



251 West Central Street
Suite 21
Natick, MA 01760

T 508.647.8385
F 508.647.8311
www.ABHmass.org

Vicker V. DiGravio III PRESIDENT / CEO
Karin Jeffers, LMHC CHAIR

ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

February 20, 2018

Representative Jeffrey Sanchez, 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 2019 Budget

Dear Chairman Sanchez, 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 2019 Budget. As you may know, 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 FY19 budget, we urge you to ensure that community-based behavioral health services are fully funded to meet the needs of individuals in the Commonwealth living with a severe and persistent mental illness and/or an addiction disorder. We appreciate the strong commitment the Legislature has continued to make to behavioral health services despite the fiscal constraints of recent years. Unfortunately, despite this commitment, the demand for these services continues to exceed the capacity of the existing community-based behavioral health system.

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 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 their own communities. The Commonwealth's capacity to meet the needs of individuals

living with a mental illness and/or an 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. 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 commends the administration for recommending a much-needed increase of \$93.7 million for adult community services at the Department of Mental Health (5046-0000), including \$62.3 million for the new Adult Community Clinical Services (ACCS) program. **We are requesting that the Legislature include this funding in the FY19 budget.**

This proposed funding is a critical component of the Department's efforts to redesign and strengthen the community system that serves the most vulnerable individuals in Massachusetts living with a mental illness. The new ACCS system of care will provide more intensive clinical and peer supports to DMH clients. ACCS will also ensure that such services are available equally across the Commonwealth.

DMH engaged with a range of stakeholders, including providers, individuals with lived experience and families to design a system of care to better meet the profound needs of individuals receiving DMH services. Governor Baker's proposed budget for DMH rightfully acknowledges that the Commonwealth needs to make significant new financial investments to ensure that DMH and its community providers succeed in this critical endeavor.

ABH also 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 2. This funding level ensures children with mental health needs have access to important community-based wrap-around services that are not funded by insurance.

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 Addiction Services

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

As you well know, Massachusetts and the United States are in the midst of an unprecedented opioid epidemic. In Massachusetts alone, 1,977 individuals died of opioid related deaths in 2017. This is a decrease of 179 individuals from 2016, the first year-over-year decline in several years. The treatment community is grateful for the continued commitment of the Legislature and Administration to combatting this epidemic, but the demand for treatment continues to outpace capacity.

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.

MA-ATR & Recovery Centers

For these reasons, ABH requests that the **Legislature fund line item 4512-0200 at \$143,075,888**. This amount will annualize funding for all services covered by this line item and include an additional \$7 million to preserve and expand access to the Massachusetts Access to Recovery (MA-ATR) program and an additional \$3.5 million for five new recovery centers.

MA-ATR is currently funded by a federal grant to address the opioid epidemic. Funding from this grant is expected to end in September of 2018. ABH requests that the Legislature step in and appropriate funding to support the continuation and expansion of this highly successful program.

This funding would allow the BSAS to preserve the MA-ATR services operating in Springfield, Worcester, Boston and New Bedford; reduce the amount of time people must be on a waitlist to gain access to ATR services; and to conduct post-ATR outcomes research to determine how the programs affect participants' sustained recovery.

Since 2010, MA-ATR has served 16,500 individuals of which 79% were involved with the criminal justice system, 60% had a co-occurring mental health disorder, and 75% of the female participants were pregnant or parenting. These are the primary populations identified by DPH as being at the highest risk for overdose and death.

Per participant, MA-ATR only costs about \$231.00 per individual per month, or \$1,385.00 per individual for all six-months of services. MA-ATR saves the state money in healthcare, incarceration and social costs by empowering individuals to progress in their recovery, obtain employment, reduce criminal recidivism and find renewed hope and meaning in their lives.

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 a recovery community by designing, planning, facilitating and evaluating activities offered at the centers. **ABH is requesting an additional \$3.5 million to support the opening of five new recovery centers.**

Jail Diversion Residential Treatment

ABH also requests an increase in funding for the jail diversion residential treatment program line item (4512-0202) by \$8 million, to \$9.94 million.

ABH is requesting \$8 million in new funding to replicate the Reflections-Court Alternative Program (CAP) in New Bedford in four other areas of the state.

Research from across the country indicates that jail diversion programs are treating the root cause of criminal activity and reducing recidivism. Diversion programs ensure that offenders with substance use disorders receive treatment in lieu of incarceration, with close supervision, ongoing drug testing, and incentives and sanctions that help them fulfill their treatment plans.

Reflections-CAP is a residential substance use treatment program offered to men and women involved in the Massachusetts court system as an alternative to incarceration for criminal offenses. The expected length of involvement is one year. Priority intake consideration is given to those who are facing imminent incarceration and are on probation during the course of the full program.

We also request that you support the Governor's funding recommendations for other BSAS-funded services (**4512-0201, 4512-0203, 4512-0204**). 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 Addiction 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.

It is also important to highlight the vital role Medicaid plays in the Commonwealth and across the nation for those with mental health and addiction disorders. Nationally, Medicaid funded 25% of all mental health spending and 21% of all addiction spending in 2014. In 2011, nearly half of Medicaid spending was for enrollees with behavioral health conditions.¹

Low-income adults, children and their families from across the Commonwealth rely on the robust set of mental health and addiction treatment benefits offered in the MassHealth program.

In contrast, commercial insurance coverage for mental health and addiction treatment services in Massachusetts continues to lag behind the comprehensive coverage offered to the individuals, children and families served by the MassHealth program.

Among non-elderly adults with mental illness and serious mental illness, those with Medicaid are more likely than those without insurance or with private insurance to receive treatment.² Commercial insurance plans in Massachusetts do not cover the many diversionary levels of care that are covered by MassHealth which help individuals live safe, stable lives in the community.

ABH requests the Legislature preserve existing behavioral health services and eligibility for the MassHealth program.

¹ <http://www.kff.org/infographic/medicaids-role-in-behavioral-health/>

² <http://www.kff.org/medicaid/fact-sheet/facilitating-access-to-mental-health-services-a-look-at-medicaid-private-insurance-and-the-uninsured/>

Outpatient Services

ABH continues to be concerned about the long-term viability of outpatient mental health and addiction services due to the historic and systemic underfunding of this service. Outpatient treatment is the foundation of the community-based delivery system upon which all other services are built. Unfortunately, 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 order to address this critical issue, ABH is requesting that the House and Senate include a study of the real cost of providing outpatient and diversionary behavioral health services in your FY19 budget. An amendment was included in the Senate health care legislation (S2211) that requires MassHealth to report on the costs incurred for efficient and economically operated outpatient and diversionary behavioral health care services and make recommendations on how to address these findings (Section 194). We have attached draft language for your consideration for inclusion in the FY19 budget.

Proposed Transfer of individuals from MassHealth to ConnectorCare

The Baker administration is again proposing to transfer 140,000 individuals with incomes between 100-133% of the federal poverty line (FPL) from MassHealth to ConnectorCare.

ABH reluctantly supports this proposal provided the Legislature and Administration include provisions to protect access to care for this vulnerable population by easing the transition from MassHealth to the Connector. Since first making this proposal last summer, the administration has addressed many of the concerns of the advocacy community.

We do know though that it is essential for commercial insurers, including those offered by the Health Connector, to expand their provider networks and expand their coverage to include diversionary behavioral health services similar to those offered by MassHealth.

Children's Behavioral Health

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 essential to strengthening our community-based mental health system to serve better 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. This landmark law is critical to ensuring community-based services are adequately funded to ensure the safety and well-being of clients served.

ABH strongly supports the inclusion of the Chapter 257 Rate Reserve fund (1599-6903) funded at \$38.5 million in the Governor's budget. This rate reserve will fund the rates the administration anticipates setting in FY19.

Thank you for your consideration of the issues raised in this letter. I am available at your convenience if you have questions about any of the information we have provided.

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: Speaker Robert DeLeo
Senate President Harriette Chandler
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