

**Talking Points on Provider Rate Increases:**  
A Continuing Crisis in Behavioral Health  
2005 Legislative Session

***Thank you Appropriations Committee members on your commitment to build community services for individuals in need of behavioral health services.***

Appropriations Committee Preliminary Budget released in February shows provider rate increases of –

- > 2% increase Child Welfare (**\$560,000 General Fund**)
- > 2% increase Medicaid (**\$760,000 General Fund; \$1.2 M Federal Match**)
- > 3% increase Behavioral Health Aid (**\$2.22M General Fund**)
- > 2% increase Juvenile Justice (numbers unavailable)

***The Nebraska Behavioral Health Coalition continues to advocate for additional rate increases over the next biennium budget cycle. As implementation of LB 1083 continues, the escalating need for community services continues as well.***

Identify specific numbers relating to your area: waiting lists and other emergency and capacity needs that would be lessened with these new dollars.

***Unfortunately a majority of the funds connected with the bill were not spent this past year at all.***

Department of Health and Human Services has requested a re-appropriation of most of the money allocated to behavioral health reform last year – these dollars are not going to provider rate increases.

***LB 376 was introduced this session to bring attention to an escalating problem in building community programs and services: not paying behavioral health providers enough to cover their costs.***

LB 376 asks for up to a 5% increase in behavioral health provider rates in Medicaid, Child Welfare and Behavioral Health budgets. Per the Legislative Fiscal Note, the 5% increase requested would provide the following provider rate increases –

- Up to a 5% increase Child Welfare (**\$1.4M General Fund**)
- Up to a 5% increase Medicaid (**\$1.95 General Fund; \$3 M Federal Match**)
- Up to a 5% increase Behavioral Health Aid (**\$3.7M General Fund**)

***Moving more people into community settings will continue to be delayed because of an under-funded system.***

