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Testimony of Commissioner Jeanne M. Lambrew, Ph.D. and
Deputy Commissioner of Finance Benjamin Mann
Department of Health and Human Services

Before the Joint Standing Committee on Appropriations and Financial Affairs and
The Joint Standing Committee on Health and Human Services

LD 2214, An Act to Make Supplemental Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and to Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2024 and June 30, 2025

Hearing Date: February 27, 2024

Senator Rotundo, Representative Sachs, Senator Baldacci, Representative Meyer, Members of the Joint Standing Committee on Appropriations and Financial Affairs and Members of the Joint Standing Committee on Health and Human Services; my name is Jeanne Lambrew, Commissioner of the Department of Health and Human Services (DHHS). I am here today to speak in support of LD 2214, the Governor's supplemental budget proposal for state fiscal years 2024 and 2025. I will introduce our testimony and help answer questions; Deputy Commissioner Benjamin Mann will testify on individual initiatives and will also be available to answer questions.

Overall Budget

The supplemental budget is a balanced, prudent, and responsible proposal that advances the Governor's long-held belief that we must continue to invest in the people of Maine, our greatest asset.

That is why the Governor's proposal strikes the balance between making timely investments to address urgent needs – like public safety, mental health, housing, education, and health care – and -saving money to ensure that our state continues to stand on strong fiscal footing in the future.

We look forward to working with the Legislature in the coming weeks to arrive at a budget that protects our fiscal health and that makes prudent and timely investments to support the health, safety, and welfare of Maine people.

Highlights from Department of Health and Human Services

Maine's population, diversity, and economy have grown in recent years, as has the role of state government in key areas like health coverage, income and food security, and public safety. As with all other states, Maine has also been affected by the COVID-19 pandemic and its ongoing effects such as increased behavioral health challenges, workforce strain, and historic inflation.

Maine DHHS has a strong track record of providing and expanding critical services to those in need, despite and due to the pandemic such as: expanded MaineCare eligibility for low-income adults, older adults, and children; award-winning rate reform in MaineCare that promotes quality, accessible care; more and better quality child care; and first-class public health.

We are committed to securing and building on the gains we have made in recent years in a financially responsible way to ensure continued sustainability for health and human services programs. The Maine DHHS supplemental budget requests are minimal on new policies. It includes initiatives to address urgent priorities such as strengthening Maine's mental health, public safety, and child welfare systems. In the wake of the Lewiston tragedy, storms, and ongoing stress for Maine families, these targeted initiatives, informed by people and partners across Maine, will quickly and effectively bolster critical infrastructure.

The supplemental budget proposes funding to continue MaineCare rate reform for some of the most important services. For nursing facilities, it proposes \$10 million, including \$3.2 million in General Funds, to complement the \$29 million, including \$9.1 million in General Funds, already appropriated for state fiscal year 2025. This significant investment in a new payment system incentivizes permanent direct care staffing and promotes quality care and positive health outcomes for Maine residents who live in nursing facilities.

For hospitals, the supplemental budget proposes \$96.4 million for state fiscal year 2025 including \$2.5 million in additional General Fund to complement the \$6.2 million in General Funds already appropriated for state fiscal year 2025 plus \$29.5 million from an increase in the hospital tax rate to support the state share of costs. The proposed system will better align MaineCare and Medicare payment rates, encourage more outpatient care, and increase transparency and uniformity.

And for behavioral health, the supplemental budget includes \$8.2 million in General Funds for cost-of-living adjustments.

The largest General Fund requests from the Department are out of necessity. For example, higher income in Maine means a lower federal Medicaid matching rate; higher drug costs mean a higher

required payment to the federal government for Medicare Part D; and higher inflation means higher spending.

The budget also makes hard, necessary tradeoffs to ensure sustainability of critical programs into the future. For example, we request \$5.4 million for State SNAP while proposing statutory changes to eligibility criteria. We request \$5 million for General Assistance while proposing to limit emergency spending above the maximum levels of assistance to 30 days and not longer. We continue to invest in MaineCare—guided by the award-winning, data-driven rate reform process—but also propose to partially, rather than fully, implement recent and not-yet-implemented Medicare Savings Program eligibility expansion.

In summary, Maine DHHS requests in the supplemental budget aim to balance continued support for key programs and systems with common-sense changes.

Departmental Supplemental Initiatives

Senator Rotundo, Representative Sachs, Senator Baldacci, Representative Meyer, Members of the Joint Standing Committee on Appropriations and Financial Affairs and Members of the Joint Standing Committee on Health and Human Services; my name is Benjamin Mann, Deputy Commissioner of Finance at the Department of Health and Human Services (DHHS).

A couple of housekeeping notes before we begin: For the initiatives that we'll cover during this session, I included the traditional budget language that directly aligns to what you see in the Governor's printed budget. This language is italicized. However, my oral testimony today will summarize each initiative so that it's easier to understand while not losing any detail or meaning. Thus, my testimony today is 14 pages but I won't be reading it all. There are also several initiatives that appear numerous times in the budget because they are funded in multiple programs. I will explain the initiative the first time, but my oral testimony does not continually repeat them over and over. The italicized language is there for reference, and I included a summary table for each of these initiatives in my testimony as well. For your awareness, all of these summary tables were included in yesterday's testimony as well.

Disproportionate Share -Dorothea Dix Psychiatric Center

The first program on page A-56 is **Disproportionate Share – Dorothea Dix Psychiatric Center – Z225**. Dorothea Dix Psychiatric Center (DDPC) is one of two State psychiatric hospitals under the Maine State Department of Health and Human Services that provides psychiatric services and treatment for both civil and non-civil patients as well as outpatients. DDPC is part of a comprehensive mental health system of services Northern and Eastern Maine. The Hospital is licensed by the Maine Department of Health and Human Services, certified by the Centers for

Medicare and Medicaid Services (CMS), and accredited by the Joint Commission on Accreditation of Healthcare Organizations. This program has 2 initiatives.

1. The first initiative (F-A-1322) on page A-56 adjusts funding for positions in the Dorothea Dix Psychiatric Center as a result of the decrease in the 2025 Federal Medical Assistance Percentage. This initiative provides General Fund of \$125,160 in state fiscal year 2025. This initiative can also be found on page A-57. Note that this FMAP change (and the change for DDPC) are for Medicaid reimbursement to the state psychiatric hospitals and not MaineCare funding baseline, which is why they are not included in the FMAP summary table.

The first initiative (F-A-1322) on page A-56 adjusts funding for positions in the Dorothea Dix Psychiatric Center as a result of the decrease in the 2025 Federal Medical Assistance Percentage. The blended rate is 62.21% Federal Expenditures Fund and 37.79% General Fund in fiscal year 2024-25. This initiative provides General Fund Personal Services funding of \$125,160 in state fiscal year 2025. This initiative can also be found on page A-57.

2. The next initiative (F-A-1321) on page A-56 provides one-time funding to replace the second floor windows in B building at Dorothea Dix Psychiatric Center. The DDPC buildings require continual maintenance and this is the next project that needs attention. This initiative provides General Fund of \$496,411 in state fiscal year 2025.

The next initiative (F-A-1321) on page A-56 provides one-time funding to replace the second floor windows in B building at Dorothea Dix Psychiatric Center. This initiative provides General Fund Capital funding of \$496,411 in state fiscal year 2025.

Disproportionate Share – Riverview Psychiatric Center

The next program on page A-56 is **Disproportionate Share – Riverview Psychiatric Center – Z220**. Riverview Psychiatric Center (RPC), in collaboration with the community, is a center for best practice, treatment, education and research, for individuals with serious, persistent mental illness. It serves those who require involuntary hospitalization; those who require a secure setting; those who require extended periods of inpatient treatment and/or rehabilitation; those committed under the criminal statutes for observation, care and treatment; and those who require certain highly specialized programs not available elsewhere. The hospital is licensed by the Department of Health and Human Services and is accredited by The Joint Commission on Accreditation of Healthcare Organizations. This program has one initiative.

1. This initiative (F-A-1410) on page A-56 adjusts funding for positions in the Riverview Psychiatric Center as a result of the decrease in the 2025 Federal Medical Assistance Percentage.

This initiative provides General Fund of \$162,718 in state fiscal year 2025. This initiative can also be found on page A-85.

This initiative (F-A-1410) on page A-56 adjusts funding for positions in the Riverview Psychiatric Center as a result of the decrease in the 2025 Federal Medical Assistance Percentage. The blended rate is 62.21% Federal Expenditures Fund and 37.79% General Fund in fiscal year 2024-25. This initiative provides General Fund Personal Services funding of \$162,718 in state fiscal year 2025. This initiative can also be found on page A-85.

Dorothea Dix Psychiatric Center

The next program on page A-57 is **Dorothea Dix Psychiatric Center – Z222**. This program was previously described above and has one initiative.

1. This initiative (F-A-1322) on page A-57 adjusts funding for positions in the Dorothea Dix Psychiatric Center due to FMAP changes, as previously mentioned. This initiative reduces Other Special Revenue Funds by \$129,002 in state fiscal year 2025. This initiative can also be found on page A-56.

This initiative (F-A-1322) on page A-57 adjusts funding for positions in the Dorothea Dix Psychiatric Center as a result of the decrease in the 2025 Federal Medical Assistance Percentage. The blended rate is 62.21% Federal Expenditures Fund and 37.79% General Fund in fiscal year 2024-25. This initiative reduces Other Special Revenue Funds Personal Services allocation by \$125,160 and All Other allocation by \$3,842 in state fiscal year 2025. This initiative can also be found on page A-56.

Forensic Services

The next program on page A-58 is **Forensic Services – Z203**. This program provides high quality, impartial, psychological and psychiatric evaluations, and expert testimony to the Court at a reasonable cost. The State Forensic Services (SFS) conducts court-ordered evaluations only, in criminal cases. This includes pre-adjudicatory assessments of competence to proceed and criminal responsibility (insanity), evaluations of juvenile defendants, and pre-sentence evaluations. The SFS also provides education and consultation to ensure that services provided meet national standards for the application of psychological and psychiatric data to psycho-legal questions. This program has one initiative.

1. This initiative (F-A-1944) on page A-58 provides funding for the approved reorganization of one Psychiatric Social Worker II position to a Social Services Program Specialist II position in

the State Forensic Service program. This initiative provides General Fund of \$4,350 in state fiscal year 2025.

This initiative (F-A-1944) on page A-58 provides funding for the approved reorganization of one Psychiatric Social Worker II position to a Social Services Program Specialist II position to more accurately reflect the needs of the State Forensics Services and the duties to be assigned. A Social Services Program Specialist II position is needed to oversee the Court Ordered Diagnostic Evaluation (CODE) related to Office of Child and Family Services clients. This initiative provides General Fund Personal Services funding of \$4,350 in state fiscal year 2025.

Medical Care – Payments to Providers

The next program on page A-65 is **Medical Care – Payments to Providers – 0147**. This program funds Medicaid services administered by the Office of MaineCare Services. This program has one initiative.

1. This initiative (F-A-2153) on page A-66 provides funding to strengthen existing mobile crisis response through implementation of a comprehensive MaineCare payment model (new mobile crisis rates and services) beginning January 1, 2025. This model will support teams comprised of specially trained behavioral health responders, including peers, who de-escalate mental health and substance use crises, assess needs, and provide an appropriate level of care in the least restrictive setting. This is a estimate for six months and will be annualized and updated in fiscal year 2026, as needed. This initiative provides General Fund of \$633,034, increases Federal Expenditures Fund by \$1,879,789 and increases Federal Block Grant Fund by \$289,070 in state fiscal year 2025.

This initiative (F-A-2153) on page A-66 provides funding for new mobile crisis rates and services to be included in the MaineCare Benefits Manual beginning January 1, 2025. This is a preliminary estimate for 6 months and will be annualized in fiscal year 2025-26 and updated in future years, as needed, once actual rates are finalized and utilization of these services is more certain. This initiative provides General Fund All Other funding of \$633,034, increases Federal Expenditures Fund All Other allocation by \$1,879,789 and increases Federal Block Grant Fund All Other allocation by \$289,070 in state fiscal year 2025.

Mental Health Services – Community

The next program on page A-71 is **Mental Health Services – Community – Z198**. This program develops and maintains a system of community mental health services and supports for persons age 18 years and older who have serious mental illness and significant functional impairments. The program provides individualized treatment and rehabilitative services for

persons with serious mental disorders in settings most appropriate to their needs and the needs of their families. Services are delivered primarily through performance-based contracts with provider agencies, and include community integration, assertive community treatment, crisis services, housing services, residential treatment, in-home support, peer support, medication management and outpatient services. This program has 4 initiatives.

1. The first initiative (F-A-7948) on page A-71 provides ongoing funding to support a 24/7 behavioral health crisis receiving center in Lewiston to support the long-term behavioral health needs of the community. This builds on the successful Portland receiving center and furthers the Governor's plan to create a state-wide network of crisis receiving centers so that any person suffering a mental health crisis can get prompt and appropriate care. This initiative provides General Fund of \$450,000 based on three months of operating costs in state fiscal year 2025, in conjunction with one-time implementation costs described in the next initiative.

The first initiative (F-A-7948) on page A-71 provides ongoing funding to support a 24/7 behavioral health crisis receiving center in Lewiston to support the long-term behavioral health needs of the community. This initiative provides General Fund All Other funding of \$450,000 in state fiscal year 2025.

2. The next initiative (F-A-7947) on page A-71 provides one-time funding to establish the 24/7 behavioral health crisis receiving center in Lewiston, related to the previous initiative. This initiative provides General Fund of \$950,000 in state fiscal year 2025.

The next initiative (F-A-7947) on page A-71 provides one-time funding to establish a 24/7 behavioral health crisis receiving center in Lewiston to support the long-term behavioral health needs of the community. This initiative provides General Fund All Other funding of \$950,000 in state fiscal year 2025.

3. The next initiative (F-A-7949) on page A-71 provides funding for required mental health assessments pursuant to Public Law 2019, Chapter 411. This funding will be used to support the surge in mental health assessments under the extreme risk protection order law since the tragedy in Lewiston. This initiative provides General Fund of \$422,400 in state fiscal year 2025.

The next initiative (F-A-7949) on page A-71 provides funding for required mental health assessments of foreseeable harm pursuant to Public Law 2019, Chapter 411. This initiative provides General Fund All Other funding of \$422,400 in state fiscal year 2025.

4. The next initiative (F-A-1945) on page A-71 separates the Continuum of Care (CoC) program into its own distinct account and provides additional funding to align allocation with available resources. The CoC Program is a federal program funded by the U.S. Department of Housing

and Urban Development and designed to provide rental subsidies and supportive services to homeless individuals with disabilities, primarily those with chronic mental illness, substance use disorder, and HIV/AIDS. This initiative increases federal allotment by \$465,198 in state fiscal year 2025.

The next initiative (F-A-1945) on page A-71 adjusts funding between accounts within the Mental Health Services - Community program, Federal Expenditures Fund to separate the continuum of care program into its own distinct account and provides additional funding to align allocation with available resources. This initiative increases Federal Expenditures Fund All Other allocation by \$465,198 in state fiscal year 2025.

Mental Health Services – Community Medicaid

The next program on page A-72 is **Mental Health Services – Community Medicaid – Z201**. This program develops a system of community mental health services and supports, including acute and long-term psychiatric inpatient services, for persons age 18 years and older who have serious mental illness and significant functional impairments. The program supports, empowers and enables individuals and families to enjoy an improved quality of life through effective stewardship of public resources. This program has 4 initiatives.

1. The first initiative (F-A-7997) on page A-72 adjusts funding and rates to reflect the elimination of health care services from the service provider tax. This initiative provides General Fund of \$5,765,413 and reduces OSR by the same amount in state fiscal year 2025. This initiative can also be found on pages A-54, A-55, A-63, A-65, A-69, and A-83. As I noted yesterday, this and related initiatives complete the elimination of the Service Provider Tax enacted in the previous legislative session through an ongoing initiative by providing funding in the baseline. There is no impact in this biennium, which is why there is a corresponding one-time initiative to offset funding in fiscal year 2025, which is the next initiative.

The first initiative (F-A-7997) on page A-72 adjusts funding and rates to reflect the elimination of health care services from the service provider tax under the Maine Revised Statutes, Title 36, section 2552, effective January 1, 2025, as enacted in Public Law 2023, chapter 412, Part XXX. This initiative provides General Fund All Other funding of \$5,765,413 and reduces Other Special Revenue Funds All Other allocation by \$5,765,413 in state fiscal year 2025. This initiative can also be found on pages A-54, A-55, A-63, A-65, A-69, and A-83.

Table 1: SPT ongoing

SPT - Eliminates Hlth Care Svcs (F-A-7997)			SFY 2025			
Approp	Name	Page	010	013	014	Total
Z21159	Developmental Svcs Waiver-MC	A-54	\$ 16,997,086	\$ -	\$ -	\$ 16,997,086
Z21254	Developmental Svcs Supports Waiver	A-55	\$ 623,725	\$ -	\$ -	\$ 623,725
Z21050	Medicaid Match-Developmental Svcs	A-63	\$ 929,003	\$ -	\$ (313,089)	\$ 615,914
Z21052	Medicaid Match-DS-SPT	A-63	\$ -	\$ -	\$ (19,058,413)	\$ (19,058,413)
014701	Medical Care Services	A-65	\$ 3,151,264	\$ (15,221,316)	\$ (12,456,722)	\$ (24,526,774)
Z20780	MH Svcs Child Medicaid	A-69	\$ 821,688	\$ -	\$ -	\$ 821,688
Z20140	MH Svcs Community Medicaid	A-72	\$ 5,765,413	\$ -	\$ (2,310,907)	\$ 3,454,506
Z20144	MH Svcs Community Medicaid - PNMI Tax	A-72	\$ -	\$ -	\$ (3,454,506)	\$ (3,454,506)
Z20241	SA & MH Medicaid	A-83	\$ 155,165	\$ -	\$ (155,165)	\$ -
Total			\$ 28,443,344	\$ (15,221,316)	\$ (37,748,802)	\$ (24,526,774)

2. The next initiative (F-A-7998) on page A-72 adjusts funding and rates on a one-time basis to reflect the inclusion of health care services in the service provider tax under the Maine Revised Statutes, Title 36, section 2552, through January 1, 2025, as enacted in Public Law 2023, chapter 412, Part XXX. This initiative reduces General Fund by \$5,765,413 and increases Other Special Revenue Funds by the same amount in state fiscal year 2025, which is the same amount as the previous initiative. This initiative can also be found on pages A-54, A-55, A-63, A-65, A-69, and A-83.

The next initiative (F-A-7998) on page A-72 adjusts funding and rates on a one-time basis to reflect the inclusion of health care services in the service provider tax under the Maine Revised Statutes, Title 36, section 2552, through January 1, 2025, as enacted in Public Law 2023, chapter 412, Part XXX. This initiative reduces General Fund All Other funding by \$5,765,413 and increases Other Special Revenue Funds All Other allocation by \$5,765,413 in state fiscal year 2025. This initiative can also be found on pages A-54, A-55, A-63, A-65, A-69, and A-83.

Table 2: SPT one-time

SPT-Includes Hlth Care Svcs (F-A-7998)			SFY 2025			
Approp	Name	Page	010	013	014	Total
Z21159	Developmental Svcs Waiver-MC	A-54	\$ (16,997,086)	\$ -	\$ -	\$ (16,997,086)
Z21254	Developmental Svcs Supports Waiver	A-55	\$ (623,725)	\$ -	\$ -	\$ (623,725)
Z21050	Medicaid Match-Developmental Svcs	A-63	\$ (929,003)	\$ -	\$ 313,089	\$ (615,914)
Z21052	Medicaid Match-DS-SPT	A-63	\$ -	\$ -	\$ 19,058,413	\$ 19,058,413
014701	Medical Care Services	A-65	\$ (3,151,264)	\$ 15,221,316	\$ 12,456,722	\$ 24,526,774
Z20780	MH Svcs Child Medicaid	A-69	\$ (821,688)	\$ -	\$ -	\$ (821,688)
Z20140	MH Svcs Community Medicaid	A-72	\$ (5,765,413)	\$ -	\$ 2,310,907	\$ (3,454,506)
Z20144	MH Svcs Community Medicaid - PNMI Tax	A-72	\$ -	\$ -	\$ 3,454,506	\$ 3,454,506
Z20241	SA & MH Medicaid	A-83	\$ (155,165)	\$ -	\$ 155,165	\$ -
Total			\$ (28,443,344)	\$ 15,221,316	\$ 37,748,802	\$ 24,526,774

3. The next initiative (F-A-2147) on page A-72 adjusts funding as a result of the decrease in FMAP. This initiative provides General Fund of \$681,661 in state fiscal year 2025. This initiative can also be found on pages A-54, A-55, A-63, A-64, A-66, A-69, A-73, A-83, and A-86.

The next initiative (F-A-2147) on page A-72 adjusts funding as a result of the decrease in the Federal Medicaid Assistance Percentage for federal fiscal year 2024-25. This initiative provides General Fund All Other funding of \$681,661 in state fiscal year 2025. This initiative can also be found on pages A-54, A-55, A-63, A-64, A-66, A-69, A-73, A-83, and A-86.

Table 3: FMAP adjustments

FMAP (F-A-2147)		SFY 2025				
Approp	Page	010	013	015	024	Total
Z21159	A-54	\$ 2,348,026	\$ -	\$ -	\$ -	\$ 2,348,026
Z21254	A-55	\$ 605,597	\$ -	\$ -	\$ -	\$ 605,597
Z21050	A-63	\$ 443,037	\$ -	\$ -	\$ -	\$ 443,037
Z21756	A-64	\$ 46,715	\$ -	\$ -	\$ -	\$ 46,715
Z21858	A-64	\$ 110,075	\$ -	\$ -	\$ -	\$ 110,075
014701	A-66	\$ 8,940,537	\$ (14,214,961)	\$ (19,261)	\$ 377,244	\$ (4,916,441)
Z20780	A-69	\$ 499,963	\$ -	\$ -	\$ -	\$ 499,963
Z20140	A-72	\$ 681,661	\$ -	\$ -	\$ -	\$ 681,661
014801	A-73	\$ 2,373,392	\$ (2,373,392)	\$ -	\$ -	\$ -
Z20241	A-83	\$ 163,994	\$ -	\$ -	\$ 15,875	\$ 179,869
Z21451	A-86	\$ 1,498	\$ -	\$ -	\$ -	\$ 1,498
Total		\$ 16,214,495	\$ (16,588,353)	\$ (19,261)	\$ 393,119	\$ -

4. The next initiative (F-A-7996) on page A-72 adjusts funding in the Medicaid dedicated tax accounts and the corresponding General Fund accounts to bring baseline resources in line with the December 2023 Revenue Forecasting Committee recommendations. As described yesterday, this initiative reduces General Fund by \$815,051 in fiscal year 2024 and \$407,526 in fiscal year 2025 and increases Other Special Revenue Funds by the same amounts. This initiative can also be found on pages A-55, A-63, A -73, A-83, and A-85.

The next initiative (F-A-7996) on page A-72 adjusts funding in the Medicaid dedicated tax accounts and the corresponding General Fund accounts to bring baseline resources in line with the December 2023 Revenue Forecasting Committee recommendations. This initiative reduces General Fund All Other funding by \$815,051 in state fiscal year 2024 and \$407,526 in state fiscal year 2025 and increases Other Special Revenue Funds All Other allocation by \$815,051 in state fiscal year 2024 and \$407,526 in state fiscal year 2025. This initiative can also be found on pages A-55, A-63, A -73, A-83, and A-85.

Table 4: RFC adjustments

RFC (F-A-7996)		SFY 2024			SFY 2025		
Approp	Page	010	014	Total	010	014	Total
014801	A-73	\$ (830,366)	\$ -	\$ (830,366)	\$ (830,366)	\$ -	\$ (830,366)
014802	A-73	\$ -	\$ 830,366	\$ 830,366	\$ -	\$ 830,366	\$ 830,366
Z19753	A-85	\$ -	\$ 223,000	\$ 223,000	\$ -	\$ 223,000	\$ 223,000
Z20140	A-72	\$ (815,051)	\$ 269,121	\$ (545,930)	\$ (407,526)	\$ 134,561	\$ (272,965)
Z20144	A-72	\$ -	\$ 545,930	\$ 545,930	\$ -	\$ 272,965	\$ 272,965
Z20241	A-83	\$ (63,018)	\$ 63,018	\$ -	\$ (31,509)	\$ 31,509	\$ -
Z21050	A-63	\$ (228,675)	\$ -	\$ (228,675)	\$ (228,675)	\$ -	\$ (228,675)
Z21057	A-63	\$ -	\$ 5,675	\$ 5,675	\$ -	\$ 5,675	\$ 5,675
Z21254	A-55	\$ (3,854)	\$ 3,854	\$ -	\$ (3,854)	\$ 3,854	\$ -
Total		\$ (1,940,964)	\$ 1,940,964	\$ -	\$ (1,501,930)	\$ 1,501,930	\$ -

Office of Substance Abuse & Mental Health Services – Medicaid Seed

The next program on page A-83 is **Office of Substance Abuse & Mental Health Services – Medicaid Seed – Z202**. This program contracts with treatment and prevention services providers, develops and delivers substance use disorder services to persons in the correctional system and oversees treatment and prevention programs. This program has 4 initiatives.

1. All four initiatives on page A-83 were already discussed in my testimony earlier as well as yesterday. I'll move onto the next page.

The first initiative (F-A-7997) on page A-83 adjusts funding and rates to reflect the elimination of health care services from the service provider tax under the Maine Revised Statutes, Title 36, section 2552, effective January 1, 2025, as enacted in Public Law 2023, chapter 412, Part XXX. This initiative provides General Fund All Other funding of \$ 155,165 and reduces Other Special Revenue Funds All Other allocation by \$155,165 in state fiscal year 2025. This initiative can also be found on pages A-54, A-55, A-63, A-65, A-69, and A-72.

The next initiative (F-A-7998) on page A-83 adjusts funding and rates on a one-time basis to reflect the inclusion of health care services in the service provider tax under the Maine Revised Statutes, Title 36, section 2552, through January 1, 2025, as enacted in Public Law 2023, chapter 412, Part XXX. This initiative reduces General Fund All Other funding by \$155,165 and increases Other Special Revenue Funds All Other allocation by \$155,165 in state fiscal year 2025. This initiative can also be found on pages A-54, A-55, A-63, A-65, A-69, and A-72.

The next initiative (F-A-2147) on page A-83 adjusts funding as a result of the decrease in the Federal Medicaid Assistance Percentage for federal fiscal year 2024-25. This initiative provides General Fund All Other funding of \$163,994 and increases Fund for a Healthy Maine All Other allocation by \$15,875 in state fiscal year 2025. This initiative can also be found on A-54, A-55, A-63, A-64, A-66, A-69, A-72, A-73, and A-86.

The next initiative (F-A-7996) on page A-83 adjusts funding in the Medicaid dedicated tax accounts and the corresponding General Fund accounts to bring baseline resources in line with the December 2023 Revenue Forecasting Committee recommendations. This initiative reduces General Fund All Other funding by \$63,018 in state fiscal year 2024 and \$31,509 in state fiscal year 2025 and increases Other Special Revenue Funds All Other allocation by \$63,018 in state fiscal year 2024 and \$31,509 in state fiscal year 2025. This initiative can also be found on pages A-55, A-63, A-72, A-73, and A-85.

Office of Substance Abuse and Mental Health Services

The next program on page A-84 is **Office of Substance Abuse and Mental Health Services – Z199**. This program contracts with substance use disorder treatment and recovery agencies to provide access to comprehensive, integrated assessment treatment and recovery support for individuals with substance use disorder. The program enforces administrative and treatment standards for substance use disorder agencies and enhances client access to treatment by developing and implementing alternative service options. This program has 2 initiatives.

1. The first initiative (F-A-7954) on page A-84 reduces funding by recognizing one-time savings for the operations of one substance use disorder treatment center funded in Public Law 2023, chapter 412. This one-time deappropriation is due to delayed effective date of last year's biennial budget and to the fact that the facility will not be operational until fiscal year 2025. This initiative, which has no impact on the ongoing funding for this center, reduces General Fund by \$1,600,000 in state fiscal year 2024. I want to briefly address what we heard yesterday about the one-time deappropriations, primarily for child care, as well as this deappropriation related to the SUD treatment center. These deappropriations only reflect the Department's inability to spend General Funds on child care or SUD treatment in the remaining four months of this fiscal year due to the delay in last year's budget and necessary program development requirements. These funds would lapse or carry, depending on the account, if they were not deappropriated in this budget. Fiscal year 2025 funding is unchanged.

The first initiative (F-A-7954) on page A-84 reduces funding by recognizing one-time savings for the operations of one substance use disorder treatment center funded in Public Law 2023, chapter 412 as the facility will not be operational until fiscal year 2024-25. This initiative reduces General Fund All other funding by \$1,600,000 in state fiscal year 2024.

2. The next initiative (F-A-7111) on page A-84 provides funding for opioid abatement through harm reduction, treatment, prevention and/or recovery support in accordance with the approved uses in the Maine State-Subdivision Memorandum of Understanding and Agreement Regarding Use of Settlement Funds. This initiative allows the Office of Behavioral Health to accept

funding from the Maine Recovery Council. This initiative establishes Maine Recovery Fund of \$837,500 in fiscal year 2024 and \$3,350,000 in fiscal year 2025. This initiative can also be found on pages A-60 and A-85.

The next initiative (F-A-7111) on page A-84 provides funding for opioid abatement through harm reduction, treatment, prevention and/or recovery support in accordance with the approved uses in the Maine State-Subdivision Memorandum of Understanding and Agreement Regarding Use of Settlement Funds. This initiative establishes Maine Recovery Fund All Other allocation of \$837,500 in state fiscal year 2024 and \$3,350,000 in state fiscal year 2025. This initiative can also be found on pages A-60 and A-85.

Opioid Use Disorder Prevention and Treatment Fund

The next program on page A-84 is **Opioid Use Disorder Prevention and Treatment Fund – Z289**. This program provides grants and contracts to persons and organizations for research regarding opioid use disorder prevention and treatment, opioid use disorder prevention services and opioid use disorder treatment services which includes inpatient and outpatient treatment programs and facilities, short-term and long-term residential treatment programs and sober living facilities, as well as, treating substance use disorder for the underinsured and uninsured. Funding is received through fees on manufacturers that sell, deliver, or distribute opioid medications in the state. This program has one initiative.

1. This initiative (F-A-1223) on page A-84 provides funding in various programs to align allocation with available resources. This initiative increases OSR by \$1,500,000 in state fiscal year 2025. This initiative can also be found on pages A-57 and A-74.

This initiative (F-A-1223) on page A-84 provides funding in various programs to align allocation with available resources. This initiative increases Other Special Revenue Funds All Other allocation by \$1,500,000 in state fiscal year 2025. This initiative can also be found on pages A-57 and A-74.

Purchased Social Services

The next program on page A-85 is **Purchased Social Services – 0228**. This program delivers a wide array of crucial community-based social services, including child care, domestic violence, sexual assault, crime victim advocacy, homemakers, refugee resettlement social, cash & medical, elderly nutrition, transportation, family planning, children's residential, supervised visitation, and various support services for children and adults involved with protective services, and children in State custody. This program has one initiative.

1. This initiative (F-A-7228) on page **A-85**, along with language **Part PP**, propose a \$6 million one-time transfer to fund Victims' Services to address a Federal funding shortfall from the Victims of Crime Act (VOCA). The funding will support community-based domestic violence and sexual assault services, civil legal representation for victims, victim witness advocates, and housing and supportive services for elder abuse victims. A similar policy, LD 2084, is being considered by the Legislature.

Riverview Psychiatric Center

The next program on page **A-85** is **Riverview Psychiatric Center – Z219**. This program was previously described above and has one initiative.

1. This initiative (F-A-1410) on page **A-85** adjusts funding in the Riverview Psychiatric Center as a result of the decrease in FMAP, as previously mentioned. This initiative reduces Other Special Revenue Funds by \$167,713 in state fiscal year 2025. This initiative can also be found on page A-56.

This initiative (F-A-1410) on page A-85 adjusts funding for positions in the Riverview Psychiatric Center as a result of the decrease in the 2025 Federal Medical Assistance Percentage. The blended rate is 62.21% Federal Expenditures Fund and 37.79% General Fund in fiscal year 2024-25. This initiative reduces Other Special Revenue Funds Personal Services allocation by \$162,718 and All Other allocation by \$4,995 in state fiscal year 2025. This initiative can also be found on page A-56.

Language

The language submitted on page **79L, Part KKK**, provides the department the authority to plan for and assist a statewide network for Crisis Receiving Centers in regions of Maine that will support both rural and urban communities to provide short-term mental health and substance use disorder crisis stabilization services, consistent with LD 2444.