Maine Behavioral Healthcare
MaineHealth

February 6, 2018

Senator Eric Brakey
Representative Patricia Hymanson
Chairs, Joint Standing Committee on Health and Human Services
Cross State Office Building, Room 209
Augusta, ME 04333

Re: LD1737 – An Act to Preserve Medication Management for Persons with Mental Health Needs

Dear Senator Brakey, Representative Hymanson, and distinguished members of the Joint Standing Committee on Health and Human Services. I am Michael Abbatiello, Senior Vice President of Operations and Finance at Maine Behavioral Healthcare and I am here to testify in strong support of LD1737.

During the 2017 legislative session we provided written testimony in strong opposition of the proposed reduction in MaineCare reimbursement rates for medication management services. Today we are very pleased to be here in support of this bill which will provide funding to support an urgently needed rate increase for the medication management services provided under rule Chapter 101: MaineCare Benefits Manual, Chapter III, Section 65: Behavioral Health Services.

Maine Behavioral Healthcare (MBH), a not-for-profit behavioral health services organization serves seven counties in Maine and is by many measures the largest behavioral health services provider in the State. Our organization was created in 2014 bringing together four community mental health centers as well as the intensive services of an acute care psychiatric hospital at Spring Harbor Hospital into one fully integrated system of care. As a not-for-profit, and a member of the MaineHealth system, we are committed to serving the needs of all of the communities and populations in our area to the extent that our resources allow.

MBH serves 9,400 clients in our medication management program annually, of which approximately 5,300 are covered under MaineCare Benefits Manual, Chapter III, Section 65: Behavioral Health Services. MBH's medication management rate under Section 65 was set nearly 10 years ago in August of 2008, and, in spite of significant changes to the market, no adjustments have been made since that time. In 2008, the salary assumptions supporting these rates for a psychiatrist was $152,000[1] and a nurse practitioner was $82,000[2]. 2017 salary assumptions are now[3] $232,000 for a Psychiatrist (53% increase) and $117,000 for a nurse practitioner (43% increase).

[1] February 2007 Maine DHHS Standardized Rate Proposals
[2] December 2008 Deloitte Proposed Standardized Rate Proposals
[3] April 2017 Burns and Associates Final Proposed Rates for Rule Making

In addition, Psychiatrists are among the oldest specialty practitioners and many psychiatrists are aging out of the workforce. Fifty-nine percent (59%) of practicing psychiatrists are currently 55 years old or older, and will soon retire. Increased numbers of psychiatric graduates are setting up individual, cash-only outpatient practices, leaving various employment settings scrambling to recruit[4]. This critical shortage of doctors who specialize in behavioral healthcare has existed for years, and has led to psychiatrists being the fourth most requested search assignment for recruitment firms. Furthermore, new graduates are leaving medical school with a median student debt exceeding $200,000[5] and candidates are expecting student loan forgiveness reimbursement in addition, to their salary. Because of this "perfect storm", the market for these recruits is extremely competitive and hiring a new psychiatric practitioner is exceedingly expensive. Most of that cost is not covered by current reimbursement rates.

While these financial and recruitment challenges occur, behavioral health challenges also continue in Maine. These challenges include 1 in 5 adults reporting excessive alcohol use in the past 30 days; a 234% increase in drug overdoses between 2000 and 2016; and suicide is the leading cause of death for children ages 10-14 and second leading for ages 10-24.[6]

Combined, these financial and behavioral healthcare challenges have persisted for the last ten years with no additional funding for medication management services under section 65. In fact, in the past few months, Federal and State Block grants which were designed to subsidize these programs were changed to "fee for service" funds for uninsured patients. This in effect reduced funding for these essential services. The impact of these challenges has led to many agencies closing their medication management programs entirely, while the few remaining providers struggle to survive.

While other agencies have cut back on this service, MBH determined that medication management is the foundation for recovery, and grew our program to the meet the needs of the communities we serve. This has come with a need to financially subsidize this program by the $1.0M operating loss we experience annually. **This subsidy is not sustainable**. Said differently, as clients had fewer places to turn for help, MBH increased its supply of providers and developed innovative treatment models to help meet the burgeoning community need. However the demand for service has far outweighed our ability to deliver care to all patients referred to our programs.

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[4] Merritt Hawkins White Paper Series – Examining topics affecting the recruitment and retention of physicians and advanced practice professionals, *Psychiatry: "The Silent Shortage"*
[5] Association of American Medical Colleges
[6] KFF.org Opioid Overdose Death Rates

Currently, MBH has a waiting list for medication management services of 1,200 clients, of whom 700 are covered under MaineCare Benefits Manual, Chapter III, Section 65: Behavioral Health Services. And the average client has been waiting for an appointment for nearly 3 months – or 84 days. That is both inefficient and downright dangerous for clients in need.

As the behavioral health service provider for MaineHealth and the communities we collectively serve, MBH is committed to doing all that we can to continue our medication management program, but we are extremely challenged to do so in given the financial challenges.

Finally, many individuals in recovery or with well-managed psychiatric chronic diseases can be stable, active, employed participants in their communities, and otherwise contribute to the community when under the care of a team led by a physician and/or an advanced practice nurse practitioner. But the converse is also true - if medication management services are not robustly provided in a community, individuals will be less likely to get access to these services and may unnecessarily struggle with their illness, resulting in loss of employment, increased crisis calls, unexpected visits to the emergency rooms, and even increased suicide and avoidable death. The financial and societal cost of job loss, repeated emergency room visits, and increased hospital admissions are enormous. The effectiveness of medication treatment for severe and persistent mental illness and addictions is well-demonstrated and supports the importance of investing in medication management services.

Passage of LD1737 will allow us to ensure that we can continue to provide service in a sustainable manner and allow us to expand access to the 1,200 clients sitting on a wait list; continue serving our communities and address the opioid crisis by ensuring that integrated medication management (including treatment such as suboxone) is readily available to those in need; and offer hope that the behavioral healthcare agencies that closed their medication management programs will re-open these critical services to help meet the needs of Mainers.

Thank you for the opportunity to comment. I am happy to answer any questions.

Sincerely,

Michael R. Abbatiello, MPPM, CPA
Senior Vice President of Operations and Finance