



Public Health
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Sen. Bekkedahl and Members of the Committee,

I am Michael Dulitz, Opioid Response Coordinator at Grand Forks Public Health, and I am testifying as **NEUTRAL** on SB 2128.

A couple weeks ago, I came before the Human Services committee in favor of this bill with modifications. I would refer you to that testimony to help understand what Certified Community Behavioral Health Clinics (CCBHC) are. Since then, the bill was amended to promote the Human Service Centers to become CCBHCs rather than enabling and supporting non-profit organizations to enter the market and expand behavioral health services through the CCBHC model.

Therefore, attached to my testimony is sample language which can be used as the basis for an amendment to this bill. Specifically, I would propose:

1. Providing the Department of Health and Human Services (DHHS) Behavioral Health Division with the ability to certify CCBHCs.
2. Directing the DHHS Medicaid Division to seek an 1115 waiver to establish a prospective payment system rate for CCBHCs
3. Providing a grant program to at least one urban and one rural community to develop a CCBHC as statewide demonstrations
4. Supporting the vertical integration of CCBHCs into healthcare systems by incentivizing healthcare systems to retain behavioral health beds in our regional communities while simultaneously improving the way those beds are used.

As I stated in my original testimony, the greatest opportunity to improve behavioral health care in North Dakota is to incentivize the private (and in this case, non-profit) sector to improve the way they provide care. Over the past 5 years in my role addressing the opioid epidemic, I have seen the private sector step up to expand services in the community to help fill critical gaps in innovative ways. Whether that was our non-profit federally qualified health clinic stepping up to add medications for addiction treatment and addiction counselors or a private behavioral health clinic providing services at area correctional centers through the substance use disorder voucher program, we have seen innovation much faster than we would see from state-run behavioral healthcare.

With CCBHCs, I see opportunity for the legislature to do what you do best – implement the policies to enable the private sector, provide stimulus to speed implementation, and then allow the innovation of the private sector help us fill the growing gaps in behavioral healthcare in our communities. By taking this approach, we can combine these state funds with federal grants to stimulate more innovation at a lower cost than the bill in the current form. With that, I will stand for any questions.

1. Department of Health and Human Services – Behavioral Health Division.
Beginning the effective date of this Act, the Department of Health and Human Services Medicaid Division shall begin the process of establishing a certification program for certified community behavioral health clinics. The department of health and human services shall complete implementation of a certification program pursuant to this section by June 30, 2025. The department of health and human services shall report to the legislative management during the 2023-24 interim and to the sixty-ninth legislative assembly regarding the status of any Medicaid plan amendments or Medicaid waivers applied for and implemented during the 2023-25 biennium.
2. Department of Health and Human Services – Medicaid Division.
Beginning the effective date of this Act, the Department of Health and Human Services Medicaid Division shall begin the process of applying for and implementing Medicaid plan amendments or Medicaid waivers to allow federal funding reimbursement for services provided by certified community behavioral health clinics under a prospective payment system daily rate. The department of health and human services shall complete implementation of Medicaid plan amendments or Medicaid waivers approved pursuant to this section by June 30, 2025. The department of health and human services shall report to the legislative management during the 2023-24 interim and to the sixty-ninth legislative assembly regarding the status of any Medicaid plan amendments or Medicaid waivers applied for and implemented during the 2023-25 biennium.
3. A new section to ___ of the North Dakota Century Code is created and enacted as follows:
Comprehensive behavioral health treatment system grants.
 - a. A licensed hospital may apply for a competitive comprehensive behavioral health treatment system grant. A licensed hospital is eligible for a one-time grant award. To receive a grant, a licensed hospital shall:
 - i. Submit an application in the form and manner prescribed by the department;
 - ii. Enter a grant agreement with the department;
 - iii. Use grant funds to establish sixteen or more behavioral health beds in an area, as determined by the department, that is underserved or at risk of losing more than fifty percent of the acute care behavioral health beds in the area;
 1. Behavioral health beds established may include beds that were able to be retained at the hospital due to the receipt of grant.
 - iv. Use the grant funds to support the provision of behavioral treatment in underserved or at risk of losing more than fifty percent of the acute care behavioral health beds in the area of the state's behavioral health treatment system;
 - v. Provide and disclose information needed to comply with the department's data collection requirements; and
 - vi. Operate in compliance with grant requirements.
 - b. The licensed hospital shall establish a certified community behavioral health clinic before June 30, 2025.
 - c. The licensed hospital shall accept Medicaid reimbursement for behavioral health services provided.

- d. The department, within legislative appropriations, may distribute up to two grants under this section to licensed hospitals.
 - e. The department may recapture grant funds distributed to a licensed hospital found by the department to be out of compliance with the requirements established by the grant program, including ending or reducing the operation of the behavioral treatment services in the underserved or vulnerable area.
 - f. The department may not collect property, equipment, or supplies purchased with grant funds from the licensed hospital after successful completion of the terms of the grant.
 - g. The grant term must be for five years.
4. A new section to ___ of the North Dakota Century Code is created and enacted as follows:
Certified community behavioral health clinic grants.
- a. A non-profit organization may apply for a competitive certified community behavioral health clinic grant. A non-profit organization is eligible for a one-time grant award. To receive a grant, a licensed non-profit organization shall:
 - i. Submit an application in the form and manner prescribed by the department;
 - ii. Enter a grant agreement with the department;
 - iii. Use grant funds to establish a certified community behavioral health clinic within two years of entering in a grant agreement with the department.
 - iv. Provide and disclose information needed to comply with the department's data collection requirements; and
 - v. Operate in compliance with grant requirements.
 - b. The department, within legislative appropriations, may distribute up to two grants under this section to non-profit organizations.
 - c. The department may recapture grant funds distributed to a non-profit organization found by the department to be out of compliance with the requirements established by the grant program, including ending or reducing the operation of the behavioral treatment services.
 - d. The department may not collect property, equipment, or supplies purchased with grant funds from the non-profit organization after successful completion of the terms of the grant.
 - e. The grant term must be for five years.

5. Appropriation – Department of Health and Human Services – Certified Community Behavioral Health Clinic Grants

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$2,000,000, or so much of the sum as may be necessary, to the department of health and human services for the purpose of providing grants to establish certified community behavioral health clinics, for the biennium beginning July 1, 2023, and ending June 30, 2025.

- a. The department of health and human services shall award grants from the funds appropriated in this section to two or more non-profit organizations who currently provide behavioral health services in North Dakota who will become certified community behavioral health clinics. At least one grant shall be awarded to an organization in a county with a population of more than 50,000 people. At least one

grant shall be awarded in a county with a population of fewer than 50,000 people. No non-profit organization may receive more than 50 percent of the total amount of grants awarded under this subsection.

6. Appropriation – Department of Health and Human Services – Comprehensive behavioral health treatment system grants

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$10,500,000, or so much of the sum as may be necessary, to the department of health and human services for the purpose of providing grants to establish acute care behavioral health beds in underserved or vulnerable areas, for the biennium beginning July 1, 2023, and ending June 30, 2025.

7. Appropriation – Department of Health and Human Services – Certified community behavioral health clinic program

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$600,000, or so much of the sum as may be necessary, to the department of health and human services for the purpose of establishing a certified community behavioral health clinic program, for the biennium beginning July 1, 2023, and ending June 30, 2025. The department of health and human services is authorized two full-time equivalent positions to administer this section