

THE TIME IS RIGHT

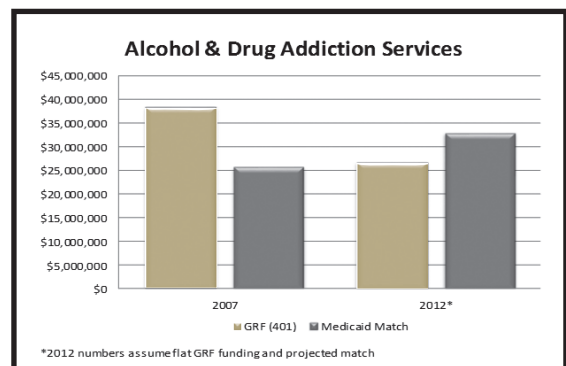
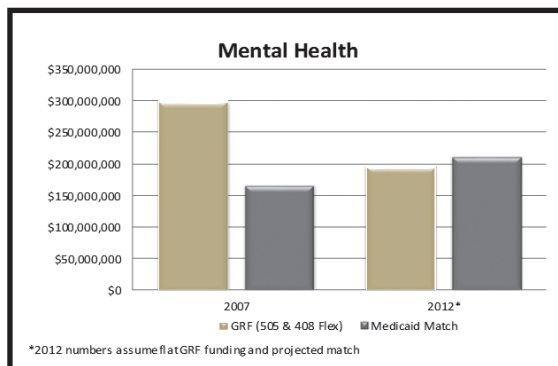
Building a Case for Change in Ohio's Community Behavioral Health Medicaid Program

Twenty two years ago, Ohio made history by passing the Mental Health Act of 1988 and a year later, HB 317 which created an alcohol and drug addiction system. Together these Acts fundamentally changed the structure and function of Ohio's Community Behavioral Health System. Because of these Acts, Ohio has been nationally recognized as a leader in the behavioral health field. The primary reason for this national recognition was the reliance put on community systems of care to provide services to local residents with funds meant to follow individuals from institutional settings to community placements. Ohio has a long history of empowering local communities to meet unique local needs. Local Boards were charged with developing, planning, funding and evaluating the behavioral health system to ensure it met the needs of consumers in their community. For many years Ohio's behavioral health system had made remarkable advances in how care was provided to individuals in need.

However, in the past several years, the ability of these local communities to flexibly meet the needs of their consumers has become more difficult as one major driver in the system has continued to grow at a rapid pace. Medicaid, the state and federal program that provides health coverage to poor and disabled populations has been growing at a record pace. As a result, more and more local decisions and dollars are being driven by the Medicaid program which provides prescriptive services to prescriptive populations. Medicaid has done a great deal to leverage community behavioral health dollars to provide services, but at the same time the increasing demand for Medicaid services, increasing enrollment numbers, and a decreased state investment have combined to limit the local dollars for and access to recovery supports that aren't Medicaid billable or for clients who are not Medicaid eligible.

As Medicaid enrollments and expenditures have increased over the last several years, general revenue funding (GRF) to the Ohio Department of Alcohol and Drug Addiction Services and the Ohio Department of Mental Health for community services has decreased. Based on Medicaid expenditure projections, the loss of enhanced federal matching funds in SFY 2012, and if one assumed flat funding; neither ODMH nor ODADAS will have enough GRF to allocate to communities to cover Medicaid match needs in SFY 2012-2013 (see charts below). This will leave no GRF available to serve non-Medicaid eligible clients or provide non-Medicaid eligible recovery supports. If this happens, Ohio will essentially end up dismantling the behavioral health community system of care, and it will be forced to rely even more on other systems resulting in inappropriate care for many individuals in need.

The community behavioral health system is not alone, budgets throughout Ohio are tight and the next biennial budget is going to require a lot of creativity. So what can be done?



* All numbers in both charts are in real dollars, not adjusted for inflation.

The Solution

Ohio's community behavioral health stakeholders have come together to make the following three recommendations so that Ohio can sustain access to community behavioral health treatment and recovery support services.

- **Behavioral health Medicaid match shall be funded out of the ODJFS 525 line.**
- **Boards shall not be required to utilize local levy funds to match Medicaid.**
- **ODMH line items 408, 505 and 404, as well as ODADAS line item 401 shall remain fully funded, with dollars being allocated to communities.**

All of the stakeholders - boards, providers, consumers, family members, and others - have joined together to advocate for these changes to help ensure that Ohioans have access to alcohol, drug addiction and mental health services and supports. Over the next several months, these stakeholders will engage Ohio's leadership to make these fundamental changes in how Ohio funds community based services.

Now is the time for change. Provisions within the Affordable Care Act (ACA) focus on expanding the Medicaid program to provide coverage to individuals with incomes less than 133% of the federal poverty level. It is likely that many of these individuals will need behavioral health services. Ohio's state Medicaid office has a great deal of work to do to align with all of the Medicaid requirements included in the ACA. New coverage categories, potentially different benefit packages and new enrollment requirements make it much more practical to include the behavioral health Medicaid match with the ODJFS 525 primary Medicaid match line item. Also, the ACA incentivizes the integration of physical and behavioral health care through parity, Medicaid State Plan options, and grant programs. Congress recognized that behavioral health care is health care. It's time that Ohio does the same.

Nationally, community behavioral health programs are battling with strained budgets and preparing for health care reform. With the three steps outlined above, Ohio is lining up to be a leader again. The best way to meet the needs of consumers is to provide an integrated, uninterrupted, local system of care that is ready and able to address the unique and comprehensive needs of individuals with mental illnesses and/or addictions.

Community Behavioral Health Treatment Makes Sense

In addition to being the appropriate clinical setting for most individuals in need of mental health and addiction services, community behavioral health services are cost effective.

In one year:

- *For the cost of 1 prison bed, 3 individuals with mental illness or 15 individuals in need of addiction treatment could be served in the community*
- *For the cost of 1 state psychiatric hospital bed, 26 individuals with mental illness could be served in the community*
- *For the cost of 1 bed in the Department of Youth Services, 11 individuals with mental illness or 53 individuals in need of addiction treatment could be served in the community*

Calculations based on: Average annual cost of community mental health treatment including two anti-psychotic medications = \$7,400, Average annual cost of community addiction treatment = \$1,600, State Psychiatric Hospital Bed = \$535 per day (ODMH), Average annual cost of incarcerating one person = \$25,000 (ODRC), Average annual cost of incarcerating one juvenile = \$85,000 (ODYS).

A comprehensive, adequately funded community behavioral health system would save Ohio tax dollars, but much more importantly, it will save Ohioans lives.

Sources: Ohio Department of Alcohol and Drug Addiction Services
Ohio Department of Rehabilitation and Corrections

Ohio Department of Mental Health
Ohio Department of Youth Services