



### Medicaid Expansion – Testimony – 2/8/2017

Honorable Chairman Hawkins and Members of the Committee, I am Bill D. Persinger, Jr., CEO at Valeo Behavioral Health Care (Valeo) in Topeka. I am honored to present to you on this most important topic. Thank you for this opportunity, and for your work on behalf of Kansans.

Valeo, which serves adults in Shawnee County, is one of 26 Kansas community mental health centers (CMHCs) who, together with other partners, form the crucial public safety net of mental health and addictions treatment. In addition to approximately 23 other programs/services (such as case management, medication, peer support, and supported employment), Valeo also offers these regionally-based services: 24/7 Crisis Intervention, Crisis Residential Care, Transitional Living Care, Addictions Treatment, and a pilot patient discharge program in partnership with KDADS and Osawatomie State Hospital.

27% of Valeo's consumers are un-insured. We use county, state, and federal grant funds, as well nominal out-of-pocket sliding-scale fees collected, to provide services to these persons. Around 7,000 persons are served each year by Valeo; none are refused services due to inability to pay. For Calendar 2015, Valeo provided \$2,200,000 in charitable care. Grant dollars from all levels of government are stretched to the maximum, diminishing our capacity to serve the un-insured, going forward into the future.

Un-audited figures show that Medicaid comprises 96% of Valeo's annual fee for service revenue and 57% of its total revenue. Thus, policy and funding decisions related to Medicaid, even relatively minor ones, can have a dramatic effect, positive or negative, on Valeo, its consumers, and the community.

Expanding Medicaid would provide a payor source for most of our un-insured consumers, and produce an estimated \$1,033,971 in new revenue, annually, for Valeo.

Three other Medicaid-related public policy decisions in the past 16 months have resulted in devastating losses for Valeo. Termination of the Medicaid Health Homes Program, the 4% rate cut for providers, and the loss of the Pre-Hospital Screening Code have resulted in a combined annual loss to Valeo of approximately \$2,041,740.

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