



Rhode Island House of Representatives
Committee on Finance
82 Smith Street
Providence, RI 02903

May 20, 2026

Dear Chair Abney and Members of the Committee:

I respectfully submit this testimony in support of the Governor’s Budget Amendment 16, specifically the portion that amends the Medicaid per diem add on rate for behaviorally complex patients. This GBA would amend Rhode Island’s Medicaid Section 1115 Waiver to accommodate for Rhode Island nursing facilities caring for behaviorally complex nursing home residents and long-term acute care patients in hospitals with expensive behavioral health needs. The program was authorized several years ago, but with significant restrictive language that limited the uptake from providers. This amendment aims to address those barriers.

Behavioral Health Solutions currently assists with administering Behaviorally Complex Care Programs in varying forms across 12 states, and we have seen firsthand its success. This proposal is a practical, fiscally responsible solution to a problem Rhode Island can no longer afford to ignore: behaviorally complex patients remaining in hospitals longer than medically necessary, cycling back to the hospital from nursing facilities, or being treated as “difficult to place” because facilities do not have the funding needed to safely manage them in the post-acute and long-term care setting.

This legislation matters because it fills the exact gap that drives avoidable costs and poor outcomes. A behavioral add-on is not simply a rate increase. It funds the infrastructure nursing facilities need to succeed with this population: on-site wraparound behavioral health services, psychiatric assessment and medication management, individualized behavioral plans, non-pharmacological interventions, weekly rounding and case conferencing, rapid crisis support, and staff education in trauma-informed care, de-escalation, root-cause analysis, and documentation best practices. In other words, it gives facilities the tools to stabilize residents in place rather than relying on the emergency department or hospital as the default response to behavioral escalation.

The evidence from other states shows that this model works. In a multi-state evaluation of integrated behavioral health programs in long-term care and skilled nursing facilities spanning 37 facilities, 16,130 unique patients, and six states, program participants had better outcomes than matched controls. The control group had 16% more hospital-related events than program participants. Program patients also showed a higher 90-day hospital-event-free rate (88% vs. 84%), 26% higher average quality-of-life improvement, and slower increases in psychotropic medication use, even though the program cohort began with greater baseline acuity. The study was not randomized, but it used a matched control comparison and still demonstrated measurable, real-world improvement in outcomes that matter to Medicaid programs, nursing facilities, residents, and families.



Nevada’s state-funded Behaviorally Complex Care Program provides especially strong evidence for Rhode Island. In one impact study, residents participating in BCCP had a 2.7% ER transfer rate, compared with 9.5% in the non-BCCP population, representing a 71.58% decrease in ER visits. That is exactly the kind of result Rhode Island should be pursuing: fewer crises escalating to the emergency room, fewer disruptive transfers, lower costs, and better continuity of care for residents who are often harmed by repeated movement across settings.

Nevada data also showed that the partnership between participating facilities and the behavioral health program prevented 8 hospital admissions per 100 SUD patients over one year, producing an estimated \$125,752 in savings for every 8 admissions avoided. When modeled across 68 skilled nursing facilities, the estimated annual savings exceeded \$3.07 million. At the same time, facilities demonstrated a greater ability to retain and care for these residents appropriately: length of stay for SUD patients in facilities increased 123%, intake increased 133%, and discharge rate declined 24%. These findings are important because they show that when facilities are properly resourced, they can accept and keep high-needs residents in the least restrictive setting instead of leaving them stranded in hospitals or cycling them out when behaviors become difficult to manage.

The program also improves care quality inside the facility. Nevada findings showed a 16% decrease in antipsychotic medication use, contributing to an estimated 8% reduction in serious falls and hospital transfers. That matters because overreliance on psychotropics is not a substitute for real behavioral stabilization. A funded behavioral add-on gives facilities access to the staffing, training, clinical oversight, and non-pharmacologic tools needed to manage residents more safely and more humanely. It improves quality of life while also reducing costly downstream events.

In simple terms, this policy saves money and improves outcomes. It saves money because it reduces avoidable hospital use, shortens unnecessary hospital boarding for patients awaiting placement, and shifts care to the lower-cost nursing facility setting when that setting is properly supported. It improves outcomes because residents receive timely behavioral health services, staff are better trained and better supported, crises are addressed earlier, and facilities can care for people where they belong rather than sending them back to the hospital. The program model is specifically designed to help nursing facilities partner with hospitals on difficult-to-discharge patients, reduce acute transfers and acute length of stay, stabilize residents in the lowest appropriate care setting, and generate overall healthcare system savings.

This proposal is also an important answer to the harmful practices Rhode Island has struggled with around inappropriate refusals, unsafe discharges, and “patient dumping” of behaviorally complex individuals. A behavioral add-on can be the mechanism for solving the issue. When facilities receive targeted funding for staff training and wraparound behavioral health services, they are better able to



admit, retain, and stabilize residents who would otherwise be treated as unmanageable. That reduces the pressures that lead to hospital bottlenecks, avoidable transfers, and failed placements. For Rhode Island, having an accessible behavioral add-on is not just a spending proposal. It is a value-based investment in a proven care model that helps nursing facilities manage behaviorally complex residents effectively, reduces unnecessary hospital utilization, improves quality of life, supports staff, and keeps people in the least restrictive and most cost-effective setting. Behavioral Health Solutions has witnessed the demonstrated success of the BCCP program across all the states that have implemented it, and we are confident Rhode Island will experience the same results. Accordingly, we urge you to support this budget amendment. We also support H8205, which when amended to reflect the language in this GBA, would accommodate for the same goal.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Treese", is positioned below the word "Sincerely,".

Bill Treese
Chief Executive Officer & Founder
Behavioral Health Solutions