Community Behavioral Healthcare Association of Illinois

Marvin Lindsey, MSW, CADC
Chief Executive Officer
3085 Stevenson Drive, Suite 203
Springfield, Illinois 62703
Phone: 217/585-1600
Fax: 217/585-1601
www.cbha.net

Senate Appropriations 1
Subject Matter: DHS - FY 2017 Proposed Budget
March 16, 2016

FY 2017 Budget Needs: 1) FY 2016 Budget; 2) Community Investment

The Community Behavioral Healthcare Association of Illinois (CBHA) would like to thank Chairperson Steans and the members of the committee for the opportunity to submit this written testimony on the FY 2017 proposed budget.

CBHA is a statewide association of behavioral health providers that provide mental health and addiction treatment, prevention and recovery services to tens of thousands of children, youths, adults and families. We urge the General Assembly to formulate a state FY 2016 and FY 2017 budget proposal in negotiations with the Administration to protect this vulnerable population of Illinois citizens and to prevent the further dismantling of the community behavioral health care system.

While we understand that this hearing is for the FY 2017 proposed budget, we cannot ignore the fact that community behavioral health providers have not been paid for services rendered to the tune of at least $432,000,000 due to the lack of a FY'16 budget. Our testimony centers on four important points:

1. FY'16 budget crisis
2. FY'17 proposed budget and CBHA recommendations
3. Value of behavioral health care to the state's health care and Medicaid system
4. Summary of budget cuts: FY 2007–12; FY 2016

Providers Need Payment for FY'16

The current FY 2016 budget impasse that has halted state payments to community mental health and substance use providers is causing a growing list of causalities among vulnerable people with mental illnesses and substance use conditions, their families, communities and the providers who serve them.

Staff layoffs, service cuts, program shutdowns, and borrowing to stay afloat have turned from monthly occurrences to weekly occurrences that no longer garner serious media attention or the attention of those whose job is to fix it: the Administration and the Legislature.

The result of this "inaction" is increasing more costly institutional services: emergency rooms, inpatient hospitalizations, and jails. Other impact includes longer wait time to see a psychiatrist or residential addiction treatment. The wait time can be as long as 3-4 months. According to a survey of CBHA members, 86% were forced to reduce their psychiatric services.

In order for children, youth and adults to have access to lifesaving services, providers need to get paid immediately for contracted services rendered during FY'16. The behavioral health community and those organizations providing youth services, which, by June of 2016, will be owed over $500,000,000.

We urge you to include FY'16 payments for community providers in the FY'17 budget.

The Proposed FY'17 Budget: What's Needed?

The proposed budgets for DMH and DASA continue to favor state general operations compared to community behavioral treatment and services.

The Administration's stated direction of reducing institutional care and increasing community-based services cannot be achieved with this proposed budget. The FY'17 proposed DHS-DASA and DMH budget also does not go far enough in providing the necessary funding to meet the needs of people of Illinois with mental health and substance use conditions.

According to the DHS Performance Measures[1] for years 2008- 2015, the percentage of persons receiving mental health treatment as a percent estimate of persons in need of mental health treatment decreased from 24% in 2008 to 19% in 2016. This means that, 81% of the people in Illinois needing help for a mental illness did not receive treatment.

On the other hand, individuals with Serious Mental Illness (SMI) who received services at state funded Community Mental Health Centers compared to Individuals with SMI who did not, costs were 13% less and with 18% fewer hospitalizations. Moreover, the percent of clients free of illegal drugs when discharged from a state funded community-based alcohol and other drug treatment center increased from 55.6% in 2010 to 70% in 2016.[2]

CBHA recommends that the DHS- DASA and DMH FY'17 state budget include:

1. A commitment for paying providers for FY'16 services rendered by having an appropriation included in the FY'17 budget.
2. The need for additional revenues and increased appropriation by $27 million to support an increase in access to lifesaving community behavioral health treatment, care and services. The lack of access poses significant public safety and public health concerns for children with mental, emotional, and behavioral health disorders and adults with serious mental illness.
3. A plan to draw down more federal funds and appropriate an additional $8 million to make sure care is coordinated for individuals with mental health and substance use disorders with other health care providers. This funding would include appropriations for care coordination services and produce cost savings in the first year.
4. $7 million to implement Behavioral Health Homes at 90% FFP in multiple regions of the state for children with serious mental, emotional, and behavioral health disorders and adults with serious mental illness.
5. $6 million to support outreach and engagement services for adults and children with serious behavioral health issues to prevent more costly visits to the hospital emergency rooms and institutional placements for crisis stabilization. Cost savings realized in year one.

[1] **Performance Measures** from FY'17 GOMB Operating Budget Book detail

[2] **Performance Measures** from FY'17 GOMB Operating Budget Book detail

Community Behavioral Health Care is Vital to Medicaid and IL Health Care System

The Department of Healthcare and Family Services estimates that, in FY 2017, there will be 3.3 million people receiving Medicaid. According to the National Alliance of Mental Illness, about 18% or 594,000 of the 3.3 million children and adults receiving Medicaid will have a mental illness and about 8% or 264,000 individuals will have a substance use disorder.

It is well known that, within the Medicaid population, there is a high prevalence of behavioral health disorders, high comorbidity of behavioral health disorders and chronic health conditions, which equal high health care costs.

The question is: will the state realize this and begin to invest in the cost effective community behavioral health system to meet the needs of the Medicaid population?

The documented cost savings and improved outcomes that community behavioral health providers offer suggest it would be sound public policy to develop the FY 2017 budget so that it further develops the continuum of care offered by community behavioral health providers across the state.

We offer the following examples and evidence:

- **Individuals with Serious Mental Illness (SMI) who** received services at Community Mental Health Centers compared to Individuals with SMI who did not, costs were 13% less and with 18% fewer hospitalizations![3]

- **Screening, Assessment and Support Services (SASS) System** is estimated to avoid $20 million per year in costs to the state for unnecessary psychiatric hospitalization and related costs[4].

- **Systems of Care – Project Connect (Gallatin, Saline, and White counties) is an effective care coordination approach for restructuring behavioral health services for children and youth:**
  - Project Connect has reduced overall per recipient spending for children, adolescents, and young adults with a behavioral health diagnosis.
  - Inpatient admissions for children and youth with a behavioral health diagnoses have declined 17.9%.
  - Use of inpatient psychiatric hospitalization decreased 15%.

- **Integrated Behavioral Health and Primary Care Model[5]:**
  - Over 10 quarters, Reduced Emergency Room visits from $106,358.37 to $28,645.48 (65% reduction)
  - 54% reduction in psychiatric admissions over 10 quarters
  - 137% improvement in Quality of Life Scores
  - 66% decrease in PHQ 9 or depression screening scores after 6 months[6]
  - Homeless clients reduced from 43 to 2[7]

---

[3] Illinois Behavioral Health Home Coalition* Key Observations for individuals in the Coalition's geographic area. *As reported by Heritage Behavioral Health Center's Diana Knaebe, Decatur, Illinois. Data analytics conduced by - Care Management Technologies.

[4] *Healthcare and Family Services Annual Report to the Governor FY'14 Report on Community Screening, Assessment and Support Services - the Illinois Children's Mental Health Partnership (ICMHP).

[5] Unity Point-Robert Young Center as presented at the CBHA 2015 Conference

[6] 2015 Data from Sinnissippi Centers, Inc.

[7] Centerstone's Integrated Model with FQHC Partner

Historical State Budget Cuts to the Community Behavioral Health Care System

Substance use and mental health cuts have been unwise as they increase costs to clients, families, communities, the state, and taxpayers. The state budgets of community addiction and mental health programs have been disproportionately slashed to the tune of an estimated $300,000,000 over the last 5 years.

According to a 2015 Roosevelt University study on the "Diminishing Capacity" of the Illinois Community Substance Abuse System, "…from 2007 to 2012 General Revenue Funding decreased by nearly 30% ($111M vs. $79M), while Medicaid funding decreased by 4% over this time period.

These decreases in funding continue in FY'16, where the proposed budget represents a 61% decrease in state funded addiction treatment (not including Medicaid). Including the increases in Medicaid from FY13 to FY16, addiction treatment funding (including Medicaid) still dropped by 28% overall ($163M in 2007 to $116M in the proposed FY16 budget)."

A National Alliance of Mental Illness study documented that Illinois' per capita spending on mental health was about $85 - well below the national average of about $123 per person. NAMI also reported that between 2009-2012, Illinois cut funding for community mental health programs by more than 30% or $187,000,000 - more than all but 3 states.