



**House Bill 96
Interested Party Testimony
House Finance Committee
March 12, 2025**

Chairman Stewart, Vice Chair Dovilla, Ranking Member Sweeney, and members of the House Finance Committee, thank you for the opportunity to offer comments on House Bill 96, the main operating budget. My name is Brian Bailys, I am the CEO of Thrive Peer Recovery Services, but today I come to you representing the Ohio Alliance of Recovery Providers (OARP) for which I serve as President.

OARP is a statewide organization of addiction treatment providers, certified by the Ohio Department of Mental Health and Addiction Services, whose members work to increase access to treatment and develop a recovery-oriented system of care for all Ohioans.

Today, I would like to touch on two parts of House Bill 96 and let you know where our members stand.

INTERESTED PARTY – Medicaid Community Behavioral Health Services

I want to be very clear – OARP supports Governor DeWine and the Department of Medicaid for the investments included in the previous budget (HB 33) for behavioral health services, and we are grateful that Director Corcoran made sure that those investments were maintained in HB 96. However, the reason I am here today is to tell you that more funding is necessary, and we very much need the legislature's help.

Without adequate funding, we cannot treat the number of Ohioans coming to us for services. Many residential treatment providers are operating at 50% to 75% capacity because they are unable to attract sufficient staff to expand care. The increased reimbursement rates we saw in HB 33 for behavioral health services were nothing short of imperative, but they barely cover the inflationary increases that providers have seen in the last few years. More is needed so we may increase salaries for our employees and compete with market-wide wage growth. Please know that the behavioral health workforce is very diverse – we employ psychiatrists, nurses, counselors, social workers, case managers, residential staff, and peer supporters to name a few – and these are credentialed professionals with bachelor's and master's degrees. We also employ many non-credentialed employees who are just as critical to the success of our clients' outcomes.

OARP respectfully requests your support of amendment HC0438 to increase funding for Medicaid community behavioral health services by an additional 5% over the biennium, and that amendment is attached to my testimony. Additional funds will help providers offer vital services at a greater capacity; incentivize more workers to pursue careers in the community behavioral health system; retain and invest in the staff we currently have; and most importantly, it will allow providers to care for all those who need our services.

INTERESTED PARTY – Adult-Use Marijuana Tax Distributions

As you are likely aware, Issue 2 created several funds in which there are dedicated purposes for adult-use marijuana taxes. One of those is the Substance Abuse and Addiction Fund which, among other things, requires the Department of Mental Health and Addiction Services to “use the money in the fund to support addiction services or other services that relate to addiction and substance abuse.” Issue 2 dedicated 25% of total tax receipts from a 10% tax rate, whereas HB 96 increases the tax rate on adult-use marijuana to 20% and dedicates 14% of the total tax receipts for substance abuse prevention, treatment, and recovery programs. But it also requires that the 14% be used to support the administration of the 9-8-8 crisis hotline which is expected to cost \$31.7 million in fiscal year 2026 and \$41.3 million in fiscal year 2027. By our estimates, the 9-8-8 hotline will likely utilize the vast majority of the 14% of tax receipts leaving little for substance abuse prevention, treatment, and recovery services. **OARP respectfully requests that HB 96 increase the dedicated tax funding back to 25% of tax receipts.** If the legislature commits 25% of adult-use marijuana taxes for both initiatives outlined in HB 96 – the 9-8-8 crisis hotline and services for substance abuse prevention, treatment, and recovery – then each can be funded and not at the expense of the other.

Please know that OARP’s members and I appreciate the effort you have put into crafting reasonable and responsible adult-use marijuana legislation, and the important role our members play in Ohio’s future with substance use and addiction issues. More than ever, Ohio needs a robust, reliable, and accessible behavioral health system, and I say that because we know what is coming having seen it before. After the casinos opened and again more recently with legalized sports betting, our providers have seen an increased need for gambling addiction treatment. With the legalization of adult-use marijuana, we need more resources to treat those who desperately need and seek our help.

On behalf of the Ohio Alliance of Recovery Providers, thank you for your time and consideration of these important matters. I am happy to answer any questions you may have for me.

H. B. No. 96
As Introduced

_____ moved to amend as follows:

In the table on line 107303, in row D, delete "\$20,232,492,970 1
\$21,770,643,885" and insert "\$20,352,492,970 \$21,890,643,885" 2

In the table on line 107303, in row E, delete "\$5,624,594,001 3
\$6,005,647,524" and insert "\$5,657,954,001 \$6,038,755,524" 4

In the table on line 107303, in row F, delete "\$14,607,898,969 5
\$15,764,996,361" and insert "\$14,694,538,969 \$15,851,888,361" 6

In the table on line 107303, in rows H and AE, add \$120,000,000 to 7
each fiscal year 8

After line 107542, insert: 9

"Section 333.171. COMMUNITY BEHAVIORAL HEALTH SERVICES 10

Of the foregoing appropriation item 651525, Medicaid 11
Health Care Services, \$120,000,000 in each fiscal year shall be 12
used to fund Medicaid payment rates for community behavioral 13
health services." 14

The motion was _____ agreed to.

<u>SYNOPSIS</u>	15
Department of Medicaid	16
Sections 333.10 and 333.171	17
Increases the appropriation in GRF ALI 651525, Medicaid	18
Health Care Services, by \$120,000,000 in each fiscal year	19
(\$33,360,000 state share in FY 2026 and \$33,108,000 state share	20
in FY 2027) and earmarks that amount to fund Medicaid payment	21
rates for community behavioral health services.	22