

Governor's Proposed FY 2016 Budget Adjustment
House Human Services
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The rates for reimbursement for group therapy services as proposed by DVHA is not feasible and will result in the suspension of those services, an increase in waiting lists, and a further degradation of the community system. Previously, group psychotherapy was billed by units of time. Reimbursement was generally \$60 per 90 minute session for each individual as the standard of care for most group psychotherapy is 1.5 hours.

Effective July 1, 2015 DVHA changed the reimbursement structure to per episode and set it at 40.00 for Ph.D's. The discounted rate became 31.16 per event for Masters Clinicians. In January, DVHA cut this rate by 50%. This rate is set for 20.80 per session which is then further reduced to \$15.80 per session provided by Masters level clinicians. If this rate reduction goes forward, we will be compelled to eliminate these services as we cannot sustain further losses than we already experience.

Last year Adult Outpatient programs saw 7000 people and sustained a million dollar loss. This is in part, due to our mission to provide care regardless of ability to pay. For example, at WCMHS, 10% of clients are uninsured with another 5-10% underinsured due to high deductibles and/or limited services. Last year, the group payer mix was 14% uninsured; 14% private insurance or self-pay; 37% DVHA Medicaid and 32% DMH/CSP Medicaid.

WCMHS projects a 37,000 loss due to this rate change. Other agencies project similar losses. Given the statement above regarding current losses to outpatient programs, this is not sustainable. As clinicians in the private sector are forced to limit/deny access due these rates, waiting lists will grow in the outpatient programs at the same time that we are less able to provide them.

In contrast to private insurers this rate is abysmally low. Rates of reimbursement from private insurance contracts at Washington County range from \$30 to \$50 for masters clinicians. It has been said that this rate cut is competitive with other states. It is clearly not competitive with private insurance. The rate used to make this claim is inflated as it is for a type of provider (Ph.D's) almost never used in the DA system.

In fact, one of the unintended consequences of going to this rate will be more service provided in an individual format, at a much higher rate. So, for example, if we now see four clients in a group at thirty each, and we close the group, we will endeavor to see those same individuals at approximately seventy a session. The bill to DVHA will be \$280.00. If we had seen them in a group, the bill would be \$124.

What will be lost?

Below is a summary of diagnoses treated and types of groups offered: Diagnoses and treatment needs addressed in group therapy include:

Substance abuse, trauma, PTSD, Borderline & OCD personality disorder, anxiety and depressive disorders, bi-polar disorders, pedophilia

Modalities used in group therapy include:

Trauma & Recovery for Women

Transition Age Youth

Dialectical Behavioral Therapy & Cognitive Behavioral Therapy

Batterer Intervention

Didactic skills building

Sex offender treatment

Co-occurring substance abuse/trauma recovery

Caregiver workshop: a parenting group

Smoking cessation

STEPPS (systems training for emotional predictability & problem solving)

WRAP (wellness recovery action plan)

Medication education

Grief & Loss

Seeking Safety

Mindfulness training

Re-Entry groups

Wellness and Self Care skills groups

Level of intensity ranges from 1.5 hour weekly group to 6 hours weekly (three 2-hour groups)

Attached, please find a chart looking at expenses and projected revenues for groups. A group costs approximately 180.00 to provide. This includes two staff time to provide the group. The standard of care for the majority of groups is at minimum 1.5 hrs. It also includes supervision, preparation time, and administrative support. In order to 'break even', groups must be reimbursed at 36.57 for master's degree clinicians.