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ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

March 17, 2015

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 2016 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 2016 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 FY16 budget, we urge you to ensure that community-based behavioral health services are adequately funded to meet the needs of individuals in the Commonwealth with 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 over the past few budget cycles. Nonetheless, existing community-based behavioral health services are not sufficient to meet the current demand for those services.

**ABH Budget Priorities for the Fiscal Year 2016 budget:**

- **Fund the Department of Mental Health (DMH) adult community services line item at the level recommend by Governor Baker (5042-0000: \$370 million).** This funding level annualizes the cost of the new community placements created by the Legislature last fiscal year to help alleviate the crisis of individuals being “boarded” in hospital Emergency Departments (EDs).
- **Governor Baker’s funding proposal leaves a gap in children’s services at DMH.** We ask the Legislature to restore the Governor’s proposed reductions to DMH Child and Adolescent Services. Additional funding (**approximately \$6.4 million**) is vital to ensuring that children with mental health needs are able to access important community-based wrap around services that are not typically funded by insurance companies (**5042-5000:**

- \$86,520,672**) even though they help keep kids healthy and out of hospitals.
- **ABH strongly supports the Governor's proposal to convert the four Emergency Service Programs (ESPs) that are currently state operated in Southeastern Massachusetts.** This proposal would standardize emergency psychiatric services across the Commonwealth and would save approximately \$2.4 million according to DMH. Provider-operated ESPs currently provide high quality, effective care in every other part of the state.
  - Fund the Bureau of Substance Abuse Services (BSAS) **line items (4512-0200, 4512-0201, 4512-0202, 4512-0203, 4512-0204, 4512-0210) at the levels proposed by Governor Baker.** The Department of Public Health – BSAS has indicated this funding level will preserve all existing BSAS services, including the expansion of services the Legislature invested in during FY'15 to fight the opioid epidemic.
  - Fund MassHealth at the **level recommended by the Governor**, which preserves existing behavioral health services. We applaud the Governor for his commitment to preserving eligibility and behavioral health services in House 1.
  - **ABH strongly supports the inclusion of the Chapter 257 Rate Reserve fund (1599-6903) funded at \$30 million.** We believe the rate reserve is funded at a level to cover a possible negotiated settlement of *Massachusetts Council of Human Service Providers, Inc., et al. v. Secretary of the Executive Office of Health and Human Services*. ABH anticipates, however, this level of funding is insufficient though to cover any new rates to be set in the upcoming year and therefore will require the Legislature's continued attention.

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.

To achieve this goal, however, the Commonwealth must commit the financial resources necessary to ensure adults and children with mental illness and/or substance use disorders have the ability to live successfully in their own communities.

Over the past several decades the locus of care and treatment for those with serious mental illness has shifted from hospital-based institutional care to the community. While hospital levels of care are important components of a comprehensive system of care, the overwhelming majority of individuals living with a mental illness 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 with 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.

**Governor Baker’s funding proposal leaves a \$6.4 million gap in children’s services at DMH and we ask the Legislature to restore the Governor’s proposed reductions to DMH Child and Adolescent Services.** Additional funding is vital to ensuring that children with mental health needs are able to continue to have access to important community-based wrap around services that are not typically funded by insurance **(5042-5000: \$86,520,672)**. These services allow children to live in the community with their families and decrease the need for inpatient hospitalizations and other types of 24 hour levels of care. It also restores \$500,000 in funding needed to maintain existing levels of services for the Massachusetts Child Psychiatry Access Project (MCPAP).

**ABH strongly supports the Governor’s proposal to convert the four Emergency Service Programs (ESPs) that are currently state operated in Southeastern Massachusetts.** This proposal would standardize emergency psychiatric services across the Commonwealth and would save approximately \$2.4 million according to DMH. Provider-operated ESPs currently provide high quality, effective care in every other part of the state.

**We are requesting the Legislature fund the Department of Mental Health (DMH) adult community services line item at the level recommend by Governor Baker (5042-0000: \$370 million).** This funding level annualizes the cost of the new community placements created by the Legislature last fiscal year to help alleviate the crisis of individuals being “boarded” in hospital Emergency Departments (EDs).

By annualizing the cost of these community-based services, **the Legislature is having a direct impact on the current Emergency Department Boarding Crisis.** These “discharge ready” DMH clients are currently occupying beds that, when open, would 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. Funding placements for these 100 “stuck” individuals will reduce that bottle-neck and increase the flow of individuals through DMH-operated continuing-care beds, given that the average length of stay in a DMH continuing care facility is approximately 180 days.

ABH requests the Legislature fund the remaining DMH line items (5011-0100, 5046-2000, 5046-4000, 5046-0001, 5047-0001, 5055-0000, 5095-0015) at the levels recommended in House 1.

### **Bureau of Substance Abuse Services**

ABH is requesting the Legislature fund the Bureau of Substance Abuse Services (BSAS) **line items (4512-0200, 4512-0201, 4512-0202, 4512-0203, 4512-0204, 4512-0210) at the levels proposed by Governor Baker totaling \$109.7 million.** The Department of Public Health – BSAS has indicated this funding level will preserve all existing BSAS services, including the expansion of services the Legislature invested in during FY’15 to fight the opioid epidemic.

SAMHSA’s 2014 Massachusetts Behavioral Health Barometer showed that 3.3% of all people aged 12 or older reported being dependent or misusing illicit drugs within the prior year and only 12.9% of these individuals received any treatment for their addiction. As Massachusetts continues

to face this public health crisis, we appreciate the Governor and the Legislature's efforts to preserve current addiction treatment services offered through BSAS.

These critical substance use disorder prevention, treatment and recovery support services are an essential part of the Commonwealth's safety net. 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 receives a federal block grant 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*. **It is essential that DPH/BSAS funding meets the Maintenance of Effort requirement so as not to lose federal 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.** Governor Baker has indicated his House 1 recommendations allow the state to preserve vital behavioral health services, including diversionary services that treat individuals in the community and divert them from more intense hospital-based settings.

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.

For any community-based system of care to be responsive, access to outpatient services needs to be rapid and flexible. Absent responsive outpatient services, treatment needs go unaddressed; problems worsen over time and demand for higher and more expensive levels of care increases. Ideally, a person experiencing a mental health or addiction problem should whenever necessary receive care through outpatient services. It is vital that we shore-up the infrastructure of the outpatient service system.

### **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 \$30 million.** We believe the rate reserve is funded at a level to cover a proposed negotiated settlement of *Massachusetts Council of Human Service Providers, Inc., et al. v. Secretary of the Executive Office of Health and Human Services*.

**ABH is concerned though that the Governor's funding recommendation for this account**

**(1599-6903; \$30 million)** is insufficient to cover new rates scheduled to be set in the upcoming year.

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: 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