



Newport Mental Health

Hope, Health, and Recovery

April 24, 2024

Dear Chairman Abney and House Finance Committee Members,

I would like to thank you for your support of the new critical lifesaving Rhode Island Certified Behavioral Health Clinic (CCBHC) initiative that you have supported in the past two budgets cycles. We are on the cusp of implementing a Rhode Island CCBHC that will transform our behavioral health system of care. Rhode Island has submitted a highly competitive application to SAMSHA that we are confident will be approved and bring significant new federal dollars to our state.

As you may already know, changes in the federal CCBHC guidance have necessitated delaying the start date yet again from July 1, 2024, to October 1, 2024, as requested in the Title 9 Article 8 Governor's Budget Amendment before your Committee today. This guidance change only allows states to begin CCBHC services one time per year. This has caused the former plan to implement RI CCBHCs in three cohorts based on provider readiness to be abandoned. Under the previous plan, Newport Mental Health (NMH), Thrive Behavioral Health (Thrive) and Community Care Alliance (CCA) were the first three providers to meet the CCBHC criteria and were scheduled to start on providing CCBHC services on July 1, 2024.

The proposed change in the start date of the CCBHC program has created an unintended fiscal crisis for Community Care Alliance, Newport Mental Health, and Thrive Behavioral Health. To be eligible to start on July 1st as initially planned, we were required to significantly increase our clinical staffing to meet the new CCBHC Readiness Standards promulgated by the state. We were directed to increase our staffing by March 2024 for the July 1, 2024, start date. We made salary adjustments to recruit and retain staff to meet and maintain these higher staffing levels and committed our own funds to hire these staff, (i.e., NMH increased staffing by ninety-five positions and NMH and CCA expended funds to acquire additional space to accommodate the expanded CCBHC program services). These increased costs were to be picked up beginning July 1, 2024, when the new CCBHC cost-based rates were to begin. We do not have the money to maintain our staffing and other increased expenses between July 1st and the new October start date. This is creating tremendous financial hardship for our three agencies.

Our reserves and cash flow will be exhausted by September of this year. We estimated an initial combined funding gap for our three organizations to be \$4.4 million between now and the October 1, 2024, start date. Secretary Charest of EOHHS and Director LeClerc fully recognized this problem

and have exhausted every means to keep us whole during this extended period before the program starts. The Secretary has exhausted all funds available to him. He has identified (\$1,950,000 (\$650,000 each) in CCBHC infrastructure funding and Home and Community Based Services Recruitment and Retention funds which only a portion of this will be able to be used for our projected deficits. **This leaves an additional \$1 million dollars (approx.\$330,000 each) funding gap to carry us through to the October 1st start of the CCBHC program.**

Again, Secretary Charest has worked diligently to address this unfortunate, but unintended fiscal crisis caused by the start date delay. We understand and support the requested Title 8 Governor's Budget Amendment to delay the start of the CCBHC Program until October 1st but will be petitioning the Governor to submit to you a further budget amendment in the amount of \$1,000,000 to make up the remaining financial gap that has been created.

We will run out of money before September if we do not receive additional funds that will result in closing essential services and a reduction in force, negatively impacting our state's selection as a federal CCBHC demonstration state, and potentially risk the loss of significant new federal Medicaid money. Secretary Charest has been working diligently to find a solution. We are just making you aware of this problem and we ask that you support any future budget amendment from the Governor to address this.

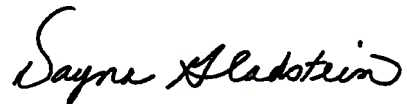
Sincerely,



Benedict Lessing
President & CEO
Community Care Alliance



Daniel Kubas-Meyer
President & CEO
Thrive Behavioral Health



Dayna Gladstein
President & CEO
Newport Mental Health