Testimony for House Appropriations Committee **Contact: Bill Young**
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Bill Young, Executive Director

Good morning. I appreciate the opportunity to speak with you today about the FY 2016 Budget as it affects Maple Leaf.

I want to bring two matters to your attention: first, the $1.5M proposed reduction in the Health Department's budget for residential substance abuse treatment and, second, the plan by DHVA and ADAP to institute yet another managed Medicaid system on the heels of the first one. The two issues are very much connected.

- **Lack of transparency:** The FY 16 budget contains a reduction of $1.5 M in residential treatment. Commissioner Chen and Deputy Commissioner Barbara Cimaglio have said that this is due to decreased utilization in the residential programs. They refuse to tell anyone how this was calculated and what the estimated reduction is by program. This makes it impossible for us or the legislature to understand the impact by program. This is public information. Anyone from the man who picked up my recycling this morning to the Committee members has a right to expect it.

- **Incorrect estimates of utilization:** At Maple Leaf Treatment Center we have struggled with a shortage of medical professional positons for much of the year, resulting in not being able to do admissions on many weekends. I wrote Barbara Cimaglio on December 1, 2014 to tell her that the State could safely plan on an estimated $77,000 under spend in FY 2015 as a result and could "book" that in the budget adjustment. But I also told her that we are filling those positions and she should not annualize that under-utilization for FY 2016, since we expect to be returning to our usual admissions, seven days a week. That is beginning to happen now.

    - Our budgeted Medicaid utilization this year is 28 patients per day. We were told by VDH that we would probably be full next year. How can they say that we will be full and then say that we will be underutilized as a justification for the cuts? But again, they are withholding the information to know how they arrived at the $1.5M figure.

- **Patient care threatened by yet another Managed Medicaid proposal:** The new managed care system proposed by DHVA and ADAP will be a disaster for the people we serve. When an addict asks for help, they need to receive it as quickly as possible. This creates yet another road block to admission at a time when we have been trying to remove barriers. It is a model used by an insurer with a track record of denying treatment to addicts. It has not been well received at the Brattleboro Retreat, where it was implemented.

    - DHVA and ADAP state that their goal is to "align" residential treatment with the managed care practices of insurance companies. Why anyone in their right mind

and with quality patient care as a goal would do this by choosing the method preferred by an insurer clearly hostile to addicts seeking treatment is beyond comprehension, especially when the State's largest insurer, BC/BS is building a reputation for the best customer service, the best care of addicts seeking help and the most professional response to requests for services. If this plan is implemented people are going to fail and people are going to die on the days when they would have been in treatment if it had not been denied. This will seriously compromise our ability to serve Vermonters in need of treatment.

Recommendations: The combination of a refusal to disclose how the $1.5 M was arrived at, coupled with the plan to create yet another roadblock to treatment by implementing a new and hostile managed care plan are certainly cause to suspect that the real plan is to reduce treatment by putting this new plan in place.

1. ADAP should be required to provide the basis for their estimate of decreased utilization by treatment program to the legislature and the programs themselves in detail and the programs should have an opportunity to comment if they are incorrect.

2. The Committee should adopt language requiring that the current managed care system should be continued until the Department of Health and DHVA submit, by next January 1, 2016, an analysis of the current system and recommendations for change in collaboration with the providers and in consultation with representatives of the State's largest insurer and the one most respected for its work with addicts. The planned implementation of yet another managed Medicaid experiment should be stopped.

3. We are aware of no basis for thinking that our programs will be underutilized next year. Barring full disclosure and information to the contrary by the Health Department, the cut of $1.5 M should be eliminated.