

The Mental Health Safety Net Coalition



Alliance of Community Service Providers

Brook Glen Behavioral Hospital

Clarion Psychiatric Center

Community Services Group

Conference of Allegheny Providers (CAP)

Fairmount Behavioral Health System

Family Training and Advocacy Center (FTAC)

Foundations Behavioral Health

Friends Hospital

Horsham Clinic

Keystone Center

Keystone National Alliance for the Mentally Ill (NAMI)

Lancaster Behavioral Health Hospital

MAX Association

Meadows Psychiatric Center

Mental Health America of Southwestern PA

Mental Health Association of PA (MHA)

Mental Health Partnerships

Pennsylvania Association of County Administrators of Mental Health and Developmental Services (PACA MH/DS)

Pennsylvania Council of Children, Youth & Family Services (PCCYFS)

Pennsylvania Mental Health Consumer Association (PMHCA)

Pennsylvania Psychiatric Leadership Council (PPLC)

Rehabilitation and Community Providers Association (RCPA)

The PANO Group

The Roxbury Treatment Center

Treatment Advocacy Center

The Coalition for the Mental Health Safety Net Urges Investment in State-Funded County MH Services in FY 2023/24 Budget

Issue:

County community mental health services are facing a crisis. The Commonwealth has not invested new funding in these services in over a decade. While this crisis has been building over the years, the COVID-19 pandemic has served to accelerate and deepen the impact of inadequate funding. The Coalition for the Mental Health Safety Net urges the General Assembly to invest significant new funding in the fiscal year (FY) 2023/24 budget for community mental health services. As rebuilding this system will require a sustained effort, we urge support for a multi-year commitment to increase funding, including an annual adjustment for inflation in future budgets.

County Role:

In 1966, the General Assembly passed the Community Mental Health and Intellectual Disabilities Act in response to the 1963 federal Community Mental Health Centers Act. The intent was to create a county administered community mental health service system to care for the most vulnerable and disadvantaged Pennsylvanians.

Under the Commonwealth's state governed and county administered mental health system, counties are responsible for:

- Clinical and Supportive Services to uninsured individuals, including efforts to engage and enroll people with mental illness to gain insurance coverage;
- Services and supports not covered by Medicaid, Medicare, and/or private insurance, such as residential programs, supportive and supported housing, employment services, case management, and psychiatric rehabilitation; and
- Essential services, such as crisis intervention and aftercare upon discharge from an institution.

State-funded, community-based mental health services often address social determinants of health that are critical to optimizing the effectiveness of the clinical services and the outcome for individuals receiving services. For example, people with a mental illness who do not have stable housing often fail to effectively adhere to treatment, require crisis intervention, and ultimately cost more money. Thus, they often have poorer outcomes than comparable individuals with stable housing. For most counties, supportive housing/residential services is the largest single expenditure.

State Funds for Community MH Services:

Since 2009, state funding was reduced by 10% and has remained level funded, which, on basis of inflation alone, translates into an additional 25% cut. All agree that level funding has had a devastating impact on the ability of counties to sustain these services. The lack of adequate funding for community mental health services has been documented by numerous studies, committee hearings, and multiple Joint Legislative Budget and Finance Committee reports. Ongoing demand for mental health services has increased significantly due to the COVID-19 pandemic.

The General Assembly took steps to recognize this problem by investing one-time federal ARPA funds in adult mental health services during the current fiscal year. The Coalition urges the General Assembly and the Administration in the strongest terms possible to expedite the release of the critically-needed \$100 million in mental health resources as recommended by the Behavioral Health Commission for Adult Mental Health and which were appropriated as part of the Fiscal Year 2022/23 state budget.

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Consequences — Lack of Sustainable Funding:

For Pennsylvanians with a mental illness, the impact of the county funding shortfalls are already evident, with shortages of key mental health professionals, chronic underpayment of mental health providers, reductions/closures in mental health residential programs and supportive services such as employment and psychiatric rehabilitation services, uneven crisis response services, closure of outpatient programs, and the continuing criminalization of mental illness. Across the Commonwealth, there is no consistent level of mental health services available, and access to critical services largely depends on which county you live in.

Even before the pandemic, many aspects of our mental health system were under significant stress. The COVID-19 pandemic has created an unprecedented constellation of challenges for our mental health system, including dramatic increases in the need for mental health services, significant health staff shortages, chaotic changes in the labor market, increases in completed suicides, and heightened ongoing ravages of diseases of despair.

The failure to invest in community-based mental health services is resulting in higher costs to the Commonwealth in other systems like Medicaid, law enforcement, corrections, state-operated mental health hospitals, and community hospital emergency departments. The Commonwealth's mental health system is out of balance and all too often lacks the capacity to intervene with the right service, in the right setting, and at the right time. As a result, the norm has become responding when people are in crisis and in the most expensive settings, whether it be an emergency department, inpatient hospitalization, or even worse, jail.

This multi-faceted crisis has a tremendous cost in both human and fiscal terms:

- Medicaid “Super Utilizers”: A Lancaster County study determined that 80% of the people using services at a higher volume than others had a co-occurring mental health/behavioral health diagnosis.
- Homelessness: Approximately 30 percent of the homeless population has serious mental illness.
- Law Enforcement: Approximately 20% of the 25,000 individuals arrested per month in the Commonwealth have a mental illness.
 - Reducing the number of mentally ill being arrested by 50% would reduce law enforcement processing costs by approximately \$75 million. Roughly 10% of police departments' overall budgets are spent on responding to or transporting individuals with mental illness.
 - People with mental illness are 16 times more likely to die in a police encounter.
- Corrections: As one Senator said during a budget hearing, “**The largest single provider of mental health services in the Commonwealth is the Department of Corrections,**” and an even higher percentage of people in county jails have mental health issues. People with a mental illness in jails are more expensive, more prone to violence/victimization, and more likely to have poorer clinical outcomes.

These are just a few of the other systems and budgets that are adversely impacted by the failure to invest in county-based community mental health services.

We urge you to increase county-based mental health funding in the FY 2023/24 budget and make a multi-year financial commitment to rebuild these services, which includes a minimum of 3% annual inflation adjustments to sustain these lifesaving cost-effective services.