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28 February 2016

Senator Anna MacKinnon

Co-Chair, Senate Finance

Chair, Senate Medicaid Reform Committee

State Capitol Room 516

Juneau AK, 99801

Re: Eliminating the Grant Requirement for Behavioral Health Services

Senator MacKinnon,

The Alaska Behavioral Health Association (ABHA) is the trade organization representing behavioral health providers in the State of Alaska. With leadership from over 50 community mental health and substance abuse treatment providers across the state, we offer a diverse perspective with the common interest of providing access to the best quality, cost-effective behavioral health treatment available.

ABHA has advised that the decision to remove the requirement to be a grantee of the State to be able to be reimbursed by Medicaid for the provision of behavioral health treatment services would benefit from further deliberation. The requirement has been in Alaska statute for decades. The law has been fundamental in shaping our current behavioral health system of care. Reversing this longstanding statutory requirement will have unintended consequences.

Since the idea was first proposed last year, there has collectively only been a few hours of stakeholder discussions between on the decision and its potential impact the Department of Health & Social Services, Division of Behavioral Health, and current behavioral health grantees. The Alaska Behavioral Health Association has urged more thorough consideration of the proposal to remove the grant requirement since the idea was first introduced in order to help identify any unintended consequences resulting from the decision.

ABHA is not opposed to the provisions. The primary motivation attributed to the provisions to remove the grant requirement is to increase access to behavioral health treatment services. ABHA believes that if the provision is enacted carefully and with consideration, it will likely achieve that goal. We are concerned about some of the other likely impacts of eliminating the grant requirement and would like to do everything possible to avoid or mitigate any unintended negative impact. We appreciate the opportunity to raise some of the concerns that have been identified to the Committee for deliberation and guidance.

Alaska Behavioral Health Association (ABHA) comments re: CSSB74\V sections: 22/23

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The Alaska Behavioral Health Association tried to identify some of the more likely impacts of this change on our system of care and, more importantly, on individuals' ability to access quality, cost effective behavioral health treatment services. We recognize that some of the changes that will result from this legislation will undergo additional public scrutiny through the regulatory process, that some of the detail of potential impact is most appropriately addressed in regulation, and that the reform process is iterative. We stand committed to continuing our support of this process and its goal to improve access to quality, cost-effective behavioral health treatment services.

Deliberation among providers has focused on a few key consequences. First, we believe that eliminating the grant requirement may unintentionally limit access to treatment for individuals with severe disorders that require expensive, highly-specialized treatment services. Second, acknowledging that the current behavioral health system is too heavily weighed down by administrative requirements and process management, we believe some standards need to be in place to ensure quality care and the value of public expenditures on health care for Alaskans.

The Alaska Behavioral Health Association recognizes that this discussion should have happened much earlier in this process and shares in the responsibility to have made that happen. We appreciate the Committee's indulgence to have this discussion at this stage in the process and do not want to hinder the Committee's progress on Medicaid reform or Senate Bill 74. Therefore, we respectfully propose the following. Without the benefit of more thorough deliberation among stakeholders to identify possible negative unintended consequences and potential resolutions, the Alaska Behavioral Health Association believes that simply mirroring language found in section 19 of the bill in sections 22 and 23 will help safeguard against pursuing access to treatment at the expense of quality or cost-effectiveness.

Section 19 (e)(4) of CSSB74\V recognizes the important balance between access, quality, and cost by including a requirement that the demonstration project under the 1115 waiver should "...ensure access to health care without reducing the quality of care." ABHA believes that mirroring that same requirement in sections 22 and 23 may help avoid any potentially negative unintended consequences resulting from eliminating the grant requirement.

The Alaska Behavioral Health Association sincerely appreciates all the efforts you and your committee have put into this as well as our sincere gratitude for taking the time to consider this provision in the legislation more carefully.

With respect,



Tom Chard
Alaska Behavioral Health Association (ABHA)