



LEGISLATIVE BRIEF: MENTAL HEALTH REFORM

In an effort to get reform back on track, the General Assembly is considering major budgetary and programmatic changes recommended by the Joint Legislative Oversight Commission on Mental Health via S1610 and H2301 and the state's modifications to the biennial budget, H2436. Special provisions contained therein would return many of the administrative functions of service assessment and utilization to the local management entities and provide tens of millions to purchase additional local mental health crisis and psychiatric services.

Counties have voiced concerns that insufficient state resources for crisis, substance abuse and psychiatric capacity, especially in the rural areas, were leaving few service options outside of the state's inpatient psychiatric hospitals. This has been borne out in state psych admissions, which have increased rapidly since reform began in the early 2000s, especially for short-term admissions. Service and staffing deficiencies in the state's psych hospitals have led to federal withholding of Medicaid and Medicare reimbursement in some cases and federal investigation in others. At the same time, runaway costs and questionable service delivery associated with the new "community support" service category have further increased state costs without attendant mental health benefits afforded in local areas.

To address local services needs and state hospital deficiencies, DHHS Secretary Dempsey Benton, on the advice of three workgroups on crisis services and hospital operations, put forth his findings and recommendations to pinpoint where new state investments are needed. These targeted resources would purchase community-based psychiatric hospital beds, additional mobile crisis units, walk-in crisis clinics, and regional substance abuse services to bolster local crisis services. Additional monies would improve state psychiatric hospital staffing, recruitment and retention.

These recommendations have been largely endorsed by the Joint Legislative Oversight Commission, and more than \$60 million is set aside in the House budget proposal to implement these and other measures to stabilize mental health. Funding is also made available for housing opportunities, developmentally disabled crisis services, and screening in adult homes.

The General Assembly's structural recommendations to strengthen the LME network are in stark contrast to that proposed by DHHS Secretary Dempsey Benton. Secretary Benton and his mental health team recommend further consolidation of the local management entities, via voluntary formation of the LMEs into eight regional entities, with a maximum of three entities per each of the three psychiatric hospital catchment areas.

Status: \$60 million was included in the House budget; special provisions strengthen LME administration.

Key players: **Co-Chairs of the Joint Legislative Oversight Committee on MH/DD/SAS**

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Action needed: Ensure additional state funds and administrative local flexibility for county-based services are included in Senate budget proposal and substantive legislation..