

# DEPARTMENT OF MENTAL HEALTH

***FY 2013***

## ***Budget Presentation***



## **HEALTH, MENTAL HEALTH & SOCIAL SERVICES APPROPRIATIONS COMMITTEE**

***Representative Tom Flanigan, Chair***

### **PRESENTATION TOPICS**

- **DMH Overview**
- **Highlighted Program Outcomes: FY 2011-2012**
- **DMH Quarterly Outcomes Monitoring**
- **Joplin Recovery Update**
- **Governor's DMH FY 2012 Supplemental and FY 2013 Budget Requests**

**January 25, 2012**

## ***DMH FY 2013 BUDGET PRESENTATION***

### **House Appropriations Committee on Health, Mental Health and Social Services**

#### ***DMH MISSION (RSMO Chapter 630.020)***

1. **Prevention:** Reduce the prevalence of mental disorders, developmental disabilities, and drug abuse;
2. **Treatment:** Operate, fund, and license modern treatment and habilitation programs provided in the least restrictive environment; and
3. **Improve Public Understanding:** Improve public understanding and attitudes toward mental illness, developmental disabilities, and addiction.



#### ***DMH DIVISIONS AND OFFICES***

##### **Divisions of:**

- *Alcohol and Drug Abuse (ADA) – RSMo Ch. 631*
- *Comprehensive Psychiatric Services (CPS) – RSMo Ch. 632*
- *Developmental Disabilities (DD) – RSMo Ch. 633*

##### **Office of:**

- *Comprehensive Child Mental Health – RSMo Ch. 630*

## **DMH CONSUMERS**

- Adults with severe mental illness and children with severe emotional disorders
  - People with developmental disabilities
  - People with substance abuse disorders
  - Sexually violent predators
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## **COMMUNITY BASED CONTRACTUAL SERVICES**

- DMH contracts with over 1,600 providers who employ 30,000 people statewide

- *Community-based services contracts are 71% of total budget and serve 95% of DMH consumers*
- *State operated services are 23% of the total budget and serve 5% of DMH consumers*

## **STATE OPERATED SERVICES**

- 7,400 state employees
- 7 state psychiatric facilities for adults
- 2 state psychiatric facilities for children
- 6 DD habilitation centers, 11 regional centers

## **CERTIFICATION AND LICENSURE**

- Certifies 674 community providers
  - Licenses 404 community facilities and programs
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## **MEDICAID AND OTHER FEDERAL REIMBURSEMENTS**

The Department of Mental Health generates approximately \$765 million in funding from a variety of federal and third party funding sources.

- \$147 million are deposited directly into the State's General Revenue Fund or appropriated directly to the DSS budget.
- \$618 million in federal funds are deposited to the DMH Federal Fund and distributed among 120 DMH federal appropriation lines, including but not limited to:
  - ADA, CPS and DD Community Federal Medicaid Programs
  - ADA and CPS Federal Block Grant
  - Shelter Plus Care Federal Housing Grants
- The single largest Federal revenue stream is Medicaid, which comprises over 65% of generated revenue. The remainder includes funding streams such as disproportionate share payments, federal grants, Medicare, private insurance and direct pay.

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### **FY 2012 DMH BUDGET BY PROGRAM CATEGORY**

<b>Budget Category</b>	<b>Amount</b>	<b>% Total</b>	<b>FTE</b>
State Psychiatric Facilities	\$173 million	14.0%	3,619 FTE
DD Habilitation Centers	\$90 million	7.2%	2,746 FTE
DD Regional Offices/Community Support	\$33 million	2.7%	712 FTE
Medications	\$13 million	1.0%	0 FTE
ADA Community Program	\$110 million	8.9%	53 FTE
CPS Community Programs	\$240 million	19.4%	34 FTE
DD Community Programs	\$520 million	42.0%	15 FTE
Administration-Dir. Office/Divisions	\$17 million	1.4%	235 FTE
Other: (Fed. grants, MH Trust Fund, Overtime Pool, Fed. revolving funds, etc.)	\$42 million	3.4%	26 FTE
<b>TOTALS</b>	<b>\$1.238 billion</b>	<b>100%</b>	<b>7,440 FTE</b>

## **DMH PROGRAM HIGHLIGHTS: FY 2011-2012**

### **1. Psychiatric Inpatient Redesign:**

*Mark Stringer, Director, Divisions of ADA and CPS*

### **2. Department of Corrections/Mental Health Community Treatment Partnership:**

*Mark Stringer, Director, Divisions of ADA and CPS*

### **3. The Partnership for Hope**

*Bernard Simons, Director, Division of Developmental Disabilities*

### **4. Disease Management 3700**

*Dr. Joe Parks, DMH Chief Clinical Officer*



## **DMH QUARTERLY OUTCOMES MONITORING**



## **JOPLIN RECOVERY UPDATE**

### **1. Child Trauma Services**

### **2. Restoring Psychiatric Inpatient Beds**



## **FY 2013 DMH GOVERNOR'S RECOMMENDATION HIGHLIGHTS**

### **1. Savings from the Conversion of Name-Brand Psychotropic Medications to Generics:**

- *Reduction to the DMH core: \$2,268,143*
- *Mandatory FY 2013 decision items covered through savings:*
  - *Increased Medical Care costs (\$994,201 avoided)*
  - *Increased Medication costs (\$1,113,850 avoided)*
- *Total savings: \$4.4 million*

### **2. Projected Utilization Increases in DMH Services by Medicaid-eligible Populations:**

- *Low growth/no growth on state Medicaid caseloads has not correlated with no-growth in DMH programs because:*
  - *Prior eligible Medicaid recipients may be diagnosed with a mental illness or alcohol or drug abuse disorder for the first time in the coming fiscal year;*
  - *Increasing sophistication of providers in diagnosing mental health conditions and billing for Medicaid eligible individuals;*
  - *Individuals with developmental disabilities who become Medicaid-eligible when they reach age 18 and "graduate" to Medicaid eligibility;*
  - *Developmentally disabled children under age 18 with severe medical problems beyond the capability of school-based programs to handle; and*
  - *TANF populations who will require treatment based on HB 73.*
- *56% of DMH's 170,000 annual consumers are Medicaid eligible. This percent grows each year.*

### **3. Continued Growth of the SORTS Program (20 patients projected in FY 2013)**

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## **OVERVIEW OF GOVERNOR'S DMH BUDGET RECOMMENDATIONS**

- 1. Core Reductions**
- 2. Supplemental Request**
- 3. FY 2013 New Decision items**
- 4. Budget book Outcomes**