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## COALITION OF MEDICATION-ASSISTED TREATMENT PROVIDERS AND ADVOCATES

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### **Joint Legislative Budget Hearing Mental Hygiene February 13, 2024**

#### **Testimony submitted on behalf of COMPA. by Allegra Schorr, President**

My name is Allegra Schorr. Thank you for the opportunity to testify today on behalf of the Coalition of Medication-Assisted Treatment Providers and Advocates (COMPA). COMPA represents Medication-Assisted Treatment providers and the Opioid Treatment Programs (OTPs) across New York State. There are over 44,000 New Yorkers currently receiving treatment for opioid use disorder (OUD) in our member programs, which include both hospital-based and free-standing providers. As you are aware, overdoses have increased drastically across the state.

[The New York Comptroller's report \(11/22/22\)](#) shows that opioid overdose deaths increased in New York between 2019 and 2021 by about 68%. The Comptroller's report states that 30 New Yorkers per 100,000 died from drug overdoses in 2022, compared to 25 per 100,000 in 2021 and 5 per 100,000 in 2010. New York's opioid overdose death rates exceeded national rates in both 2020 and 2021. [New York City](#) reported that there was a 78 percent increase in overdose deaths since 2019 and 27 percent since 2020. Fentanyl continues to drive overdose deaths.

Furthermore, while overdose deaths for all racial and ethnic groups grew; the rates increased five-fold for Black New Yorkers, quadrupled for Hispanic or Latino New Yorkers, and tripled for White New Yorkers.

Opioid Treatment Programs (OTPs) and Medication-Assisted Treatment (MAT) providers are on the frontlines of fighting the overdose epidemic. These essential providers assist those struggling with opioid dependence through MAT, which combines individually tailored behavioral therapy with clinically effective medications. Currently, only 32 counties out of 62 in New York State have an OTP. If we want to ensure that all New Yorkers who need services can access care, we must increase investment in these programs.

There is well-established evidence that treatment with medications for opioid use disorder (OUD) is effective (Wakeman et al., 2020). As New York continues to struggle with the increase in deadly overdoses across the state, it is vital that the State support policies and provide funding that increase access to medications for opioid use disorder and remove barriers which impede that access. COMPA recommends that New York focus its response on the areas outlined below.

**Fully fund the OASAS budget:**

The Executive Budget proposes a 13.4% decrease to the OASAS budget. COMPA opposes a cut to the OASAS budget. A renewed sense of urgency and investment is needed to combat the current opioid crisis.

**Include a 3.2% COLA tied to CPI and invest \$500 million in the workforce:**

OTPs and MAT providers are unable to treat patients up to their normal capacity due to a staffing shortage. Program staff is underpaid, overworked and burnout is high. The workforce shortage must be addressed so that access to MAT can be maintained and expanded.

- **3.2% COLA increase:** Providers have been denied nearly \$500 million in COLA funding since the enactment of the statute, because the state has deferred it multiple times. New York should make the COLA permanent and provide a 3% COLA this year to help sustain the workforce.
- **Invest \$500 million in the workforce:** In order to address the workforce crisis in a meaningful way, New York should invest \$500 million to help offset the lost COLA funding. Programs to provide loan forgiveness, internship stipends and stipends for CASAC trainees, and fellowships in addiction medicine would help build and maintain the workforce, particularly in underserved areas.

**Prevent OTP closures due to OMIG audits:**

In 2022, Governor Hochul vetoed S.4486-A (Harckham)/A.7889 (Gottfried) (2022), which would reform the Medicaid audit process of the Office of the Medicaid Inspector General. The current process is focused on meeting a pre-determined fiscal target at the expense of providers who have not engaged in fraud or abuse. This aggressive approach threatens to destabilize the OTP system and has already resulted in the loss of one program that served 1,500 patients.

The COMPA supports passage of **S5329-A (Harckham)/A6813 (Paulin)**, which would enact the reforms contained in the vetoed bill. In her veto message, the Governor acknowledged that the audit processes should not place an undue burden on providers and directed OMIG to take steps to address the concerns that underlie the bill. COMPA believes that the appropriate approach is outlined in the legislation and supports its passage.

Moreover, the Medicaid scorecard notes that OMIG has increased its “audit target” by \$100 million. Given the unbalanced and unfair results of the OMIG audit process, this increased audit target represents a grave concern to Medicaid providers who have conscientiously delivered needed services.

**Establish and enhance integrated services:** COMPA opposes the merging of OASAS and OMH, but it strongly supports the integration of care. Integration can be addressed in the state budget or through legislation.

- **To encourage and facilitate integration, COMPA recommends an overall investment in SUD outpatient treatment to include:**
  - Establishment of an add-on rate for services provided by higher credentialed, licensed staff.
  - Increased reimbursement for medication management and prescribing for medications.
  - Increased reimbursement rate for OTP services to match SUD outpatient rate. This should include excluding the cost of toxicology for OTPs from the rate as it is for SUD programs. Medicaid should directly cover this cost.
  - Require agencies that request toxicology reports for non-medical reasons to cover the costs of those reports. Currently Medicaid pays for the testing.
  - Provision of a facility rate for primary care services. OTPs are well positioned to provide primary care services but cannot afford to do so because of an inadequate rate.
- **Establish comprehensive outpatient services:** COMPA supports S.2704 (Harckham) A.3807 (Jackson), which authorizes DOH, OASAS, and OMH to jointly establish a single set of licensing standards and requirements for comprehensive outpatient services centers. The focus of this bill is to ensure that people can seamlessly access services for co-occurring mental health and substance use disorders while also accessing necessary primary care services.

## **Insurance Reform**

### **Support a Carve-Out of Behavioral Health Services from Medicaid Managed Care Organizations/Competitive Procurement**

COMPA supports a carve out of outpatient mental health and substance use disorder services from Medicaid managed care. Given the extent of the problems related to Medicaid Managed Care Organizations (MMCO), we do not believe the Executive Budget proposal for competitive procurement is sufficient.

Medicaid Managed Care organizations continually deny and/or inaccurately pay provider's claims. For example, Medicaid managed care model contract that facilitated the transition to managed care in 2015 allows MMCOs to utilize two distinct types of software to process claims: the APG grouper or a company's similar proprietary version. Claims processed through the MMCO's own software are often inaccurate and result in underpayments to the providers, while the APG grouper software results in accurate payments. This is particularly a problem when a change is made to the current billing system, like the addition of a new service or code. Providers should receive full payment for services rendered, yet MMCOs persist in utilizing systems which result in underpayments to providers.

Providers have spent millions of dollars and administrative efforts pursuing claims and other violations instead of providing services. The cost-effective solution is to carve the outpatient

mental health and SUD services out of Medicaid managed care and return to the still-existing infrastructure of New York's Medicaid reimbursement platform.

**Support the Commercial Insurance Rate Mandate**

COMPACT supports the Commercial Insurance Rate Mandate Executive Budget Proposal (**Article VII, HMM, Part AA**) which ensures that commercial insurance reimbursement is at least equal to the Medicaid reimbursement. The commercial insurance rate is frequently lower than the Medicaid rate for mental health and SUD treatment services. This proposal will address this disparity and increase access to services.

**Establish a taskforce to address the siting of SUD clinics:** COMPACT is grateful for the State's role in directing the over \$2 billion in opioid settlement dollars to initiatives that expand prevention, treatment, recovery, and harm reduction. As access to services increases, it is critical that communities are engaged in a more structured manner. COMPACT supports the creation of a taskforce to assist communities and providers in determining where programs and facilities should be sited. Given the severity of the epidemic, it is crucial that more programs are opened, particularly in underserved areas. A taskforce can help communities navigate the siting process and ensure that programs are strategically placed throughout the state.

**Opioid Stewardship Fund Permanent**

COMPACT supports the Executive Budget proposal to make the Opioid Stewardship Fund permanent. We also request that these funds be used to supplement and not supplant the current budget.

**Establish overdose prevention sites:** COMPACT supports this policy as an important part of harm reduction efforts if it is accompanied by protocols to establish connections to treatment. Evidence demonstrates that these programs prevent overdose deaths and play a critical role in combatting the opioid epidemic. COMPACT urges passage of S.399-A(Rivera)/A.338-A (Rosenthal).

For additional information, please reach out to Allegra Schorr at [aschorr@compa-ny.org](mailto:aschorr@compa-ny.org).