

Chairman Holmberg & Members of the Committee,

My name is Ty Hegland and I serve as the President/CEO of ShareHouse in Fargo, ND. Since 1975, ShareHouse has been the Upper Midwest's leader in Substance Use Disorder (SUD) and Mental Health services. ShareHouse operates two residential facilities, three outpatient clinics, and employees 145 individuals annually. However today I am going to address you as the volunteer chair of the North Dakota Addiction Treatment Providers coalition, which is the association tasked with representing private SUD providers from across the state.

I stand to respectfully ask for your support of the SUD Voucher and restoration of the full \$17,000,000 request by the governor. Behavioral Health providers represent one of one of the most critical sectors of the healthcare continuum. Currently we sit at the crossroads of multiple crises which are plaguing our state including a continued Opioid Epidemic, resurgence of Methamphetamines, and the long-term effects of the COVID-19 Pandemic and the toll it has took on the Mental Health of our region.

The SUD Voucher is one of the most important tools for treating addiction patients in North Dakota in three distinct ways;

- 1) The voucher helps patients get timely access in settings away from the social and environmental areas that fuel their addiction.
- 2) The voucher allows for provider choice, which creates competition and ultimately leads to better patient care.
- 3) The voucher supports clinicians in a sector of healthcare which has been traditionally underfunded, but affects everything.

The SUD Voucher represents one of the best opportunities to serve more patients, while also reducing overhead costs for the State of North Dakota. Where some see an increased line item appropriation, providers see the opportunity dramatically reduced the dollars we spend in corrections and healthcare costs. Studies by the National Institute of Health have show that for every \$1.00 spent on SUD services, saves \$6.00 in corrections costs and/or \$13.00 in healthcare costs. The voucher represents less than 1% of the overall DHS Budget, but as the ability to save the state hundreds of millions of dollars in costs. The voucher is an investment in North Dakota which has the ability provide significant return on investment.

We all know the voucher has had its challenges the past year, but it is still one of the most important tools providers have to treat patients. The timing of the suspension of new patients could not have come at a worst time. Though as an association we've pushed providers to do charity care where possible, every company has their limits. I can tell you anecdotally that places like Prairie St. Johns does over \$5,000,000 in charity care alone annually, while places like ShareHouse provide multimillions in charity care annually as well.

Coming off the House Appropriations process, providers are eager to engage in a robust hearing process, as many of the amendments had no feedback from providers on the ground. Providers respectfully ask for consideration for the following;

- 1) Restoration of the full \$17,000,000 request by the governor. Our patient demand will tell you \$12,000,000 for direct care will not be enough.
- 2) Providers adamantly oppose the 30% cap to residential providers. Not only may it violate the federal Mental Health Parity & Addiction Equity Act, it would it provide less resources for the sickest patients in our state and cause carnage in our communities. These are patients that come from ER's, ICU's, jails, and psychiatric facilities. Without residential care they will die.
- 3) Providers understand the need to be flexible and creative. Whether it may be studies, potential moratoriums, or grant making processes, we simply ask for caution, since certain proposals have put forth spending 24% of the SUD Voucher appropriation in areas that represent less 10% of the state's population.

With the \$17,000,000 governors request, we have an opportunity to get ahead of some of the longstanding Alcoholism issues in our state, as well as combat the concurrent Opioid Crisis and the Mental Health effects of the COVID-19 pandemic. Patients and providers need your support, but we are also here to provide guidance on the voucher as we move forward.

Thank you for your time,



President/CEO
ShareHouse