



BEHAVIORAL HEALTH COMMUNITY COLLABORATIVE

Working together to promote quality lives

Senator Baldacci, Representative Meyer and Members of the Health and Human Services Committee,

I am Betsy Sweet, with the Behavioral Health Community Collaborative, in support of LD 2082.

The Collaborative is a group of eight non-profit, community-based agencies and we deliver approximately 70% of the mental health services in the state.

We have testified before this committee numerous times over the last few years about a variety of policies and programs to help Mainers with serious and persistent mental illness. At the foundation of much of that testimony has been the reality that mental health agencies today are struggling to hold on financially and are trying desperately to maintain programs and services that are so badly needed. It is very challenging, and there are no agencies or providers who have a deep well of cash to address cashflow problems that arise when they are caused by a failure to receive completed contracts, reimbursements or pay from the DHHS in a timely fashion.

I want to be very clear; we understand all too well the problems with staffing and COVID and upheaval in systems and that there are times when prompt payment or contracts are just not possible. This bill is not intended to cast any aspersions on the DHHS at all.

That said, there are times when agencies are forced to access their lines of credit to make ends meet, pay employees and vendors and to keep programs running. As you heard from Senator Bennett, this bill simply says that if providers must access their line of credit over a period of time in which they must pay interest on that credit, *due to a delay by the Department* the Department must pay for the interest on that line of credit.

In the last year, just six agencies had to spend \$197,000 on interest on their lines of credit. Non-profit agencies do not have this kind of unallocated cash, this money is not figured into reimbursement rates, and it comes out of direct services that are in short supply. It is simply unacceptable. It causes incredible stress, administrative burden and is just bad business.

We ask that you support LD 2082 so that providers of these critical services can rest assured that they will not be asked to shoulder the financial burden of delays that are beyond their control.

I'd be happy to answer any questions.