



**Informational Testimony**  
**Assembly Committee on Mental Health and Substance Abuse Prevention**  
**March 28, 2023**

Chair Tittl and honorable members of the Assembly Committee on Mental Health and Substance Abuse Prevention, on behalf of the members of the Wisconsin Association of Family & Children's Agencies, thank you for the opportunity to testify today.

*The Wisconsin Association of Family & Children's Agencies (WAFCA) is a statewide network of non-profit and for-profit providers of human services and behavioral health. For more than 40 years we have supported our member agencies in their missions to improve the lives of individuals, families and children in Wisconsin.*

As we enter this new legislative session and biennial budget deliberations, we see many signs of progress in our state human services systems. Wisconsin is moving the needle toward greater community-based investments including the expansion of prevention services for families at risk of child welfare system involvement; growth in comprehensive community services to support recovery; the emergence of the 988 crisis hotline; and efforts to reduce waiting lists for children's long term supports. We are taking positive steps in the right direction to meet families with the right resource at the right time.

Meanwhile we are facing high demand for mental health supports and a declining pool of workers. We have gaps in our support for basic needs, such as childcare, and insufficient capacity for intensive mental health treatment. COVID delayed progress in many areas and deepened disparities in others.

Our human services providers are standing at the crossroads of this transformational time - reflecting on our own historical contributions to inequitable systems and ready to take the next right step to better support individuals, children and families.

WAFCA agencies are key collaborators with our public human services systems. We represent nearly 50 agencies employing more than 5,000 people and touching the lives of more than 200,000 individuals annually. We are businesses and invested contributors embedded within local communities. We bring innovation, mission and donor resources to our part of the human services ecosystem. We collaborate with government through a range of public systems including public health, education, behavioral health, child welfare, and corrections. We are committed to continuous improvement – adjusting and pivoting to be more responsive to our public sector partners and the people we are in direct relationship with as caregivers, teachers, therapists, coaches, and allies.

We are grateful for the many policy changes supported by the legislature in recent years which have advanced access to mental health and substance use treatment services including:

- Adopting full state funding for comprehensive community services.
- Creation and expansion of the school mental health grant program.

- Elimination of the requirement to create branch clinics in schools for school-based services.
- Enabling mental health professionals to deliver substance use treatment services within their scope of practice.
- Creating Medicaid coverage for school mental health consultation.

Despite these advances we know that there continue to be inequities in access to timely mental health and substance use treatment in the state.

WAFCA is working in coalition with many of the other organizations appearing before the Committee today and supports action on all fronts to overcome our mental health system challenges. We see this budget as an opportunity to strengthen our continuum of care for our children and families and pivot more resources to earlier interventions while also sustaining our commitment to more intensive services.

Today, in response to the request of the Chair, we would like to highlight a few areas for advances and reform:

**Sustainable school-based mental health funding.** The majority of our member agencies are now engaging in partnership with schools to support comprehensive school mental health programs and initiatives. As community partners, we know that mental well-being for our schools, students and their families is a collective responsibility and we have collaborated with schools to identify community resources and align our expertise and mental health professionals with schools and families on a community-by-community basis. The school mental health grants have laid a strong foundation and it is now time for the state to provide a sustained channel of funding for this collective work, which is integral to healthier communities and student success. These resources will help support continuation of strong partnerships that can better reach students and better engage parents. Providers are committed to continuing to bill insurance for therapeutic services whenever possible, but the comprehensive model only works with a sustained infrastructure within school districts to coordinate access to care.

**Stable Funding for Residential Treatment & Creating New Psychiatric Residential Treatment Facility for Youth (PRTF).** For nearly a decade, children have been leaving Wisconsin to receive care and treatment for a variety of high acuity needs. From 2014-2020, bed capacity in our state declined 32%, and placement data obtained from the Department of Children and Families shows that the number of youths with complex needs placed out-of-state grew from 44 in 2016 to 119 in 2020. During this five-year time span, 250 youths from 46 different counties were placed out-of-state for services. The pandemic has exacerbated the placement crisis, and there is a caregiver shortage for children that is comparable to that being experienced in elder care. We stand alongside advocates and state and county partners committed to better, more timely responses for our children and families. We all agree that high quality residential treatment can be an effective part of a child's treatment plan and recovery path, however the declining capacity and the higher acuity of the youth needing care is leaving our state with insufficient options and leaving some children to continually disrupt and move from care setting to care setting, generating significant trauma. Last year, WAFCA and WCHSA developed a pilot proposal to fund additional capacity in Wisconsin's residential treatment services to support higher acuity youth. In addition, DCF and DHS are invested in lifting a PRTF level of care in the state. Many youth who have received care out of state have been served in a PRTF setting. While the issues are complex and intersect across our education, youth justice, child welfare, disability and mental health systems, WAFCA is committed to continuing to support the levels of care that children and family need and we look forward to working with the legislature to advance these initiatives.

**Medicaid behavioral health rates.** Unlike other health providers, WAFCA agencies are unable to offset insufficient Medicaid rates with other revenue sources or service lines. WAFCA supports a

significant increase in rates for behavioral health services, including day treatment services in this budget to address the growing gap in salary that we are seeing between what our public serving sector can offer compared to the private health sector.

WAFCA members serve a disproportionate share of Medicaid eligible populations. In fact the majority of children receiving mental health therapy in schools are covered by Medicaid and more than 80% of children receiving day treatment services are under Medicaid coverage.

The critical community-based services provided through county-operated Medicaid programs, like CLTS, CCS, crisis and CSP, should all be compensated at a rate that reflects the required risk, after hours interventions, and work environment issues. Services delivered in community settings should be compensating at a rate that attracts highly qualified professionals who have the expertise to serve the more complex individuals, children and families present in these programs.

**Youth crisis stabilization facilities.** Wisconsin's mental health crisis response system is continuing to evolve, however we are not keeping pace with the need. The increases in emergency room encounters related to youth mental health crisis are well documented at this stage. According to DHS data, of the more than 14,000 youth receiving some form of county mental health service, crisis was the most frequently used service in 2021. Youth crisis stabilization facilities are relatively new. DHS has provided grants to launch three facilities and hopes for further expansion. WAFCA member agencies are partnering in some of the early efforts and programs that are operational are showing positive outcomes. However, programs are struggling to staff the facilities and the funding mechanism based in a Medicaid daily rate is unsustainable. In order to be viable, programs will need more of a shared-risk model for the long term and state or regional contracting for these facilities should be permitted and supported with ongoing state funding.

Turning to more workforce specific issues, we would like to highlight the following related to our emerging mental health workforce:

**Qualified Treatment Trainees (QTTs) - Reimbursement.** Wisconsin faces a shortage of licensed mental health therapists. QTTs are post-masters mental health practitioners who are licensed or certified as "in-training" while they are obtaining the 3000 hours of practice experience required for full licensure. QTTs require more substantial clinical supervision, bill fewer hours and are ineligible to bill under most commercial insurance plans. Even when an insurer will pay for the services of a QTT, the billable rate may be lower. Agencies that support the development of QTTs do so at a loss, even while they are contributing to growing the future workforce and creating opportunities here in the state. Agency losses would be reduced if commercial insurers were required to include QTTs in their insurance panels.

**QTT – Medicaid eligible practice locations.** Mental health therapists provide services in a wide array of programs. From schools to integrated health clinics to in-home and virtually via telehealth, best practice is pulling practitioners out of traditional outpatient clinic sites and into more accessible settings. While Wisconsin Medicaid has generally reimbursed for QTTs operating under a DHS 35 clinic (and more recently a DHS 75 clinic), QTTs operating in other licensed settings, such as primary care, have been rejected for billing purposes. It is our understanding that this policy barrier may require legislative resolution and we would look to work with you toward a solution.

**QTT – Grants.** As noted above, employers who support QTTs do so at a financial loss. Created by the legislature in the 2019-21 biennial budget, the QTT grant program supports new mental health interns and emerging therapists as they complete their training and prepare for full professional licensure.

There has been high demand for this program which has been able to capitalize on the infusion of additional federal dollars to substantially increase the number of QTTs serving traditionally

underserved populations in both urban and rural regions of the state. By the second year of the grant, grantee agencies were able to increase the average number of QTTs supported by 40%. WAFCA is seeking at least a doubling of the program in the 2023-25 biennial budget to \$1.5 million annually.

**Peer specialists.** Wisconsin is continuing to develop high quality peer specialist and parent peer specialist programs. Unfortunately there is limited health insurance reimbursement for these professionals even though they serve an essential role in in person-centered behavioral health treatment plans. In a prior session, the legislature approved expansion of the general Medicaid benefit to include recovery coaches, and we support similar action to incorporate peer specialists as a Medicaid benefit and expand the requirement for health insurance plans to adopt coverage as well. To meet the current and future demand for mental health supports, we need to expand the array of professionals who are able to build careers as peers and in other paraprofessional roles. Forty states cover peer specialists in their Medicaid programs and of those twenty report no limits on the services. Meanwhile Wisconsin currently limits reimbursement for peers to CCS and select substance use treatment programs.

Wisconsin has an historic opportunity this session to take another step forward toward a more equitable, accessible mental and behavioral health continuum of care. Emerging from the pandemic, we are engaging with our state, county, school, health system, community and lived experience partners with renewed energy. We appreciate that this spirit of partnership is emerging in the solution-oriented discussions we are having with policymakers and look forward to continued dialogue with this committee and with each of you regarding the challenges and opportunities before us. Thank you, again, for inviting us to contribute to the discussion today.



This session Wisconsin has an opportunity to recommit to fair financing of vital family and community supports. We can fund the pivot to more preventative, cost-effective services and enable our behavioral health, child welfare and human services sector to more rapidly respond to the demand for community-based, in-home services while sustaining capacity across the continuum to produce better outcomes and deliver long term dividends.

- Focus on basic needs including childcare & health care to stabilize families and our workforce.
- Invest in community-based services across the continuum of care to keep us moving toward earlier interventions.
- Continue growth of recovery-oriented and family-centered services while reducing inequities and disparities by addressing worker shortages and system inefficiencies.

### **Investing in Prevention and Early Intervention**

WAFCA supports key investments that empower families and strengthen the human services ecosystem across the private and public sector. We know that family economic supports, such as workforce housing, high quality childcare, EITC and extension of Medicaid postpartum coverage directly impact family stability. Research has shown that as states increase their investment in economic supports for families, child welfare system referrals are reduced. Early intervention priorities include:

- Evidence-Based Home Visiting
- Family Resource Centers and Early Care Mental Health Consultation
- Sustainable School-Based Mental Health

### **Focusing on Our Children with Complex Needs**

We lack sufficient provider capacity in our continuum of care for families resulting in delayed or denied access to services and sometimes placement outside of the state. For Wisconsin's children with particularly intensive needs including complex trauma, cognitive and developmental delays, and persistent mental health challenges, the inability to respond with the right resource can exacerbate their conditions as they move from care setting to care setting awaiting an opening in a service that can best serve them. Supporting children and families with complex needs means:

- Financial and Service Supports for Kin and Foster Care and Expansion of Professional Foster Care
- Foundational Funding for Residential Treatment and Youth Crisis Stabilization
- Creating Psychiatric Residential Treatment Level of Care
- Equity in Crisis and Community Support Program Services
- Intensive Family Preservation & Supports for Runaway and Homeless Youth
- Youth Justice Reforms Including Returning 17-Year-Olds to the Youth System

### **Growing Our Future Workforce to Support Mental Health and Wellbeing**

The current mental health crisis is also an opportunity to expand career pathways for a wider array of caregivers and helping professions and to recognize the range of professionals who make critical contributions to the wellbeing of our children and families. Behavioral health and human services careers will become more attractive and more competitive as we continue to evolve our technology and operational infrastructure to increase worker satisfaction and reduce burnout and turnover. Priorities include:

- Increasing Medicaid Rates for Behavioral Health Providers Disproportionately Serving MA Clients
- Grants to Support Qualified Treatment Trainees
- Private Insurance and Medicaid Funding for Peer Specialists and Qualified Treatment Trainees
- DSPS Capacity to Support Licensed Professionals

**WAFCA is a statewide network of non-profit and for-profit providers of human services supporting member agencies in their missions to improve the lives of individuals, families and children in Wisconsin.** Our member agencies provide a wide array of prevention and supportive services such as foster care, in-home support, counseling, and mental health treatment. We advocate for our members and the more 200,000 individuals and families that they impact each year.



## Our WAFCA Network

Promoting supportive policy for children and families

Fostering system Improvements and quality services

Connecting member agencies and human services leaders

Advancing impactful public/private partnerships

- Employing 6000 professionals
- Supporting public sector
- Responding to community

## Funding

- 80% Government/Medicaid
- 20% Philanthropy/private insurance

## WAFCA MEMBERS SUPPORT ALL REGIONS OF THE STATE

- 
- A Helping Heart, Inc.
  - Advocates for Healthy Living
  - Anu Family Services
  - Aurora Family Service
  - Avenues Counseling
  - Bethany Christian Services
  - Catalpa
  - Catholic Charities of Green Bay
  - Catholic Charities of Madison
  - Catholic Charities of Milwaukee
  - Children's Wisconsin
  - Chileda
  - Clinicare Corporation
  - Coalition for Children, Youth & Families
  - Community Care Resources
  - Derrick's House
  - Family & Children's Center
  - Family Service of Waukesha
  - Family Services of Northeast Wisconsin
  - Family Works Programs, Inc.
  - Foundations Counseling Center
  - Foundations Health & Wholeness
  - Genesee Lake School – A MyPath Company
  - Journey Mental Health Center
  - Lad Lake, Inc.
  - Lutheran Social Services of WI and Upper MI
  - Monroe County Sheltercare
  - Nehemiah Project, Inc
  - Norris
  - Northwest Counseling & Guidance Clinic
  - Northwest Passage
  - Oregon Mental Health Services
  - Orion Family Services, Inc.
  - Positive Alternatives, Inc.
  - Prentice House, Inc.
  - Rawhide Youth Services
  - Revive Youth & Family Services
  - RISE Wisconsin
  - St. Charles Youth & Family Services
  - The Production Farm
  - Samaritan Counseling
  - THRIVE Treatment Services
  - Tomorrow's Children
  - Wellpoint Care Network

partnering to improve lives

Child & Family Services		Behavioral Health Services	
Adoption/Post-Adoption Supports	Group Care & Treatment	Autism Spectrum Services	In-Home Treatment
Birth Parent Services	Home Visiting	Comprehensive Community Svc	Outpatient Mental Health Therapy
Birth to Three Services	Independent Living	Crisis Intervention	Prevention Programs
Case Management	Long Term Support	Day Treatment	Residential Treatment
Domestic Violence Programs	Parent Programs	Employee Assistance Programs	School-based Mental Health
Early Childhood	Refugee Services	Family Therapy	Substance Use Treatment
Educational Programs	Runaway Programs	Group Therapy	
Family Resource Centers	Youth Justice	Individual Counseling	
Foster Care/Treatment Foster Care	Youth Services	Infant Mental Health	

**Wisconsin Association of Family & Children's Agencies**  
 Kathy Markeland, Executive Director, kmarkeland@wafca.org  
 Emily Coddington, Associate Director, ecoddington@wafca.org  
 16 N Carroll St., #750 | Madison WI 53703 | 608.257.5939 | wafca.org