The Massachusetts Mental Health System is Critically Underfunded – Two Years Later the Picture is Quite Grim

The National Alliance on Mental Illness of Massachusetts
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Introduction

The National Alliance on Mental Illness of Massachusetts (NAMI Mass) calls on our state legislators, policymakers and officials to restore funding for mental health services. Elimination and reduction of these services has been devastating to people with mental illness and their families. People with mental illness must have timely access to treatment and community supports in order to manage their symptoms, to recover and to have meaningful lives.

NAMI Mass first published the report, *The Massachusetts Mental Health System is Critically Underfunded*, in April of 2009. Unfortunately, the budget picture two years later is far worse. There are deeper cuts and a widespread elimination of both hospital and community based programs for people with mental illness.

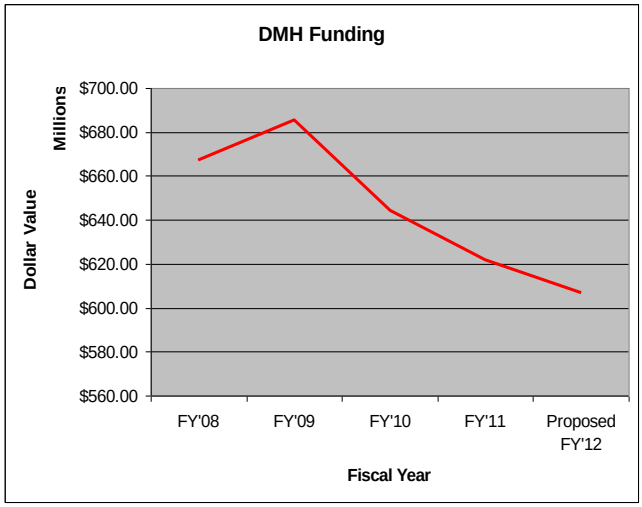
Four years ago, the budget for the Department of Mental Health (DMH) was $685 million. For FY 2012, Governor Patrick has proposed a $606 million budget for DMH, a reduction of almost $80 million dollars. These cuts would:

- Eliminate 160 hospital beds from an already under funded system;
- Slash $3 million from the adult community account resulting in 2,000 individuals losing vital Clubhouse services;
- Reduce $2 million from the Child and Adolescent Mental Health Services account which means 175 children and families will lose DMH services;

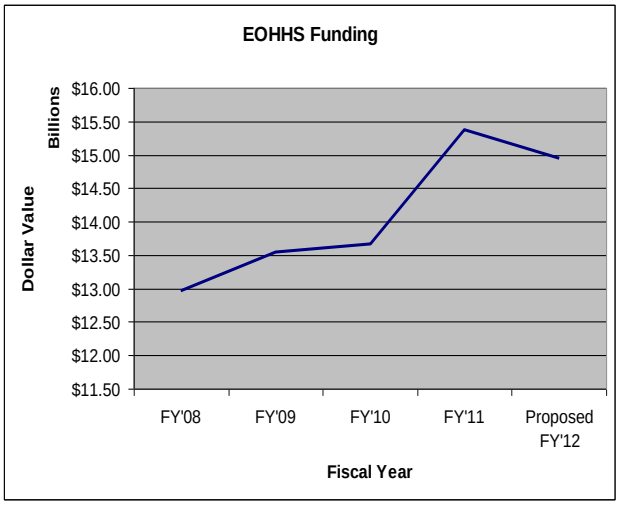
As the Commonwealth touts its health care image on the national stage, the deep cuts to the mental health budget tell a different story. Numbers speak louder than words: the proposed FY 2012 budget ignores the needs of people with mental illness.

These proposed cuts, as outlined in this position paper, are unacceptable and will only lead to higher costs to the Commonwealth through increased emergency department visits, hospitalizations, homelessness and incarceration.

PROPOSED CUTS TO THE DEPARTMENT OF MENTAL HEALTH IN FY 2012



Source: Mass.gov State Budget Information FY2008-FY2012



Source: Mass.gov State Budget Information FY2008-FY2012

In FY 2012, the proposed budget for DMH is $606,993,222. Since 2009, there has been nearly a 15% decrease in the overall DMH budget. The chart above shows these cuts by year. Despite the economic downturn, funding for the Massachusetts Executive Office of Health and Human Services (EOHHS), the umbrella office encompassing the DMH and other departments, including MassHealth, has actually increased by $2 billion, or a 9.4% increase. The total budget for EOHHS increased from $13.5 billion in FY '09 to $15 billion proposed in FY '12. There is a contradiction between the precipitous decline in the DMH budget and the unprecedented increase in the EOHHS budget.

FY 2012 Proposed Budget

DMH Program (Line Item #)	Description of Service Reduction	Governor's Proposed Cut
Adult Mental Health Services (5046-0000)	Psychosocial Rehabilitation Clubhouses • 2,000 existing clients will lose services • Represents 17% of clubhouse funding	$3 Million
Hospital Services (5095-0015)	160 existing and filled inpatient beds; 160 individuals will be discharged without appropriate community services	$16.4 Million
Child/Adolescent Mental Health (5042-5000)	175 youth will lose existing services (flexible support services, including afterschool programs, are non MassHealth programs)	$2 Million[1]
TOTAL REDUCTIONS:		**$21.4 Million**

Source: Mass.gov State Budget Information FY'2008-FY'2012, Massachusetts Association for Mental Health (MAMH) Massachusetts State Budget News *published online (based on inflation and increase associated with collective bargaining agreements.)*

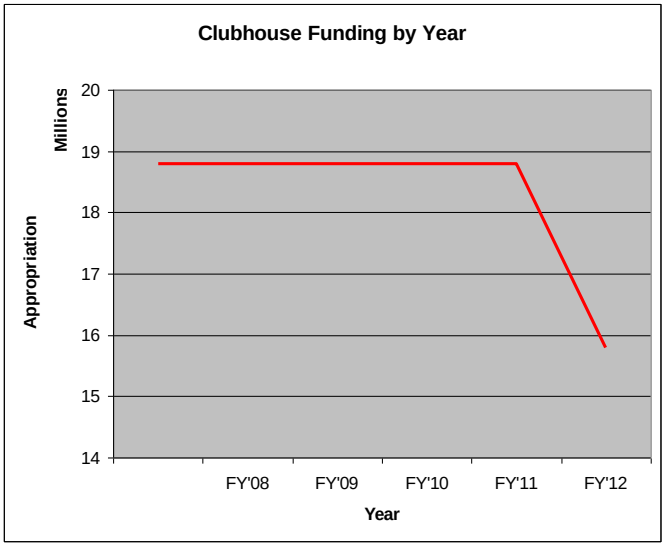
WHAT MENTAL HEALTH SERVICES WERE CUT IN RECENT YEARS

With the cuts DMH has received over the past several years, entire programs have been eliminated. Eliminated programs include: three specific day services – the Support Education and Employment (SEE) program, Day Treatment Programs and Social Clubs; and two PACT teams (Program of Assertive Community Training). There has also been a loss of 156 hospital beds: 140 beds from Westborough State Hospital's accelerated closure two years ago, and the elimination of 16 beds at the Quincy Mental Health Center.

There is an expectation that the community-based mental health system can provide more services with fewer funds, but the reality is that the mental health safety net is in shreds. The lack of a robust community-based mental health system and access to timely treatment can result in unintended consequences including homelessness, increased emergency room visits, and more people with mental illness in jail and prison.

Proposed Cut to Clubhouses

Clubhouses are employment and recovery services statewide, a safety network that provides individuals with serious mental illness the opportunity to be productive, gain employment and contribute to the local community. Their funding is in jeopardy of being cut. These recovery oriented programs, which include 33 Clubhouses statewide, has been level-funded at $18.8 million for several years. The proposed $3 million cut would adversely impact 2,000 people with severe mental illness, many of whom are only able to work due to the Clubhouse. Clubhouses benefit 8,300 adults and young adults annually by providing a crucial component of the recovery process. In short, providing people access to a network of peers, a place to be productive each day and employment opportunities offers a sense of belonging and a sense of self and society. The program benefits individuals just as it benefits the community as a whole. The Clubhouse model is an Evidence Based Practice, which means that there is scientific evidence to prove its effectiveness.[2] The success of the Clubhouses is evidence of the need for level funding.



Source: Mass Clubhouse Coalition, March 2011

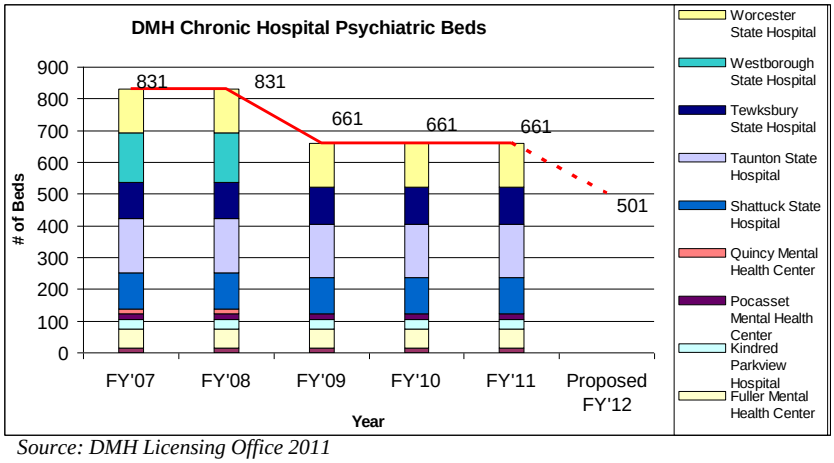
Proposed Cut to DMH's Children and Adolescent programs

Many children and adolescents with mental illness and their families are in crisis. Getting access to services is a big part of the crisis many families feel. Eliminating 175 families who have children or adolescents with mental illness from DMH services will only add to this crisis.

Studies show that early intervention is best for the child and their families. Fifty percent of all lifetime cases of mental illness begin by age 14, seventy-five percent by age 24. Despite the existence of effective treatments, there may be long delays – sometimes decades – between the first onset of symptoms and a diagnosis and treatment.[3]

Proposed Cut to DMH Continuing Care Psychiatric Beds

The Governor's FY 2012 budget proposes to cut $16.4 million from Hospital Services, which would result in a further reduction of 160 continuing care hospital psychiatric beds. These continuing care inpatient psychiatric beds are owned and operated by the Commonwealth through DMH. This drastic hit comes on top of a larger cut of twice that amount in the FY 2009 budget. As the chart indicates, since 2007, continuing care hospital psychiatric beds (also called inpatient beds) have been systematically eliminated in Massachusetts. In 2009, 16 adolescent beds at Quincy Mental Health Center were eliminated, and there was an accelerated closure of Westborough State Hospital, whose 140 beds were closed. This reduction brought the overall number of continuing care psychiatric beds in the state to 661 (down from 831 in the previous year). This represents an extraordinary cut of 20% of DMH continuing care psychiatric beds in that year. The dotted line in the chart represents the predicted loss in in-patient psychiatric beds that would follow a reduction of $16.4 million from hospital services (line item #5095-0015). This proposed cut would eliminate a further 20% of public continuing care hospital psychiatric beds.[4]



Source: DMH Licensing Office 2011

NAMI Mass is concerned that the state is not fulfilling its mission and commitment to provide a full spectrum of services for people with mental illness that includes both continuing care and community based services. NAMI Mass has been concerned for years now that the safety net hospitals are being cut to the bone and that when people need a psychiatric hospital there will not be any beds for them to use.

With the proposed cut of 160 continuing care psychiatric beds, DMH estimated that approximately 100 – 150 people will be "discharge ready" to go into the community. As these people are discharged from the hospital, we estimate each person will need $50,000 - $55,000 annually to cover the cost of community based housing and support services.[5] This equals an additional $8 million that the DMH will need in the annual budget to properly place these people in the community and provide the services they will need.

Cuts to Private Acute Psychiatric Beds

DMH also licenses all private acute psychiatric beds in the Commonwealth. There are over 2,000 acute (emergency) psychiatric beds that are operated through the private psychiatric hospitals and acute psychiatric units in general hospitals. These acute beds tell a different story. Rather than the total number of acute psychiatric care beds licensed by the state declining in the last seven years, the total number has risen. However, there is a critical displacement of beds among their target audiences; beds in this time period, as shown in the table below, have been shifted away from a child/adolescent focus toward a geriatric focus. Children and adolescent psychiatric inpatient beds have been cut by 65 beds in the last seven years, while geriatric psychiatric beds have increased by a total of 109. The chart below shows these changes by year.

Private Acute Care Psychiatric Beds by Unit, 2004-11

Type of Acute Care Beds	2004	2005	2006	2007	2008	2009	2010	2011
Child/ Adolescent	352	352	319	319	310	275	287	287
Adult	1728	1749	1730	1730	1751	1774	1773	1758
Geriatric	238	238	253	253	272	321	347	347
Total Beds	2318	2339	2302	2302	2333	2370	2407	2392

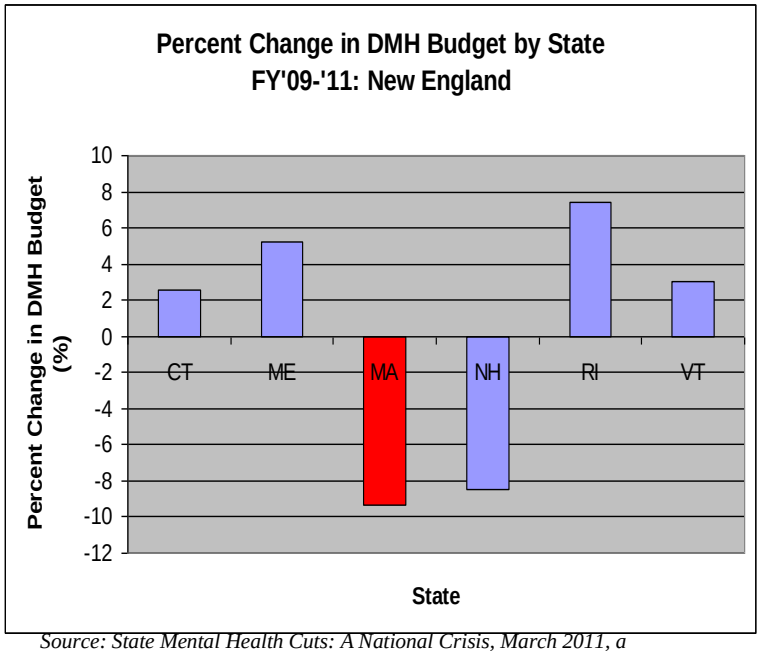
Source: DMH Licensing, 2010

Further, despite strong opposition from elected officials including Senator Jennifer Flanagan, as well as NAMI Mass and the Mass. Nurses Association, Health Alliance, whose parent company is U Mass Memorial Medical Center, closed a 15 bed psychiatric unit at their Burbank campus in Fitchburg in January, 2011.

NAMI Mass believes that people with mental illness should receive treatment in the community, not in hospitals. Unfortunately, this is not always possible, so it is critically important that the Commonwealth maintain an adequate supply of psychiatric beds. NAMI Mass believes the proposed cut of 160 beds, in combination with the Commonwealth's inability to ensure an appropriate number of private acute psychiatric beds, places the mental health system in dire jeopardy. To date, other than providing notice and an "Access" Plan to the Commonwealth's Department of Public Health, general hospital and private psychiatric hospitals are free to eliminate acute psychiatric beds in the community.

NAMI Mass proposes that the Massachusetts Legislature enact Senate Bill #1103, *An Act Relative to the Closing of Hospital Essential Services,"* sponsored by Senator Jen Flanagan. This bill would amend state law to make it harder for the Department of Public Health to accept a hospital plan to close "essential services" including acute psychiatric beds when a hospital has a budget surplus.

Some States Invest in Mental Health Even During Fiscal Downturns:



Source: State Mental Health Cuts: A National Crisis, March 2011, a report by the National Alliance on Mental Illness

NAMI National recently released a report of the 50 states and what the economic downturn has done to mental health budgets. Many states have drastically cut their mental health budgets, but 17 states found a way to increase mental health.[6] As indicated by the chart, four of the six New England states were among the 17 states that increased state mental health funding during this period of financial crisis. Often considered a leader in health care, Massachusetts is the worst in New England in terms of mental health budgets for the last three years. This statistic is unacceptable.

Recommendations:

1. **The Legislature, at minimum, should fully fund DMH at FY 2011 spending levels or $628.9 million.**

2. **The Legislature should oppose the proposal to eliminate any hospital beds without a simultaneous commitment of $8 million to increase funding for new community based housing and support services.**

3. **The Legislature should restore the $3 million to the Clubhouses so this vital service can continue.**

5. **The Legislature should restore the $2 million to DMH for the Child and Adolescent Mental Health Services program, which means that 175 children and families will not lose their DMH services.**

6. **The Legislature should enact Senate Bill 1103, sponsored by Senator Jen Flanagan, so that hospitals that are making a surplus cannot close "essential services," such as psychiatric bed units.**

Endnotes

[1] This represents a 3% reduction in funding for Child and Adolescent mental health services from last year, and an 8% reduction since 2009.

[2] National Registry of Evidence Based Practices and Programs, established by the Substance Abuse and Mental Health Services Administration (SAMHSA), March 15, 2011.

[3] Wang, P., Bergland, P., et al, Failure and delay in initial treatment contact after first onset of mental disorders in the National Co-morbidity Survey Replication, (NCS-R). *General Psychiatry*, 62, June 2005, 603-613.

[4] DMH Continuing Care Hospital Psychiatric Bed Data

Hospital	**2007**	**2008**	**2009**	**2010**	**2011**
Corrigan Mental Health Center	16	16	16	16	
Fuller Mental Health Center	60	60	60	60	
Kindred Parkview Hospital	30	30	30	30	
Pocasset Mental Health Center	16	16	16	16	
Quincy Mental Health Center	16	16	CLOSED	0	
Shattuck State Hospital	115	115	115	115	
Taunton State Hospital	169	169	169	169	**?**
Tewksbury State Hospital	116	116	116	116	
Westborough State Hospital	154	154	CLOSED	0	
Worcester State Hospital	139	139	139	139	
Total	831	831	661	661	501

[5] Conversation with Massachusetts Association for Mental Health (MAMH), March, 2011.

[6] For a full report by the National Alliance on Mental Illness, *State Mental Health Costs: A National Crisis*, March, 2011, go to www.nami.org/budgetcuts

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