Tom Chard

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Senator Anna MacKinnon Co-Chair, Senate Finance Chair, Senate Medicaid Reform Committee State Capitol Room 516 Juneau AK, 99801

Re: Lifting the Grant Requirement for Behavioral Health Services

Senator MacKinnon,

The Alaska Behavioral Health Association (ABHA) is a member-driven, non-profit representing over 50 member organizations including both tribal and non-tribal publicly funded, private corporations that span the system of care from infants to the elderly, in urban and rural settings across Alaska. The Association was formed in 1996 to help improve the delivery of substance abuse and mental health treatment services in Alaska.

The behavioral health providers sincerely appreciate the Committee's ongoing efforts and the attention paid to reforming Alaska's Medicaid system. We are especially thankful for the invitations we have received to participate throughout the development of the reform recommendations.

The Alaska Behavioral Health Association (ABHA) has provided testimony to the Senate Medicaid Reform Committee on February 12th, as well as testimony to Senate Finance on February 25th and 29th. We have submitted written testimony on February 24<sup>th</sup> and 28<sup>th</sup>.

The purpose of our testimony has been to inform the decision to eliminate the grant requirement to be reimbursed by Medicaid for behavioral health services in Alaska found in sections 22 and 23 of CSSB74\V. Our latest recommendation submitted to the Committee for their consideration was to mirror language found in section 19 of the bill for sections 22 and 23 to help ensure a good balance between access, quality, and cost-effectiveness. We understand that recommendation might be problematic because those particular sections of the bill amend the definition of clinic and rehabilitative services and that the proposed consideration might be more appropriately suited for a different section of the statute.

Section 19 contemplates amending A.S. 47.07.36 by adding a new redesigned service delivery structure for behavioral health services using an 1115 waiver. There is broad agreement in the goal that increasing cost-effective access to quality treatment will benefit Alaskans. That particular section of the statute is focused on cost containment measures authorized. The expectation is that any changes considered to accessing treatment services, or changes to the quality of the treatment standards we pay for with public funds, be considered in light of their cost-effectiveness. These three are inextricably intertwined. We respectfully recommend to the Committee that they might express the pursuit of this "triple aim" in section 19 of the bill, not just for the 1115 waiver, but as an established consideration for the entire behavioral treatment system.

Specifically, we are asking that the Committee consider amending A.S. 47.07.36 to explicitly require consideration of access, quality, and cost-effectiveness in cost containment. Perhaps, the least obstructive way to include the recommendation might be to amend A.S. 47.07.36 to read:

(b) The department, in implementing this section, shall take all reasonable steps to implement cost containment measures that do consider cost-effectiveness, access to services, and quality of services, but that do not eliminate program eligibility or the scope of services required or authorized under AS 47.07.020 and 47.07.030 before implementing cost containment measures under (c) of this section that directly affect program eligibility or coverage of services.

The Alaska Behavioral Health Association (ABHA) continuously strives to improve the efficiency and effectiveness of behavioral health treatment services in Alaska. Please feel free to contact us if there is any additional information that would be helpful to you as you consider this important provision.

Sincerely,

Tom Chard

Alaska Behavioral Health Association (ABHA)