

Testimony of
Jim Mauro, Executive Director
National Alliance on Mental Illness of Ohio
Before the
House Finance and Appropriations Committee
On H.B. 1, the Biennial Budget bill for FY '10 – '11
March 31, 2009

Thank you Chairman Sykes and Members of the Committee, my name is Jim Mauro and I am the Executive Director of the National Alliance on Mental Illness of Ohio (NAMI Ohio). NAMI Ohio is the statewide association that serves as the voice on mental illness. Our organization is comprised of family members, consumers, advocates and professionals working together to ensure that Ohioans with mental illness and their loved ones receive the treatment and support they need. Serious mental illness includes such illnesses as schizophrenia, bipolar disorder and serious depressive disorder.

The public system through the Ohio Department of Mental Health (ODMH) serves approximately 320,000 Ohioans each year, including 100,000 children. But there are more than 500,000 seriously ill individuals in the state, and while some of those not served by the state are cared for in private settings, far too many sick adults and children are getting little or no care at all.

Funding has been deteriorating for years. The real dollar input of general-revenue funds, the state's contribution to services, has been declining for at least a decade, and ODMH has taken some of the largest cuts of any state agency over the past year. Medicaid, which brings in approximately 60 cents in federal money for each 40 cents the state contributes, is growing rapidly. While we are thankful for the federal aid, it comes with a price.

Individuals with serious mental illness need an array of services that are not all covered by Ohio's Medicaid plan. There is state money for non-Medicaid services, and some counties have local levies that can pay for such services, as well. But as Medicaid grows, the erosion of state dollars requires authorities to meet the Medicaid match obligation out of funds that could and should be used to provide non-Medicaid services, such as housing. What is more, of those people the department serves, 40 percent are not eligible for Medicaid, and the state and local communities must bear the full cost of those services.

There is no question that we are in serious financial difficulty in Ohio and that the state's budget reflects that circumstance. However, there is a short- and long-term economic advantage to prioritizing and adequately serving the seriously mentally ill. Our failure to meet their needs in the community mental-health system will almost immediately shift greater costs to other parts of state and local budgets.

Adults and children with serious mental illness are among the state's most vulnerable and needy residents. We implore you to act to ensure an adequate and consistent source of funds

for needed services. To this end, NAMI Ohio has several specific requests that we would like you to consider. These include:

Budget Request #1: Restore ODMH’s community mental health funding (line items 408, 404, 419, 505 and 636) at the levels in place on July 1, 2008 for a total of \$523.2 million in each year of the biennium. We must restore community level funding for mental health services to appropriate levels and safeguard services from further erosion. This will require \$35 million new dollars in FY ’10 and \$30 million in FY ’11. (See chart below.)

Additionally, we ask that you consider reducing the community mental health system’s reliance on federal stimulus funds. While we are grateful for the availability of these dollars, we are extremely concerned about what will happen to the community mental health system in FY ’12 and ’13 when these funds are gone. To the extent possible, we urge you to replace some or all of these funds with GRF dollars so that we can ensure a consistent commitment of state funds to ensure the wellbeing of thousands of Ohioans into the future.

Community Funded Mental Health Services	H.B. 119 As Passed by the General Assembly	HB 1 As Introduced		NAMI Ohio Recommended Level	
	FY 09	FY 10	FY 11	FY 10	FY 11
334408 Community & Hospital Mental Health Services	400,324,545	383,724,688	383,724,688	400,324,545	400,324,545
335404 Behavioral Health Services - Children	8,711,153	7,460,800	7,460,800	8,711,153	8,711,153
335419 Community Medication Subsidy	9,959,798	9,959,798	9,959,798	9,959,798	9,959,798
335505 Local Mental Health Systems of Care	104,187,868	25,974,000	12,259,000	104,187,868	104,187,868
335636 Local Mental Health Subsidy - Federal Stimulus	0	60,866,571	79,745,269		
TOTAL	523,183,364	487,985,857	493,149,555	523,183,364	523,183,364

Budget Request #2: Supplement local mental health services by moving the federal reimbursement from the Institutions for Mental Disease Disproportionate Share Hospital Program (DSH), approximately \$55 million, from the Ohio Department of Jobs and Family Services (ODJFS) to ODMH.

In 1981, Congress established the Institutions for Mental Disease Disproportionate Share Hospital (DSH) Program to help ensure that states provide adequate financial support to hospitals that serve a significant number of low income patients with special needs. In 1996, the state began claiming DSH funds. Each year since then, claims have been made for services provided to low income persons in certain public and private freestanding psychiatric hospitals. These are commonly known as Institutions for Mental Disease (IMD) DSH claims.

Ohio now receives about \$55 million a year in reimbursement for the IMD DSH claims. The vast majority of these claims are attributable to services provided in the state mental health hospitals operated by the Ohio Department of Mental Health (ODMH). For some unexplained reason, rather than go to ODMH, the DSH funds are directed to the Ohio Department of Job and Family Services where they are used to pay match for physical health care services provided by Medicaid.

As ODMH's financial circumstances continue to deteriorate, now is the time to direct these funds where they belong -- to ODMH -- so that they can be used to benefit the individuals whose care generates the revenue in the first place.

Budget Request #3: Support moving the pharmacy benefit from Medicaid Managed Care back to Medicaid Fee for Service. We believe that having a single entity responsible for ensuring that Ohioans on Medicaid have access to life saving medication will help ensure consistency across the state in medication access. To ensure that ODJFS has the expertise it needs to ensure quality access to medications we propose that enhancements be made to the advisory role of the Pharmacy and Therapeutics (P&T) Committee.

The P&T Committee was established to advise ODJFS on decisions related to what medications should be included on the Medicaid Preferred Drug list. For individuals with serious mental illness who rely on Medicaid covered medications, this list can mean the difference between life and death. There are a number of issues that must be taken into consideration when making alterations to the Preferred Drug List and it is the role of the P&T Committee to call these issues to the Department's attention. We believe that the expertise provided on that Committee can be better utilized by ODJFS. We also feel that the Committee and the Department should operate in a more transparent manner with regard to P&T Committee business and the decisions that are made relative to the preferred drug list. To this end, NAMI Ohio is seeking the following enhancements:

- Clarify the advisory function of the Committee.
- Allow interested parties to present to the Committee on the day of the Committee meeting.
- Allow the committee to establish one or more subcommittees to advise the Committee on specific issues.

- Provide that recommendations be voted on by the Committee and that recommendations of the Committee be placed on the ODJFS website and other public forums.
- Provide an explanation when ODJFS does not accept the recommendation of the Committee.
- Place final determinations on the ODJFS website and other public forums.

NAMI Ohio and representatives from other statewide organizations who share our concern are meeting with Medicaid Director, John Corlett, later this week to discuss this issue. At that meeting, we will ask the Department to include these changes in rule. If the Department is not so inclined, we will come to you to request your assistance.

Budget Request #4: Restore the Residential State Supplement (RSS) program in the Ohio Department of Aging budget to full funding. The proposed reduction in H.B. 1 of 20% will displace many of Ohio's most severely mentally disabled and force them into homelessness.

In 1988, the Ohio General Assembly passed the Mental Health Act, closing many state hospitals and promising to treat those needing care in our local communities. Many of the patients who were once placed in state mental health hospitals now make up two-thirds of those participating in the RSS Program (1,433 out of 1,796). This program assists RSS-eligible residents living in adult care facilities (ACF). ACFs provide these individuals with a roof over their head, three meals a day, supportive supervision and social interaction in a family like setting.

It is estimated that the cut to RSS will lead to the closure of approximately 200 ACFs which will displace the resident losing the supplement but will also displace other individuals with severe and persistent mental illness who are not RSS eligible but who reside in those ACFs. Overall, approximately 2,000 Ohioans with serious mental illness could be displaced and forced into homelessness as a result of this cut.

Budget Request #5: Restore the \$150,000 set aside in the Ohio Department of Mental Health's budget (line item 505) to fund family and consumer education and support.

These funds have been included in the budget for over a decade and have been instrumental in providing outreach and support to individuals and families touched by mental illness. The language that appeared in H.B. 119, the biennial budget bill for FY '08 – FY '09 reads as follows:

SECTION: 335.40.30. LOCAL MENTAL HEALTH SYSTEMS OF CARE

Of the foregoing appropriate 335-505, Local Mental Health Systems of Care, \$150,000 in each fiscal year shall be used to fund family and consumer education and support.

I would like to call your attention to the two documents attached to this testimony. The first is a summary of the findings of a national report card issued by our NAMI National organization, which gives Ohio a C for its public mental health system, down from a B in 2006. This grade demonstrates what most of us who have loved ones with mental illness already know, that instead of moving forward, Ohio is slipping backwards, and in the process many of our most vulnerable citizens are being left behind.

I am also attaching a brochure developed by the Coalition for Healthy Communities, a consortium of 27 statewide organizations representing consumers, family members, providers, county boards and other advocacy groups who desire quality mental health and addiction services for Ohioans.

The Coalition for Healthy Communities has collectively come together around a common request for additional resources on behalf of Ohioans in need of appropriate treatment for mental illness and substance abuse. While there may be varying ideas by the members of the Coalition about how the system should be structured to best meet the needs of individuals with behavioral health disorders in the community, you can see by this document that we are all in agreement that the system is seriously underfunded.

On a final note, I want to say that NAMI Ohio supports the general direction that Governor Strickland is moving with regard to healthcare reform. We favor efforts to provide meaningful coverage for more uninsured Ohioans with mental health and addiction disorders, and to prohibit insurers from excluding individuals with these illnesses from affordable coverage.

Thank you for the opportunity to share our concerns and recommendations with you. I will be happy to answer any questions.