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ASSOCIATION
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HEALTHCARE

February 28, 2017

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 2018 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 2018 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 FY18 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 disorder. 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.

Stability for 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

Adequate funding for DMH is essential to maintaining community supports for individuals across the Commonwealth in need of mental health services.

ABH is requesting that the Legislature include an **additional \$10 million in funding over House 1 in line item 5046-0000** to fund new community placements for individuals moving into the community from DMH hospitals as a way to help address the crisis of individuals boarding in hospital Emergency Departments (EDs).

The Legislature has shown a continued commitment to supporting community-based DMH care to combat the ED Boarding Crisis. Unfortunately, the Health Policy Commission's most recent Cost Trends Report notes that the percent of behavioral health patients with an ED length of stay of 12 hours or more continues to grow, from 17.4% of patients in 2011 to 22.8% in 2015. The Commonwealth must continue to invest in DMH community services for both children and adults to ensure adequate resources exist to support individuals and families in the community.

ABH requests the Legislature fund all other DMH line items (5011-0100, 5042-5000, 5046-2000, 5046-0001, 5047-0001, 5055-0000, 5095-0015) at the levels recommended in House 1. This funding level 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.

ABH also requests the Legislature fund the DHCD Rental Subsidies for DHM clients line item (7004-9033) at the level recommended by the Governor, approximately \$5.5 million. Access to stable housing is an essential component of recovery and individuals in DMH community placements need these subsidies to live successfully in the community.

Bureau of Substance Abuse Services

ABH is extremely grateful for the Legislature's bold leadership in tackling the opioid crisis 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 well know, Massachusetts and the United States are in the midst of an unprecedented opioid epidemic. In Massachusetts alone, 1,465 people died of unintentional opioid overdoses in 2016, with as many as 562 additional deaths suspected to be opioid-related. This is an estimated increase in overdose deaths of 13 to 24 percent over 2015.¹

¹ Department of Public Health Data Brief: *Opioid-related Overdose Deaths Among Massachusetts Residents*. February 2017.

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.

For these reasons, ABH requests that the **Legislature fund line item 4512-0200 at \$133,175,888**. This amount will annualize funding for all services covered by this line item and the Substance Abuse Services Fund (1595-4510), and includes an **additional \$5.5 million to fund vital new services** to address the ongoing opioid crisis.

The Massachusetts Access to Recovery (MA-ATR) program is a federal grant that is slated to expire in September 2017. BSAS has committed to using additional federal funding to maintain existing services funded through the grant program, but **ABH is requesting an additional \$3 million to expand the program to additional cities**. The current program serves the Boston and Springfield areas and works with the criminal justice involved population.

MA-ATR is an extremely cost-effective outcome driven program. It costs an average of \$1,500 per participant for a six-month program. The key to the tremendous success of the MA-ATR is the focus on employment through job readiness training, job search support and occupational training. **MA-ATR outcomes to date show a 368% increase in employment and a 265% increase in stable housing**. In addition, MA-ATR participants substantially increased their wages and decreased reliance on public assistance, reduced the number of times they went to jail/prison (recidivism) and levels of new arrests, and reduced the negative consequences of substance use

Since its inception in 2010, MA-ATR has served 14,000 justice-involved individuals, veterans, and pregnant, postpartum, or parenting women. The program engages community partners and providers to deliver services that are grounded in the principles of recovery, and allows for a client-driven approach through collaborative and continuous recovery planning and care coordination. This funding also provides for basic needs (clothing, shoes, IDs), public transportation passes, health and mental health supports, and employment training.

ABH is also requesting an additional **\$1 million in funding for providers to maintain access to NARCAN at their programs**. BSAS-licensed programs are required to have NARCAN available and the limited supply and funding make this very difficult for providers to maintain.

Currently BSAS funds 10 recovery centers that are based principally on volunteer work by peers who support one another and who are involved in a participatory process to help build community and help design, plan, facilitate and evaluate activities offered at the centers. **ABH is requesting an additional \$1.5 million to support the opening of 3 additional recovery centers**.

ABH is requesting the Legislature adopt the Governor's recommendation to transfer the \$5 million in funding from FY17 in the substance abuse fund (1595-4510) to 4512-0200.

We also request that you support the Governor's funding recommendations for other BSAS-funded services (**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.

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.

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.

As the Legislature considers the FY 2018 budget, it must continue to address this critical issue.

As the state continues to work to further develop and refine the Children's Behavioral Health Initiative (CBHI) system, adequate funding is necessary to ensure successful ongoing implementation of the *Rosie D.* court order (4000-0950). These services are absolutely essential to strengthening our community-based mental health system to better serve children living with Severe Emotional Disturbance (SED) in Massachusetts.

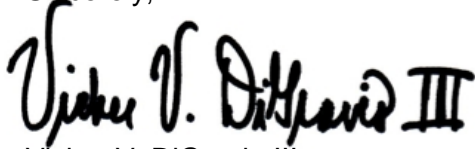
Implementation of Chapter 257 and Human Services Salary Reserve

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 \$39.7 million in the Governor's budget. This rate reserve will fund the rates the administration anticipates setting in FY18. Funding for new rates set in FY18 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 stylized font.

Vicker V. DiGravio III
President/CEO

cc: Speaker Robert DeLeo
Senate President Stanley C. Rosenberg
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 Liz Malia, 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