

Too Significant To Fail:

The Importance of State Behavioral Health Agencies in the Daily Lives of Americans with Mental Illness, Their Families and Their Communities

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Introduction

State Behavioral Health Agencies (SBHAs) are the recognized public statewide government agencies responsible for coordinating and assuring the provision of high quality behavioral health services and supports for individuals with behavioral health conditions. An overarching role of the SBHA is to be a visible and accountable leader across state government and a skilled resource focused on coordinating public behavioral healthcare across multiple agencies, involving many funding streams and delivery systems.

SBHAs play dynamic roles in their respective states on a daily or regular basis, and serve as the central organizing entity for coordinating the public behavioral health system across numerous state, county, and municipal agencies. The SBHAs are responsible for the behavioral health needs for nearly 7 million people across the nation.

While the demanding roles are expected and for the most part not recognized by policymakers and the public, SBHAs and systems are also experiencing a changing environment due to a multitude of factors that were reported in NASMHPD's *Cornerstones for Behavioral Healthcare Today and Tomorrow (Cornerstones)*.

Cornerstones is kind of a GPS system for SBHAs and proposed actions they can implement, in response to several federal health care legislative and regulatory initiatives. The roles embodied in *Cornerstones* serve as another layer of responsibilities on top of the current roles they play that are described in this report, *Too Significant To Fail: The Importance of State Behavioral Health Agencies in the Daily Lives of Americans with Mental Illness, Their Families, and Their Communities*.

Behavioral health affects entire communities. Over 72 million Americans are affected by behavioral health conditions in a given year.

Magnitude of Mental Illness

Behavioral health affects everyone.

About 50 percent of all Americans will meet criteria for mental illness at some point in their lives. Over 34 million Americans have co-morbid mental illness and physical conditions (e.g., diabetes) within a given year. Over one-half of Americans know someone in recovery from a substance use problem. Positive emotional health helps individuals maintain physical health; engage productively with families, employers, friends; and respond to adversity with resilience and hope.

The Substance Abuse and Mental Health Services Administration (SAMHSA) and the National Institute of Mental Health (NIMH) have reported that roughly 23 percent – or nearly 72 million Americans (57 million adults and 15 million children) – are affected by mental illness or substance use disorders in any given year.¹ Demand for behavioral healthcare, and the complexity of the circumstances affecting individuals seeking treatment for behavioral health services, is growing. However, at the same time, state funding has been constrained, largely as a result of the worst recession since the Great Depression that occurred from 2007 to 2009.

Behavioral health affects the health of entire communities. Adults with mental health disorders experience high rates of unemployment and disability. Unemployment rates are 3 to 5 times higher for people with mental health disorders. Nearly 45 percent of children in special education with emotional disturbances drop out of school – the highest of any category of disability. Substance use disorders reduce the ability to parent and work and increases the chances of involvement in the criminal justice system. Over 50 percent of all incarcerated people have a mental illness, 60 percent have substance use problems, and one in three has both these disorders (*as reported by SAMHSA, 2012*)

¹ CMHS/SAMHSA Uniform Reporting System, 2012, NIMH, Kim Foundation, NASMHPD/NASADAD/NRI estimates.

The National Association of State Mental Health Program Directors (NASMHPD) estimates that in the last four years (FY2009-FY2012), states have cut \$4.35 billion in mental health services, while an additional one million people sought help at public mental health facilities during this period. To meet the growing demands and needs of individuals with mental illness and play several collaborative and pivotal roles, SBHAs need additional resources – not further cuts to their programs at the federal and state levels.

The Impact of Funding Cuts

States are re-emerging from the second recession in the last 10 years and incoming revenues have significantly decreased, and state economies are still suffering. To address the needs of states, two grant programs are in place. The largest Federal-State grant programs dedicated to financing behavioral health services are the Community Mental Health Services Block Grant (MHBG), which allocates grants to states to support and enhance community behavioral health systems for individuals with serious mental illness and other behavioral health conditions.

The second grant initiative is the Substance Abuse Prevention and Treatment Block Grant (SAPTBG), which provides funding for prevention in schools and communities along with modern treatment and recovery services for people with substance abuse disorders and their families.



Level of SMHA Budget Reductions: *FY2009 to FY2013 Total \$4.6 Billion in Cuts*

Year	Average	Median	Minimum	Maximum	Total
FY 2009 (39 states)	\$36,849,116	\$13,226,000	\$0	\$554,003,000	\$1,216,020,843
FY 2010 (38 States)	\$29,123,575	\$12,300,000	\$0	\$213,591,000	\$1,019,325,136
FY 2011 (36 states)	\$35,294,953	\$11,633,953	0	\$132,000,000	\$1,270,618,291
FY 2012 (41 states)	\$28,074,541	\$9,040,000	\$0	\$242,500,000	\$842,236,221
FY 2013 (15 states)	\$17,709,032	\$13,700,000		\$82,000,000	\$247,926,447

Preliminary Results based on 41 SMHAs Reporting Winter 2011-2012

Source: NASMHPD/NRI

Stemming from a long history of financing and delivering mental health and substance abuse services, other state and local funds finance a range of services for behavioral health services that SBHAs oversee.

However, if Congress specifically reduces mental health and substance block grant allocations, that action could have far-reaching consequences downstream throughout the behavioral and healthcare systems in each state in the form of: increased emergency room visits, re-hospitalizations, increased medication costs for people with serious mental illness in the Medicaid program and the overall public financing system, and increased costs for law enforcement agencies, educational systems, state criminal justice, corrections, and child welfare systems. We will end up spending money in all the wrong places.

Additional funding cuts to general screening and treatment programs, programs that integrate behavioral health and primary care services, as well as specialized supportive initiatives such as to housing and employment, through federally sponsored Projects of Regional and National Significance (PRNS), would also have deleterious effects for state public behavioral health clients.

The Business Case for Investment in Behavioral Health and the Return

The vast majority of individuals with serious mental illness and/or substance abuse disorders, if appropriately diagnosed and treated, will go on to live full and productive lives. And the return on investment (ROI) is significant. It is estimated that the economic benefits of expanded diagnosis and treatment of

depression has a return of investment (ROI) of \$7 for every \$1 invested. It is penny-wise and pound-foolish to continue down the dangerous path of state behavioral health spending cutbacks.

What we have learned is there are several “good buys” in behavioral health and that people with mental illness are an asset to society, not an economic burden²:

- Health-services research shows that comprehensive community-based mental health services for children and adolescents can cut public hospital admissions and lengths of stay and reduce average days of detention by approximately 40 percent.
- It is clear: A “Prevention-First Public-Health” orientation could improve health and prevent the onset of mental illness, and save money for federal and state programs that fund behavioral and healthcare services.
- Antidepressant treatment reduces overall healthcare costs not only for persons with depression alone, but also for persons with depression and co-morbid medical illnesses such as cancer and heart disease. Researchers used claims data for nearly 1700 patients from a large health insurer to compare healthcare costs one year before and one year after initiation of antidepressant treatment. Those remaining on antidepressants for at least 6 months were 74 percent more likely to

experience a large reduction in medical care costs, and patients with depression and heart disease who were taking antidepressants, were 72 percent more likely to have a large reduction in medical costs.

- A review of the prevention literature found that school-based substance abuse prevention is generally very cost effective, for example, “Life Skills Training” returned \$21 dollars for every dollar spent on the intervention.
- A number of cost benefit studies of substance abuse treatment have found returns of \$4 to \$7 per dollar spent. These studies have looked at public treatment systems operated by states (e.g., Washington, California, Oregon, Kentucky, South Dakota) and drug courts (New York, Oklahoma, Texas).
- On average, substance abuse treatment costs \$1,583 and is associated with a monetary benefit to society of \$11,487, representing a greater than 7:1 ratio of benefits to costs. These benefits were primarily because of reduced costs of crime and increased employment earnings. Even without considering the direct value to clients of improved health and quality of life, allocating taxpayer dollars to substance abuse treatment is an incredibly wise investment.

² For further information and sources, please see the complete report on *Too Big To Fail* at www.nasmhpd.org

Restoring Hope and Rebuilding Opportunities: SBHAs at the Forefront

SBHAs perform several key management and coordinating roles that fall under three major categories:

1. Manage and Coordinate Behavioral Health Public Policy, Public Safety and Public Welfare

Develop and Implement Behavioral Health Public Policy: Due to its unique behavioral health experience, resources, and expertise, the SBHA has been, and should continue to be, involved in all state behavioral health policy and related matters.

Ensure Public Safety and Public Welfare: SBHAs are often responsible for managing psychiatric emergency screening services, detoxification services, and other public safety functions to ensure the safety of citizens and communities at large.

When a person with a history or current diagnosis of serious mental illness is involved in a high-profile, tragic incident, state behavioral health commissioners work with public and private agencies and organizations, legal groups, the state legislature, key policymakers and officials, and the media. Commissioners are called on to explain the workings of the state public mental health system, the degree of mental illness in the state, and to describe the system's role in preventing or responding to such incidents.

Disaster Behavioral Health Preparedness Programs also are an integral part of the SBHAs overall effort to ensure public

safety and welfare of citizens in their states – in case of a natural disaster (e.g., hurricanes, tornados, wildfires) – and the public health, behavioral and medical preparedness, response, and recovery systems. “Disaster Behavioral Health

SBHAs are involved in responding to large or small scale natural disasters (e.g., hurricanes, tornados, wildfires) in partnership with state offices of emergency management. Disaster behavioral health planning aims to provide a continuum of services and activities.

Planning” aims to provide a continuum of services and activities – ranging from communication, education, and basic support to promoting access to behavioral health treatment – in order to mitigate the progression of adverse reactions especially due to trauma caused by natural disasters, into more serious behavioral health conditions.

SBHAs also support and collaborate with crisis hotlines to ensure individuals at risk for suicide or in crises resulting from mental illness or substance abuse can readily access high quality crisis support services.

Provide Direct Service: Many SBHAs directly

provide care in state-operated community behavioral health centers, substance abuse treatment programs, psychiatric hospitals and forensic centers. Others contract with non-profit community providers. Through these systems, and crisis intervention services, SBHAs serve as safety-net providers for vulnerable populations with serious behavioral health disorders.

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Protect Human and Civil Rights: SBHAs are often recognized by other agencies as responsible for assuring the civil rights of people with mental illnesses and substance abuse disorders, and advising and partnering with governmental and non-governmental entities on civil rights issues. SBHAs consider implementation of the Olmstead decision an urgent priority, and have developed robust community supports and recovery-oriented services to transition children and adults with serious behavioral health illnesses from institutional settings to communities.

Monitor and Oversee the Regulatory Process: SBHAs have key regulatory and monitoring responsibilities to ensure the provision of safe, high quality mental health and substance use services to consumers.

Blend Youth Behavioral Health Services and Programs: The economic costs of mental, emotional, and behavioral disorders among youth in the U.S. represents nearly one quarter of a trillion dollars (\$247 billion annually according to SAMHSA). Through the application of policies, programs, and practices aimed at reducing risks and increasing strengths, SBHAs help reduce new cases of behavioral health disorders and significantly improve the lives of young people. SBHAs work to improve community behavioral health systems that balance health promotion, disease prevention, early detection, and treatment.

SBHAs embrace the “System of Care” approach for the delivery of children services that seeks to promote the full potential of every child by addressing

their physical, behavioral, emotional, cultural and social needs. SBHAs also embrace the “Strategic Prevention Framework” model for preventing substance abuse and its terrible consequences.

Promote Better Understanding of the Unique and Complex Needs of Older Adults: SBHAs address the behavioral health needs of older adults through collaboration with other state agencies such as the Medicaid agency and Department of Aging, as well as working with boards of provider, family, and consumer groups.

SBHAs work to provide services in homes and other community-based settings, which are easier to access and less stigmatizing for older adults. Education and advocacy efforts include the promotion of wellness programs and psychiatric advance directives for older adults.

2. Manage and Coordinate Financing and Coverage

Harmonize Funding Streams: SBHAs bring together separate entities – up to 15 in some cases – to coordinate complex behavioral health funding streams into programs that work for people with behavioral health disorders. For example, SBHAs use the federally funded Mental Health Block Grant and the Substance Abuse Prevention and Treatment Block Grant to finance and enhance community behavioral health systems for individuals with serious mental illness, and provide funding for prevention in schools and communities along with modern treatment and recovery services for people with substance abuse disorders.

Implement Behavioral Health Parity:

Working with state insurance departments, SBHAs are promoting education about compliance with parity requirements, monitoring results, facilitating handling of consumer complaints, enhancing transparency and accountability, and expanding consumer protections.

3. Prioritize Funding Related to Non-Medical Services

Provide Affordable, safe, and Quality Housing:

SBHAs promote housing policies and programs to ensure that people served by the public behavioral health system are able to make informed choices among safe and permanent affordable housing options that are linked with high quality services and are available in the most integrated setting in the community.

Secure Meaningful Work through Supported Employment Initiatives:

Supported employment is a well-defined approach to helping people with mental illnesses find and keep competitive employment within their communities. SBHAs are leading current efforts in partnership with foundations, employers and local government officials, to improve supported employment programs for people with serious mental illness.

4. Manage, Improve and Coordinate Quality of Care and Delivery of Services

Accelerate Integration of Primary Care, Behavioral Health and Prevention:

To improve access to physical health care services and preventative measures, SBHAs require, regulate and lead the public behavioral health system to ensure

appropriate screening, treatment and integration of general healthcare and behavioral healthcare services for

clients, and integrated care for people with both substance abuse and mental health conditions. SBHAs have been champions and leaders in support of integration efforts by sponsoring statewide programs for sharing and learning about new and emerging integration initiatives, and working closely with primary care associations.

Address Behavioral Health Integration Issues among Racial and Ethnic Minorities:

SBHAs have been initiating efforts to support greater racial diversity and cultural competency in the mental health workforce and making this area a priority in their overall strategic efforts. In many minority communities, SBHAs are helping community health workers provide needed assistance with interpretation and translation services and culturally appropriate health education and information.

Measure and Encourage Improved Behavioral Health Performance and Outcomes:

SBHAs have developed cutting-edge programs that health plans use to analyze and aggregate data on behavioral health provider practices, and feed this information back to providers so they can understand how well they meet standards of care for consumers.

SBHAs have played a major role in developing national outcome measures with the goal of establishing a more robust way of assessing performance and improvements in the behavioral health system.

Design and Implement Evidence-based Practices (EBPs): SBHAs play a major system-wide role in implementing evidence-based prevention, treatment and recovery-oriented practices and supports (e.g., supportive housing), that produce positive clinical outcomes for consumers and savings for taxpayers.

Promote Peer Support Services: As part of building a recovery-based system, SBHAs lead efforts that support the widespread adoption and coverage of peer support as a specific type of service and/or provider and sponsor new payment strategies.

Reduce the Behavioral Health Impact of Trauma: Millions of Americans suffer traumatic events due to abuse, violence and natural disasters. SBHAs address the behavioral health impact of trauma by developing public health approaches to trauma that strengthens surveillance, screening, and treatment that better responds to the needs of people who have experienced trauma.

Empower Consumers to Maximize Control of Their Recovery: SBHAs offer appropriate education, enforcement of respect for self-determined choices, useful information for making relevant choices, and specific tools that help people take and retain control of their recovery from their behavioral health conditions.

Strengthen Behavioral Health Services for Military Service Members, Veterans, and Their Families: SBHAs have long recognized that strengthening behavioral health prevention and early intervention services for soldiers currently serving in the military, or have been discharged, may

reduce the demands placed upon the Veterans Administration (VA). Building partnerships between the federal, state, and local governments to expand service capacity will ensure veterans who have a significant behavioral health disorder – and need treatment, permanent supportive housing, and/or vocational rehabilitation and employment services – receive services in a timely manner.

Initiate Suicide Prevention Programs: To reduce the toll from suicidal behaviors among persons with behavioral health conditions, SBHAs ensure suicide prevention programs and practices are in place, and work closely with state officials and principals on state suicide prevention advisory councils and local initiatives.

To address and enhance the major responsibilities outlined in this report, SBHAs have embraced a new role that entails creating competencies among public behavioral health and healthcare entities, forming new alliances and coalitions, and managing complex inter-governmental enterprises. The goal of the agencies is to deliver a comprehensive continuum of behavioral healthcare services, improve overall health outcomes for behavioral health clients, and control costs in the state healthcare system.

Too Significant To Fail not only describes in detail the comprehensive roles that SBHAs play on a daily basis to address the needs of people with behavioral health conditions, but includes several recommendations that policymakers at all levels should consider to improve care and save dollars in the short and long term: Two critically important areas are

The early-life onset of behavioral health disorders supports the need for a major funding injection for prevention and behavioral health promotion in childhood and early adolescence, and involvement of child-serving settings such as schools and primary pediatric healthcare.

childhood disorders and prevention programs:

Recommendation: The early-life onset of behavioral health disorders supports the need for a major funding injection for prevention and behavioral health promotion in childhood and early adolescence, and involvement of child-serving settings such

as schools and primary pediatric healthcare. We are learning more every day about the devastating impact that trauma can play in the early onset on mental health disorders among children and youth.

SBHAs know that addressing trauma must be central and pivotal to public health and human service policymaking including fiscal and regulatory decisions, service systems design and implementation, workforce development, and professional practice. Unless trauma is addressed, the damage to individuals and our society will continue. Catching problems early is key.

Increased federal and state funding should focus on developing a comprehensive public health approach to trauma with the goal of reducing the impact of trauma on children, youth and families.

Recommendation: The inclusion of behavioral health concerns and behavioral health promotion and

behavioral health disorder prevention efforts into an integrated public health model – and fully recognizes the interrelationships of physical and behavioral health well-being – will be critical to advancing effective and cost-effective interventions for the greatest societal benefit.

A combination of well-targeted prevention-related funded programs will help people with developing behavioral health disorders avoid years lived with major disability, reduce the stigma attached to behavioral health disorders, increase considerably their social capital, help reduce poverty, and promote our nation’s development.

Increased federal funding for health promotion and prevention programs should focus on building emotional health from early childhood to young adulthood, Implementing universal, selective, and indicated prevention activities for mental health disorders among the most vulnerable populations should be a top priority.

Conclusion

SBHAs recognize that untreated behavioral health issues will cause unnecessary disability, unemployment, substance abuse, family disruption, homelessness, and inappropriate incarceration. That is why they fight so hard for increased funding in order to take on critically important responsibilities to help people with serious behavioral health disorders -- and that no other state entity dare take on.

Caring for people with serious mental illnesses is a critical issue for state government. SBHAs stand ready, as they always have, to make sure this dedicated responsibility is met every day on behalf of our most vulnerable citizens, and all those affected by mental illness. SBHAs are too significant – in dedication, compassion and in protecting the general welfare of our nation and citizens – to fail.

State Behavioral Health Agencies are too significant – in dedication, compassion, expertise, and in protecting the general welfare of our communities and our nation – to fail due to budget cuts.

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To access the complete “Too Significant To Fail” report, please go to www.nasmhpd.org



The National Association of State Mental Health Program Directors (NASMHPD) represents the \$37 billion public mental health service delivery system serving nearly 7 million people annually in all 50 states, 4 territories, and the District of Columbia. NASMHPD is the only national association to represent state mental health commissioners/directors and their agencies.