



**Testimony by Carolyn A. Petrak, Associate Executive Director
February 7, 2017 Joint Finance Committee Hearing
Division of Substance Abuse and Mental Health**

Good afternoon, Representative Smith, Senator McDowell, and other members of the Joint Finance Committee. My name is Carolyn Petrak. I am the Associate Executive Director of the Ability Network of Delaware, the statewide association of service providers formerly known as DelARF. Our 40 members provide services to individuals with intellectual and developmental disabilities and to people who have mental health and/or substance use disorders. 40% of our membership is comprised of behavioral health service providers, which provide treatment for mental health and/or substance use disorders.

A.N.D. represents agencies that collectively serve over 49,900 individuals in 387 clinics, ACT teams, group homes, sober living houses, the Department of Correction, and residential treatment facilities throughout the state. In other words, our behavioral health members alone provide services to 7.2% of the entire adult population of Delaware. We are very proud of the level of quality care our members contribute to our state.

As the Committee begins to review sources for savings within the state service system, A.N.D. and our members would like you to consider some of the

following challenges that our providers are facing that carry fiscal burdens:

1. As you are all well aware, there is an opioid epidemic in Delaware. Much has been said in the past year about the number of “beds” available in Delaware for people to receive treatment. As many of our providers will tell you, the supply of beds isn’t the biggest barrier to treatment. Rather, it is the failure of the Managed Care companies to authorize lengths of treatment that yield effective outcomes for substance use disorders but also for many other mental health diagnoses requiring Intensive Outpatient (IOP) care. We need a full continuum of services that coincide with the nationally recognized ASAM patient placement criteria, with lengths of stay that correspond with each individual’s unique presentation of symptoms. Federal and state laws which require parity for the treatment of mental health and substance use disorders on a par with treatment of other medical conditions are violated when MCOs are allowed to decide what treatment an individual needs based on a cookie cutter approach to payment and not medical necessity.

2. Our members also fear that if cuts are made to the DSAMH or DMMA budgets that fund treatment services, it will exacerbate an already critical workforce shortage in behavioral health services. A combination of a limited candidate pool and growing forms of regulation and licensure put

extra financial burdens on agencies. Candidates that meet the duplicative standards set by both state and federal guidelines become increasingly less available, forcing existing staff and agency leadership to do more with less. This causes a reduction in staff and an increase in administrative costs which are capped at a certain amount. A lack of degree options for behavioral health professionals in Delaware's higher education system also contributes to the shortage of qualified professionals willing to work in Delaware. We hope this committee considers investing in our universities and colleges to develop additional academic degrees that will help produce and retain qualified behavioral health professionals in Delaware.

As a founding member of the Delaware Revenue Solutions Coalition, the Ability Network of Delaware supports a balanced combination of targeted spending cuts and reasonable revenue enhancements to mitigate the \$350 Million deficit the state anticipates for Fiscal Year 2018. That being said, we would like the committee to keep in mind mental health and substance use disorder providers have already experienced significant streamlining and budget reductions through DSAMH's movement from cost reimbursement to fee for service payment mechanisms. This process has already provided the Division and the state substantial cost savings.

The Ability Network of Delaware looks forward to working with the Joint Finance Committee and the Division of Substance Abuse and Mental Health to ensure both state agencies and providers are working together to deliver services efficiently and effectively to Delawareans.