



**TESTIMONY OF
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DIRECTOR, REGULATORY ADVOCACY
CONNECTICUT HOSPITAL ASSOCIATION
BEFORE THE
APPROPRIATIONS COMMITTEE
THURSDAY, FEBRUARY 18, 2016**

**HB 5044, An Act Making Adjustments To State Expenditures For The
Fiscal Year Ending June 30, 2017**

Good afternoon. My name is Carl Schiessl, and I am the Director, Regulatory Advocacy, for the Connecticut Hospital Association (CHA). I am here today to testify in opposition to **HB 5044, An Act Making Adjustments To State Expenditures For The Fiscal Year Ending June 30, 2017**.

Before commenting on the bill, it's important to point out that Connecticut hospitals provide core healthcare services to all of the people in Connecticut, 24 hours a day, regardless of ability to pay. Connecticut hospitals offer safe, accessible, equitable, affordable, patient-centered care that protects and improves peoples' lives.

CHA opposes the imposition of budget cuts to mental health and substance abuse disorder treatment services set forth in HB 5044. If enacted, these cuts will further destabilize an already stressed mental healthcare system, reduce the options for care available to individuals and families who need high-quality mental health services, and impose a greater burden on hospital emergency departments, outpatient clinics, and crisis services, at a time when Connecticut is struggling with ominous and intensifying threats to public health from binge drinking, heroin use, and prescription drug abuse. This is exactly the wrong time for the state to withdraw its support of our mental healthcare system.

The Governor is asking for a \$16 million reduction in grants for mental health and substance abuse services. These cuts will impact community and hospital-based outpatient mental health and substance abuse treatment services. Demand for these services has not abated, and grant funds are essential to maintain the person-centered, recovery-oriented care provided by these programs. Loss of these funds will lead programs to close. And hospital emergency rooms will be inundated by the people served by these closed programs, because they will be left with no other choices.

This leads to another distressing budget adjustment – a \$3 million proposed cut to the grant program authorized by the General Assembly last year to establish Community Care Teams (CCTs). You will recall that hospitals and community providers appeared before you last year and asked for a modest investment of \$1.5 million in the first year and \$3 million in the second year to expand the Community Care Team model statewide.

You listened to hospitals and other community providers explain how these teams were successfully piloted in certain regions of the state, bringing together the widest array of community medical, mental health, and social service providers to address the needs of frequent visitors to emergency departments.

You heard us when we told you that the \$4.5 million in funding over two years was necessary to sustain the existing CCTs and fund the establishment of new CCTs in every region of the state.

And you heard us when we explained how CCTs are a proven, integrated care model, one that was attracting national attention, and would result in improved patient outcomes, reduced pressure on care providers, and fewer ED visits by Medicaid clients, which would save the state money.

Those of us involved with the CCT initiative are thankful to the members of the Appropriations Committee and the General Assembly. You included funding for CCTs in the budget you passed in late June that was signed into law by the Governor. And then, when the funding for this program fell victim to the Governor's rescission order just 10 short weeks later, it was the Legislature that restored funding for the program in the package adopted and signed into law by the Governor in December of last year.

But despite the best efforts of the community medical, mental health, and social service providers, and in contradiction to the mandate of the Legislature, expressed not once, but twice over the course of six months, the Department opted not to initiate the program.

Do we understand why the Department made a difficult short-term fiscal decision at the expense of a new program boasting longer-term savings? Yes, I suppose we do. But do we agree with the Department's decision? No, we do not, because unlike other new programs, the CCT program would help hundreds of hard-to-treat patients with complex medical and mental health conditions and a persistent need for social services, and almost immediately begin to relieve the fiscal burden on the state by eliminating thousands of emergency department visits from the Medicaid expense line item.

Now that we are in the second year of the biennium, and the \$1.5 million appropriated last year is lost, we come before you again to ask that you resist the temptation to achieve short-term relief and confirm the commitment you made twice last year to fund the CCT program.

There are nine Community Care Teams that are up-and-running right now. They are being funded by hospitals, through private grants, and with the help of donations from providers and not-for-profit organizations. But some of them do not have the funding to continue into the fall and through 2017. There are several other regions of the state where efforts to establish a CCT

were commenced, but then stalled due to lack of funding. If the \$3 million is made available through the DMHAS grant program, these critical efforts will restart.

To its credit, DMHAS supported the development of CCTs during 2015 by participating in both the Beacon Health Options ED Frequent Visitor Program and the Partnership for Strong Communities/CHA Opening Doors Hospital Work Group. The state administrative services organization, Beacon Health Options, developed a guidebook and conducted a series of webinars in the fall of 2015 entitled *Community Care Teams: An Approach to Better Meeting the Needs of Frequent Visitors to the ED*.

Since we last met, the evidence supporting this particular model of integrated care has mounted. Regions that are not presently served by a CCT have indicated they are interested in forming one. The only missing piece is the \$3 million already appropriated to pay for administration of the CCT and for the care coordinator to work with patients. If you keep this funding in place, then the promise of CCTs may be fulfilled in Connecticut. We hope you will agree.

On an unrelated but equally important note, CHA expresses grave concerns about the proposed consolidation and \$34.5 million reduction in DMHAS operating funds. If this change is enacted, the Commissioner would be empowered to make unilateral decisions limiting access to mental health and substance abuse treatment services for patients in need, with little or no input from the public or other community providers, and with no authorization or oversight by legislators.

Among the services that we believe may be at risk is the 20-bed detox unit within the Addiction Services Division of the Middletown campus of Connecticut Valley Hospital. If these beds are allowed to close, community providers will not be equipped to address the complex and persistent medical and mental health needs of these patients. They will be forced to rely on hospital-based care, most likely through our emergency departments.

We question the wisdom of closing these beds at a time when the state is wrestling with escalating rates of binge drinking, mounting evidence of nationwide prescription drug abuse problem, and an ominous surge in heroin addiction. Rates of heavy drinking in Connecticut spiked 21.3% between 2005 and 2012, and binge drinking rates rose nearly 14%. Connecticut is one of 17 states whose residents are more likely to die from unintentional drug overdoses than in motor vehicle accidents, with the majority of those deaths caused by common prescription opioid painkillers. And, according to statistics released last week by the state's Chief Medical Examiner, more than twice as many Connecticut men and women died of overdoses involving heroin in 2015 than did three years earlier.

We recognize that the state is facing a challenging budget, but we ask that you do not enact cuts to mental health and substance abuse treatment services included in HB 5044. Hospitals and other community providers need your support to preserve what remains of the mental health safety net at the very time Connecticut residents are demanding improvements to the mental health system.

Thank you for your consideration of our position. For additional information, contact CHA Government Relations at (203) 294-7310.