



Senate Budget and Taxation Committee

February 26, 2020

Senate Bill 192 - Budget Reconciliation and Financing Act of 2020

Oppose

NCADD-Maryland is opposed to the provision in the Budget Reconciliation and Financing Act of 2020 that cuts in half the requirement that the budget include a 4% reimbursement rate increase for substance use and mental health services.

With the passage and signing of the Keep the Door Open provisions of the HOPE Act from 2017, and subsequently the Fight for 15 last year, the General Assembly and Governor Hogan committed to increasing reimbursement rates to mental health and substance use treatment programs on an ongoing basis. Those seeking and providing treatment are grateful. **We urge this committee to fully fund the planned 4% rate increase built into the proposed FY 2021 budget and reject the provision in the BRFA to cut it in half.** This is a uniquely bad time to pull back on the commitment to funding quality services.

Substance use disorder (SUD) treatment programs employ a host of clinical, para-professional and administrative personnel that provide essential community services. Among other things, the directors of these programs put together annual budgets, negotiate contracts, apply for grants, and try to recruit and retain qualified staff. They deal with line-items that they have little control over and that increase annually, such as rent, utilities, and health care benefits. They also do this in a largely fee-for-service system that does not take into account the actual costs of doing business.

Prior to passage of the HOPE Act in 2017, rates of reimbursement for substance use disorder treatment services had been adjusted just twice in twenty years. During that time, the field became much more professional, having instituted certification and licensure requirements for counseling staff and added medical personnel in many programs. In addition, IT infrastructure and support requirements have increased, including electronic health records, billing systems and staff, and data collection. All SUD programs also must be nationally accredited, and important and expensive process.

These are all items that require ever-growing line-times in budgets. When reimbursement rates do not keep pace, program directors have limited options. While they try to identify other funding streams, they also need to make decisions about staff salaries, benefit packages, and treatment capacity.

(over)

No matter what the business, salaries and benefit packages are crucial to attracting qualified employees and keeping them from leaving for greener pastures. Programs in the publicly funded SUD treatment system have also had financial difficulty recruiting and retaining qualified staff. Retaining qualified staff is not just a matter of keeping turnover costs low. It also impacts continuity of care for a vulnerable population of people.

SUD providers and advocates are grateful for the rate increases that have happened in the last few years, and that are planned to continue. Being able to rely on the planned increases is essential to ensuring quality of care.

We urge you to reject language in the BRFA that reduces the 4% reimbursement rate increases for substance use disorder and mental health programs.

The Maryland Affiliate of the National Council on Alcoholism and Drug Dependence (NCADD-Maryland) is a statewide organization that works to influence public and private policies on addiction, treatment, and recovery, reduce the stigma associated with the disease, and improve the understanding of addictions and the recovery process. We advocate for and with individuals and families who are affected by alcoholism and drug addiction.