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State of Utah

Utah Substance Use and Mental Health Advisory Committee

Mia Nafziger
Director



November 7, 2024

Utah Behavioral Health Commission

Dear members of the Utah Behavioral Health Commission,

During our quarterly meeting on October 30, 2024, the Utah Substance Use and Mental Health Advisory Committee (USA AV+) received recommendations from Tim Whalen (Director of Salt Lake County's Division of Behavioral Health Services) and Representative Steve Eliason on two separate items.

1. Update the Medicaid consensus process to include the county behavioral health services Medicaid match

Mr. Whalen and Rep. Eliason provided the following background on this issue.

Each year, executive and legislative agencies complete the Medicaid consensus process to determine state Medicaid funding for certain physical and behavioral health services. Consensus funding for physical health services considers multiple factors, including population growth, changes in the federal match rate (the Federal Medical Assistance Percentage, or FMAP), and certain provider increases. State consensus funding on the behavioral health side does not include changes in the federal match rate or caseload in its consensus process. This exclusion has posed a challenge for counties. Counties provide behavioral health services in Utah, and as the federal match rate has decreased over time and enrollment increases, the county spending on behavioral health services has increased.

In addition, Utah statute generally directs counties to provide a 20% county match for state funding given to the counties by the Office of Substance Use and Mental Health. As the federal match rate has fluctuated for behavioral health services and state match has not increased, counties have been paying more than 20% of the funding for behavioral health services, and statewide, counties fund about 30% of these expenditures, which has further strained county budgets.

Mr. Whalen and Rep. Eliason consequently recommended that Utah's executive and legislative agencies update the Medicaid consensus process to include the federal match rate and enrollment in calculating consensus funding for county behavioral health services. This would not necessarily require changes in statute, but could occur within the existing process completed by executive and legislative agencies.

2. Maintain rate increases for behavioral health providers

Mr. Whalen and Rep. Eliason provided the following background on this issue.

During the public health emergency, the Centers for Medicare and Medicaid Services (CMS) provided states with additional funding in the American Rescue Plan Act (ARPA) for an enhanced match rate to

support community-based services. In Utah, this funding provided a 5% rate increase for behavioral health services.

This temporary funding expires at the end of fiscal year 2025. Mr. Whalen and Rep. Eliason recommended that the Legislature fund an extension of this rate, which would cost \$4,041,900 in ongoing General Funds, to support behavioral health providers and address the behavioral health workforce crisis.

USAABV+'s position

USAABV+ has voted to support both of these recommendations (18 yeas, 1 abstention, 0 nos), and to recommend these positions to the Utah Behavioral Health Commission. USAABV+ also voted to make these policy issues a legislative priority for their membership during the 2025 General Session.

USAABV+ staff and Mr. Whalen will attend the Utah Behavioral Health Commission's meeting on Thursday, November 7, and be available to answer questions.

Sincerely,

Patrick Fleming
USAABV+ Chair