

March 5, 2009

## A Legislative Priorities & Funding Consensus for Mental Health

Central Service Area Authority Disability Rights Montana Montana Children's Initiative Montana Coalition Against Domestic and Sexual Violence	Montana Community Mental Health Centers Montana County Attorneys Association Montana Licensed Professional Counselors Montana Mental Health Association Montana Sheriffs & Peace Officers Association National Association of Social Workers, Montana Chapter Rocky Mountain Development Council
--	---

*We propose to make effective use of federal economic stimulus appropriations by investing in community services development through these one-time appropriations:*

	Children	Adults
Services	System of Care and KMA sustainability Governor's proposal \$742,000 + [HB 65] NEW \$750,000 = 1.4 mill	<b>Plan 189</b> Governor's proposed \$800,000 + NEW \$800,000 = \$1.6 mill  <b>Community crisis beds demonstration grant</b> [HB 130] \$2.5 mill + [HB 131] \$821,000 + [HB 132] \$3.4 mill = NEW \$6.5 mill
Training	Wraparound training Parent leadership training	Crisis Intervention Training for law enforcement officers (6 classes at \$17,000 each)  Suicide Screening Pilot [HB 60]
Other		NEW \$453,000

### Community crisis beds demonstration grant

1. This one-time appropriation for crisis services has to demonstrate sustainability by having a substantial impact on the state hospital census. When the state hospital census stabilizes below 135, MSH will be able to close its overflow facilities in the Spratt Building (60 patient capacity) and old Receiving Hospital building (now 20 patients).
2. To achieve sustainability, this funding must:
  - a. Augment the service continuum in the community with additional secure treatment beds and other crisis stabilization and transition services in order to create effective alternatives to treatment at Montana State Hospital for many patients; and
  - b. Make the transition from community crisis services to the rest of the community services continuum seamless and successful.

**EXHIBIT** 9  
**DATE** 3/12/09  
**HB** 645

3. The HB 130 crisis services development plans, which may developed by individual counties or by regional collaboratives, must be aimed at diverting patients away from the State Hospital in order to qualify for state matching funds.
4. Because the county plans will be funded with a combination of county and state dollars, and because each county plan will be unique:
  - a. HB 130, 131 and 132 may need to be amended to allow for maximum flexibility. For instance, a county may want to pay for part of the cost of diversion (since counties are already paying for two week in-patient stays through pre-commitment costs) but want the state to make a larger contribution to emergency detention beds.
  - b. The appropriations should be taken out of the bills and the bills reference "the crisis services demonstration grant" funded by HB 2 instead.
  - c. The crisis services appropriation should be biennial to allow for maximum flexibility in responding to community needs.
5. General fund appropriations included in the Governor's budget proposal for community mental health services are integral to the success of this demonstration project. For instance, funding for telemedicine may be critical to the success of crisis stabilization programs developed in small communities, and 72-hour presumptive eligibility funding is necessary to prevent smaller crises from becoming much larger ones.

---

### **Children's System of Care and Kids Management Authorities**

The additional \$375,000 per year in this proposal allows the Children's MH Bureau to complete the federal System of Care SAMHSA grant, through September 2010, and:

1. Captures a 25% local match (about \$350,000 in five communities over the biennium).
2. Draws a 33% federal match (almost \$500,000 over the biennium)
3. Completes the youth and family outcome data gathering initiated under the grant.
4. Keeps five KMA's staffed at current levels, including
  - a. Parent and youth support groups
  - b. Multi-agency case staffing and care coordination for children with complex service needs
  - c. Assessments, therapy and respite services for some youth who don't qualify for CHIP and Medicaid
5. Allows completion of joint Department/Legislative review and evaluation of the System of Care and KMA's so that there is a consensus on how to proceed.

---

### **Training funds**

These proposals invest one-time "stimulus" dollars into human capital: mental health care providers, law enforcement officers and children's services providers who will develop skills for new systems.

## How A Crisis Services Demonstration Grant Would Work

The three crisis services bills developed by the Law and Justice Interim Committee have very broad and deep support among mental health system stakeholders—and a combined price tag of \$6.5 million for the biennium.

The Demonstration Grant provides a way of funding community crisis services developed under HB 130, 131 and 132 with one-time money, by funding counties to develop local crisis services capacity, including secure in-patient beds, that reduces inappropriate use of the State Hospital for emergency detention and short-term stabilization.

Our communities lack secure crisis services and in-patient capacity for mental health care because those levels of care are not funded for the majority of those who need them. Most people who present in crisis have no insurance or other way to pay for inpatient services. The Montana State Hospital, which will cost \$34 million per year over the next biennium, is a “free” service paid for almost entirely with general fund, and it has become the *de facto* crisis services provider for much of the state. But since the only way to get services at the State Hospital is a civil commitment order signed by a judge, people need to reach a crisis point of dangerousness to themselves or others before they can get help in an inpatient setting. A long trip across the state in handcuffs in a patrol car and diminished civil liberties are also part of the price the patient pays for getting treatment. While they are at the State Hospital, patients lose their social security benefits, jobs, housing, animal companions, mail and other community ties. For the state and local governments, the high costs of this system include commitment litigation, pre-commitment treatment, transportation, and the time-consuming challenge of successfully returning patients to the community, where recidivism rates are high. The average 63-day stay, at \$516 per day, costs \$32,508 in general fund dollars.

The State Hospital census has reached 220 patients per day in recent years, though it was intended by the Legislature to be a 135 bed facility. That goal appeared attainable in the mid-1990's, but after the demise of mental health managed care in 1999, the population began to balloon. After the 135-bed main hospital building opened in 1999, administrators were forced to re-open the Spratt Building and eventually the Receiving Hospital to house the overflow population. Both buildings are plagued with licensing problems and maintenance issues; the Spratt Building is considered unsafe by patients and staff alike.

The Demonstration Grant funds the development of a continuum of community crisis services with the objective of reducing inappropriate reliance on the State Hospital. The goal of the Demonstration Grant is to demonstrate sustainability by stabilizing the State Hospital population at its intended level of 135, at which point the Spratt Building (44 patients) and the Receiving Hospital (20 patients) can be closed and those savings channeled into community services instead. The Demonstration Grant probably won't achieve that goal by 2011, but we believe it will make a substantial impact during that time.

A number of factors have combined to make the Demonstration Grant likely to succeed:

- ◆ The Law and Justice Interim Committee studies found community crisis services were critical to ending criminalization of mental illness and overuse of the State Hospital.
- ◆ The Legislative Mental Health Study, requested by the Children and Families Interim Committee, concluded that funding adequate community crisis services needs to be a priority for Montana.
- ◆ Local leaders from around the state were united in calling for crisis services funding so that they can do a better job of serving people with mental illness in their homes and communities.
- ◆ Over 60 new psychiatric treatment beds are opening or could open across the state during the next year: 6 just opened in Butte; 12 are scheduled to open on the campus of Bozeman Deaconess Hospital by December 2009; 24 adult psychiatric beds will open at St. Peter's Hospital in Helena in June; and 4 beds may be re-opening at the Glendive Medical Center. In addition, the Billings Clinic is reportedly considering re-opening as many as 16 psychiatric beds for diversions, as provided in HB 132.
- ◆ The crisis plans funded through the Grant will be bottom-up proposals, designed by the communities that know their assets and their needs the best, and the Grant will have the funding flexibility that the plans require.
- ◆ The Governor's successful effort to reduce the State Hospital census during FY 2008 and 2009 shows that a focused and flexibly funded initiative can work. Named "Plan 189" after the licensed capacity of the State Hospital, the Governor's program uses a discretionary fund to pay for services that are necessary to help patients return to the community. At a cost of \$1.3 million during 2009, Plan 189 has achieved its objective.
- ◆ The Demonstration Grant builds on work that began in 2007, which increased funding for the Mental Health Services Plan and 72-hour presumptive eligibility, which are already believed to be contributing to the reduced State Hospital census.
- ◆ The Demonstration Grant holds out the promise that the State Hospital can refocus its mission and provide the highest quality of care.
- ◆ **Demonstration Grant goals are in accord with the goals of federal "stimulus" spending: to create jobs quickly and to build capacity today that will save money in the future.**

The Consensus group that has proposed the Demonstration Grant would prefer to see HB 130, 131 and 132 funded with an on-going rather than a one-time appropriation. As a state, we need to make a commitment to funding a full continuum of services at the local level in order to minimize disruption to individuals, families and communities and maximize the potential for stability and recovery at home. But if one-time funding is all we have right now, then we see a silver lining: A Demonstration Grant is an opportunity to show policy-makers and administrators what our communities can achieve with a focused effort and support from their state partners.