# Massachusetts Department of Public Health

* MA 988 Suicide and Crisis Lifeline Business Analysis and Planning
* 988 Commission Presentation
* August 15, 2024

# Overview of State Legislation from All 50 States

Majority of states have passed legislation t provide operational improvements to their 988 Lifeline or develop sustainable funding for the program.

Operations: Operational support funding 988 address stakeholder needs. Examples:

* Service Expansion
* Insurance Coverage
* Physical Infrastructure
* Youth Programs

Revenue generation tools help 988 Lifelines sustainability grow. Examples:

* Line Surcharge Fees
* Trust Fund
* State General Appropriation

# Sustainable Revenue legislation Best Practices

As modeled by other states, fee-per-line models and trust funds give 988 programs consistent long-term revenue to operate and grow capabilities

* Surcharges: Fee Per Line systems provide consistent revenue for 988
  + Flat rate monthly surcharges usually between $0.06 0 $0.60.
  + Difference between how fee is transferred from consumer to state prepaid and postpaid line
  + Relies on service providers as the middle-man
* Trust Funds: Thrust Funds provide secure long-term funding though their perpetuities
  + Needs a large fund to be allocated in the beginning
  + Continues to generate revenue as money is withdrawn from the fund.

# Final Sustainability Options

Other states have legislated for revenue structures that aim to fulfill a sustainable funding need for 988 programs.

* Surcharges:
  + Legislation Implementation
    - Creates a 988 fee that is included in customer’s bill and collected by telecom providers
    - Funds ate then remitted to the state
    - Legislation specifies the fee amount and outlines how these fuds will be utilized
  + Impact
    - Provides sustainable funding for the 988 hotlines
    - Amount can be adjusted through additional legislation to grow alongside the program
    - Funds are protected through federal legislation which mandates that funds are used for 988
    - Operates similarly to 911 surcharges which proven in Massachusetts.
* Trust Funds:
  + Legislation Implementation
    - Establishes a 988 trust fund where contributions are derived from various sources (i.e., grant, private donations, state appropriations)
    - Fund enables contributions from and dedicated revenue streams, such as telecom fees
  + Impact
    - Provides reliable source of funds for 988 hotlines
    - Funds with the trust grow over time through investment strategies and replenishment from fund sources
    - Ensures the continuity and effectiveness of crisis support service over time
    - Some states use their Trust Fund to provide reimbursements for costs associated with designation and maintaining 988 Lifeline

# Surcharge to Fund 988

A surcharge fee passed by Commonwealth legislation would allow Massachusetts to adopt a consistent funding structure for 988 programs that already exists for 911 operations.

Fund Design

* 988 surcharge should be modeled off the pre-existing 911 surcharge
* 911 is currently set at $1.50 per line, monthly
* Minimal initial set-up as current service provider partnerships can be leveraged

Program Support

* Revenue is revised for 988 Program and their operating costs
* Similarly to 911, funds are mandated via states legislation and pooled into trust fund

Existing Public Buy-In

* When surveyed, 78% of Americans are willing to pay for surcharge on their monthly phone bill for 988 after learning on average $1.00 per month goes to 911

Source: National Alliance on Mental Alliance, Poll on Public Perspectives on 988 & Crisis Responses (2023)

# Estimated Revenue from 988 Surcharge

Chart shows Estimated Revenues from 988 surcharge in Minnesota, Pennsylvania, California, Virginia, Washington, Delaware, and Vermont.

**Take Aways**

* 988 collection is continuing to develop but it is still in its early stages
* Colorado, Virginia, and Washington collected revenue funding from a fee-based phone surcharge funding in the last FY
* Many states like California, Delaware, Minnesota, Pennsylvania, and Vermont will be collecting a statewide surcharge this FY
* New York, Ohio, Colorado, Nevada, and Oregon are charging a surcharge at the municipal level
* Minnesota has imposed a phone fee range, with exact amount to be recommended by the Health Commissioner

# Massachusetts 988 Fee Models

Chart shows fee model of Estimated Revenues from 988 in Massachusetts.

**Take Aways**

* **Customizable**: States using 988 fees can largely fund the program by aligning the charge to match their costs, with the ability to change it to meet needs over time
* **Affordable:** A $0.05 increase in the monthly fee creates an estimated difference of $5,496,045 in revenue → the fee can remain affordable while providing a significant impact
* **Sustainable:** Revenue from the surcharge can grow with demand and be saved for later use as 988 volume rises