

MaineHealth Local Health Systems

Franklin Community
Health Network
LincolnHealth
MaineHealth Care At Home
Maine Behavioral Healthcare
Memorial Hospital
Maine Medical Center
Mid Coast-Parkview Health
NorDx
Pen Bay Medical Center
Southern Maine Health Care
Waldo County General Hospital
Western Maine Health

Part of the MaineHealth Family

MaineHealth Accountable
Care Organization

MaineHealth Affiliates

MaineGeneral Health
New England Rehabilitation
Hospital of Portland
St. Mary's Health System

Maine Behavioral Healthcare Statement on Medicaid Rates and In Support of Bills to Increase Rates for Community- Based Behavioral Health Services April, 2021

As a leading provider of behavioral health services in Maine, MaineHealth embraces the importance of ensuring that all Maine residents have access to the continuum of high quality health care services needed to keep them healthy and productive members of their communities. Maine can be proud of the quality of its hospital systems and the universal access that they provide to an array of services from primary care to specialty inpatient care for the residents of Maine, regardless of ability to pay. And other health providers, such as Federally Qualified Health Centers, fill important niches as well. Unfortunately, there is one area in which Maine's systems are failing to meet the need of its residents and that is behavioral health care services.

While behavioral health is broad in its definition, for the purposes of this testimony, we will focus on services that treat individuals with mental health, autism, and substance use diagnoses.

It is hard to imagine a scenario in which an individual exhibiting symptoms of cancer or diabetes would be put on a wait list for months and months before accessing medical care to properly diagnose and treat the disease. Yet that is exactly what happens for many Maine people who exhibit symptoms of mental illness. Maine's system of mental health services has never been perfect, but the last decade has seen a slow deterioration of community supports and services as grant services were shifted to Medicaid to take advantage of the federal match, and Medicaid has not updated payment rates to account for inflation. Medical inflation increased by 35% in the eleven years between 2010-2021, and physician salaries by even more; psychiatrists' salaries increased by 36% between 2013-2020 (MGMA). MaineCare adjusted outpatient medication management rates (psychiatry) by just 15% during this period (in 2018), and it has not adjusted rates paid to social workers through outpatient therapy at all.

As a result, Maine Behavioral Healthcare lost \$2.3 million on outpatient psychiatry in 2019 and \$2.7 million in 2020. And we expect to lose about \$2.6 million in outpatient psychiatry this year. At the same time, MBH lost money on ACT, Outpatient Therapy and Substance Use Treatment services, as well. In spite of successful efforts to enhance efficiency and value, Maine Behavioral Healthcare's outpatient services consistently operate with a negative margin: MBH's outpatient services are budgeted to lose over \$5 million this year. Services are simply not sustainable when they run at a loss year over year.

While behavioral health is not the only underfunded medical specialty in Maine, it is one of the few that relies so heavily on MaineCare for its core funding. Other health care services, such as primary care, are either forced to cost shift onto private payers or limit the number of MaineCare patients they serve to sustain their services. As part of MaineHealth, MBH is committed to providing access to high quality service for all in need, but our efforts to do so need to be financially sustainable.

The impact of this chronic underfunding is a behavioral health system that is failing to provide timely access to services for a very vulnerable population. Medication management and therapy should be the foundation of a robust and successful community based behavioral health system. Absent sufficient access to quality psychiatry and therapy, a greater demand is placed on more intensive levels of care, all the way up through inpatient services. On any given day, MaineHealth hospitals have 25 patients awaiting behavioral health beds in our Emergency Departments. That number would be reduced dramatically if we had a stronger foundation of the services and supports that help people live productive lives in the community.

While we respect the Department's deliberative approach to a rate review, we are very concerned about three important elements:

1. The rate review fails to take into account the actual cost of providing the services being measured; and
2. The timing does not allow for the immediate, short-term infusion of resources that is needed to stabilize the sinking ship.
3. The pandemic is placing new burdens on access to services that cannot be met. Suicide rates, which were already high in Maine, are increasing; children in need of residential treatment and hospital beds are getting stuck in EDs; and overdose deaths are at an all-time high.

The human cost of waiting two more years to address these problems will be profound. Please support efforts to provide increased rates that support the continuum of behavioral health services needed to support Maine's population.

Thank you.