

**Joseph J. Niedzwiedski, Chief Financial Officer
North Central Mental Health Services, Inc.
House Finance, Subcommittee on Health and Human Services
Testimony on HB 33 (SFY 2024-25 Operating Budget)
March 22, 2023**

Chair Carruthers, Ranking Member Liston, and members of the House Finance, Subcommittee on Health and Human Services thank you for the opportunity to offer testimony on House Bill 33. My name is Joe Niedzwiedski and I have served as the Chief Financial Officer for North Central Mental Health Services for the past 25 years. North Central is a community mental health and substance use disorders treatment facility in Columbus. North Central serves persons with serious and persistent mental illnesses and has specializations in treating children, adults, and older adult seniors. In addition, North Central operates the largest 988 and suicide prevention hotline service in Ohio. 988 services are provided 24 hours per day, 365 days per year. North Central typically answers more than 10,000 calls for help each year and we expect that number to increase significantly in this next year. North Central provides services from 12 locations, including residential facilities, throughout Franklin County, and provides care for more than 6,000 patients each year. We typically employ more than 200 employees. However, we are currently unable to fill more than 60 patient service positions.

I commend Governor DeWine for his leadership and bold vision for Ohio's community mental health and substance use disorder system of care that is outlined in HB 33. In partnership with the General Assembly, this legislation intends to fulfill promises of the past to develop and strengthen the infrastructure necessary to support a high quality, accessible and effective community behavioral health system throughout Ohio. I support the important policy initiatives and key funding investments included in HB 33 that will pay dividends far into the future. Your commitment is needed to invest in the health and economic wellbeing of Ohio's children, families, and communities so they have the tools to succeed and the ability to thrive.

Today, more Ohioans of all ages need mental health and substance use services – yet most have difficulty accessing care due to the lack of available providers. This is something that we see firsthand every day. At North Central we have continued to serve as many people as possible with fewer staff. However, it is becoming increasingly more difficult to meet the needs of those seeking intensive treatment for long term and life altering illnesses. Untreated, illnesses leave an indelible mark on the person, the family, and the community. For any of us seeking treatment for a similar chronic health condition we would likely assess the current situation to be both untenable and in need of immediate ameliorative actions. Data from the CDC indicates that there is a rise in the number of Americans experiencing mental health or substance use concerns at a time when the number of new people entering behavioral health professions continues to decline. The confluence of these trends indicates that the future

service demands will far exceed the already heightened need, need that we're not keeping up with today, and at a time when there will be fewer and fewer professionals to meet treatment expectations going forward.

I'm here today to specifically testify on the Department of Medicaid's budget proposal that recommends much needed and historic investments in the mental health and substance use disorder system of care. Over the biennium, HB 33 proposes to increase Medicaid community behavioral health provider rates by 10% (\$220 million), adds mental health peer support services (\$30 million) and will provide a 6% rate increase to support access to inpatient psychiatric services. This remarkable and appreciated Medicaid rate increase for community behavioral health is an encouraging step in the right direction during this challenging and volatile labor market and it is crucial for behavioral health service delivery.

The behavioral health system's financial dilemma is a direct result of payment rates that have simply not kept up with inflationary pressures and have in fact fallen far behind due to the compounding of years of unchanging rates. North Central's patient services workforce is comprised of psychiatrists, nurse practitioners, nurses, licensed and independently licensed therapists, case managers, residential staff, and peer support. To comply with Ohio requirements, positions typically require a minimum of a bachelor's degree and many professional positions require a master's or higher degree.

North Central has increased nursing salaries by nearly 25% in the past year and we are still unable to attract the number of nurses that we need. We have also increased bachelor's level case manager wages by more than 45% and have found that the increased amount is frequently insufficient to compete with non-degree required positions such as package handling, ride sharing, and restaurant delivery services.

It is my understanding that the OhioMHAS budget includes state hospital operating fund increases of around 25% across the biennium in response to inflationary and payroll costs. This increase recognizes the labor market pressures and underscores the need for like changes for all behavioral health services.

We respectfully ask for your support to maintain and to increase funding for Medicaid payment rates for community behavioral health services by an additional 10% (\$220 million) over the biennium to stabilize and strengthen the behavioral health workforce. As you deliberate, we urge equity in sustaining and growing these proposed Medicaid investments consistently across all home and community-based provider groups so we can care for all Ohioans in need.

Thank you for your time and consideration today. I am happy to answer any questions.

Respectfully,

A handwritten signature in black ink, appearing to read "Joseph J. Niedzwiedski". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Joseph J. Niedzwiedski, CPA, CGMA
Chief Financial Officer