ASSOCIATION FOR BEHAVIORAL HEALTHCARE

March 22, 2019

Dr. Stuart Altman, Chair Board of Commissioners Massachusetts Health Policy Commission 50 Milk Street, 8<sup>th</sup> Floor Boston, MA 02109

Dear Dr. Altman and Members of the Board:

The Association for Behavioral Healthcare (ABH) is a statewide association representing more than eighty community-based mental health and addiction treatment provider organizations. Our members are the primary providers of publicly-funded behavioral healthcare services in the Commonwealth, serving approximately 81,000 Massachusetts residents daily, 1.5 million residents annually, and employing over 46,500 people. Thank you for the opportunity to submit written testimony on the potential modification of the health care cost growth benchmark for this fiscal year.

ABH supports the Health Policy Commission's efforts and those of other stakeholders to slow the growth in overall health care spending. It is important, however, that policy makers and payers recognize the importance of behavioral health treatment in improving the quality of health care in the Commonwealth but also as being critical to controlling spiraling medical costs.

ABH is committed to increasing access to mental health and addiction treatment services for individuals across Massachusetts and believes strongly that all health insurance payers, particularly commercial insurers, should be required to cover more diversionary and recovery-focused services for individuals with mental health and substance use disorders. Such services are not just essential to better behavioral health care but also to helping the Commonwealth achieve its goal of limiting the rate of growth in overall health care spending.

Too often we hear health insurers use the Commonwealth's cap on overall health care spending as a reason not to invest in community behavioral health services but these statements are short-sighted.

ABH and our members believe increased investments in community behavioral health care services will lead to significant savings on medical spending. Prevalent data shows that the cost of treating medical conditions for individuals with co-morbid medical and behavioral health diagnoses is often two-to-three times higher than treating individuals with the same medical conditions who do not have a co-morbid behavioral health condition.

ABH continues to be concerned about the long-term viability of outpatient mental health and addiction services due to the historic and systemic underfunding of these services. Outpatient treatment is the foundation of the community-based delivery system upon which all other services

are built. Despite recent significant investments by MassHealth, chronically low commercial and public reimbursement rates are negatively impacting access to outpatient behavioral healthcare. Over the years, the erosion of behavioral health outpatient rates has forced providers to make the difficult decision to close clinics or reduce access. Consequently, individuals with severe and persistent mental illness do not have access to vital, cost-effective, and medically necessary services.

Any discussion focused on bending the cost curve should note that the health care system does not treat all areas of service equally.

Thank you for your consideration of the issues raised in this letter. I am available at your convenience if you have questions.

Sincerely,

Vicker V. DiGravio III President/CEO