KANSAS MENTAL HEALTH COALITION

An Organization Dedicated to Improving the Lives of Kansans with Mental Illnesses

Testimony presented to the Senate Subcommittee on the Kansas Department on Aging and Disability Services Budget

Amy A. Campbell – February 13, 2013

Thank you for the opportunity to address your committee today on behalf of the Kansas Mental Health Coalition. The Kansas Mental Health Coalition is dedicated to improving the lives of Kansans living with Mental Illnesses and Severe Emotional Disorders. We are consumer and family advocates, provider associations, direct services providers, pharmaceutical companies and others who share a common mission. At monthly roundtable meetings, participants develop and track a consensus agenda that provides the basis for legislative advocacy efforts each year. This format enables many groups, that would otherwise be unable to participate in the policy making process, to have a voice in public policy matters that directly affect the lives of their constituencies. The opportunity for dialogue and the development of consensus makes all of us stronger and more effective in achieving our mission.

Mental health funding has been cut again and again since FY 08. Although you often hear that $20 million was cut from mental health reform grants to the Community Mental Health Centers in past years, we forget the many other reductions to MediKan, general assistance, and children's programs.

The Kansas Mental Health Coalition supported the restoration of $5 million to mental health reform grants last year. This restoration is deleted in the Governor's budget recommendation. We also supported the restoration of the Family Centered Systems of Care funding in the Children's Initiatives Fund last session. This program is also deleted in the Governor's budget recommendation.

The Governor's Mental Health Initiative proposes to invest $10 million toward "at risk" Kansans and to initiate a review of the mental health system for further recommendations.

The Kansas Mental Health Coalition supports the Governor's Mental Health Initiative, but we do not have sufficient details today to tell you how this initiative will provide needed improvements to our system and still provide the important services to the 6000 families served by the Family Centered Systems of Care program. We urge your support of the funding and look forward to working further with the agency leadership to develop this Initiative.

Across the Board Cuts

One of the greatest strengths of the Kansas mental health system is its diverse funding resources. However, it is a disadvantage when across the board cuts are utilized and budget directors seek out State General Fund expenditures to reduce or eliminate.

The Coalition urges this Committee to keep reductions of the past five years foremost in your minds as we proceed with the legislative budget process.

Following are issues from our 2013 Consensus Policy Recommendations. Please note that these recommendations do not take into account the Governor's $10 million Initiative – but without that Initiative, the mental health reform dollars and Family Centered Systems of Care funding must be restored.

Public Mental Health Funding

Community Mental Health Centers (CMHCs) are the backbone of the Kansas public mental health system, serving an average of 123,000 persons every year. The vast majority of those served by CMHCs is low income

and uninsured or underinsured, with 85,000 having neither Medicaid nor other health insurance coverage. Essential treatment, care, and services provided by CMHCs are supported by a combination of state general funds, Medicaid, and local county tax levies. Mental Health Reform, implemented two decades ago, provided significant state funding for treatment of anyone without Medicaid or other resources. From FY2008 through FY2011 Mental Health Reform grant funding that made it possible for CMHCs to serve those individuals was reduced by 65%. As a result CMHCs have been forced to reduce staff and programs, placing at risk even the most basic services necessary to maintain people in their communities.

As a result of this funding reduction the Kansas mental health system is rapidly losing the ability to maintain the very purpose of Mental Health Reform. There is no cost saving in this process. There is only cost shifting to pay for the increased need for hospitalization and the increasing incarceration of people with mental illnesses. The cost in lives to suicide or other avoidable violence, the cost of broken families to our communities, and the cost of a lost opportunity for recovery for people struggling to survive must not be discounted. KMHC commends the 2012 Legislature for restoring $5 million to mental health reform grants to serve the uninsured. The system has lost $20 million in MH grant funding since 2008.

KMHC urges the restoration of all categories of Community Mental Health Center state funding to their previous levels and opposes any further reductions in state grants or other state funding to community mental health services.

Consumer & Family Advocacy Organizations

Through strong advocacy, consumer and family organizations have gained a voice in mental health research, legislation, and service delivery. While the organizations representing consumer and family members differ in their origins and philosophy, all share the overlapping goals of overcoming stigma and preventing discrimination, promoting self-help groups, and promoting recovery from mental illness. Consumer self-care is becoming an important part of efficient and effective healthcare delivery. By exercising best practices of promoting wellness and preventing illness, informed consumers can dramatically improve outcomes and reduce costs. (SAMHSA)

The 2012 Legislature restored funding to consumer and family organizations, which is consistent with the nationwide trend, and recognized best practice, of involving consumers and family members in decisions affecting their lives and their future.

KMHC believes:

Especially in light of the agency reorganizations and the implementation of KanCare, consumers and families must have access to information and assistance from organizations unaffiliated with MCOs or providers.

KMHC supports maintaining dedicated funding for the consumer advisory council and annual recovery conference. KMHC also supports maintaining dedicated funding for the operation of consumer run organizations and statewide advocacy organizations.

Local Public/Private Partnerships to Create Psychiatric Inpatient Beds

Admissions to the state mental health hospitals have increased dramatically over the past decade, while the total number of beds in these facilities has declined. During this decade most of the community based psychiatric inpatient beds have also closed. Although the majority of Kansans who need psychiatric inpatient treatment come from the urban counties of Wyandotte, Johnson, Sedgwick or Shawnee and are relatively close to a state hospital, people from rural areas of the state must travel great distances under very difficult conditions to receive inpatient treatment. Because of the distance, it is often impossible for rural families to maintain close contact while a loved one is being treated and this makes recovery more difficult. Additionally, at times of high bed utilization, all CMHCs, including those in urban areas, are periodically asked to defer admissions to the state hospitals, or send patients to a hospital other than the one assigned to their area.

KMHC believes:

People who can be treated safely and effectively in a community general hospital or a private psychiatric hospital should have that option. **Financially viable contracts with regional inpatient facilities should be funded to provide the inpatient psychiatric treatment necessary to eliminate the onerous distances rural people must travel for treatment, reduce isolation from family and community, and alleviate the shortage of psychiatric inpatient beds for people with serious mental illness. Such contracts should also accommodate the overflow situations which arise when state psychiatric hospitals are over capacity and cannot accept additional patients.**

Health Care for the Uninsured

Budget cuts in FY2009 reduced access to medical treatment and general assistance by limiting these services to 18 months. November allotments further reduced the benefits to 12 months. At least 2000 Kansans have lost MediKan coverage since July 1, 2009. This represents a loss of $3.1M in reimbursement to mental health centers each year and significantly more to hospitals and other providers who have an obligation to serve. Current resources are already inadequate to meet the existing need. Nevertheless, without MediKan as a payer source or without additional funding provided to meet the needs of those previously served on MediKan, who will not become eligible for SSI or Medicaid, the burden continues to fall on existing resources within the public mental health system.

At this time, homeless shelters are reporting increased censuses because of prior funding reductions as well as the current recession. The uninsured population is now an additional burden on Community Mental Health Centers, health care providers and local hospitals. We hope that they will continue to seek health care, but it is likely they will not. Other needs, such as food, shelter, and health care are likely to go unmet if they do. As a result some people will enter other systems at a much higher cost than if they were supported on MediKan.

KMHC believes:

1. **A comprehensive person-centered benefit and service delivery model for income support that promotes long-term self-sufficiency for low-income adults with disabilities who do not meet the SSA standard and do not qualify for other federal programs, must be developed.**
2. **A health care model that meets the needs of this population must be developed and implemented. It should be designed and implemented within the context of ongoing health care reform discussions, recognizing that it is a population that is not served by current programs. It must address both physical and mental health care. Until this new model is funded and implemented, MediKan program funding and general assistance should be restored and the program itself should be retained to continue to provide coverage for basic health care needs of our most vulnerable citizens.**

Substance Abuse Treatment

Kansas substance abuse treatment has met with ongoing budget reductions to programs over the past several years. All available funds should now be used to ensure consumers receive necessary treatment. The Kansas Expanded Lottery Act (KELA) was passed in 2007 and allowed for state controlled casinos in Kansas. This Act also established the Problem Gambling and Addiction Fund. Because state-owned and operated casinos are now operating in Kansas, the funding is available to follow legislative intent and use the funds support addiction treatment and prevention programs. 2 percent of state gaming revenues are supposed to go to the "addictions fund" for use in a broader range of addictions, address long-standing funding deficiencies and co-occurring diagnoses, and broad-based treatment and prevention services.

While approximately $740,000 has consistently been appropriated for the problem gambling initiative, the 2011

Legislature swept $900,000 to prop up the State General Fund for fiscal year 2012 and $1,450,000 was shifted to cover lost funding for the Medicaid substance abuse program. Instead of adding needed treatment capacity, the funds are being used to replace state general funds.

KMHC believes:

1. **Cuts to alcohol and drug prevention and treatment must be restored.**
2. **The problem gambling and addictions fund should be used as stipulated in Kansas Statute.**
3. **The liquor tax fund should be increased to fund substance abuse and mental health treatment.**
4. **~~4.~~ The state's thirteen regional prevention centers are underfunded because they have not received a funding increase in over nine years. This situation must be corrected.**

Supported Employment

Of the total caseload population of 6,937 individuals classified as having a serious and persistent mental illness (SPMI), it is estimated that 60 percent or 4,161 individuals will be interested in at least part-time employment as part of their recovery plan. Currently, 868 individuals are receiving IPS services. That's about 20% of the statewide target population. While approximately 90% of the costs of implementing IPS can be covered by Medicaid, many centers lack sufficient revenue to offer the service or to expand the scope to reach a more significant portion of the target population.

Employment is a critical ingredient to the recovery process for individuals with a serious mental illness. The IPS model has proven outcomes which average a 40% placement rate in competitive employment compared to a 15% placement rate by centers that use other methods. As of January 1, 2012, IPS programs along with other evidenced based mental health practices have supported more than 200 people who experience serious mental illness in Kansas to find employment and retain it for a period of at least 90 days. However, many individuals in the target population are currently being denied equal access to supported employment services due to the limited scope of the program. We need to invest in helping people find competitive employment and enabling them to move beyond the mental health system of care to become more self-supporting.

KMHC believes:

Kansas should appropriate $250,000 new funding to support costs not reimbursed by Medicaid to increase the number of individuals with serious mental illness who are able to benefit from Evidence-Based Supported Employment.

Children's Mental Health

As many as 70,000 Kansas children under the age of 18 have a serious emotional disturbance, but not all of them will seek or receive treatment. These children are at great risk for school dropout, school expulsion, drug or alcohol abuse, unplanned teen pregnancy, and conviction of crimes. Kansas families whose children have multiple health needs (mental health, physical health and/or substance abuse) encounter many barriers to quality health care. Investing in a vast array of community-based out-patient and residential mental health service options directly improves the ability for children to receive the treatment they need to be successful citizens. Children's mental health treatment is associated with a 20% reduction in the use of overall health services.

We ask the Legislature to do the following:

1. **Maintain at minimum the current array of services and eligibility for the HCBS waiver in the Kan-Care.**
2. **Restore current funding for the Family Centered Systems of Care at $4.75 million and preserve Children's Mental Health Initiative at $3.8 million.**
3. **Maintain funding for adequate numbers of regional children's psychiatric hospital beds--in locations close to home so families can participate in their recovery.**
4. **Ensure the current cost reimbursement methodology for PRTF's is maintained. Additionally, ensure the screening process and authorization time frames meet the needs of youth in order to ensure the safety and well-being of the youth and their communities. We also support the continued tracking of**

data about the number of youth not screened into a PRTF, where youth are going when discharged from the PRTF, and other data related to the care these youth receive post discharge.

5. **Provide flexible funding streams that support children and families to assure effective and timely wraparound planning and services close to home, and to provide continued care following discharge from any PRTF or hospital.**
6. **Allocate funding to support coordination of care among providers and emphasize services and supports that maintain children with their family or other caregivers and in their community.**
7. **Fund parent education and services to help families care for a child with a severe mental illness and access services and treatment statewide. This would include applications for Medicaid, HealthWave, and pharmaceutical companies' prescription assistance programs.**

Children's Initiative Fund (CIF)

There are two community-based mental health programs funded through the Children's Initiative Fund (CIF), which receive funding from the tobacco master settlement. Those programs are:

- The HCBS/SED Waiver ($3.8 million) is a statewide Medicaid program for youth with serious emotional disturbance (SED), providing in-home and community based services and supports as an alternative to psychiatric hospitalization or other levels of institutional care. It allows over 5,500 youth to live with their family and remain in their own communities. Not funding this program means these youth are at greater risk of entering inpatient care.
- The Family Centered System of Care (FCSC) [$5 million] is a statewide program which incorporates best practices into the Children's mental health services and builds community collaboration in service delivery, parent support to families of children with SED, with each program being unique to their community's needs. Not funding this program means children with SED and their families will lose critical services such as psychiatric medication, therapy, rehab services, support to families and parent support. This program serves over 6,300 children and families.
- For FY 2013, the CIF funds Family Preservation contracts in the amount of $2,154,357, and represents approximately 20% of state funding for this critical early intervention program for strengthening families and protecting children via behavioral health services and other supportive interventions. Continued funding at the current level needs to be provided through the CIF or other revenue stream and made available to the Department for Children and Families.
- Two programs previously eliminated that were also funded with CIF include Therapeutic Services to Preschool Children ($1 million; deleted in 2008); and School Violence Prevention ($500,000; eliminated in 2008).

KMHC believes:

The State of Kansas should fully fund the Family Centered System of Care program by restoring $4.75 million and continued funding of the HCBS/SED Waiver . KMHC supports this funding whether or not it is allocated from the Children's Initiatives Fund.

Housing: Creating Homes for Kansans Initiative

Access to decent, safe, affordable housing is a major challenge for persons with mental illness and substance use disorders. Lack of housing is frequently identified as one of the significant barriers to living successfully in the community. When a person with a chronic and severe illness is homeless, they place extreme burdens on the emergency rooms of the community hospital and frequently spend prolonged periods in jails for often minor infractions. Additionally, a homeless Kansan must spend all waking hours struggling to survive, preventing them from making any progress toward the improvement of their illness, movement toward self-sufficiency, or contributing to their community.

The Kansas Statewide Homeless Coalition, Kansas Housing Resource Corporation, the University of Kansas Office of Mental Health Research and Training, the Association of Community Mental Health Centers of Kansas, and

numerous other agencies and individuals are in agreement. Each is committed to supporting the creation of centralized data-driven pilot programs dedicated to Creating Homes for Kansans. Additionally, these groups have done extensive research on the successes that other states have had with similar initiatives. The State of Tennessee housing program is highly effective and the groups mentioned above, along with the Kansas Department of Aging and Disability Services (KDADS) have met with Tennessee officials about their program and how it could be replicated in Kansas.

With the information gained from well-designed, data-driven pilot studies evaluating the feasibility of the Creating Homes for Kansans Initiative, this Initiative can be developed across Kansas. This will improve the lives of thousands of Kansans, permitting them to improve their health, participate in meaningful ways with their communities, and significantly reduce the demand on emergency hospital, law enforcement, and state hospital services. The taxpayers of Kansas will pay for the care of these individuals one way or another. It is a far better investment to invest in stable housing to help people toward recovery rather than spending additional dollars on highly expensive and intrusive options such as incarceration or state hospitalization.

KMHC believes:

The Kansas Legislature should appropriate $300,000 to KDADS for the creation of pilot programs to expand housing options for people with mental illness and/or substance use disorders. The purpose of these pilots would be to ensure stable housing for these consumers and also help prevent further mental health deterioration which could lead to decreased use of state hospital resources. The support of a data-driven pilot study would assist in the evaluation of the feasibility of implementing a statewide Creating Homes for Kansans initiative.

Thank you for your consideration.

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