

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Behavioral Health



Fiscal Year 2020 Budget Oversight Hearing

Testimony of
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Interim Director

Before the

Committee on Health

Council of the District of Columbia

10:00 a.m.

March 29, 2019

Room 500

John A. Wilson Building
1350 Pennsylvania Avenue, NW
Washington, D.C. 20004

Good afternoon, Chairman Gray and members of the Committee on Health. I am Dr. LaQuandra S. Nesbitt, Interim Director of the District of Columbia Department of Behavioral Health. I am pleased to testify before you today on Mayor Bowser's Fiscal Year 2020 proposed Budget and Financial Plan, the District's 24th consecutive balanced budget. This budget makes key investments in housing, schools, and transit as well as key priorities focused on our seniors and families, all of which help to improve the social and emotional well-being of our communities across our great city. These investments reflect the key priorities identified by District residents at Budget Engagement Forums and telephone town halls held during the budget formulation process.

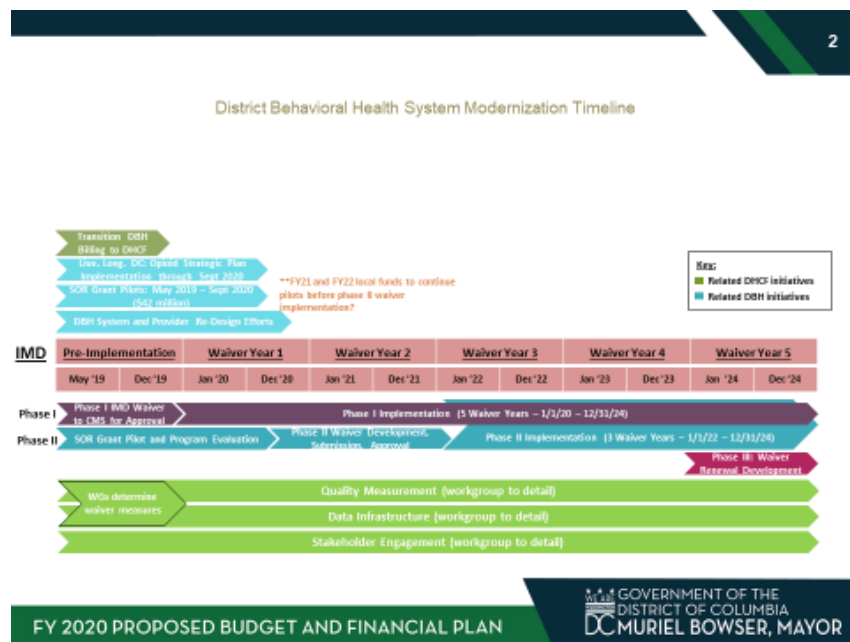
The Department of Behavioral Health (DBH) supports these goals by promoting access to behavioral health services in all eight wards and strategically investing in services and programs that integrate the treatment of mental health and substance use disorders into our public health framework, fostering parity with physical health and reducing stigma associated with these diseases.

The Mayor's proposed FY20 budget for DBH ensures that residents have access to the care and supports they need in order to lead healthy and productive lives. The proposed budget maintains critical investments that will allow DBH the opportunity to further its important work in building a behavioral health system that is easy to access in the home, school or community while making new investments in our systems infrastructure to create a 21st century system our residents deserve.

Under the direction of the Mayor, DBH works to prevent the onset of mental health and substance use disorders, provide a range of treatment options and supports to fit individual and community needs, and offer support services for those in recovery. DBH also provides emergency mobile crisis services, operates adult and child clinical services that provide urgent care, and manages Saint Elizabeths Hospital for those who require inpatient care. We also invest in peer leadership and support peer led organizations because we know that peer support is proven effective in encouraging treatment and maintaining recovery.



FY20 Proposed Budget Reflects New Vision and Strategic Direction for DBH



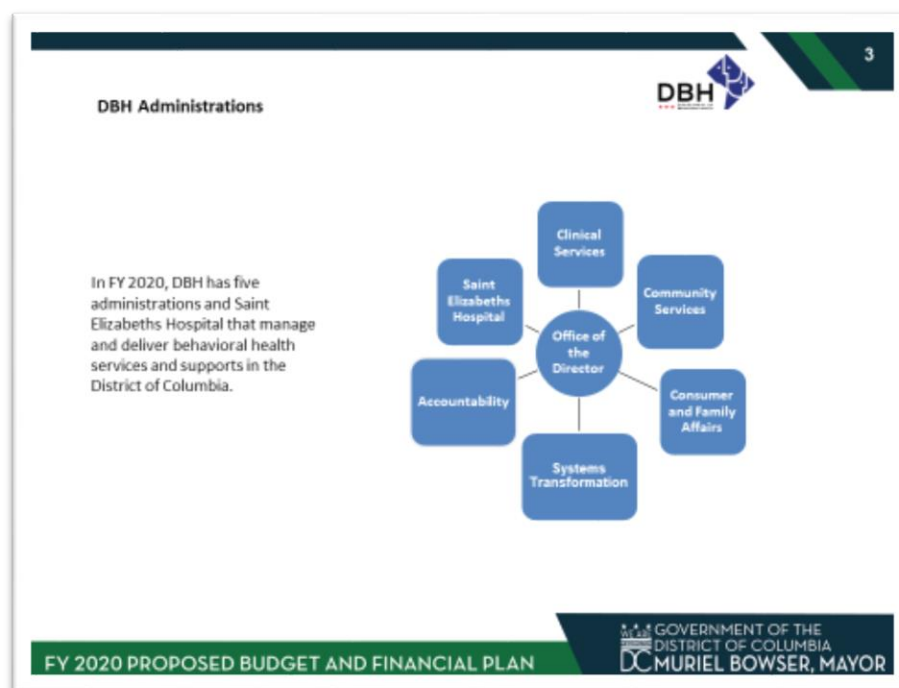
At the performance oversight hearing last month, I presented a vision and strategic direction for moving the agency forward that is reflected in the proposed FY20 budget. I testified about our plan to initiate a behavioral health system redesign project in partnership with the Department of Health Care Finance (DHCF), behavioral health service providers, hospital and health system leaders, clients, advocates, and other key stakeholders. The redesign project includes pursuing a mental health and substance use disorder (SUD) waiver from the Centers for Medicare and Medicaid Services (CMS). Federal guidelines now allow Section 1115 Waivers that provide federal Medicaid funding for services furnished to adults with a serious mental illness, adults with SUDs, or children with a serious emotional disturbance. We anticipate that the waiver will be submitted to CMS in May 2019.

When I was appointed Interim Director, it became apparent to me that an inordinate amount of time with providers focused on claims and billing functions rather than on continuous quality improvement initiatives and strategic planning related to the provision of services and performance metrics that impact health outcomes. The DBH staff and DBH contracted service providers, both having subject matter expertise in behavioral health, should be able to collaborate to implement up-to-date evidence based practices suitable for the District of Columbia's

population. In the proposed FY 20 budget, we are moving forward with the plan to transfer DBH claims, billing, and auditing functions to DHCF which will allow DBH to focus on interacting with providers as subject matter experts in the provision of behavioral health services while leveraging the healthcare financing expertise that rest in DHCF.

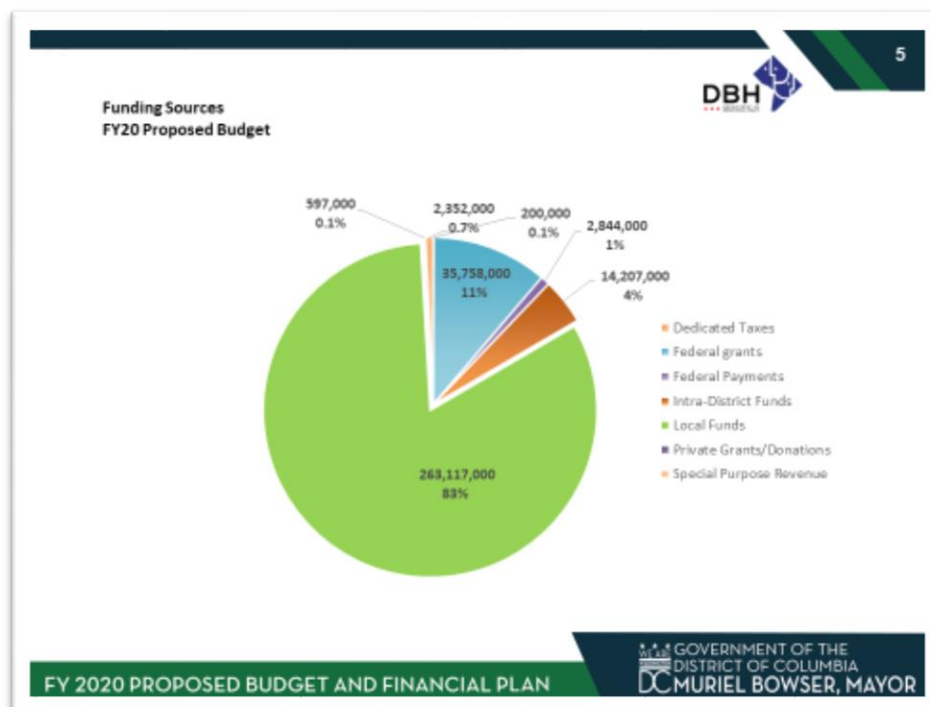
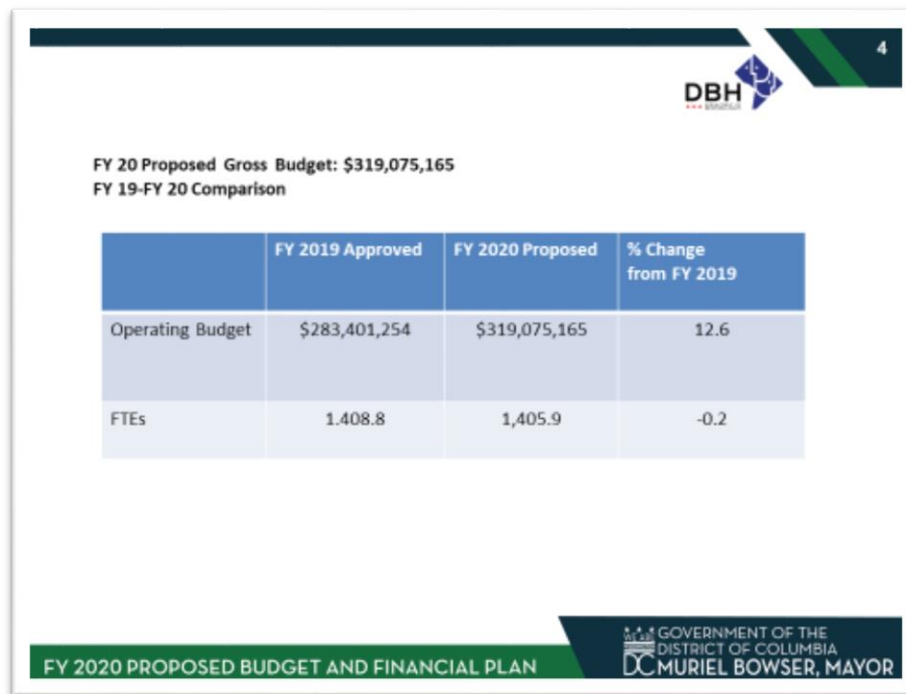
This collaboration will facilitate an improved system of care, service and supports to meet identified needs while promulgating policies and programs to prevent substance use disorder and promote social, emotional and mental well-being. DBH will continue to work with DHCF to ensure adequate coverage of mental health and substance use disorder services in the Medicaid State Plan while pursuing all relevant waivers and demonstration projects to increase access to behavioral health services and achieve parity with physical health services.

DBH Budget Overview



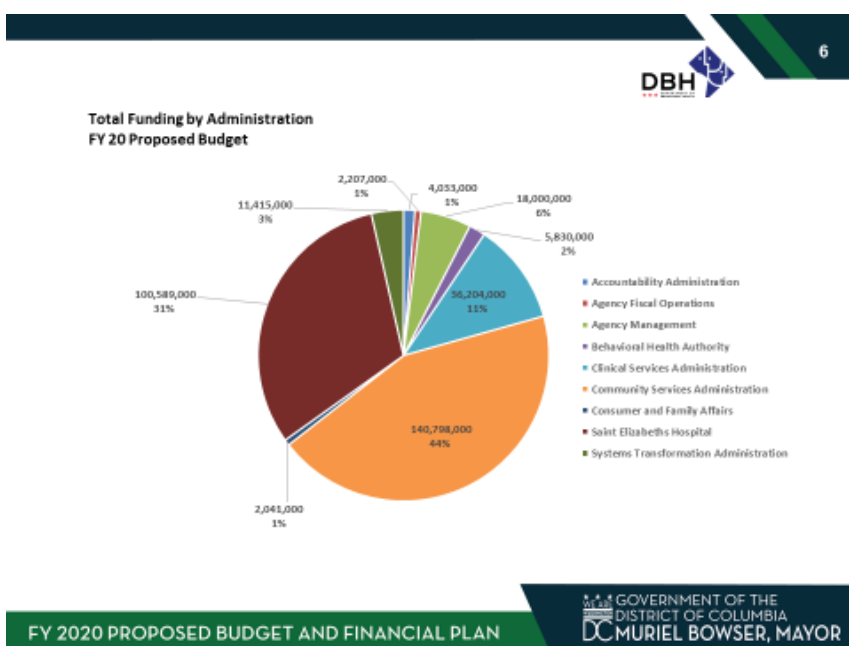
DBH is anchored by five administrations and Saint Elizabeths Hospital, which together, oversee, manage and deliver behavioral health services and supports to District residents as well as establish the policy and regulatory framework for behavioral health as the behavioral health authority for the District of Columbia. The FY20 proposed budget provides appropriate

resources so that each administration can achieve its individual mission while supporting the overall mission of the agency.



DBH's proposed FY 2020 gross budget is \$319 million dollars which represents a 12.6 percent increase over its FY 2019 approved budget. The majority of the funding in the DBH budget is comprised of Local Funds and the second largest source of funds is Federal Grants. About 16 percent (\$43,500,000) of the Local Funds in the DBH budget are required to support the Medicaid Match and to pay for behavioral health services for District residents who are underinsured.

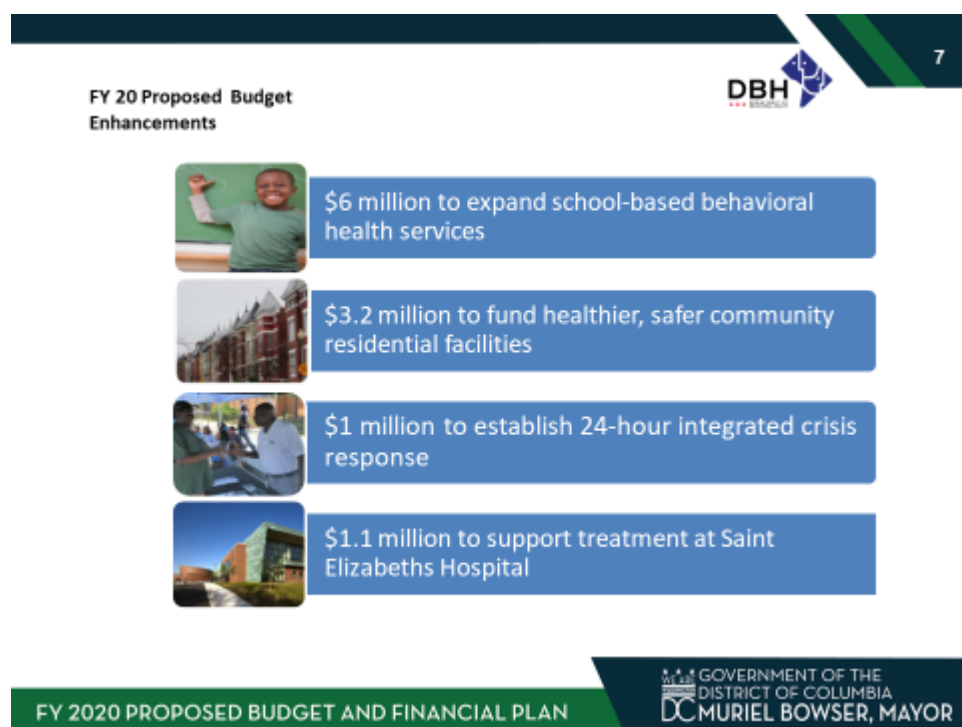
The proposed FTE count for FY20 is 1,405.9 which is three FTEs less than in FY 2019. This change is primarily due to additional positions in the Community Services and Clinical Services Administrations to support enhancements offset by the transition of the claims and billing functions and elimination of vacant positions.



The majority of the proposed budget supports community-based behavioral health services primarily delivered through the certified provider network as well as direct services by DBH including Saint Elizabeths Hospital. These services are located in the budgets of the Clinical

Services and Community Services Administrations that combined with Saint Elizabeths Hospital's budget comprise 87 percent of the budget.

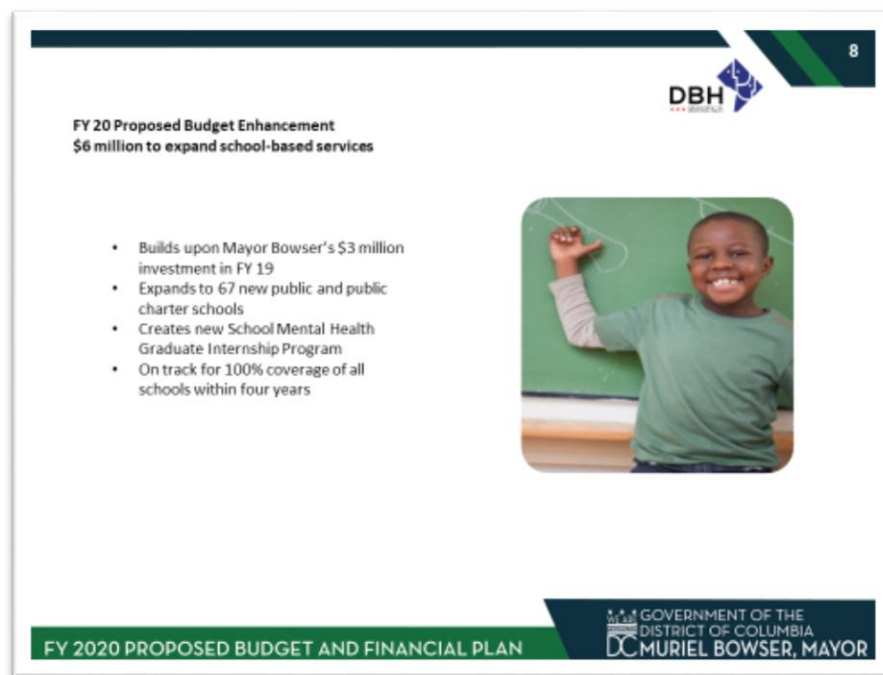
Major Changes in Proposed FY 20 Local Budget



The Mayor's proposed FY20 budget for DBH continues her commitment to the expansion of school-based mental health services and to bolster supportive housing for our most vulnerable consumers. The budget for the Community Services Administration was increased by \$6 million to expand services to additional schools. A \$3.2 million increase is proposed to support mental health community residential facilities. In addition, the Community Services Administration budget is increased above the FY19 approved budget due to a \$21 million federal grant. When these funds became available in FY19, they were leveraged to support the implementation of the District's strategic plan to reduce opioid use, misuse and opioid-related deaths.

The Clinical Services budget has a proposed increase of \$1 million to support a restructured approach to crisis response and Saint Elizabeths Hospital is funded with an additional \$1.1 million to support the increase in pharmaceutical costs the Hospital has experienced in recent

fiscal years. DBH also received \$200,000 to establish a program to prevent and treat gambling addiction.



Continued Investment in Expanding School-Based Mental Health Services

Building on a \$3 million investment in FY19, Mayor Bowser proposed budget invests an additional \$6 million for school-based mental health services in FY20. The additional funding will support 67 new public and public charter schools bringing the total number of schools served through the program to 119 schools. These funds will be used to support clinicians from community-based organizations. The community-based organization provide a range of services to their partner schools including prevention, early intervention, and treatment as well as resources that promote positive school climate. In the first two years of the expansion, through the advice of the Coordinating Council, key stakeholders, and the provider community, DBH has prioritized schools with the highest need. Funding for school-based mental health services will continue to support a community of practice and technical assistance to increase provider and school readiness.

We are very excited that the new funding will create a new graduate internship program in school mental health to support an essential pipeline for licensed mental health professionals to

provide school-based behavioral health services. Working alongside licensed professionals, the interns will be trained in evidence-based practices and translating theory and clinical skills into delivery of appropriate school-based services. With the additional funds, the expansion of behavioral services remains on track to reach 100 percent coverage of public and public charter schools within four years.

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FY 20 Proposed Budget Enhancement
\$3.2 million for healthier, safer community residential facilities

- Supports environment of care for 670 residents
- Increases 2015 rates
- On top of existing \$27 million investment in supportive housing for 2,200 residents with behavioral health needs



FY 2020 PROPOSED BUDGET AND FINANCIAL PLAN

GOVERNMENT OF THE
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Supporting Healthier, Safer Community Residential Housing

Appropriate, stable and affordable housing is key to recovery and significant evidence shows that permanent, supportive housing increases housing tenure and decreases emergency room visits and hospitalization. Consumers consistently cite housing as a top priority. The Mayor's proposed budget provides \$3.2 million to support rate increases for licensed mental health community residential facilities (MHCRFs) where 680 people now live. DBH's recent independent rate assessment confirmed that the current rates—which have not been adjusted since 2015—are not sufficient to meet operating costs and support the appropriate environment of care.

Community residential facilities are a critical housing option for individuals leaving Saint Elizabeths Hospital for community-based treatment, and for the most vulnerable consumers

who are experiencing homelessness, or cycle in and out of treatment, or live with family or friends without adequate supports which threatens their sustained recovery. DBH heard consistently from CRF operators who face financial challenges because rates have not kept pace with increased costs. Without this rate increase, it is highly likely that we will continue to lose MHCRF providers, further exacerbating the challenge of providing a supportive environment for individuals with mental health disorders to transition from high acuity care settings into the community with or without supports.

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DBH

FY 20 Proposed Budget Enhancement
\$1 million 24-hour integrated crisis
response

- Conduct low or no barrier assessment and referral
- Engage individuals who are connected but are not active in treatment
- Provide short term support to solve crisis issues
- Promote harm reduction options

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Establishing a New 24-hour Crisis Response Team

As I said earlier, Mayor Bowser has invested \$1 million to fund a newly restructured crisis response program at DBH. This new 24-hour crisis response program is designed to respond to individual and community crises including public health emergencies and tragic events that traumatize entire communities. DBH will create an integrated, place-based approach to outreach and crisis response and provide services to residents who may be experiencing psychiatric emergencies, trauma, substance use disorders, or co-occurring mental health and substance use disorders. It is our vision that teams of peers, behavioral health specialists, and licensed clinicians will have a regular and ongoing presence in communities to:

1. Conduct low or no barrier assessment and referral to behavioral health care
2. Engage individuals who are connected to care but are not actually in treatment due to barriers
3. Provide short-term support in solving crisis issues to reduce barriers and increase access to available care, and
4. Promote harm reduction options for individuals living with unmet needs who are unwilling to engage in behavioral health treatment.

Communities have been calling for such a crisis response and teams will actively engage community leaders and community members to assess needs and report back to DBH executive leadership on developing or unmet issues and suggest solutions.

FY 20 Proposed Budget Enhancement
\$ 1.1 million to support treatment at Saint Elizabeths
Hospital

Funds increased pharmaceutical costs



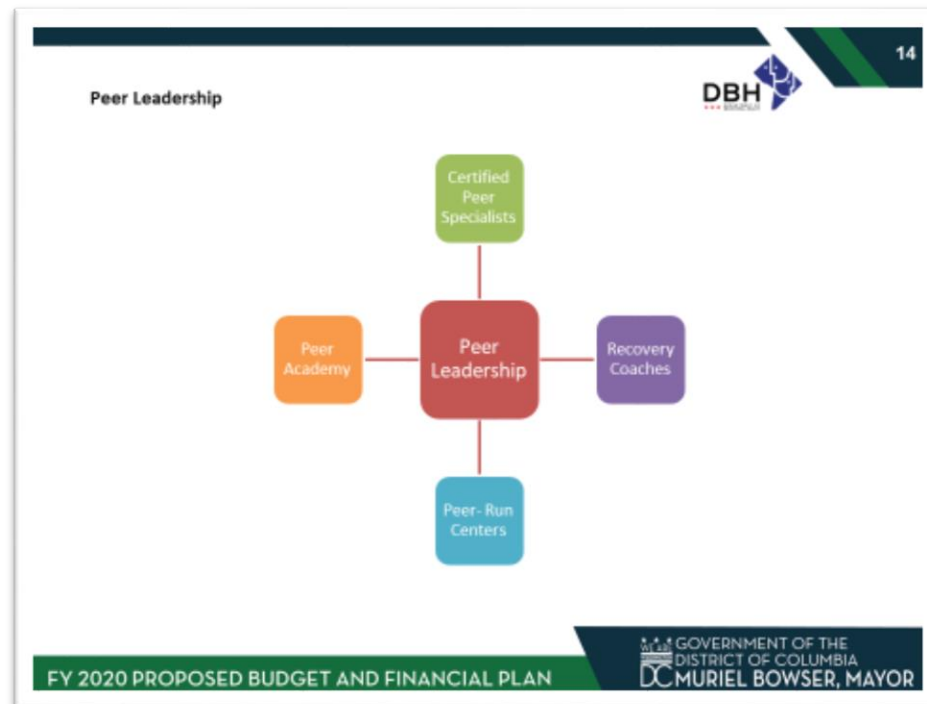
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FY 2020 PROPOSED BUDGET AND FINANCIAL PLAN

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DC MURIEL BOWSER, MAYOR

Mayor Bowser’s budget enhancements, ongoing investments and the strategic improvements underway are designed to propel DBH forward with a renewed focus to create a comprehensive behavioral health system that serves District residents with compassion and respect and ensures our residents have equitable access to high quality behavioral health services.



I want to end my testimony by recognizing the men and women at the Department of Behavioral Health who have a renewed commitment and focus to designing a behavioral health system in the District of Columbia that is connected to community, data driven and human centered, focused on high-quality services and compassionate care, and culturally appropriate, acceptable, and accessible. We are also committed to ensuring that this system is free of stigma and social isolation and offers services and supports with dignity and respect. We cannot achieve these successes without the young people and family members who are peer specialists and recovery coaches who work tirelessly in every facet of our system. Peer leaders model our conviction that treatment works and sustained recovery is possible with the right treatment and the right supports.

Thank you for the opportunity to testify today. We appreciate the work of the Committee and I look forward to our continued work together to build an efficient, accountable and responsive DBH. I am ready with my team to answer any questions.

