

GOOD GOVERNANCE CASE STUDY

AN ONLINE SERIES BY THE GOVERNANCE INSTITUTE

Strategic Partnerships: Expanding Access to Comprehensive Mental Health

FALL 2024






The Governance Institute®

The essential resource for governance knowledge and solutions®

1245 Q Street, Lincoln, NE 68508

(877) 712-8778

 [GovernanceInstitute.com](https://www.GovernanceInstitute.com)

 [/The Governance Institute](https://www.linkedin.com/company/The-Governance-Institute)

Stephen W. Kett	Chief Executive Officer
Cynthia Ballow	Vice President, Operations
Kathryn C. Peisert	Editor in Chief & Senior Director
Glenn Kramer	Creative Director
Kayla Wagner	Senior Editor
Aliya Flores	Editor
Laura Simmons	Assistant Editor

The Governance Institute is a service of NRC Health. Leading in the field of healthcare governance since 1986, The Governance Institute provides education and information services to hospital and health system boards of directors across the country. For more information about our services, please call toll free at (877) 712-8778, or visit our Web site at [GovernanceInstitute.com](https://www.GovernanceInstitute.com).

The Governance Institute endeavors to ensure the accuracy of the information it provides to its members. This publication contains data obtained from multiple sources, and The Governance Institute cannot guarantee the accuracy of the information or its analysis in all cases. The Governance Institute is not involved in representation of clinical, legal, accounting, or other professional services. Its publications should not be construed as professional advice based on any specific set of facts or circumstances. Ideas or opinions expressed remain the responsibility of the named author(s). In regards to matters that involve clinical practice and direct patient treatment, members are advised to consult with their medical staffs and senior management, or other appropriate professionals, prior to implementing any changes based on this publication. The Governance Institute is not responsible for any claims or losses that may arise from any errors or omissions in our publications whether caused by The Governance Institute or its sources.

© 2024 The Governance Institute. All rights reserved. Reproduction of this publication in whole or part is expressly forbidden without prior written consent.

Strategic Partnerships: Expanding Access to Comprehensive Mental Health

Organizations Profiled:

Meritus Health

Maulik Joshi, Dr.P.H., President & CEO

David M. Lehr, Chief Strategy Officer

James Stojak, Board Chair

Brook Lane

Jeffrey D. O'Neal, M.B.A., LCPC, FACHE, Chief Executive Officer

Statement of Interest

In July 2024, Meritus Health, Western Maryland's largest healthcare provider, affiliated with Brook Lane, a comprehensive non-profit mental health system, for the purposes of expanding mental health services across Washington County, the state of Maryland, and parts of neighboring Pennsylvania and West Virginia.

This case study describes the affiliation journey of these two organizations, including their perspective on the health system's role in addressing the mental health crisis in the U.S. and how board members should be supporting their executive teams in this effort.

About Meritus Health



Meritus Health is located at the crossroads of Western Maryland, Southern Pennsylvania, and the Eastern Panhandle of West Virginia. With nearly 3,000 employees, 500 medical staff members and 250 volunteers, Meritus Health serves over 200,000 residents of the tri-state region.

Meritus Medical Center, the flagship facility of the health system, has more than 327 beds and is a Joint Commission accredited hospital. Meritus Medical Center has officially become a teaching hospital, serving as a clinical training site for the Meritus Family Medicine Residency Program, as well as for more than 1,000 nursing and allied health students annually.

Meritus Health also includes Meritus Medical Group, a network of 20 medical practices with more than 250 providers; Meritus Home Health; and Meritus Equipped for Life, a medical equipment company. Meritus Health is a 25 percent owner of Maryland Physicians Care, a 235,000 Medicaid member health plan.

Meritus Health also recently launched the Meritus School of Osteopathic Medicine with the first class of 90 students to start in the summer of 2025. This will be the first new medical school in Maryland in over 100 years and has a mission to prepare future generations of physicians that are professionally accomplished, socially responsible, and community oriented.

Mission:

Improve the health of our community.

Vision:

To be the best health system.

About Brook Lane



Brook Lane is western Maryland’s largest, non-profit mental health system. The main campus in Hagerstown is home to the second largest freestanding psychiatric hospital in Maryland, serving children, adolescents, and adults. Brook Lane provides a residential program for children and adolescents, partial hospitalization services for both adults and children, and operates Title 1 special education schools in Washington County and Frederick County. Brook Lane’s three outpatient locations offer psychiatry services and therapy for various ages. The InSTEP program provides outpatient and intensive outpatient treatment options for individuals with substance use treatment needs.

Mission:

To help individuals improve their emotional and behavioral well-being through education and treatment.

Vision:

A healthier community strengthened by comprehensive behavioral health services.

By combining resources, this affiliation enables an expanded model for mental health that extends access and creates one of the largest and most accessible provider organizations in the nation for mental health. Integrated clinical offerings include 80 inpatient beds; a psychiatry residency program; a high-acuity residential crisis program; day treatment programs for children, adolescents, and adults; substance abuse treatment services; mental health urgent care; mental health telehealth visits; a Type III and two Type I school programs with school-based therapists; interventional psychiatry programs; and an employee assistance program servicing 12 organizations. Together, 25 providers, 105 licensed therapists, 115 dedicated nursing staff, and 20 teachers are all dedicated to supporting mental health services.

Beginnings of a Partnership

Brook Lane and Meritus have a long tradition of partnering in the community, including a recent joint venture to open a mental health urgent care center on the Meritus Health campus in Hagerstown in 2023. Access to mental health was a known and widening gap in the community. “Our organizations both have a mission to improve the health of our communities, so we had an alignment at the start,” said Maulik Joshi, President & CEO of Meritus Health. “We always looked to Meritus as a community leader in our region so it was a natural fit,” added Brook Lane CEO Jeffrey O’Neal.

Brook Lane was founded by the Mennonite Church after WWII, with the first patients being admitted to a 23-bed hospital in January 1949. The Church developed a vision of care for those with mental illness based on the theology of healing, inspired by the deplorable conditions of state mental health institutions at the time. They had an initial goal of opening three mental health facilities and ended up building about a dozen, mostly in the Midwest and West. Many are still in existence today. Brook Lane represents the only such organization on the East Coast. Of the many things that make the institution unique, it provides not just inpatient and ambulatory mental health (for both adults and children) but also incorporates school programs. “If you have children in a residential or treatment setting, their education is critical to their ongoing well-being. Tying that together with the ability to provide specialty care is the secret sauce,” said O’Neal.

The Journey

“The first conversation we had was about mission,” said Joshi. “We look at ROI from a mission perspective, not a financial perspective. From a mission perspective it was the right thing to do. Behavioral health is our top community need.” O’Neal concurred that Meritus was the logical choice because they shared that focus on mission, access, and creating better health benefits for the community.

“Brook Lane is a major community resource. It goes broader than just our community, and one of only two institutions like this in our state,” said James Stojak, Meritus Health Board Chair, who has served as a Meritus trustee in various capacities for over 18 years. Through the informal process of getting to know more about Brook Lane via joint ventures, as well as learning more about the organization from the community perspective, Joshi, Stojak, and the Meritus board saw that a more formal affiliation could help by providing greater access to much needed mental health care.

The issues to overcome were largely related to building trust with the Brook Lane board members, all of whom were of the Mennonite faith. Because of the organization’s religious affiliation, their bylaws included restrictions about who could serve on the board and the related approval process. “We had four face-to-face meetings with their board over a period of six months,” said Stojak. “The first one was essentially a meet and greet, and subsequent meetings involved more detailed conversations, until we got to the point where we recommended the affiliation, given that we could provide them and their employee base some financial assistance and support, which was needed on their side.”

Details of the Affiliation

Both organizations wanted to offer a more complete set of services along the full continuum of care; they both had missing puzzle pieces and saw that each one had pieces the other could benefit from. The affiliation has enabled a complete continuum that creates more access and efficiency by eliminating redundancies, with each organization leveraging the other's talents and subject matter expertise.

"We have averaged about a 2 percent operating margin over the last 10 years," said Joshi. "We are mission-driven. To expand access, we have to address efficiencies." O'Neal added, "[Maryland's capitation model] allows us to serve everyone, but it doesn't cover the full costs. Resources enable innovations to succeed. Together, we are better able to bring those resources to bear."

"If you have children in a residential or treatment setting, their education is critical to their ongoing well-being. Tying that together with the ability to provide specialty care is the secret sauce."

—Jeffrey D. O'Neal, M.B.A., LCPC, FACHE.

The structure of the affiliation is a member substitution with Meritus as the sole member of Brook Lane. Their affiliation process did not trigger any concerns from regulatory bodies such as the FTC or state attorney general due to the fact that the two organizations provide primarily different services. Specific details of the affiliation include the following:

- Wage and benefit parity across employees: Brook Lane was able to provide over \$1.2 million in pay raises to its employees to match the Meritus pay scale. The system-wide minimum wage was increased to \$17 per hour upon completion of the affiliation; it went to \$18 recently and will go to \$20 in 2025.
- Meritus now provides medical coverage to Brook Lane patients.
- The health system's Epic electronic health record system was expanded to Brook Lane.
- A new psychiatry residency will commence next year.
- Brook Lane will lead the expansion and integration of behavioral health services across the entire health system.

"We now have pay parity with our most critical positions: nurses, therapists, social workers, and psychiatrists," said O'Neal. "This has helped bolster our ability to maintain a good workforce. We are also no longer stealing from each other—having the same salary structure and benefit plan helps us become one great place to work, not two."

The higher minimum wage is helping the system recruit new workers from both within and from outside the region. They are also expanding training programs to help with recruitment, including the residency program, which will include nursing and allied

health students, “so people have an attachment to our system as they go into the workforce for the first time,” said David Lehr, Meritus’s Chief Strategy Officer.

Separate from this affiliation, Meritus is building a new medical school from the ground up, set to open next year, which will bring a large class of students from across the country. They will have a network of mentors with the system’s clinical affiliate sites as well. “Granted, someone starting medical school and going through residency is an eight-year prospect. But we all know the old adage that the best time to plant a tree is 20 years ago and the second best time is today,” said Lehr. “Someone going through clinical rotations for nursing is a two-year prospect. We take PA [physician assistant] students from a couple of different programs now. They are in their clinical rotations for a year with us and then they decide which area to specialize. By the end of 12 months they are working with us. The medical school is a longer-term play but layering that in with everything we are doing, we have waves of new people coming every year.”

“Our board committed over \$200 million to build a medical school that will graduate, in eight years, maybe 10 doctors that will come back and practice here. Who would want to invest that much for 10 doctors? But you have to think long term.”

—Maulik Joshi, Dr.P.H.

Governance, Strategy, and Bold Goals

Brook Lane retains its own governing board under the Meritus Health, Inc. (MHI) umbrella, which includes the medical center board and the medical school board, all overseen by a parent MHI board of nine members (chaired by Stojak). “Maulik has a group of people he can talk to when he needs to and we can make decisions and move things forward,” Stojak explained. “[The parent board members] were hand selected from the most seasoned and independent directors [among our existing trustees]. This is a very important time to be doing this work.”

The Brook Lane board chair is a member of the MHI board, and two members from the MHI board serve on the Brook Lane board. “We selected members we thought would be highly compatible and knowledgeable about the organization and the community,” Stojak said. “It was mostly about making everyone feel comfortable that we could do this seamlessly. It was really a trust building process.” The first board meeting as a combined organization was held in August 2024.

Further refinements to the governance model will be made over time. MHI has plans to integrate finance management into the MHI structure and form a finance committee under the MHI board that will oversee budgets and capital requirements for all the institutions MHI oversees. This will eliminate the local board finance committees.

Meritus Health’s strategic plan includes “bold goals” that focus on community health impacts. For example, the Meritus Health 2030 bold goals include an initiative to help the community lose 1 million pounds. Washington County has the highest suicide rates in the state, so with this affiliation, Brook Lane now has a bold goal initiative to reduce the suicide rate overall and ultimately aim for zero suicides. “We believe

the path to do that is creating easy access to care that is accessible whenever and wherever the patient is ready to receive that care," said O'Neal. "We are striving to be that 24/7 access point, with admission on same day and access to psychiatry services or a prescribing provider on the same day, without delays or barriers."

To succeed in such initiatives, these bold goals under the strategic plan must engage all kinds of community providers and agencies, including local health departments, EMT workers, and law enforcement. "We are all boots on the ground striving towards the same goals," said Joshi. "These are all the same people who have rallied behind the 1 million pounds bold goal. We have been very fortunate to have engaged partners in this community."

The Maryland state legislature is supportive of the organization's initiatives, recognizing mental health as a top priority statewide. The state has an emergency petition process that enables a law enforcement officer or licensed mental health or medical professional to initiate a required evaluation of an individual. If the individual presents as a danger to themselves or others, they can be involuntarily committed. Outpatient involuntary commitment is an option as well when similar criteria have been met. "But those are just emergency measures. It takes building relationships with the community and patients to get them to want to use the services and then make sure those are readily available to meet their needs," said O'Neal.

Expanding awareness through messaging and education makes a large impact in engaging the community behind Meritus's goals. The bold goal of 1 million pounds has made the community more aware of the problem and enabled engagement. They are hopeful that the affiliation with Brook Lane will enable the community to talk more about mental health and expand the awareness of that community need. "We need more providers; we need to improve access and it will take a while to ramp that up. But we are going to get it in front of the community and keep it there by talking about it a lot," said Stojak. "I don't know if we will ever declare victory, but I hope that if we look down the road in five years will we have doubled or tripled the amount of people we are servicing in mental health. It's not being talked about at the state level enough either, so maybe we can set an example for the state about things that can and should be done to address this issue."

Joshi's intent as a leader of a community anchor institution is to implement the kinds of programs that will improve the health status of the community but might not bear visible results for 10 or 20 years. Not many leaders are willing to commit to things like that because there will be a different board and perhaps even a different CEO by the time results are seen. "I'm proud of our board and proud of the configuration we have come up with. Our decision making is pretty streamlined," said Joshi. "We don't get caught up in bureaucracy. We are able to execute and implement."

The Bigger Picture

This kind of affiliation might seem difficult or low priority for many organizations across the country that are struggling financially right now. Joshi, O’Neal, and Lehr each agree that, at the core, it’s about mindset. “Creating access to care that can potentially save a life has enough capital benefits on its own to get people behind it,” said O’Neal. “But you still have to be innovative. Innovation requires you to tighten belts and put the resources where they can be most effective. If you do that with diligence, you will come out on top because the community will see the benefit and so will your organization.”

Lehr added, “People on healthcare boards might say mental health as a service line is not profitable so why should we do it? Looking at your service lines individually as a one-off ROI opportunity—then you are not focusing on the things that will make your organization a compelling community resource. If you are planning for the future in decades, you need to think about what your organization will look like and what its role in the community will be. If you are just going to be a conglomerate of profitable service lines where someone else is filling in the gaps, you will no longer be an anchor institution with the community support that you have now. This is a mental thought pattern that will not get you where you want to go in the long run.”

Joshi added, “Once you let go of the financial ROI, your decision making is liberated. Money follows quality. If you do the right thing, the money will follow. You can’t do it all. We don’t provide housing, but we do provide transportation. That costs us about \$500,000 to \$1 million per year. It’s leadership’s job to figure out how to find the money for things like that. You can’t do 100 of those things. If you are a \$600 million organization, finding \$1 million for something like this is the job of leadership to do.”

“If you are planning for the future in decades, you need to think about what your organization will look like and what its role in the community will be. If you are just going to be a conglomerate of profitable service lines where someone else is filling in the gaps, you will no longer be an anchor institution with the community support that you have now.”

—David Lehr

Looking to the Future

This affiliation will enable Meritus to continue to grow, evolve, and improve. In the current and near future, they are working on incorporating mental health into all services, including providing training in mental health first aid across specialties so that providers know how to deal with a patient who might have a chronic disease but is also struggling with mental health. With this training, providers will be able to recognize and intervene to refer patients to the right services. “With this partnership we can set a better precedent for how to focus on the whole person across all of our specialties, both medical and psychiatric,” said Lehr.

“We have been able to move forward together in expanding our mission and our reach along the lines of making this community healthier. We are still on that march and we will continue to stay on that. A board can’t do it by itself. If you don’t have a passionate leader who is in tune with that and improves upon that vision, you’ll never get there.”

—James Stojak

As with any affiliation, cultural integration will be a longer journey. “Values and mission are completely aligned but culture is still a work in progress,” said Joshi. Part of this includes instilling a greater level of system governance discipline and accountability, so the focus on performance improvement is at a higher level.

The main point in this big picture that Joshi wants everyone involved to hold close as the work continues is that mental health and physical health are directly connected. “We can’t do it all but we should address the biggest community health needs, and this is a primary way to do that.”