



*"We help adults with mental
illness live their own best lives"*

Quality Community Behavioral Health Services Since 1985

Public Testimony on CS for SB 74

February 25, 2016

Senators Kelly and MacKinnon, Co-Chairs and
Committee Members
Senate Finance Committee
Alaska Legislature
State Capitol
Juneau, Alaska

As a provider of both mental health and substance use disorder treatment services for over 30 years, I have a long-term commitment to ensuring that the organizations I lead are efficient, effective, innovative, provide the highest quality care, and achieve targeted outcomes, to serve those who need our services.

As you make decisions about Medicaid Expansion, reform bills, and the budget closeout process please keep in mind 3 points:

1. Changes aimed at increasing access to services, including the possibility of eliminating the current requirement that providers have a behavioral health grant as a condition of eligibility to bill Medicaid will decrease oversight and accountability of providers. This will broaden the potential for intentional or unintentional Medicaid fraud, waste, and abuse. Where would the monitoring control of all these new providers come from and what might be the costs involved?
2. As much as I would like a streamlined grant system, another concern is that the current system ensures that state designated Community Behavioral Health Centers have to serve everyone who is in need of treatment, regardless of ability to pay. We are required to have sliding fee scales for self-pay clients and we can't just accept persons for whom we might think provide us the greatest ability to bill for the most lucrative services.
3. If everyone can bill Medicaid, there will be an increased vulnerability to the system of care for "cherry picking" those persons whose needs will produce the greatest revenue, and declining to serve those who have no payor source or very limited resources and who need services that have reimbursement rates that don't reflect the true cost of providing those services. Often, the latter are some who are in the greatest need of mental health services.

Please consider these points as you move forward in your decision making process. Again, thank you for the hard work you are doing for all Alaskans.

Pamela Watts
Executive Director
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