House Finance Health and Human Services Subcommittee
Testimony on H.B. 49
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A Renewed Mind Behavioral Health

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Chairman Romanchuk, Ranking Member Sykes and members of the House Finance Health and Human Services Subcommittee, thank you for the opportunity to submit testimony on H.B. 49.

I want to focus my remarks on the anticipated impact of the changes proposed as part of Ohio's Behavioral Health Re-design on agencies and organizations providing substance abuse services. As the Vice President of Strategy and Business Development for A Renewed Mind Behavioral Health in Northwest Ohio, I've spent the past year analyzing and planning for the necessary business adjustments which will be imperative for providers across the state to make in order to remain financially viable after July 1, 2017, and the implementation of the Behavioral Health Re-design.

First, I would like to state my and our agency's commitment to the goals of the Behavioral Health Re-design: Modernizing behavioral healthcare in this state and closing gaps in service availability. I'd also like to recognize the continued support for and investment by the legislature in mental health and addiction services. Additionally, we'd like to recognize the significant work and responsiveness of both the Departments of Medicaid and Mental Health and Addiction Services and the members of the legislature over the past months to try to craft and implement the changes effectively and for their willingness to make adjustments based on provider and advocate feedback.

In our internal analysis of the impact of the changes, specifically with regard to the impact on Substance Use Disorder (SUD) Services, and in our ongoing collaboration with other agencies engaged in similar analysis, we do continue to have some concerns with specific points proposed in the re-design and seek to take this opportunity to bring those concerns to your attention in hopes of addressing these as we have been able to successfully address other concerns discussed. The concerns center on a few central points:

1) The timeline for building the infrastructure required for successful implementation given the timing of the roll-out of finalized rules and requirements and

2) Agencies' capacity to maintain current revenue flow due to the significantly revised workforce requirements and complexity of building new service delivery models.

Timeline concerns are based on the fact that neither the business, billing and IT rules nor the certification and service delivery requirements have been finalized as of this date. The result of this is that agencies will either not have the necessary time to appropriate implement the redesign changes or that they are forced to utilize precious time and resources building, designing and implementing multiple versions of the redesign rules and business models as they are released in order to be prepared—neither of which serves to improve care to our communities.

Our request is that the legislature work with the Ohio Department of Medicaid and the Department of Mental Health and Addiction Services to set a minimum timeline for implementation after the finalization of all business rules and successful testing of the state's own MITS billing system updates that is reasonable for small businesses and does not risk negatively impacting the existing mental health and addiction resources in Ohio today. We believe that a six to twelve month window, post rule finalization and system testing would be sufficient for most agencies to implement the changes needed.

Maintaining Existing Revenue. The second key concern that we have with specific facets of the proposed changes center around the rules, rates, requirements and additional complexity proposed with regard to specific services. The services where we continue to have the most concerns regarding the delivery of substance abuse services are: Nursing Services, Substance Use Disorder Residential Care, Urine Drug Screens and Group Services.

Nursing Services. In the publically funded community behavioral health system, there continues to be a shortage of providers to respond to the current Opiate Epidemic, and as such, there are wait lists or even gaps in service availability across the state, which has resulted in and continues to result in overdose deaths and devastating impacts on families and communities. Currently, substance abuse treatment providers are using nurses, both LPNs and RNs, to extend the impact of the limited number of providers we do have. In our agency, each physician has a limited number of hours that they have allocated to working with our patients. There is no capacity for these physicians to take on the current nursing duties as part of their time worked without reducing the number of patients the physicians could see. By imposing the some of the nursing services limits proposed in BH Re-design, we are significantly restricting what nurses can do in our system and how many nurses agencies can continue to employ, thus impacting both the quality of care provided and the number of patients that can be seen.

During FY16, 15,187 of the 19,326 (79%) substance abuse treatment services provided by our agency's medical team were provided by nursing staff versus by physicians or nurse practioners. So, while the Behavioral Health Re-design does increase the rates paid to physicians and nurse practioners; the increase provided for those 21% of services does not offset the reduction in and in some cases, complete elimination of reimbursement for the other 79%. We estimate that the changes referenced above would eliminate the reimbursement of at least 50% of SUD nursing services, which looking at FY16 would equate to a loss of $265,977.00

While we recognize that rates for nursing services may not be able to be increased further at this point, our request is that the legislature would work with ODM and OMHAS to:

- Eliminate the prohibition on reimbursing any nursing services on the same day as any service provided by a physician
- Eliminate the prohibition on reimbursing LPNs for providing treatment or medication education to patients in groups
- Eliminate the prohibition on reimbursing any medical services provided by nurse for a patient who is in the residential level of care

Prior Authorization Criteria related to SUD (Substance Use Disorders) Residential Level of Care and SUD Partial Hospitalization

In current BH Re-design documents released, it indicates that stays longer than 30 days in a Residential level of care will not be reimbursed unless medical necessity for a longer stay can be established. However, what those criteria are has not been discussed or published—thus leaving agencies to plan for the likelihood that residential stays longer than 30 days will not be reimbursed. Problematically, the level of care that patients would most likely be discharged to from the residential level of care is SUD Partial Hospitalization, which also requires that all patients must have a prior authorization to enter and again those criteria have not published.

SAMHSA research indicates that a minimum of 90 days is recommended for treatment; thus, we would seek to either 1) secure authorization for patients who need it to stay in residential care for 90 days (versus 30) or to 2), at a minimum, prepare to step patients down to SUD Partial Hospitalization after 30 days. However, we are unable to staff, budget or plan for either scenario; because we have no point of reference of how or what will be authorized. If we evaluate only what we currently bill and are reimbursed for co-occurring treatment services delivered daily/weekly unbundled for 16 patients daily (the maximum) versus what the bundled per diem payment for residential services in Behavioral Health re-design is for 16 patients daily, the loss would be $426,682.00. Our request, at a minimum for budgeting and workforce planning purposes, is to:

- Publish the criteria for establishing medical necessity for a residential length of stay longer than 30 days, thus allowing agencies to evaluate and plan for the likelihood of its patients meeting the established criteria.
- Guarantee at least 60 days of authorization for reimbursement for the SUD Partial Hospitalization level of care for patients who are being stepped down from the Residential Level of Care.

Urine Drug Screens.

Recently a slight rate increase was announced with regard to Urine Drug Screens; however, offsetting that—it is indicated that Urine Drug Screen collection fees will only be reimbursed in the office. Any urine drug screens done in the community or a residential facility (of which A Renewed Mind does over 2,500 annually) will not be reimbursed at all. This is problematic, because the agency's cost for medical supplies, including gloves, instant read cups or cups and dip sticks, staff time are the same regardless of where the sample is collected. The rule, as it is currently written, would bring the annual revenue loss back to $637,955.00 despite the recent increase in reimbursement rate. Our request is to:

- Reimburse for Urine Drug Screen Collections regardless of location where the sample is collected.

Group Counseling

Currently, 33% of the outpatient counseling that happens at A Renewed Mind is group counseling. After ongoing analysis, we've determined that continuing to offer group counseling at the same level to which it is offered today would result in a loss of $228,262.00 for group counseling provided annually. The alternative we've identified is to offer more individual therapy and/or more groups with higher levels of intensity group (with higher reimbursement rates); but, with the recognition that this may have the impact of reducing access to care for standard outpatient group counseling.

In summary, our primary concerns regarding SUD services, as described in the Behavioral Health Re-design draft documents, center around:

- The timeline which includes a go-live date of July 1, 2017 without finalization of all rules and testing prior to June 14, 2017, given that the finalized rules will drive significant infrastructure and business model changes for every behavioral health agency across Ohio.

- The projected loss of revenue due to the requirements, rates and complexity published in the draft rules so far which for our agency equal **a loss of $1,558,876.00 in SUD services ONLY** from today's reimbursement rates and are based on SUD nursing services, group service rates, bundled residential care rates and urine drug testing rates. We believe that a portion of this loss could be offset by minimal changes in the rules which would serve to allow agencies to deliver the care to our communities in the ways in which it is needed.

As stated earlier, A Renewed Mind and I, personally, fully support the improvement of the behavioral health system both in Ohio and nationwide. However, we do ask that you consider both the timeline issue and the specific model issues raised and work with us to create a solution that avoids the projected problems and significant disruptions to care discussed. I truly appreciate the opportunity to share these concerns and thoughts with you today and would be pleased to answer any additional questions on these topics.