



*"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 (FIN) Version V
February 25, 2016**

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

Thank you for your hard work on these important issues. 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 serve are efficient, effective, innovative, utilize Best Practices, and provide high quality care for the best value. At Juneau Alliance for Mental Health, Inc., a Community Behavioral Health Center and Behavioral Health state grantee, we also offer integrated primary care and telebehavioral health services through separate grant funding. Our target population is Seriously Mentally Ill adults and those with co-occurring disorders.

As you make decisions about Medicaid reform, expansion and the budget closeout process please keep in mind these three points:

1. Re: Section 23 of CS for SB74 (V), 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 could decrease oversight and accountability of providers*. This could 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 or reformed 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 limit our acceptance of persons for whom we might think will offer us the greatest ability to bill for the most lucrative services. We provide the Psychiatric Emergency Services in communities statewide, community based case management services for the most acutely mentally ill to keep them out of the psychiatric and acute care hospitals, jails, and provide other support services to ensure they have food, a place to live, and the psychiatric services necessary for stability and recovery.
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. This is already happening in some places. Often, the latter are persons who are the most impaired, can't speak for themselves and are in the greatest need of mental health services.

Please consider these points as you move forward in your decision making process and consider the impact on access to services for those who are the most difficult to serve, have the fewest resources, and for whom many of the services they need to achieve or maintain stability (such as community case management) are currently either non-reimbursable or the rates do not cover the actual cost of service. Who will provide this care if Community Behavioral Health Centers don't receive the necessary financial support to provide the services not covered by Medicaid? Again, thank you for the hard work you are doing for all Alaskans.

A handwritten signature in black ink, appearing to read "Pamela Watts", with a long horizontal line extending to the left.

Pamela Watts
Executive Director
Juneau Alliance for Mental Health, Inc.