To: **Public Health Committee**

From: **Susan Walkama, LCSW**
President and Chief Executive Officer
Wheeler Clinic, Inc.

Date: **February 23, 2011**

Re **Proposed S.B. 533 An Act Establishing a Uniform State Licensing Process for Private Community-Based Providers**

My name is Susan Walkama. I am the President and Chief Executive Officer of Wheeler Clinic, Inc. Wheeler Clinic is a large behavioral health, special education and prevention services provider serving over 38,000 individuals each year. Our services are based in central Connecticut, greater Hartford, Waterbury, Middletown, Meriden and the New Haven regions. We receive funding from the Department of Children and Families, the Department of Mental Health and Addiction Services, Court Support Services, Department of Social Services and the Department of Public Health. We provide an integrated system of care for children, families and adults that divert unnecessary stays in inpatient settings and residential care. Our annual budget is $50,000,000 and we have close to 800 employees.

I am here today asking you to support proposed SB 533 An Act Establishing a Uniform State Licensing Process for Private Community-Based Providers. Wheeler Clinic provides behavioral health services to adults, children and families at various levels of care. Many of these services require separate licenses that are administered through the Department of Children and Families and the Department of Public Health. In total, we are required to maintain 24 separate licenses in order to operate our programs. Each license requires a separate application, periodic renewal every 2-3 years and compliance visits conducted by the responsible state agency. On average, we have eight separate licensing reviews on an annual basis. These compliance visits take anywhere from 1 to 3 days based on the size and scope of the service. There are tremendous overlapping requirements in the areas of the organization governance structure and practices, human resource management, service quality and standards for health and safety and the environment of care.

We provide the same information repeatedly on 24 separate applications and in compliance reviews. At times, the same state agency reviewer is charged with compliance visits for our different programs. In one example, last year, we provided identical information to the same reviewer within a brief period of time because she was reviewing two different licenses. It did not matter that she had just received the information in a recent visit, her time and the time of Wheeler staff was spent in supplying and re-reviewing identical information because it is required under the current licensing regulations. A single licensing process that is consolidated under one state agency would eliminate these redundancies and potentially create a more rational, efficient cost effective system. Inclusion of standards that are universal and critical to quality of care should be included and unique standards for specific service types should be carefully considered for relevance to service quality.

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We also suggest this proposed legislation be expanded to include a provision called deemed status. Currently numerous states offer deemed status for various behavioral health licensure requirements. Deemed status allows behavioral and healthcare providers to forgo duplicative state licensing requirements if they can demonstrate accreditation from accepted national accrediting bodies. The services for which community providers may seek deemed status vary considerably by state. A commonality across states offering deemed status is that the standards of the national accrediting body minimally reflect the standards of the state licensing body. As an accredited provider by the Joint Commission, Wheeler Clinic complies with 300 behavioral health standards. Each standard contains 1-20 elements of performance. These standards meet or exceed state licensing requirements. Recognized accrediting bodies include the Commission on Accreditation of Rehabilitation Facilities (CARF), Council on Accreditation (COA) and the Joint Commission. Some states also recognize other accrediting bodies when the provider can demonstrate that the accrediting organization meets state requirements and is appropriate for the given service(s).

Currently the State of Connecticut Department of Public Health (DPH) allows deemed status for general hospitals, chronic disease hospitals, children's hospitals, maternity hospitals and hospitals for persons with mental illness and the State of Connecticut Department of Mental Health and Addiction Services.

Recommended Services

The Connecticut Departments of Children and Families and Public Health license the following facilities/programs. These services could be eligible for deemed status:

Department of Children and Families[1]

- Child placing agencies
- Extended day treatment
- Group homes
- Outpatient psychiatric clinics for children
- Residential education
- Residential treatment
- Safe homes
- Temporary shelter

Department of Public Health[2]

- Hospital for Mentally Ill Persons
- Mental Health Community Residence
- Mental Health Day Treatment
- Mental Health Intermediate Treatment
- Mental Health Residential Living
- Mental Health Psychiatric Outpatient [Psychiatric Outpatient Clinic for Adults]
- Substance Abuse & Dependence [Facility for the Care or Treatment of Substance Abusive or Dependent Persons]

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[1] DCF licensure application dated August 1, 2008.
http://www.ct.gov/dcf/lib/dcf/continuous_quality/licensing/license_application_jan_2009.doc
[2] http://www.ct.gov/dph/lib/dph/facility_licensing_and_investigations/pdf/lic_app_06_substance_abuse.pdf

Advantages of Adopting Expanded Deemed Status Regulations

The passage of deemed status regulations in Connecticut would reduce the state budget while simultaneously reducing costs for nationally accredited behavioral healthcare providers. State licensure requirements are often duplicative with national accreditation requirements. Deemed status for services where the national accreditation requirements meet or exceed state standards would reduce staffing costs for both community providers and the state licensing agency. Wheeler Clinic recognizes that not all community providers currently seek out accreditation through CARF, COA or the Joint Commission. The costs associated with national accreditation may be prohibitive for some agencies. For example, the cost of accreditation for a small community provider can be $1,689 per year plus a survey fee charged every three years of $2,835. Actual fees vary depending on the number of sites and volume of clients served with higher fees for large community providers. Allowing community providers to choose to seek deemed status or continue to seek licensure through the state licensing agency grants community providers the decision making power to determine what works best for their organization.

- **Lower cost to state –** Allowing deemed status for the numerous nationally accredited community providers in Connecticut would dramatically reduce the site visits and administrative efforts required by state licensing agencies.

National Accrediting Body/ Category	Accredited Community Providers in Connecticut
The Joint Commission	
Addiction or Substance Abuse	43
Foster Care	3
Mental Health Care	67
CARF	
Alcohol and Other Drug Addiction	11
Integrated Developmental Disabilities/Mental Health	1
Integrated Alcohol and Other Drug/Mental Health	8
Mental Health	8
COA	
Any category	26

- **Lower cost to community providers –** Currently community providers obtaining national accreditation undergo duplicative licensing/accreditation processes. Where national standards meet or exceed state standards, deemed status would reduce the time and effort required by provider organization staff to complete administrative requirements for state licensure.

Thank you for listening and I would be happy to answer questions.