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HEALTHCARE

February 12, 2016

Representative Brian S. Dempsey, Chairman
House Committee on Ways and Means
State House, Room 243
Boston, MA 02133

Senator Karen Spilka, Chairwoman
Senate Committee on Ways and Means
State House, Room 212
Boston, MA 02133

Re: Fiscal Year 2017 Budget

Dear Chairman Dempsey, Chairwoman Spilka and Honorable Committee Members:

On behalf of the membership of the Association for Behavioral Healthcare (ABH), thank you for the opportunity to comment on the Fiscal Year 2017 Budget. The Association for Behavioral Healthcare (ABH) is a statewide association representing more than eighty community-based mental health and addiction treatment provider organizations. Our members are the primary providers of publicly-funded behavioral healthcare services in the Commonwealth, serving approximately 81,000 Massachusetts residents daily, 1.5 million residents annually, and employing over 46,500 people.

As you consider the FY17 budget, we urge you to ensure that community-based behavioral health services are adequately funded to meet the needs of individuals in the Commonwealth living with a severe and persistent mental illness and/or chronic addiction. We appreciate the strong commitment the Legislature has made to behavioral health services despite difficult fiscal constraints. Nonetheless, existing community-based behavioral health services are not sufficient to meet the current demand for those services.

Our goal with these requests is to ensure that individuals and families have access to community-based mental health and addiction services that are person-centered, outcome-oriented and both clinically and cost effective.

Stability for the Community Services

ABH strongly supports the philosophy of *Community First* – that whenever possible, individuals should live and be served in community settings, with minimum lengths of stay in acute and continuing care hospitals, and maximum diversion from inpatient care through use of community-based emergency services and alternative levels of care.

The Commonwealth must commit the financial resources necessary to ensure adults and children with living with a mental illness, a serious emotional disturbance (SED), or a substance use disorder have the ability to live successfully in their own communities.

While hospital levels of care are important components of a comprehensive system of care, the overwhelming majority of individuals living with a behavioral health disorder receive most, or all of their care in the communities where they live. The Commonwealth's capacity to meet the needs of individuals living with a mental illness and/or chronic addiction disorder depends upon a robust and responsive community-based system of care.

Department of Mental Health

DMH offers individuals living with a mental illness many critical community-based services that are not available through MassHealth or private insurance. Adequate funding for DMH is essential to maintaining community supports for individuals across the Commonwealth in need of mental health services.

ABH requests the Legislature fund all DMH line items (5011-0100, 5042-5000, 5046-0000, 5046-2000, 5046-0001, 5047-0001, 5055-0000, 5095-0015) at the levels recommended in House 2. This funding level annualizes the cost of the new community placements created by the Legislature the last two fiscal years and ensures children with mental health needs have access to important community-based wrap-around services that are not typically funded by insurance.

These services allow adults and children to live independently or with their families in the community and decrease the need for inpatient hospitalizations and other types of 24 hour levels of care and can help alleviate the crisis of individuals being "boarded" in hospital Emergency Departments (EDs).

By continuing to support additional community-based services, **the Legislature is having a direct impact on the current Emergency Department Boarding Crisis.** These "discharge ready" DMH clients were occupying beds that, when open, can help to alleviate the bottleneck that exist throughout the public and private psychiatric in-patient system. These "stuck" individuals average a two-year length of stay in DMH continuing care beds. Placements for these 100 "stuck" individuals reduces that bottle-neck and increases the flow of individuals through DMH-operated continuing-care beds.

Bureau of Substance Abuse Services

ABH is extremely grateful for the Legislature's bold leadership in tackling the opioid crisis through the lens of prevention, education and treatment and for the continued commitment to expanding funding for substance use disorder treatment and prevention services at the Bureau of Substance Abuse Services (BSAS).

As you know, data shows that opioid addiction continues to be a problem of epidemic proportion in Massachusetts. SAMHSA issued a 2014 Behavioral Health Barometer for Massachusetts and the statistics are stunning. The report shows that 3.3% of all people aged 12 or older reported being dependent or misusing illicit drugs within the prior year (approximately 185,000 people) and only 12.9% of these 185,000 individuals received any treatment for their addiction. In 2014, 1,089 Massachusetts residents died from an opioid related overdose, a 63% increase over 2012. Nearly four people lose their life to this epidemic each day in our state.

We also know that treatment works. Every \$1 spent on addiction treatment saves \$4 in health care costs and \$7 in law enforcement and other criminal justice costs. Research has shown that

full addiction treatment coverage could result in \$398 savings per-member per-month in Medicaid spending.

ABH is requesting the Legislature increase funding for the BSAS main **line item by \$11 million over the Governor's House 2 budget proposal at 133.5 million (4512-0200).**

\$6 million would be used to procure 200 new residential treatment/recovery home beds. The 200 new beds would serve an additional 500 to 600 individuals and families per year.

Recovery Homes are an important part of the treatment continuum as they provide a structured, alcohol & drug free environment for individuals recovering from addiction and emphasize recovery and treatment within a structured, therapeutic setting. Recovery Home residents are encouraged to integrate with the community and to access community resources, including self-help groups and employment. Currently, the wait for a recovery home bed is 21 days. This wait is too long for individuals in the very early stage of their recovery and this funding will expand capacity in the system.

ABH is also requesting an additional \$5 million to support vital services including an expansion of Supportive Case Management and Recovery Coaches. \$2 million would serve approximately 500 individuals and families per year in Supportive Case Management programs. This service helps people in early recovery obtain and maintain transitional and permanent housing post their discharge from treatment.

\$3 million would be used to implement a pilot program for Recovery Coaches. This pilot program is designed to place trained Recovery Coaches in drug courts and emergency rooms to support individuals and families; to conduct street outreach to the homeless population to help get them into treatment; and coach individuals in community settings to help support their stabilization and promote relapse prevention. BSAS began funding Recovery Coaches through outpatient clinics in FY'16, but this new pilot would expand their roles outside of the traditional outpatient treatment system and meet clients where they are.

We also request that you support the Governor's funding recommendations for other BSAS-funded services (**4512-0200, 4512-0201, 4512-0202, 4512-0203, 4512-0204, 4512-0210, 4512-0211**). These critical substance use disorder prevention, treatment and recovery support services are an essential part of the Commonwealth's safety net and we are grateful for your continued support of these services. If funding for addiction treatment is cut, access to treatment will be reduced and the state will pay more to serve these same clients in emergency rooms, our court system and prison beds.

As you know, the Bureau of Substance Abuse Services also receives a federal block grant of \$34 million to fund Substance Abuse Prevention and Treatment services. The block grant requires that the state maintain its funding at a level that is at least equal to the average of the prior two-years of expenditures. This is referred to as the state's *Maintenance of Effort*. Any cuts to the DPH/BSAS line items above will result in a loss of Block Grant dollars.

MassHealth Behavioral Health

Medicaid finances medically necessary behavioral health services for individuals and families, thereby ensuring the stability of some of the most vulnerable individuals in our society. As such,

the Commonwealth must take steps to ensure that these valuable services continue to be available to the state's residents.

ABH requests the Legislature commit to preserving behavioral health services and eligibility for the MassHealth program and Governor's Baker's recommendation of a 1.5% rate increase in FY17 for mental health and addiction treatment providers in the PCC program.

ABH continues to be concerned about the long-term viability of outpatient mental health and addiction services due to the systemic underfunding of this service. Outpatient treatment is the foundation of the community-based delivery system upon which all other services are built, and chronically low rates of reimbursement are negatively impacting access to this service.

Over the years, the erosion of MassHealth behavioral health outpatient rates has forced providers to make the difficult decision to close clinics or reduce access. Consequently, individuals with severe and persistent mental illness do not have access to vital, cost-effective, and medically necessary services.

In October of 2015 alone, five community behavioral health outpatient clinics closed their doors leaving thousands of MassHealth clients to find new ways to access the services that they need. As the Legislature considers the FY 2017 budget, it must continue to address this critical issue. We are, therefore, requesting further investment in MassHealth community based behavioral health outpatient services.

In addition, ABH is requesting that the Legislature require **MassHealth to make Enhanced Acute Treatment Services (Enhanced Detox/EATS), Community Support Programs (CSP), and Structured Outpatient Addiction Programs (SOAP) and Intensive Outpatient Programs (IOP) standard MassHealth benefits** and provide funding to the Bureau of Substance Abuse Services and the Department of Mental Health to buy the services for uninsured clients.

EATS programs were developed by MassHealth Managed Care Entities (MCEs) in response to the acute needs of many substance use disorder clients whose medical and mental health needs are too great for a traditional ATS/Detox program but do not fit the criteria for a psychiatric inpatient admission. A rapidly growing majority of individuals seeking treatment are dually-diagnosed with both a mental health and addiction disorder. As the EATS level-of-care is not a standard MassHealth benefit, access to this important service is inconsistent dependent upon which MassHealth MCE a member belongs.

CSP is a short-term, intensive outreach and case management service that supports individuals at risk of repeated psychiatric hospitalization and/or inpatient substance abuse treatment programs. The services are flexible and focus on assisting individuals encountering challenges accessing and/or sustaining health and other social needs in the community. CSP teams consist of outreach workers from diverse communities and backgrounds.

SOAP and IOP are services that are also only paid for by specific MCEs. Structured Outpatient Addiction Programs (SOAP) are short-term, clinically intensive structured day and/or evening services for people with substance use disorders as well as for individuals with co-occurring mental health disorders. These intensive, community-based programs are an important part of

the treatment continuum and should be available to all MassHealth members, not just those enrolled in a MCE.

We believe additional client access to these programs is important in continuing to address to addiction opioid crisis.

Implementation of Chapter 257 and Human Services Salary Reserve

We thank the Legislature for its continued efforts to implement Chapter 257.

ABH strongly supports the inclusion of the Chapter 257 Rate Reserve fund (1599-6903) funded at \$36.2 million in the Governor's budget. This rate reserve will fund the rates the administration anticipates setting in FY17. Funding for new rates set in FY16 was annualized in the programmatic line items.

If you have any questions or comments, I am happy to address them at your convenience. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Vicker V. DiGravio III". The signature is written in a cursive, slightly slanted style.

Vicker V. DiGravio III
President/CEO

cc: Senator Sal N. DiDomenico, Vice Chair, Senate Committee on Ways and Means
Senator Patricia D. Jehlen, Assist Vice Chair, Senate Committee on Ways and Means
Representative Stephen Kulik, Vice Chair, House Committee on Ways and Means
Representative Benjamin Swan, Assist Vice Chair, House Committee on Ways and Means
Members of the House Committee on Ways and Means
Members of the Senate Committee on Ways and Means