



ASAM American Society of
Addiction Medicine

NATIONAL COUNCIL
FOR BEHAVIORAL HEALTH

April 5, 2020

The Honorable Mitch McConnell
Senate Majority Leader
United States Senate
S-230, US Capitol
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
S-222, US Capitol
Washington, DC 20511

The Honorable Chuck Schumer
Senate Minority Leader
United States Senate
S-221, US Capitol S-204, US Capitol
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
S-204, US Capitol
Washington, DC 20515

RE: Helping Americans With Mental Health & Addiction Disorders Through The COVID-19 Pandemic

Dear Leader McConnell, Leader Schumer, Speaker Pelosi, and Leader McCarthy:

On behalf of the National Council for Behavioral Health, a nonprofit association composed of more than 3,450 Community Mental Health Centers (CMHCs) and Community Behavioral Health Organizations (CBHOs) serving over 10 million Americans with serious mental health and addiction disorders, and on behalf of the American Society of Addiction Medicine (ASAM), a national medical specialty society representing more than 6,200 physicians, clinicians, and associated health professionals who specialize in the prevention and treatment of addiction, we are writing to thank you for the emergency funding provided through the Substance Abuse and Mental Health Services Administration (SAMHSA), which serves as a first step toward ensuring the very significant behavioral health needs of Americans are being met during the coronavirus pandemic.

This pandemic has spread fear and anxiety across our nation, leaving no one unaffected. Our mental health disorder and addiction treatment providers are facing an influx of need within the community not only to treat the underlying serious mental illness or addiction, but also to screen those that arrive for treatment for COVID-19. As frontline providers and because of the enormous scale of need for treatment during this time, organizations primarily treating individuals with mental health and/or substance use disorders, including all levels of care such as residential, intensive outpatient, and outpatient programs, that are accredited by an independent, national accrediting organization, as well as CMHCs (collectively, Behavioral Health Organizations), have been put in a financial crisis and are in jeopardy of failing. If they fail, the people we serve will flood other aspects of the already over-burdened system including



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community health centers, urgent care facilities and Emergency Departments (EDs). These Behavioral Health Organizations need emergency funding in upcoming legislative packages to combat the economic and health care effects of COVID-19.

Specifically, we are seeking a \$38.5 billion infusion of emergency funds for Behavioral Health Organizations to avert a large-scale public health calamity, with a significant portion of these emergency funds to be set aside for Behavioral Health Organizations that are enrolled in Medicaid.

\$38.5 Billion Emergency Request Justification: As an example, the National Council surveyed its members to assess the projected reduction in their revenues attributable to the pandemic. We assessed the broad impact being felt by CBHOs including lost revenue, unanticipated increased costs from staff overtime, Personal Protective Equipment (PPE) and modifying outreach to patients, as well as implementing telehealth where possible. Of the data points we have received so far (from 131 clinics), CBHOs anticipate an **average reduction in revenue of 49.16% over the next year.**

In 2015 (the latest year for which the National Council has conducted an analysis), the average organizational revenue for CBHOs across the U.S. was \$24,777,549. Updating this number by the established MEI rates for each year 2016-2019 gives us an average yearly revenue estimate of \$26,168,314 per CBHO, or **\$78.5 billion across the whole community behavioral health system** (based on approximately 3,000 CBHOs in the U.S. in 2019).

Thus, the lost revenue attributable to the COVID-19 pandemic for CBHOs, alone, in 2020 is \$38.467 billion. This includes lost revenue from all sources including Medicaid, Medicare, private donations and others. This emergency funding allotment will help keep Behavioral Health Organizations financially solvent and open to serve Americans in need during and after this crisis.

COVID-19 is Causing a Financial Crisis Among Behavioral Health Organizations: The COVID-19 crisis is having a devastating impact on the delivery of essential community-based behavioral health services to vulnerable Americans. Many organizations are evaluating lay-offs daily and sending sick providers home to rest, while the limited personnel they still have working are spending a majority of their time screening all visitors and staff for COVID-19 to allow in-office visits because they do not have the resources to do telehealth. The National Council is now conducting a field survey of its 3,300 members and the initial results are frightening.

The New Jersey Association of Mental Health and Addiction Agencies (NJAMHAA) reported that nearly half (47%) of respondents closed programs. Revenue reductions vary between 60% to 90% with some NJAMHAA providers reducing their staffs by half. Nearly two-thirds of New Jersey CBHOs need the ability to provide services through telehealth, but they lack equipment,



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laptops and training materials. Those shortages extend to sanitizers, hand wipes, masks, and other PPE.

The Ohio Council for Behavioral Health and Family Service Providers report that 46% of its members have less than 30 days cash on hand. 55% of Ohio Council members are using cash reserves to meet basic operational costs. Ohio providers indicated approximately 450 staff have already been laid off statewide and report that -- depending on the length of this pandemic -- there could be an additional 725 layoffs.

The results from the California Council of Community Behavioral Health Agencies (CBHA) show that the COVID-19 pandemic is exacerbating existing workforce shortages. Specifically, CBHA providers are struggling to sustain staff members over 65, staff with compromised immune systems, staff who have sick family members with coronavirus symptoms and the staff who have no childcare. 40% of surveyed clinics plan to furlough or lay off staff because of COVID-19 financial ramifications. "The resulting shortage is significantly impacting our ability to deliver services."

In Arizona, 41% of CBHOs have less than 30 days of cash on hand, meaning they may not be able to keep their doors open beyond April. Of those that remain open, nearly 60% are contemplating staff layoffs and program closures.

In short, the combined results of the National Council field surveys point to a stark conclusion: **this is the greatest crisis to hit community mental health disorder and addiction treatment providers since President Kennedy signed the Community Mental Health Act more than 50 years ago** and the outcome in this time of national pandemic is equally pointed. According to SAMHSA, in 2018, an estimated 21.2 million people aged 12 or older needed substance use disorder treatment in the past year. Patients in psychiatric crisis and individuals experiencing drug overdoses already account for 25% of all emergency hospital utilization. If the collapse of the public community behavioral health system isn't soon halted with a large infusion of urgently needed resources, these same patients will arrive in even larger numbers at EDs across the nation.

In David Brooks' April 2nd *New York Times* article, "Mental Health in the Age of Coronavirus", he notes that "every one-percentage-point increase in unemployment leads eventually to a 3.5 percent increase in opioid addiction, so the pandemic's economic effects alone will exacerbate our drug and mental health problems down the road." While opioids like fentanyl, heroin, and certain prescription painkillers make up the bulk of drug overdose deaths in the US, overdose deaths associated with cocaine, methamphetamine, and benzodiazepines are at record levels—and rising.



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In order to ease the burden on an increasingly overwhelmed health care system, the National Council for Behavioral Health and ASAM formally request **emergency relief funds in the amount of \$38.5 billion, similar to the CARES Act Public Health and Social Services Fund, to be distributed on an urgent basis to Behavioral Health Organizations in all 50 states.**

If you have any questions, please contact either of us, Reyna Taylor at ReynaT@TheNationalCouncil.org or 202-774-1651, or Kelly Corredor at kcorredor@asam.org or 301-547-4111. Thank you for your attention to this important matter.

Sincerely,

A handwritten signature in black ink that reads "Charles Ingoglia". The script is fluid and cursive.

Charles Ingoglia, MSW
President and CEO
National Council for Behavioral Health

A handwritten signature in black ink that reads "Paul H. Earley M.D.". The script is fluid and cursive.

Paul Earley, MD, DFASAM
President
American Society of Addiction Medicine