Study Plan for $200,000 Mental Health Study Appropriation

Prepared for the Legislative Council
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Definition of the Problem

There are many facets of the provision of publicly funded mental health services in Montana. There is no "system" per se. However, there are interrelated federal, state, and local agencies, such as the Departments of Public Health and Human Services (DPHHS) and Corrections (DOC) that provide services and use many levels of private mental health providers. The 2007 Legislature made significant additional investment into providing mental health services for Montana's citizens, but there is common belief that there are mental health needs that are still not being met. There has been no systematic study of the extent of mental health needs and the capacity of the current mental health providers to serve the needs in the state, so there is no certainty that the state and local government dollars are being used in the most effective programs or in a systematic way. There is no certainty that the services that are being purchased have measurable treatment outcomes or use evidence-based practices.

The greatest concern is with the needs that the government is or will be responsible to provide and the needs that are required to be paid for by the state and local governments. Needs include those for evaluation and involuntary commitments at the state hospital, for pharmaceutical costs, for children's mental health services required through the educational, foster care, juvenile justice, or developmental disabilities programs, and for law enforcement and attention to community crises, such as suicide, homelessness, stress on families, and crime. Many state programs, such as Medicaid and CHIP, receive federal matching funds, and the federal Mental Health Block Grant imposes certain requirements on state programs. Other state and local government dollars, i.e., general fund money, are spent in areas

Action Item: Options for $200,000 Appropriation for Mental Health Study

(1) Develop an RFP and contract for a full-blown "outside" study:
   a. keep with Legislative Council; or
   b. accept the CFHHS recommendation to assign oversight responsibility for the study to it.

(2) Allocate the money for more focused "in-house" use (by LJIC, CFHHS, or both) in the context of current studies and assigned interim duties, i.e., speakers, consultants, technical assistance, etc.

(3) Allow the appropriation to revert back to the general fund.

not traditionally related to "health" and may qualify for, but not be counted toward, matching funds. Reimbursements to providers may not cover the costs sufficiently, thereby exacerbating the access and timeliness of services, which in turn can exacerbate the needs that can manifest in fully state-paid state hospital and correctional costs and, most importantly, the human costs of delaying treatment.

Medicaid or other federal funding sources, such as the Mental Health Block Grant, may have other options that the state is not currently taking advantage of or maximizing the use of, such as the Medicaid buy-in or full reimbursement for services provided in Indian health programs.

All of these services are in the context of a rural and frontier state. There are provider shortages being experienced in the major population centers, such as hospitals with psychiatric services and psychiatrists. Many of these services never existed in the rural and frontier areas and become crises-driven. Provider shortages of many mental health professionals in both the rural and population centers persist and prevent timely access to services.

Overall Goal

The goal of the study would be to evaluate the publicly funded mental health services in the state to determine the extent to which we are fully using existing state and federal resources and what existing resources could be maximized more fully or what new resources may be found. The resources relate directly to the adequacy of the mental health service array and the capacity of the mental health providers in the state to provide the necessary services in a timely manner. In evaluating the above, a needs assessment would reveal any gaps in services or the provider community necessary to provide the services and identify what resources may be available to expand services or improve access to providers.

The results of the study would be used to determine the needs for a comprehensive, statewide public mental health system:

(1) of federal, state, and local agencies' collaboration to provide an integrated continuum of mental health and supportive services with an adequate provider community to offer timely access to services;

(2) that addresses mental health needs with evidence-based practices and measurable outcomes with the goal of recovery; and

(3) that blends resources and funding mechanisms to maximize efficiencies, federal resources, public and private partnerships, and other funding opportunities.

Background and History

There is a $200,000 appropriation to the Legislative Services Division for an "interim study of mental health". The appropriation for the study was authorized under House Bill No. 2 passed in the 2007 Special Session, and the Legislative Council has the authority to direct the study. A study resolution initially related to the appropriation, SJR 27 (Weinberg), died without a hearing in House Appropriations during the regular session. The resolution contained broad conceptual language requesting a study "to evaluate the public mental health services available to Montanans in order to transform those services into a comprehensive, statewide public mental health system". The resolution's language also suggested the evaluation of all public funding sources to "determine how the state can maximize federal resources and funding opportunities". Further language suggested that the money be used in "contracting for research and analysis of federal funding mechanisms and other matters that will provide information necessary for the completion of the study". The sponsor believes that the study could save Montana millions of dollars or help find millions of additional dollars.

The Legislative Council at its June 21, 2007, meeting discussed the appropriation and a document that outlined the Legislative Council Decision Points and declined to make a decision regarding the appropriation. The Council had concerns that SJR 27 had not passed in the regular session, there were other legislative studies on mental health, and there was no information on what was happening in other states. The Council approved the development of a study plan for consideration at its next meeting.

At its June 27, 2007, meeting, the Children, Families, Health, and Human Services Interim Committee (CFHHS) reviewed the Council's actions and adopted a motion to request that the Legislative Council:

- adopt Option A (from the Legislative Council Decision Points document) to develop a Request for Proposals and contract for a full-blown "outside" study; and
- assign oversight responsibility for the study to the CFHHS.

Related Legislative Interim Studies

There are four interim studies that have some relationship to publicly funded mental health. All of the studies were assigned to the Law and Justice Interim Committee (LJIC) because they relate to mental health in the courts and the criminal justice system and have elements that could be supported and complemented through any contract for study.

SJ 24 Study prison population growth and alternative sentencing. The relevant study questions include the consideration of criminal offenders who have a mental illness and of secure care diversion or nonsecure care treatment alternatives.

Anytime that a criminal offender is not in a correctional facility or program, the mental health services would necessitate at least the coordination of community services and providers and, at the most, entry into the public mental health system. Any funding that requires a state match could consider correctional state dollars into the funding mix and also the mental health needs into the necessary capacity to serve the offenders who have a mental illness and reside in the community.

HJ 26 Study mental health issues in criminal and juvenile justice systems. The objective of this resolution is to develop an implementation plan to provide mental health care in the criminal justice and juvenile justice systems. The relevant study questions for this resolution include (for both adults and juveniles): (1) the mental health components in place or missing (gaps) along the criminal/juvenile justice continuum at both the initial detention and court hearing phase and later at any reentry phase if an offender is taken out of a correctional facility; (2) the options for filling the identified gaps; and (3) decisions on when the options could be implemented and how they could be funded.

The mental health components in place in the criminal/juvenile justice systems, unless they are within a correctional institution, are directly involved in public mental health services in the community in terms of capacity to serve any persons with mental illness in this state. Juvenile offenders' mental health needs impact the children's system of care, CHIP, and Medicaid and interface with services for youth in foster care or with needs for developmental disabilities. Adults awaiting charges or disposition and those in the community on probation or parole who have mental health needs must access services from the same pool of providers as all other adults with mental health needs unless specifically provided by persons in the corrections system. This pool of mental health needs must be considered in any analysis of publicly funded services and providers and the capacity to provide adequate services. All offenders come from a community, and mental health needs often play into their initial involvement with the criminal justice system, and eventually, all but a few criminal offenders will be released back into a community.

HJ 50 Study mental health precommitment process. This study is to exam the cost of psychiatric precommitment, examination, detention, treatment, and testimony. The costs

may be borne by the respondent or the respondent's insurance carrier, but most often are borne by state public assistance programs if the offender is eligible or by the payor of last resort, the counties. For the counties, these costs are unpredictable, the length of the process is out of their control, and if the costs are unpaid or reimbursed at less than cost, they contribute to the costs of uncompensated care in the health care system. The study objectives include surveying county costs. This study question has been attempted to be addressed over the last 10 years, between the managed mental health care contract and legislative attempts at changing the responsible parties for payment. It may require a more systematic review of the county costs, the state costs, and the potential for maximizing any federal dollars than the interim committee may be able to accomplish during the interim.

SJ 6 Juvenile justice interim study resolution. This study involves the juvenile justice system, including mental health needs. The majority of juveniles in the system have some mental health needs. The juvenile justice system accesses the traditional children's mental health system for services, impacting the capacity of providers to provide necessary mental health services. Also, the goals of prevention and early intervention to help youth from going deeper into the criminal justice system would be a responsible place to accentuate mental health services. These juvenile mental health needs, services, and providers would, by definition, already be included under the RFP purview.

Previous Montana Studies

- In 2000, the DPHHS contracted with The Technical Assistance Collaborative, Inc., to evaluate the strengths and weaknesses of the Medicaid Mental Health Program and the Mental Health Services Plan (MHSP) and to offer recommendations for the future. In January of 2001, 19 recommendations on planning and on structural, service delivery, financial, and functional changes were made in the final report. A contracted study could follow up on these recommendations and determine whether the changes have been implemented or what new recommendations need to be made.

- A recent Post-Deployment Health Reassessment Program Task Force Report focused on the experience of veterans returning from Iraq. The Task Force identified issues that impact the National Guard, as well as Reserve and active component combat veterans, in their successful reintegration into the mainstream, civilian environment. Many of the issues that veterans face are familiar in the mental health world--stigma and the lack of awareness and education about mental health issues. Although many of the findings and recommendations are integral to the military agencies, others reflect the community

experience with mental health resources. Finding #6 indicates that statewide availability of counseling resources is limited, particularly in rural areas. Finding #7 indicates that a specific centralized coordination and referral capability does not exist at the state or National Guard level (i.e., VA, DPHHS, community health services, support groups).

Although the Task Force recommendations are to the National Guard, the Guard could benefit from the knowledge, experience, education, and training that are available in the mental health community but that will also place more demands on an already stressed system. Recommendation #8 involves developing and implementing a comprehensive training program for command leadership and personnel that provides information on mental health issues. Recommendation #9 recommends the development and distribution of an information guide that contains--at a minimum--civilian and federal VA resources for mental health services and care and that specifically mentions active participation in the newly authorized suicide prevention program administered by the DPHHS.

- An ad hoc group of state employees and others involved with interagency mental health policy has been meeting on transforming mental health care in Montana. In an August 2006 report, the group discussed what is missing in Montana's public mental health system and identified many relevant points using the New Freedom Commission report goals. Many missing pieces included lack of timely treatment and access to care, lack of prevention activities, lack of coordination of health and mental health services, lack of recovery orientation and use of best practices, lack of alignment between mental health consumer and family needs and services, disparities in treatment because of minority or rural status, and lack of coordination between mental health and substance abuse programs.

- In August of 2006, the Mental Health Oversight Advisory Council provided concerns regarding the criminal justice system that involved the DPHHS, DOC, law enforcement, and courts. The concerns range from a need for better services and alternative placements, such as prerelease center placement, more community services, special needs in the correctional institutions, a statewide crisis evaluation and stabilization system, identification of mental health needs in the jail system, the transfer of patients between the state hospital and prison, mental health staffing in DOC facilities, the need to address co-occurring disorders, training for institutional and community correctional officers, collaboration between the state and local levels, training and response and prevention of criminalization of the mentally ill, use of alternatives such as treatment courts, and better identification and treatment of the mentally ill in local jails.

- In December 2006, the DPHHS and DOC provided a strategic plan for collaboration. They published a document that provided long-term goals of the joint initiative to provide a shared and consistent treatment modality, diversion, and linkages for aftercare to improve outcomes for shared clients. They developed long-term goals, objectives, action steps, responsible parties, and a timeline for activities that could also be a resource to any entity answering an RFP.

Other States and Federal Models

- The federal Substance Abuse and Mental Health Services Administration (SAMHSA) is the federal agency that provides formula and discretionary funding to the states, including Montana (approximately $17.5 million in FY06/07 for mental health and substance abuse). It also has smaller grants for special projects that states can apply for. In 2005, it offered a Mental Health Transformation State Incentive Grant Program. The states of Ohio, Washington, Connecticut, Oklahoma, Texas, New Mexico, Missouri, Maryland, and Hawaii all received grants. (Montana did not have sufficient staff to prepare a grant proposal.) Florida did not receive a grant but is initiating transformation on its own.

  Many states prepared a Needs Assessment and Resource Inventory that could provide a model for Montana to follow. The SAMHSA has a model template and definitions that could be used for Montana to follow, which in turn is compatible with its programs and requirements for the Mental Health Block Grant. The SAMHSA has published a matrix for mental health system transformation and has briefings on trends and notes on other states and what they are doing. There is also Targeted Technical Assistance that states can access and that is related to the New Freedom Commission on Mental Health.

- President George W. Bush established the President's New Freedom Commission on Mental Health in April 2002 as part of his commitment to eliminate inequality for Americans with disabilities. The Vision Statement in the Final Report from the Commission states:

  > We envision a future when everyone with a mental illness will recover, a future when mental illnesses can be prevented or cured, a future when mental illnesses are detected early, and a future when everyone with a mental illness at any stage of life has access to effective treatment and supports - essentials for living, working, learning, and participating fully in the community.

The three obstacles identified that prevented Americans with mental illnesses from getting the excellent care that they deserve are: the stigma that surrounds mental illnesses, unfair treatment limitations and financial requirements placed on mental health benefits in private health insurance, and the fragmented mental health service delivery system. The fragmentation and gaps in the mental health system nationwide illustrate the same challenges that providing public mental health services in Montana face. The goals identified in the New Freedom Commission Report can help guide the recommendations for the provision of public mental health services in Montana. Goals in a transformed Mental Health System are:

Goal 1: Americans Understand That Mental Health Is Essential to Overall Health
Goal 2: Mental Health Care Is Consumer and Family Driven
Goal 3: Disparities in Mental Health Services Are Eliminated
Goal 4: Early Mental Health Screening, Assessment, and Referral to Services Are Common Practice
Goal 5: Excellent Mental Health Care Is Delivered and Research Is Accelerated
Goal 6: Technology Is Used to Access Mental Health Care and Information

- The National Alliance on Mental Illness (NAMI) also prepared a report on each state entitled "Grading the States: 2006". The Montana report, although not fully accepted by Montana public mental health professionals, is indicative of the expectations of a public mental health system and where Montana may need to expand its efforts. Montana faces challenges because of its rural nature. Montana earned an overall grade of F. We received an F in the areas of Infrastructure, Services, and Recovery Supports, and a D- in Information Access. Recommendations for urgent needs include: more beds in hospital and crisis units--not jails, Crisis Intervention Teams (CIT) and jail diversion programs, American Indian inclusion, and better pay for providers. Much progress has been made since this report was published, but it provides a measuring stick from an advocacy group and a measure by which to judge the state's progress.

<u>Project Goals</u>

1. Become familiar with previous studies ands reports and current interim study needs.
2. Develop an inventory and needs assessment of the funding, providers, and services in Montana that provide public mental health services and services for co-occurring disorders. Include recommendations on the recruitment and retention of mental health professionals.

3. Analyze the resources and needs to determine whether there are existing or new resources or funding sources that could improve financing, maximize state purchasing power across purchasing entities, develop more efficient purchasing mechanisms, and optimize the service mix and provide incentives for better care that is recovery-based and follows best practices.
4. Provide recommendations to the appropriate legislative committees and executive agencies on the continuum of care, the current service mix, the structure of providing public mental health services, and potential sources of financing or changes in current financing.

Process

The Legislative Council needs to make a policy decision on how to proceed. If Option 1 is chosen, then the Council must decide whether to keep the study or to assign it to the CFHHS. From that point, the CFHHS staff would develop a request for proposals (much of the content of which can be borrowed from this document) and proceed to evaluate the responses, select a contractor, monitor the contract, and receive the deliverables. The CFHHS could then make recommendations in time for the 2009 legislative session. The timeline is realistic because it is similar to the previously mentioned Technical Assistance Collaborative, Inc., project and reporting timeline.

Evaluation Criteria

Responses to a request for proposals would be judged by members of the appropriate legislative committee based on evaluation criteria developed at the same time that the RFP is completed. Evaluation criteria could include items such as experience in analyzing state public mental health services and funding, familiarity with public mental health systems in Montana or other states, experience with public mental health systems in Montana or other states, and familiarity with state and federal funding sources.

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