



## CITY OF BANGOR

### Joint Standing Committee on Health and Human Services

#### **Testimony in Support of LD 445 – “Resolve, Directing the Department of Health and Human Services to Apply for a Waiver from the Federal Government for the Medicaid Limitation on Payment to a Facility with More Than 16 Inpatient Beds for Psychiatric Treatment”**

March 17, 2023

Senator Baldacci, Representative Meyer, and distinguished members of the Joint Standing Committee on Health and Human Services. I am Deborah Laurie, City Manager of the City of Bangor, and I am providing testimony in support of LD 445, “Resolve, Directing the Department of Health and Human Services to Apply for a Waiver from the Federal Government for the Medicaid Limitation on Payment to a Facility with More Than 16 Inpatient Beds for Psychiatric Treatment.”

The City of Bangor is home to two psychiatric hospitals, Northern Light Acadia Hospital and the Dorothea Dix Psychiatric Center. Both provide excellent care to Mainers experiencing psychiatric crisis. They, and all psychiatric facilities across Maine, face many challenges which could be effectively addressed by increased funding opportunities such as those created by the waiver of the Medicaid limitation on payments to facilities with more than 16 inpatient beds.

Bangor is also home to two hospitals, both of which routinely have emergency departments struggling under the burden of severely mentally ill patients with no appropriate placement. In far too many instances, without placement options, these individuals are discharged with no plan for housing or the intensive psychiatric services they so desperately need. They are essentially left to fend for themselves. Consequently, many join the growing ranks of homeless adults and youth on the streets of Bangor and most service center communities across the state.

Currently, federal law prohibits states from using Medicaid to pay for care provided in “institutions for mental disease” (IMDs), which are psychiatric hospitals or other residential treatment facilities that have more than 16 beds. This is the only part of federal Medicaid law that prohibits payment for the cost of providing medically necessary care because of the type of illness being treated or the number of beds in a facility. This discriminatory exclusion has been in place since Medicaid’s enactment in 1965, and it has resulted in unequal coverage of mental health care. It has also resulted in the inability of psychiatric providers like those in our community and throughout the state to maintain or expand bed capacity in response to the ever-growing need.

The need is acute and well documented. Since deinstitutionalization in 1955, there has been a 93% reduction in the number of beds available to the severely mentally ill at state hospitals. According to Northern Light Acadia Hospital, their average daily waitlist in January of this year was nearly thirty, and in 2021, their average daily census was less than 60 for in a hospital licensed for 100 beds.

We support any action the State can take to increase funding opportunities that could greatly expand bed capacity and improve treatment options for some of our most vulnerable citizens. No longer will psychiatric patients languish in emergency departments for days on end waiting for a bed in a facility that can provide the treatment they so desperately need. With treatment capacity increased, our jails will no longer serve as the largest de facto psychiatric hospitals in the state. And, perhaps, Bangor and other cities across Maine can begin to reverse the trend of increasing homelessness.

On behalf of the Bangor City Council, I strongly urge you to pass LD 445 to improve the provision of psychiatric treatment across Maine.