

Date March 26th, 2019

TO: The Honorable Andrea Salinas, Chair
House Committee on Health Care

SUBJECT: HB 3279 Requires Oregon Health Authority to establish uniform payment amounts applicable to medical assistance payments to providers of substance use disorder services and providers of mental health treatment.

Chair Salinas and members of the committee; my name is Jeston Black, Government Relations Director for Multnomah County. I am here before you today to testify in support of increasing rates for substance use treatment providers so that there is parity with similar mental health services.

At Multnomah County, improving the Behavioral Health system is a top priority and we recognize that the substance use treatment system, in particular, has been neglected in funding for several decades. There are numerous studies that demonstrate that treatment for substance use is effective, at reducing substance use, crime, child abuse and neglect, and physical health costs. In short, when people are able to receive evidence-based care, they recover. The substance use treatment system does phenomenally well, not because of, but in spite of decades of poor funding and reimbursement rates.

One example of how the substance use system is underfunded is in how rates are set for people with an “open card”, whose services are paid for on a fee-for-service basis by Oregon Health Authority. Case management services, when paired with a mental health diagnosis, are billed under the code T1016 at a rate of \$21.69 for 15 minutes. When paired with a substance use diagnosis, they’re billed under the code H0006 for \$17.46 (20% less) for an almost identical service. That rate hasn’t been raised in at least 7 years. Individual therapy, similarly, pays \$144.41 per hour with code 90837 for mental health and \$95.44 per hour (34% less) with H0004 for substance abuse. The codes that reimburse at the higher levels are currently not available to substance use providers.

The OHA fee schedule is often used by Coordinated Care Organizations, community corrections agencies, and counties as the “floor” for fee for service rates. The impact of the low rates is high levels of turnover in treatment agencies which leads to difficulty in engaging clients and limited access to services. Failures in engagement and access lead to increased burden on jails and prisons, child welfare, and the health system.

Testimony: Devarshi Bajpai, Multnomah County

Seeking parity with mental health reimbursement rates should be seen as an important first step in addressing the addiction crisis in Oregon. Many mental health providers will point out that mental health rates are themselves insufficient to build and sustain a highly skilled workforce. Future efforts should focus on continuing to stabilize the workforce and infrastructure of the behavioral health system through increased rates.

Thank you, committee members, for this opportunity to testify. I would be happy to be a resource if you have any questions.

Jeston Black, Director
Office of Government Relations
Multnomah County

Testimony: Devarshi Bajpai, Multnomah County