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**Testimony Submitted to the Appropriations Committee**

**In Support of Funding for Mental Health and Substance Use Services**

**H.B. No. 5044: An Act Making Adjustments to State Expenditures for the Fiscal Year  
Ending**

**June 30, 2017**

Good Evening. My name is Heather Gates and I am the President/CEO of Community Health Resources. CHR provides mental health and substance use services to all ages, serving over 20,000 individuals and families a year. We also provide foster care, supported housing and behavioral health home services. We serve the most seriously ill adults and children living in the community. If we close programs as a result of this budget they will have nowhere else to turn for help. 69% of our clients are on Medicaid or Medicaid/Medicare, 3% on Medicare, 9% are uninsured, including those released from prison.

Many of you will remember that last year we came to you asking for your help to restore funding for mental health and substance use services. You courageously responded by restoring the majority of the funding and consequently avoided major disruptions to the outpatient treatment system for the most seriously ill. You also pressed DSS to implement the Medicaid rate increases for behavioral health services that had already been appropriated. Both of these efforts were necessary to avoid closure of access to outpatient services in many locations throughout the state.

So, here we are again, but now with a proposed budget that is far worse than what was presented last year. By our estimates, the human service system would shoulder almost 75% of the proposed cuts. This means the most vulnerable citizens of the state are being asked to shoulder the impact from these cuts. This is just not acceptable.

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In the DMHAS budget the combination of targeted cuts and the across the board 5.75% totals \$71,858,034. Once again, grants for mental health and substance use services are attacked. This cut is \$15.8 million. This funding supports core mental health and substance use treatment for the uninsured and for services not reimbursed by Medicaid or other third party payers.

To give you a concrete example, the cuts to CHR would total \$4.3 million or 13% of our grants. We would need to lay off approximately 70 staff which is a 10% reduction of our work force. We would close one or more of our outpatient clinics and multiple other programs to be determined. We would close access to our outpatient clinics to anyone who is uninsured or requires complicated care. This would violate everything we stand for but we would have no choice. We are not in a position of subsidizing the state's finances and jeopardize our remaining services. 3,000 – 4,000 children, families and adults would be denied services with devastating consequences.

We implore you to please find a solution to the state's financial problems that does not hurt those who have nowhere else to turn for help.