conception of carving Substance Use Disorder (SUD) services out of the medical benefits managed by Managed Care Organizations, the State of Maryland's Behavioral Health Administration (BHA) will be moving all ambulatory grant funded services for the treatment of SUDs to a fee-for-service structure, managed by the State's Administrative Services Organization, Beacon Health Options (Beacon), formerly known as ValueOptions, by January 1, 2017. However, local health departments (LHDs) and local addiction authorities (LAAs) were given the option of moving grant funds to fee-for-service earlier, on July 1, 2016.

In the jurisdictions that selected this early option, all ambulatory providers will be able to bill for uninsured services through Beacon beginning on July 1, 2016. This will:

- ensure *continuity of care for individuals* in the participating jurisdictions who lose Medicaid eligibility while in a span of care,
- ensure *continuity of payment* for all providers in the participating jurisdictions serving both Medicaid and uninsured individuals,
- enable Medicaid providers to bill Beacon for all eligible SUD services,



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- provide consistency and transparency in payment methodology, thus ensuring that individuals who receive retroactive Medicaid are paid with the appropriate fund source through the Beacon system, and
- encourage providers to expand capacity in the participating jurisdictions when payment is streamlined through Beacon.

The following jurisdictions are moving grant funds to fee-for-service on July 1, 2016:

Allegany County
Baltimore City
Carroll County
Frederick County
Queen Anne's County
Somerset County
Wicomico County
Worcester County

Jurisdictions not listed above have elected to move to fee-for-service under Beacon on January 1, 2017.

To retain and expand existing system capacity, one-time-only, time-limited financial support may be available to grant funded providers or local authorities who encounter a deficit when making the transition to the Beacon system. To access these funds to transition to the fee-for-service environment, the provider (LHD, LAA, or grant-funded SUD provider) must:

- Demonstrate a clear plan for how the money will be used to prepare the entity to maintain and grow services in their jurisdiction,
- Express a commitment to continue to provide and expand these services beyond the transition date to fee-for-service,



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- Demonstrate they are (or have a solid plan to become) self-sustaining, and
- Demonstrate the ability to provide quality care and function in a fee-for-service environment.

Additional instructions will be provided to LHDs/LAAs as part of the transition process. If you are a grant funded provider seeking financial support to convert to a fee-for-service environment, please contact your LHD/LAA to express your interest in financial support.