

Fiscal Policy Institute

TESTIMONY OF WES RIVERS, HEALTH POLICY ANALYST DC FISCAL POLICY INSTITUTE

At the Fiscal Year 2014 Budget Oversight Hearing on the District of Columbia's Department of Behavioral Health Before the District of Columbia Committee on Health April 18, 2013

Chairwoman Alexander and other members of the committee, thank you for the opportunity to testify today. My name is Wes Rivers, and I am a Health Policy Analyst at the DC Fiscal Policy Institute. DCFPI engages in research and public education on the fiscal and economic health of the District of Columbia, with a particular emphasis on policies that affect low- and moderate-income residents.

I am here today to support the proposed increase in funding for Mental Health Rehabilitation Services in the mayor's fiscal year (FY) 2014 budget proposal and to urge the Committee on Health to fund expansion in school-based mental health services — the fourth item on the mayor's "contingency funding list." The proposed funding for rehabilitation services will help providers meet projections of increased utilization of services and improve reimbursement rates, which have largely gone unchanged since 2001. Furthermore, DCFPI believes expansion of school-based mental health services to 19 traditional public and public charter schools should be prioritized in the budget as it would help students from high poverty schools access critical early intervention and clinical services.

The DC Fiscal Policy Institute supports the District's recent efforts to address existing behavioral health disparities in the city and the commitment to improve access to services. First, the District Health Exchange Board adopted a strong definition of mental health parity, which means that private and public health plans must cover mental health and substance abuse services and cannot set limits on the number of visits or days that services can be received. Moreover, through the development of network adequacy standards in the Exchange and new Managed Care Organization (MCO) contracts, the District is moving toward ensuring that there are enough mental health and substance abuse clinicians in public and private health insurance networks, which is critical to timely access to care.

DCFPI believes the increased support for Mental Health Rehabilitation Services is in line with these efforts. For FY 2014, the proposed gross fund budget for Department of Behavioral Health funds Mental Health Rehabilitation Services for Medicaid recipients at \$20.5 million, including an increase of \$7 million for reimbursing providers. The budget also increases reimbursements for mental health providers serving non-Medicaid eligible residents by \$2 million. A portion of the funding will be used to help providers maintain services as utilization increases. The rest of the funding will allow for an increase in provider reimbursement rates, which have not been significantly reviewed or adjusted since 2001. Proposed increases to reimbursement rates will alleviate cost

pressures on providers and increase availability and access to treatment for DC residents. DCFPI supports the increased funding for mental health services and urges the Council to maintain these funding levels going forward.

DCFPI also urges to Committee to fund the \$1.9 million expansion in school-based mental health services in 19 additional public and public charter schools in the FY 2014. The expansion is on the mayor's "contingency funding list" — which includes items that will get funded if the city's revenue collections improve. The program places a mental health clinician at schools for either all or half of the school week, and provides a range of services from early intervention and prevention to treatment for more severe issues. Students can be referred in a numbers of ways including from the student (self-referral), teachers, family, or early intervention teams. Currently, the program is active in 42 DCPS schools and 11public charter schools, with the majority of schools in high poverty neighborhoods.

Demand is high and need is great for these school-based services. Currently there is a waiting list of schools that would like to participate in the program and some schools participating in the program have their own waiting list students who need services. In addition, evidence from other programs suggest need is high — for example, mental health screenings at Early Childhood Centers suggest that of the 2,600 children ranging from pre-kindergarten age to second grade that have been screened, half need some type of service. For these reasons, DCFPI supports increasing funding for the program by \$1.9 million so that 19 additional schools can receive a full-time clinician and the Department of Behavioral Health can hire two additional supervisors for the program in FY 2014.

Thank you for the opportunity to testify, and I am happy to take any questions.