October 3, 2025

The Honorable James M. Murphy
Chair, Joint Committee on Financial Services
24 Beacon Street, Room 254
Boston, MA 02133

The Honorable Paul Feeney
Chair, Joint Committee on Financial Services
24 Beacon Street, Room 112
Boston, MA 02133

Dear Chair Murphy, Chair Feeney, and Members of the Joint Committee on Financial Services:

Re: Testimony in support of H.1135/S.709, *An Act for supportive care for serious mental illness*, and H.1276/S.703, *An Act relative to Community Behavioral Health Centers*

On behalf of the Massachusetts Association for Mental Health (MAMH) and the Mental Health Legal Advisors Committee (MHLAC), we write to respectfully submit this testimony in support of the above-referenced bills, heard by your Committee on September 9, 2025.

Formed over a century ago, MAMH is dedicated to promoting mental health and well being, while preventing behavioral health conditions and associated disability. MAMH is committed to advancing prevention, early intervention, effective treatment, and research for people of all ages. MAMH seeks to eliminate stigma and discrimination and advance full inclusion in all aspects of community life. This includes discrimination affecting not only people with behavioral health conditions, but also people who face unequal burdens and barriers due to their race, ethnicity, gender identity, or disability status. MAMH has a demonstrated record of furthering its mission by convening stakeholders across the behavioral health and public health communities; disseminating emerging knowledge; and providing subject matter expertise to inform public policy.

MHLAC provides legal and policy advocacy throughout the Commonwealth for people with mental health issues. A state agency, MHLAC's priority is to address concerns that affect clients' ability to live full and independent lives. When clients are at risk of placement in institutional settings, MHLAC seeks to protect them from unnecessary loss of liberty and to ensure access to appropriate treatment in the least restrictive setting possible. MHLAC is particularly interested in promoting full access to community-based mental health services and programs.

H.1135/S.709, *An Act for supportive care for serious mental illness*

This bill requires that commercial and Group Insurance Commission (GIC) health insurance plans cover two evidence-based practices for first episode psychosis: Coordinated Specialty Care (CSC) and Assertive Community Treatment (ACT). Both approaches are highly effective.

Psychosis typically first appears in youth between the ages of 16 and 22. Often, these young people end up in hospitals as their symptoms emerge. Once discharged, it may take many months to access appropriate

treatment, if they do in fact receive such care. In the meantime, these conditions can "derail a young person's social, academic, and vocational development and initiate a trajectory of accumulating disability."[1]

Currently, commercial insurance does not cover these critical programs even though the Affordable Care Act (ACA) requires health insurers to cover dependents until age 26 and we have strong mental health parity laws requiring that mental health care should be comparable to physical health care. As a result of commercial carriers' lack of provision of coverage, young people typically end up receiving treatment paid for by taxpayer-funded programs, and usually only after a substantial delay. Similarly, GIC plans are not required to offer this coverage.

CSC and ACT are community-based, interdisciplinary, and multi-faceted

CSC is a program for people with first episode psychosis. It links the individual with services as soon as possible after psychotic symptoms begin. CSC uses a multi-disciplinary team of specialists to deliver psychotherapy, medication management, family education and support, case management, and work or education support.[2] Using shared decision-making, the individual and the team make treatment decisions together, involving family members as much as possible.[3] CSC services are wrap around and available 24/7.

ACT employs "a multidisciplinary service team approach to providing intensive, community-based, and recovery-oriented psychiatric treatment, assertive outreach, rehabilitation, and support to individuals with severe and disabling mental health conditions."[4] The team provides comprehensive nonacute behavioral health and substance use treatment as well rehabilitation, vocational, and housing-related assistance.[5] Services are delivered in the individual's own community and home and are available 24/7.[6] They are also intensive, designed to suit the specific needs of people served, in accordance with national Substance Abuse and Mental Health Services Administration (SAMHSA) guidelines.[7]

In recent years, both these programs have consistently incorporated evidence-based, person-centered techniques including Open Dialogue and the incorporation of certified peer support specialists into the multi-disciplinary team.

CSC and ACT show clinical efficacy

Research supports the efficacy of these services when implemented consistent with clinical standards. The Recovery After Initial Schizophrenia Episode (RAISE) research project of the National Institute of Mental Health

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[1] Heinssen, R., Goldstein, A., & Azrin, S. (2014). Evidence-based treatment for first episode psychosis: Components of coordinated specialty care. National Institute of Mental Health.

[2] National Institute of Mental Health (NIMH). What is Coordinated Specialty Care (CSC)? Retrieved 22 September 2025 at: https://www.nimh.nih.gov/research/research-funded-by-nimh/research-initiatives/recovery-after-an-initial-schizophrenia-episode-

[3] National Institute of Mental Health. What is Coordinated Specialty Care (CSC)? Retrieved 22 September 2025 at: https://www.nimh.nih.gov/research/research-funded-by-nimh/research-initiatives/recovery-after-an-initial-schizophrenia-episode-

[4] Massachusetts Behavioral Health Partnership. Medical Necessity Criteria: Program of Assertive Community Treatment. Last review 22 September 2025. Retrieved from: https://www.masspartnership.com/pdf/MNC-PACT.pdf

[5] Massachusetts Behavioral Health Partnership. Medical Necessity Criteria: Program of Assertive Community Treatment. Last review 22 September 2025. Retrieved from: https://www.masspartnership.com/pdf/MNC-PACT.pdf

[6] Massachusetts Behavioral Health Partnership. Medical Necessity Criteria: Program of Assertive Community Treatment. Last review 22 September 2025. Retrieved from: https://www.masspartnership.com/pdf/MNC-PACT.pdf

[7] Substance Abuse and Mental Health Services Administration. Assertive Community Treatment Evidence-Based Practices Kit. DHHS Pub. No. SMA-08-4345, Rockville, MD: Center for Mental Health Services, Substance Abuse and Mental Health Services Administration, U.S. Department of Health and Human Services, 2008.

(NIMH) reports "early diagnosis and appropriate treatment make it possible to recover from psychosis."[8] Studies of CSC have shown improvements in scores for symptoms, occupational functioning, and social functioning scales, increased education and employment rates, and decreased hospitalization.[9] ACT also reduces inpatient hospitalization days and emergency room visits and yields other positive outcomes including increased housing stability, improved quality of life, fewer symptoms, increased social functioning, and higher individual and family satisfaction.[10]

These services provide better outcomes for the individual than alternatives. Coverage of these treatment programs at the onset of a crisis prevents clinical deterioration, functional disability, and the need for more intensive treatment.

CSC and ACT are cost effective

Commercial insurance benefits that focus on acute inpatient care are the most expensive and least effective over the long term. Both CSC and ACT provide less expensive community-based care and avoid expensive hospitalization.

A 2018 study demonstrates this point. It analyzed a CSC service known as Specialized Treatment Early in Psychosis (STEP) over a one-year period, finding that the patients who received the service "were significantly less likely to have any inpatient or ED visits; among individuals who did use such services in a given period, the associated costs were significantly lower for STEP participants at month 12." These researchers concluded that these promising findings could reduce costs incurred by third-party payers.[11]

Similarly, research since the 1970's has shown that ACT is more cost effective than other types of care.[12]

H.1276/S.703, *An Act relative to Community Behavioral Health Centers*

CBHCs are the central element of the Commonwealth's Roadmap for Behavioral Health Reform. The vision of the Roadmap is that everyone – regardless of insurance – can get the behavioral health care they need, when and where they need it. However, without the ability to deliver payer-agnostic services, CBHCs cannot serve all individuals equitably. This bill would mandate commercial coverage for all services delivered through CBHCs.

Differential access to CBHC services based on insurance type is problematic and counterproductive. Since January 2023, 25 new Community Behavioral Health Centers (CBHCs) have provided persons of all ages a range of evidence-based, integrated mental health and addiction treatment, including behavioral health urgent care, community crisis response, same day assessments and referrals, follow-up appointments, and psychiatry.

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[8] Recovery After Initial Schizophrenia Episode (RAISE) research project of the National Institute of Mental Health (NIMH). Why Was RAISE a Priority for NIMH? Retrieved 22 September 2025 at: https://www.nimh.nih.gov/research/research-funded-by-nimh/research-initiatives/recovery-after-an-initial-schizophrenia-episode-raise

[9] Nossel, I., Wall, M., et. al., Results of a Coordinated Specialty Care Program for Early Psychosis and Predictors of Outcomes. Psychiatric Services, 15 May 2018.

[10] McLaughlin, J. J. (2013). Assertive community treatment: An evidence-based practice and its continuing evolution. In J. Rosenberg & S. J. Rosenberg (Eds.), Community mental health: Challenges for the 21st century (pp. 197–214). Routledge/Taylor & Francis Group.

[11] Sean M. Murphy *et al*., An Economic Evaluation of Coordinated Specialty Care (CSC) Services for First-Episode Psychosis in the U.S. Public Sector, 21 J. Mental Health Policy and Economics (Sept. 1, 2018), pp. 123-130, https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6314808/

[12] Latimer, E., Economic considerations associated with assertive community treatment and supported employment for people with severe mental illness, J Psychiatry Neuroscience. 2005 Sep; 30(5): 355–359.

MassHealth and their managed care entities cover this entire suite of CBHC services,[13] but commercial carriers are only mandated to cover *crisis* services.[14]

This differential access to CBHC services based on insurance type causes confusion among providers and individuals served. Those with commercial coverage who enter a CBHC in a behavioral health crisis can be evaluated and stabilized, yet they can only receive up to three visits of CBHC outpatient services to support urgent access post-crisis and transitions to ongoing care. These three visits are across an entire calendar year. Billing for these three outpatient visits is also a complex and cumbersome process.[15]

Further, individuals who are commercially insured are not covered for important longer-term services provided by CBHCs, such as case management; coordination with a child's school, primary care, and other social services; recovery coaching who support individuals with substance use condition through lived experience; group therapy; and nurse-led wellness interventions with corresponding lab work. Instead, commercially insured individuals are more likely to be routed through the traditional outpatient mental health system and/or primary care system. They suffer long wait times while conditions worsen.

H.1276/S.703 would mandate that commercial insurers cover *all services* delivered in CBHCs. This bill ensures that all individuals that walk through the doors of a CBHC can be offered on-demand and payor-agnostic behavioral health care. This outcome is the aim of the Roadmap for Behavioral Health Reform.

For all these reasons, we urge you to report H.1135/S.709*, An Act for supportive care for serious mental illness*, and H.1276/S.703, *An Act relative to Community Behavioral Health Centers*, favorably out of Committee. Please let us know if we can answer any questions or provide additional information. Thank you for your consideration.

Sincerely,

Jennifer Honig, Esq.
Director of Law and Policy
Mental Health Legal Advisors Committee

Jessica Larochelle, MPH
Director for Public Policy and Government Relations
Massachusetts Association for Mental Health

Cc: Representative Decker, Representative O'Day, Senator Cronin

[13] Massachusetts Behavioral Health Partnership. Community Behavioral Health Center (CBHC) Performance Specifications. Retrieved 22 September 2025 at: https://providers.masspartnership.com/pdf/Appendix2aCBHCPerfSpecs2-1-22FIN.pdf

[14] Chapter 177 of the Acts of 2022, Sections 27, 49, 51, 55, 58, and 61. MassHealth and its plans and contractors, GIC plans, and all commercial health plans sold in Massachusetts as insurance and regulated by the Division of Insurance (DOI) are required to cover "Emergency Services Programs," 24/7 behavioral health crisis assessment, intervention, and stabilization services including mobile crisis intervention, emergency community-based locations, and adult community crisis stabilization services.

[15] Commercial coverage for up to three visits of CBHC outpatient services to support urgent access post-crisis and transitions to ongoing care is variable. CBHCs can bill the Behavioral Health Access and Crisis Intervention Trust Fund for the three visits if the commercial plan does not pay. They can also bill the Trust Fund for the difference between what the commercial plan pays for the three visits and what MassHealth pays (the commercial plan typically pays less).