

INCREASING EXPENDITURES ON BEHAVIORAL HEALTH IN THE COMMONWEALTH

S.1399 **An Act to increase investment in behavioral health care in the Commonwealth** (Senator Cindy Friedman)

THE PROBLEM

Behavioral health services have long been underfunded. This failure has left individuals and families without access to timely and appropriate behavioral health care and has contributed to the current behavioral health workforce crisis.

Chronic underfunding of behavioral health services in Massachusetts has led to:

- Nearly one in two youth, and one in three adults, having high or very high psychological distress;¹
- 13 **clinicians leaving employment at outpatient mental health clinics for every 10 clinicians entering**;²
- 26% of Massachusetts adults who **need behavioral health care not receiving any services**.³

Failure to provide behavioral health treatment when and where it is needed drives preventable illness, mortality, and health system and societal costs.

WHAT THIS BILL ACHIEVES

S.1399 creates a **timeline and process for increasing investment in behavioral health** expenditures, while **keeping total health care expenditures** (THCE), a measure of total health care spending, **within the cost growth benchmark** set by the Health Policy Commission (HPC):

- The bill creates a **target for behavioral health expenditure growth**. This target applies to both individual health care entities and to the health care system in aggregate in the Commonwealth.
- Baseline behavioral health expenditures will be calculated based on calendar year 2025. For calendar years 2026, 2027, and 2028, the target behavioral health expenditure will be **30% higher than baseline behavioral health expenditures in 2025**.
 - To illustrate, assume that the 2025 baseline behavioral health expenditure is \$10:
 - 2026 target behavioral health expenditure = 30% higher than \$10 = $\$10 * 1.30 = \13
 - 2027 target behavioral health expenditure = 30% higher than \$10 = $\$10 * 1.30 = \13
 - 2028 target behavioral health expenditure = 30% higher than \$10 = $\$10 * 1.30 = \13
 - **HPC may amend the expenditure target for 2029 and beyond.**
- The Center of Health Information and Analysis and the HPC will begin **tracking behavioral health expenditures compared to the target** as part of the annual cost trends reporting and hearing process.
- A six-month task force, chaired by the HPC, will develop guiding principles and practice specifications to assist health care entities in meeting their annual behavioral health expenditure target.

WHY THIS MATTERS

The significant efforts in recent years to improve behavioral health access are just the beginning. Increasing investment in behavioral health services over the long term is crucial to build a system that meets the mental health and substance use needs of individuals and families in the Commonwealth.

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¹ MA Department of Public Health. 2023 Community Health Equity Survey (CHES): Mental Health Report. August 2024.

² Association for Behavioral Healthcare. Outpatient Mental Health Access and Workforce Crisis Brief. 15 February 2022.

³ BCSBMA Foundation. Behavioral Health During the First Year of the COVID-19 Pandemic. February 2022.