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Alliance for Addiction and Mental Health Services, Maine The unified voice for Maine's community behavioral health providers Malory Otteson Shaughnessy, Executive Director

Testimony in Support of LD 2082 An Act to Ensure the Financial Stability of Behavioral Health Services Providers and Housing Assistance Providers

Sponsored by Senator Bennett 1.24.2024

Good afternoon Senator Baldacci, Representative Meyer, and esteemed members of the Joint Standing Committee on Health and Human Services. My name is Malory Shaughnessy, I am a resident of Westbrook, and the Executive Director of the Alliance for Addiction and Mental Health Services. The Alliance is the statewide association representing the majority of Maine's community-based providers of these much-needed services, providing care annually to over 80,000 Maine men, women, and children. The Alliance advocates for the implementation of sound policies and evidence-based practices that serve to enhance the quality and effectiveness of our behavioral health care system.

On behalf of the Alliance and the thousands of youth and families that they serve, I am here today to speak in support of LD 2082, An Act to Ensure the Financial Stability of Behavioral Health Services Providers and Housing Assistance Providers. We thank Senator Bennett and his co-sponsors for bringing forward this legislation.

As members of this committee, you all have heard from me and many others over recent years about the precarious position so many behavioral health providers, serving the MaineCare and uninsured populations, find themselves in as they attempt to keep their doors open, keep positions filled with clinicians and direct care essential workers, and provide access to the critically important services needed by tens of thousands of men, women and children across our state every day. You have heard of the closures of facilities, the reduction of service providers, the increase of wait times, and the stories of those stuck in hospitals due to lack of access.

Most of the nonprofit agencies providing these community-based services do not have large endowments supporting their work. They do not have deep pockets of cash. They do not have large savings accounts and investment portfolios that they can draw on when there is any disruption in their payments or reimbursements.

Yet, when the Office of MaineCare Services has back-ups in its systems such as recently seen with provider enrollment and maintenance, or when DHHS Contracting Offices cannot get new or updated contracts out to providers in a timely way due to its many internal reviews, or when payments are simply delayed due to internal DHHS processing, these providers are expected to take out lines of credit to cover their cash flow needs to stay open and make payroll.

They then have to cover the administrative costs associated with these loans as well as the interest charges without any reimbursement. And they simply cannot afford to continue to cover these costs. They simply have no fluff in their budgets.

Many times, these delays extend for upwards of 4-6 months. Some members of the Alliance have contracts they are still awaiting since July and September of last year. And without the contract, the payments do not come, even though the agency is continuing to provide the services to those in need.

If you do not pay your obligations in the real world in a timely way, there are charges that accrue. If your rent or mortgage is late, there is a charge you pay. If your credit card is not paid on time, there is a charge for that. If you have a business and your bank loan is not paid on time, there is a charge for that. Businesses and individuals are required to be timely in their payments.

We understand that short staffing can stall paperwork. We understand that sometimes errors need to be fixed or changes made that do not allow timelines to be met. However, the costs to providers for these delays need to be covered to keep them whole.

We urge you to vote Ought to Pass on this legislation to ensure the financial stability of these community-based agencies who partner with the state to provide essential services to Maine people. I would be happy to provide any additional information that you might require. Thank you.