

Maryland Mental Health Coalition

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October 10, 2011

T. Eloise Foster
Office of the Secretary
Department of Budget & Management
45 Calvert Street
Annapolis, MD 21401-1907

Dear Secretary Foster:

Thank you for meeting with the Alcohol Tax Coalition in early September to discuss possible uses for new alcohol tax revenue. The Maryland Mental Health Coalition greatly appreciates the time and consideration you gave to the many initiatives presented to you, specifically those related to mental health services.

You requested at that meeting more information related to outcome measures for several of the mental health proposals, namely statewide comprehensive Crisis Response System (CRS) services, a reentry pilot program, and behavioral health homes. Accordingly, on behalf of the Coalition, I am happy to provide the synopses below and attached documentation. We hope this information leads you, not only to the conclusion that these proposals are effective and cost efficient methods to increase and enhance mental health services in Maryland, but also that they are worthy of new alcohol tax revenue.

Statewide Comprehensive Crisis Response System (CRS)

Mental health crisis response services have become an integral component of the continuum and system of care for individuals and families coping with mental illnesses in Maryland and nationally. The availability and scope of these services vary greatly among the State's 24 jurisdictions, ranging from telephone hotlines, to multifaceted systems that include hotlines, mobile crisis teams, crisis residential beds, 23-hour holding beds, and urgent care clinics.

Where they are available, these crisis response services have been highly effective in addressing issues related to emergency room overcrowding, suicide prevention, community calls for assistance, linking individuals in crisis to needed psychiatric services, and reducing criminal justice involvement. In order to ensure 24/7 CRS coverage statewide, funding of \$5-7 million is needed. In developing this funding request local mental health authorities incorporated regionalization and/or consolidation of these services with similar services in local jurisdictions to ensure economies of scale.

The Maryland Association of Core Service Agencies (MACSA) notes that in FY 2011, 21,612 bed days were used in residential crisis services at a cost of \$5,532,672, **saving the State**

\$19,863,676 if those same individuals were hospitalized in community hospitals for the same time periods. For more specific data on crisis residential bed costs versus hospital costs, please refer to the attached MACSA report.

Reentry Pilot Program (Baltimore City)

Some 7,000 of the 14,000 individuals released each year from DOC return to Baltimore City. Of those, around 600 (8.5%) are diagnosed with a serious mental illness (SMI). With \$1.2 million for a Reentry Pilot Program (Program), Maryland could cover salary and operations costs for 35 case managers and peer support counselors, allowing them to provide ongoing in-reach and post-release services for these at-risk individuals starting 90 days prior to release.

Outcome measures for the Program would be similar to those enumerated in a recent DPSCS Second Chance Act grant application. DPSCS has the capacity to monitor:

1. Decrease in the number of Program participants returning to prison as compared to non-participants returning to prison;
2. Increase in the number of Program participants who become employed as compared to non-participating employment rate;
3. Increase in the number of Program participants who continue in community mental health treatment as compared to non-participants;
4. Reduction in the number of violations of conditions of supervised release by Program participants as compared to non-participants;
5. Increase in child support payments from Program participants as compared to non-participants; and
6. Increase in Program participants that acquire housing as compared to non-participants.

Pending the outcome of current federal budget discussions, it is unclear whether Second Chance Act dollars will remain available to the States. Regardless, the absence of federal funding should not prevent Maryland from taking innovative approaches to assist vulnerable individuals returning to our communities.

Behavioral Health Homes

The federal Affordable Care Act allows states to amend their Medicaid state plans to provide health homes for enrollees with chronic conditions. The health home model enables individuals to receive coordinated medical, behavioral and related social services and supports. States can receive a 90% federal match for the first 8 quarters of health home services provided to individuals with chronic conditions. We estimate that funding between \$200,000-1 million would serve as a match for \$2-10 million in federal funds.

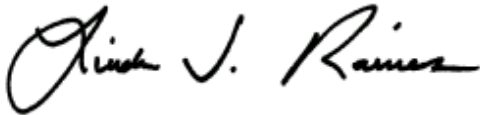
There is continuing need to control state Medicaid costs. Implementation of health homes will save money by providing better and timelier care for chronic illnesses, thereby reducing utilization of more costly inpatient and emergency room care, as well as inefficient use of primary care, specialty care and pharmaceuticals. Intensive care management and in-home nursing supports are services that would be eligible for the 90% federal match in Maryland,

enabling providers serving individuals with serious mental illness to better manage mental health and somatic conditions, improve individual outcomes and control costs. In addition, the dually eligible population, which is not currently managed and represents a significant share of Medicaid spending, is required to be included in health homes.

Outcome data collected for behavioral health homes in Maryland would be similar to that outlined in the attached Missouri State Plan Amendment. These measures are comprehensive and include everything from emergency department visits and hospital readmission to body mass index control.

In closing, we would like to thank you again for your interest in these initiatives and your openness to using new alcohol tax revenue as a mechanism to enhance and improve mental health services in Maryland. We look forward to further discussions as the FY 2013 budget process continues. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "David J. Raines". The signature is written in a cursive style with a large, prominent "D" and "R".

Chair, Maryland Mental Health Coalition

Cc: Joshua Sharfstein, M.D., Secretary, Department of Health and Mental Hygiene
Renata Henry, Deputy Secretary, Behavioral Health and Disabilities
Charles J. Milligan, Jr., J.D., Deputy Secretary, Health Care and Financing
David Romans, Deputy Secretary, Department of Budget and Management
Brian Hepburn, M.D., Director, Mental Hygiene Administration
Allan Pack, Budget Analyst, Department of Budget and Management
Simon Powell, Policy Analyst, Maryland General Assembly
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