

SB 134

"An Act relating to medical assistance reimbursement for the services of licensed professional counselors; and providing for an effective date."

Senator David Wilson
House Finance Committee
March 22, 2020

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SB 134 would add 717 Licensed Professional Counselors to the Medicaid Optional Services. The concept of the bill is to expand behavioral health capacity and utilization for Alaska's most vulnerable population, our Medicaid population. If behavioral health issues can be treated in a preventative manner within a clinical setting, rather than a crisis stage at a platinum level, the costs lesson and the quality of the healthcare services improves. This proposed legislation is a piece of the puzzle for providing behavioral health services to Alaskans.

This would provide the "appropriate care with the appropriate provider."



Behavioral Health

Behavioral health is the scientific study of the emotions, behaviors, and biology relating to a person's mental well-being, their ability to function in everyday life, and their concept of self. "Behavioral health" is the preferred term to "mental health." A person struggling with his or her behavioral health may face stress, depression, anxiety, relationship problems, grief, addiction, attention-deficit/hyperactivity disorder or learning disabilities, mood disorders, or other psychological concerns. Counselors, therapists, life coaches, psychologists, nurse practitioners, or physicians can help manage behavioral health concerns with treatments such as therapy counseling or medication.

Why Medicaid clients and who are they?



Medicaid provides health coverage and long-term care services for Alaska's most vulnerable: children, seniors, people with disabilities, pregnant women, and very low income or working poor.



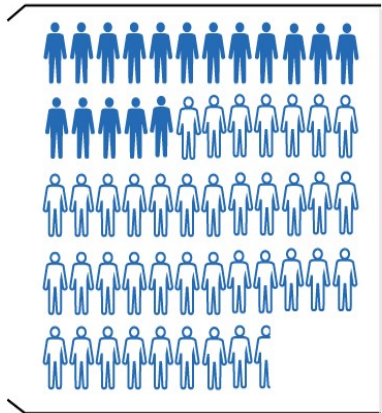
Medicaid clients have difficulties finding access to behavioral healthcare and often have to wait three to six months for appointments. So you can imagine a person in crisis who cannot find behavioral healthcare access or are told it's available in three to four months, what are there options?



Alaska's emergency room facilities are in a crisis mode treating behavioral health issues.

Adult Untreated Behavior Health Statistics

In 2017, of the **56.8** million adults aged 18 or older with a behavioral health condition...



...about **39.7** million (70 percent) did not receive treatment in the past year

18.7 million with substance use conditions, **17.2** million of those are untreated



11.2 million with serious mental illness, **3.7** million of those are untreated



35.4 million with other mental illness, **22.9** million of those are untreated

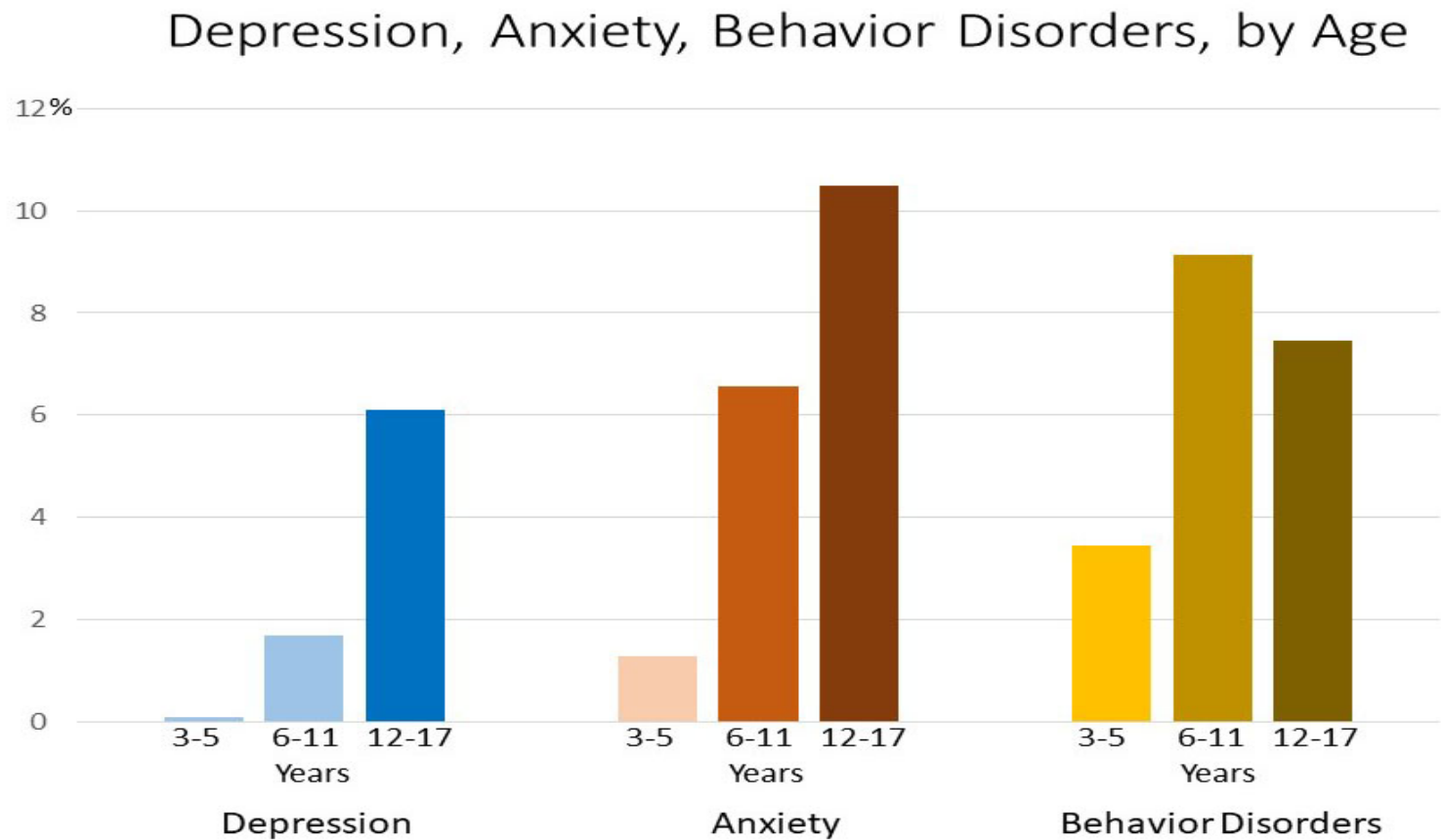


The numbers on the right side add up to more than the numbers on the left side due to co-occurring substance use conditions and mental illness.

 Received treatment  Did not receive treatment

Source: Substance Abuse and Mental Health Services Administration, National Survey on Drug Use and Health, 2017. | GAO-19-274


Children's Untreated Behavioral Health Statistics



Alaska assessment of behavioral health care needs

Mental Health Care Needs

Alaska's suicide rate is among the highest in the nation, with the prevalence among the Alaska Native population, particularly in the most remote areas of the state, surpassing that of the general Alaskan population¹ (Figure 1). The 2016 Alaska Behavioral Health Systems Assessment Report estimated that 145,790 adult Alaskans—**roughly 20% of the state's population**—need mental and behavioral health services.² One component necessary to address mental health issues is a well-trained cadre of mental health care providers to provide preventative support and treatment.



There are several reasons why individuals needing mental health services do not receive them. In some cases, the perceived stigma associated with the problem or illness prevents individuals from seeking help. In other cases, individuals may be more comfortable seeking help from alternative providers such as faith-based, tradition/culture-based or peer-support resources within their community. Finally, particularly in remote areas, **availability and access to mental health care providers are often limited.**^{3,4}

Alaska assessment of behavioral health care needs

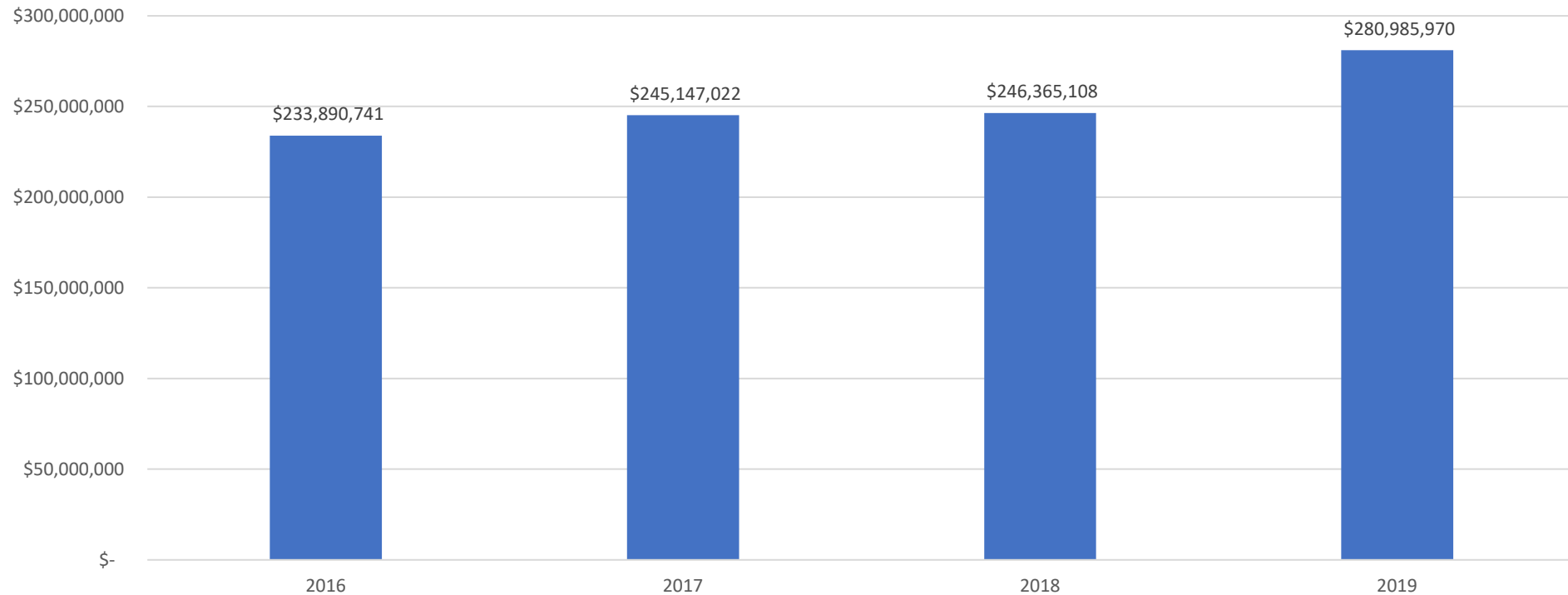
How Many Behavioral Health Care Providers Are Needed?

Despite the number of individuals in need of behavioral health care services, the ratio of behavioral health care providers to population is lower in Alaska than nationally. Furthermore, most providers work in urban areas, such that the state's remote areas have even lower provider/population ratios.

There are many types of behavioral health providers in Alaska (e.g., psychiatrists, neurologists, psychologists, **counselors**, clinicians, technicians, behavioral nurse practitioners, and behavioral health aides), though as an example, here we consider only the shortage of psychiatrists. Two studies estimated a need for 25.96 and 15.37 psychiatrists per 100,000 adults nationally, with the authors of the second study noting that the behavioral health care needs of rural populations may not have been adequately captured.

National estimates do not account for Alaska's unique population, geography, and need but can serve as a benchmark for estimating the number of psychiatrists needed in Alaska. Based on 2010 Census data, Alaska needs 184 or 106 psychiatrists, respectively.

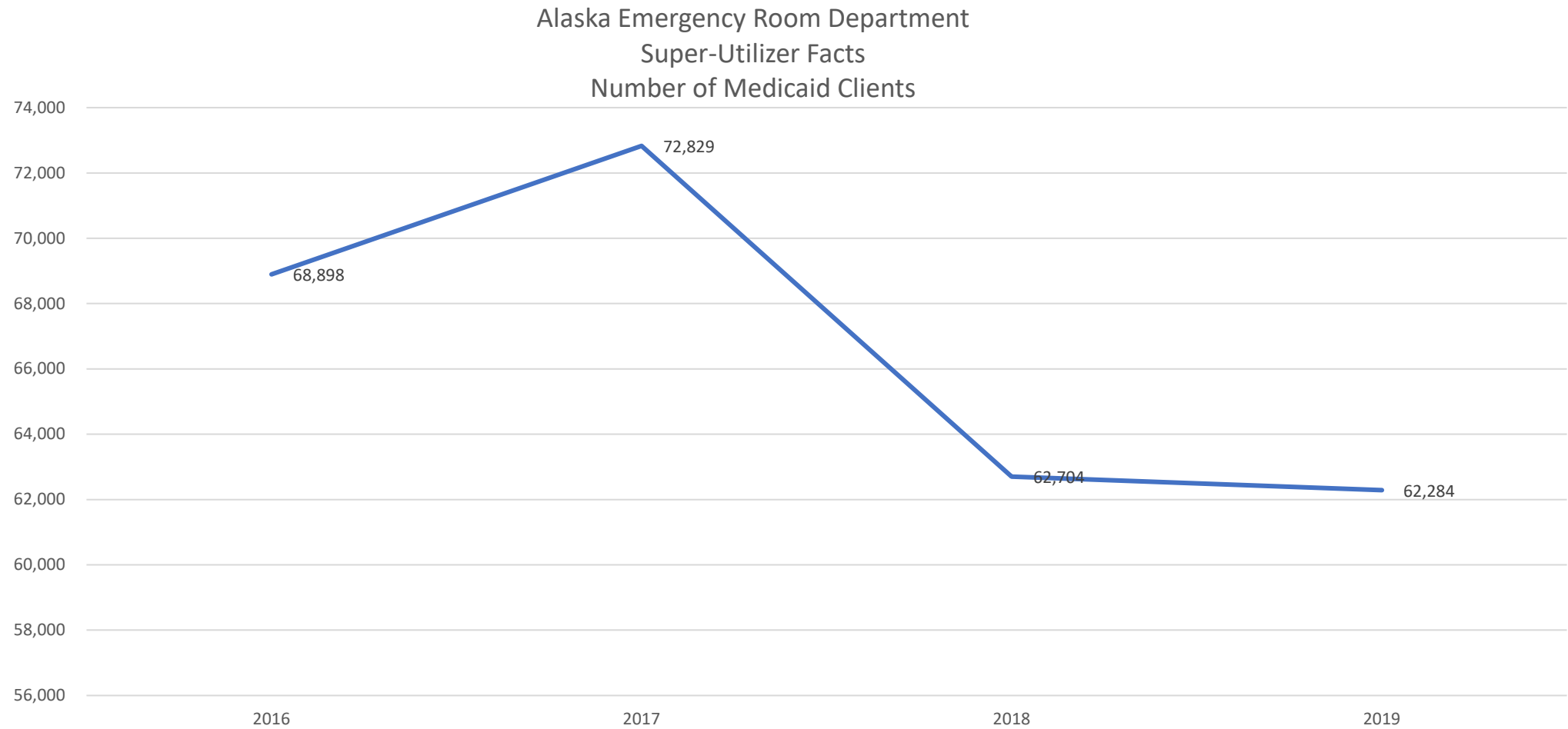
Alaska Emergency Room Department
Super-Utilizer Facts
Total Medicaid Billed Charges



Costs have increased **over the last 4 years by \$47.1 million or 21.1%**

In 2019 = 2.09% (1,301 Medicaid clients) costs \$46.0 million or 16.3% of the charges;

In 2019 = 10.03% (6,250 Medicaid clients) cost \$114.0 million of 40.67% of the charges.



From 2016 to 2019, the number of Medicaid clients has actually gone down by -6,614 Medicaid clients or -9.6% over those four years but the costs have risen by \$47.1 million or 21.1%.

Preventative behavioral health care can reduce costs

Cost of Emergency Room visit for Medicaid client for a behavioral health assessment = \$4,360 versus \$200 average per clinical visit to a behavioral healthcare professional like a Licensed Professional Counselor (LPC).

The fiscal note from the Department of Health & Social Services reflects that 20% of the Medicaid clients would receive behavioral health services from LPCs, if this bill were passed. Keep in mind, these are not new Medicaid clients, they are current clients. In FY2019, the total cost of emergency room care in Alaska for Medicaid clients totaled \$280.0 million.

If we use 20% of the Medicaid client population for comparison purposes as stated in the fiscal note, we believe there is an opportunity for significant cost savings. Consider:

- In 2019: 62,284 Medicaid clients visited the emergency rooms in Alaska:
- 20% X 62,284 clients = 12,457 clients
 - Current costs of emergency room visits = 12,457 clients X \$4,360 = \$54,312,250
 - Current average costs of LPC clinical visit = 12,457 clients X \$200 = \$2,491,520

The difference equals = \$51,821,120. We are not saying this is what you'll save but you can clearly see the potential savings of diverting Medicaid clients from the emergency room in a crisis stage and at a platinum cost to a preventative clinical setting with a Licensed Professional Counselor.

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Acknowledgement of support & our sincere thanks to the following:

- Alaska State Hospital and Nursing Home Association
- Providence Health and Services Alaska
- Southeast Alaska Regional Health Consortium
- Alaska Regional Hospital
- Mat-Su Health Foundation
- Alaska Primary Care Association
- Mat-Su Health Services
- Alaska Mental Health Trust Authority
- Alaska Department of Health & Social Services
- Alaska Department of Commerce, Community & Economic Development
- Discovery Cove Recovery & Wellness Center
- Recover Alaska

Senator David Wilson
House Finance Committee
March 16, 2020