



**House Bill 96  
Interested Party Testimony  
Senate Medicaid Committee  
May 6, 2025**

Chairman Romanchuk, Vice Chair Huffman, Ranking Member Liston, and members of the Senate Medicaid Committee, thank you for the opportunity to offer comments on House Bill 96, the main operating budget. My name is Lisa Mertz, I am the President and CEO of Addiction Services Council in Cincinnati, but today I come to you representing the Ohio Alliance of Recovery Providers (OARP) for which I serve as the Vice President and Secretary.

OARP is a statewide organization of addiction treatment providers, certified by the Ohio Department of Mental Health and Addiction Services, and our 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.

**Medicaid Provider Reimbursement – Community Behavioral Health Services (ALI 651525)**

In the as-introduced version of the budget, Governor DeWine, Director Corcoran, and the Department of Medicaid continued the reimbursement investments that were included in the previous budget (HB 33) for many providers across the state, including those in behavioral health, and those investments were maintained and held harmless. However, the House cut line item 651525 (“Medicaid Health Care Services”) by -\$20,962,037 in fiscal year 2026 and -\$49,750,464 in fiscal year 2027. This line item reimburses health care providers for covered services to Medicaid recipients which includes services provided through managed care organizations, fee-for-service care, and long-term care. If these cuts are enacted, then Medicaid will be forced to cut reimbursement rates, and that would be extremely harmful to behavioral health services.

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 covered the inflationary increases that providers have seen in the last few years. Any cuts would prevent us from increasing salaries for our employees in an effort to 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. The investments made in the last budget must be

maintained in this budget, and we need your help to do that. **OARP respectfully requests that the finding in line item 651525 be restored to \$20,232,492,970 in fiscal year 2026 and \$21,770,643,885 in fiscal year 2027.** Maintaining these 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.

### **FMAP Trigger Language for Group VIII Population (OBMCD32)**

I know you have likely heard much of the discourse around the trigger language included in HB 96 requiring Medicaid to immediately terminate health care for members of the expansion eligibility group (Group VIII) if the federal government sets the federal medical assistance percentage below 90%. Please know that OARP's members appreciate the effort you put into crafting a reasonable, responsible, and balanced budget, and we know federal budgetary decisions are largely out of Ohio's hands. But in order to make informed decisions, please permit me to explain how automatically terminating the expansion population will affect behavioral health providers and those we serve.

People with serious mental illnesses, substance use disorders, or co-occurring conditions rely heavily on Medicaid, and Ohio could be forced to limit what behavioral health services are covered (i.e. counseling, inpatient care, medication assisted treatment, etc.). Rural communities and underserved areas would likely be the hardest hit due to fewer alternative options. With fewer resources across the state, waitlists for services will grow, and we know this because our providers already have waitlists. Cuts could lead to lower reimbursement rates discouraging providers from accepting Medicaid patients. With lower reimbursement rates, providers will be unable to retain and hire the staff necessary to meet service demands, and this of course would impact Ohioans with commercial insurance or Medicare too. Those in the expansion population who are no longer able to receive services might be forced to turn to emergency rooms or they may find themselves incarcerated in our jails and prisons, all of which are very costly alternatives for taxpayers.

Federal Medicaid cuts will significantly impact behavioral health services in all states, mostly because Medicaid is the best and largest payer for mental and behavioral health services in the U.S. This is especially true in states that have expanded coverage like Ohio did to individuals earning up to 138% of the federal poverty level. At the time, that expanded health care coverage to roughly 275,000 Ohioans, today that number is closer to 770,000 people. If at some point Congress does cut Medicaid funding, we believe Ohio should have a choice to make up some or all of the funding gap, cut services, or find a solution in between. Without knowing all of the circumstances at that time, including how deep the cuts are, how many people could be impacted, or how much of the cuts Ohio could make up itself, it is worrisome that the trigger language would automatically make that choice for us. More than ever, Ohio needs a robust, reliable, and accessible behavioral health system, as such **OARP respectfully requests that the trigger language in OBMCD32 be removed from HB 96.** We know you are in a tough bind, and the uncertainty of what Congress will do is very real. But it seems unnecessary to force a decision now, when no one can possibly know all the factors that may or may not someday be involved.

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.