



# DEPARTMENT OF HUMAN SERVICES – SUBSTANCE ABUSE AND MENTAL HEALTH

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE  
STAFF: STEPHEN JARDINE

BUDGET BRIEF

**SUMMARY**

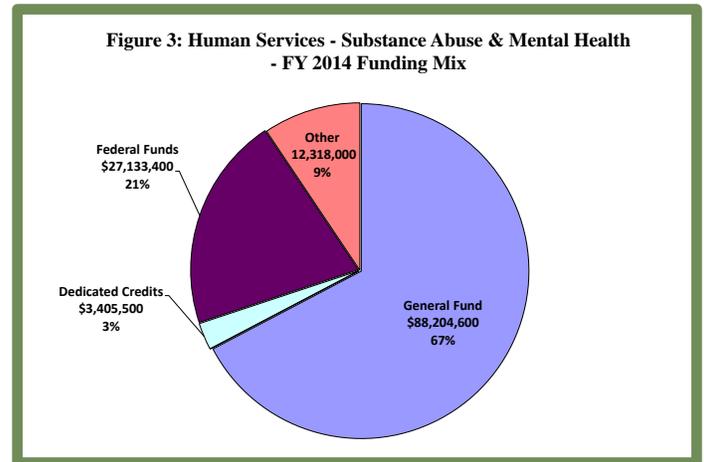
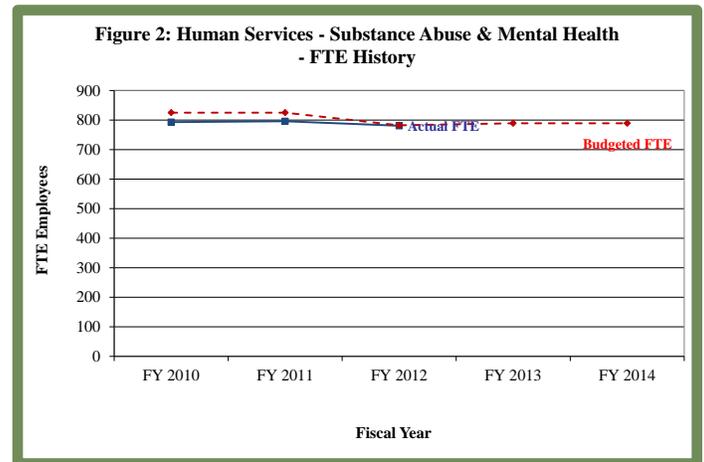
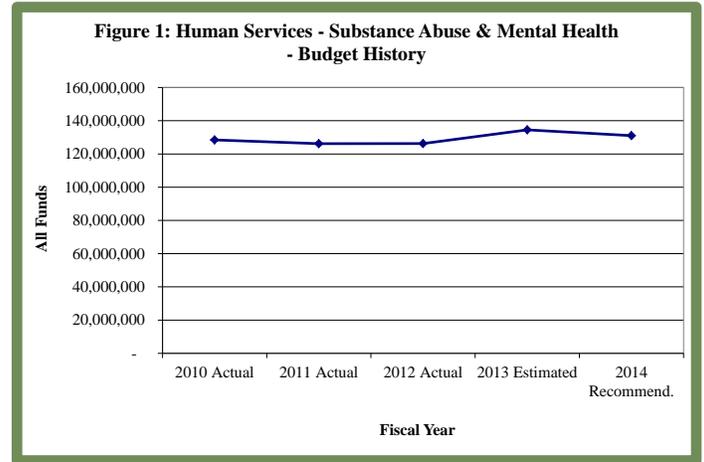
The Fiscal Analyst’s FY 2014 recommended budget is \$131,061,500 for the Division of Substance Abuse and Mental Health (DSAMH) line item. This recommendation is \$3,459,300 less than the FY 2013 revised budget. This funding level supports 789 FTE. This brief highlights some issues in DSAMH as well as some uses of the funding provided. The Subcommittee annually reviews each base budget to propose any changes and to vote to approve it. The Fiscal Analyst recommends that the Subcommittee approve the \$131,061,500 FY 2014 recommended budget and the three proposed intent language statements.

**LEGISLATIVE ACTION**

1. The Fiscal Analyst recommends a FY 2014 budget of \$131,061,500 as shown in Table 2 on page 5. This budget decreases General Fund by \$31,400 and increases Transfers from Medicaid by the same amount to reflect the federal FMAP rate change.
2. The Fiscal Analyst further recommends the Subcommittee approve the three items of intent language presented on page 4.
3. The Fiscal Analyst recommends the use of a FY 2013 \$1,500,000 one-time reduction of DCFS General Fund to partially fund the FY 2014 \$3,500,000 Mental Health Early Intervention Services building block request.

**OVERVIEW**

The Division of Substance Abuse and Mental Health (DSAMH) is the state’s public mental health and substance abuse authority and also provides fiscal oversight for treatment funding for drug courts and the *Drug Offender Reform Act* (DORA). State statute assigns the responsibility to provide substance abuse and mental health services to the local authorities (counties). In Utah, counties are currently organized as 13 local mental health and 13 local substance abuse authorities. DSAMH has the duty to consult and coordinate with local substance abuse and mental health authorities regarding programs and services. DSAMH sets policy for programs funded with state and federal money by establishing rules and minimum standards for local authorities. The division also has general supervision of the State Hospital located in Provo, Utah.



Both mental health and substance abuse services are delivered either directly by the local authorities or by local authorities contracting with private providers. Counties are required to provide a minimum scope and level of service and must provide a minimum 20 percent county funding match. Counties establish priorities to meet local needs but must submit an annual plan describing services they will provide. For additional information on DSAMH, please refer to the *Compendium of Budget Information* for the 2013 General Session found at: [http://le.utah.gov/lfa/reports/cobi2013/agcy\\_200.htm](http://le.utah.gov/lfa/reports/cobi2013/agcy_200.htm).

**ISSUES**

***FY 2014 Budget Adoption***

Adoption of the FY 2014 budget enables the programs to continue for the next fiscal year at the level outlined. Some changes in the budget may occur, namely non-state fund increases or decreases (i.e. federal funds, transfers, dedicated credits and non-lapsing balances) and program shifts within a line item.

***Department Requests for Consideration***

The department requests the following actions from the subcommittee for Substance Abuse and Mental Health:

1. ***Provide \$62,800 Ongoing General Fund for FY 2014 (\$251,200 total funds, including \$188,400 Medicaid transfer funds) for Pre-admission Screening and Resident Reviews (PASRR screenings):*** The PASRR program is required by federal law and first became effective as part of the federal *Omnibus Budget Reconciliation Act (OBRA)* of 1987. The intent of the program is to ensure that individuals with a mental illness or intellectual disability-related condition, and who have no substantial physical impairments, are not warehoused in nursing facilities. The program also helps ensure the federal government is not inappropriately paying for long term care of the mentally ill or those with intellectual disability-related conditions. The Governor does not recommend funding this item.
2. ***Provide \$3,500,000 Ongoing General Fund for FY 2014 for Mental Health Early Intervention Services:*** DSAMH is requesting the \$3,500,000 for children’s mental health promotion/mental illness prevention, funded one time during the 2012 General Session, receive ongoing General Fund. “The onset of half of all lifetime mental illnesses takes place by age 14, and three-fourths by age 24.” The department points out that many of these mental illnesses in children and youth are not recognized until after a person has dropped out of school, been hospitalized, entered the criminal justice system, or has died from suicide. “The Institute of Medicine and the Center for Disease Control indicate clear windows of opportunity are available to prevent mental, emotional and behavioral disorders and related problems before they occur. Risk factors are well established, with first symptoms typically preceding a disorder by 2 to 4 years.” The department’s request is based upon the approach that prevention and early intervention can effectively reduce the development of mental, emotional, and behavioral disorders. The department’s request for funding would provide for mental health promotion and mental illness prevention for Utah's children by continuing: 1) school-based behavioral health, 2) family resource facilitation, and 3) mobile crisis teams. The Governor does not recommend funding Mental Health Early Intervention Services.

<b>Mental Health Early Intervention Building Block Request</b>			
<b>Estimate of Cases and Cost Per Case</b>			
<b>Component</b>	<b>Amount</b>	<b># of Cases</b>	<b>Cost/Case</b>
Family Resource Facilitators - Wraparound to Fidelity	\$ 800,000	1,950	\$ 410
School Based Behavioral Health	\$ 1,725,000	1,850	\$ 932
Mobile Crisis Teams	\$ 975,000	700	\$ 1,393
<b>Total</b>	<b>\$ 3,500,000</b>	<b>4,500</b>	

*Note: estimates are based on actual plans submitted to Div. of Substance Abuse and Mental Health*

Table 1

*The Fiscal Analyst recommends the Subcommittee reduce DCFS General Fund \$1,500,000 one time in FY 2013 and use the \$1,500,000 one-time General Fund in FY 2014 to partially fund the \$3,500,000 Mental Health Early Intervention Services building block request.*

3. ***Provide \$2,435,900 Ongoing General Fund for FY 2014 and \$284,500 One-time General Fund for FY 2013 for Drug Courts:*** Drug courts provide treatment, community supervision, and intensive judicial review to individuals with serious and chronic substance use disorders. The treatment services are provided through the coordinated efforts of the judiciary, prosecution, defense counsel, probation, law enforcement, and social services. Currently, DSAMH provides funding to Juvenile, Family Dependency, and Adult Felony drug courts. In 2008 there were less than 30 certified drug courts in Utah. Currently there are 45 certified drug courts. Individual drug court funding has been reduced as existing funds are being used to support these additional programs. For previously funded drug courts, the increase in funding represents a restoration to prior funding levels. For newly certified drug courts, the additional funding will be used to ensure they are funded at the same level as existing drug courts. The Governor does not recommend funding this item.
4. ***Provide \$47,700 Ongoing General Fund for FY 2014 to the Utah State Hospital to Restore a Disproportionate Share Hospital (DSH) Funding Loss Resulting from Provisions in the federal Affordable Care Act:*** DSH funding consists of additional payments created to offset the burden for facilities of treating a disproportionate number of uninsured patients. The State Hospital has been receiving \$934,600 in DSH payments each year. The *Affordable Care Act*, Section 2551, includes provisions to reduce Medicaid DSH payments nationally by \$14 billion over a 10 year period under the rationale that these uninsured patients would now have other forms of coverage. The State Hospital estimates it will lose \$1,229,000 over a six year period beginning with \$47,700 in FY 2014. The Governor does not recommend funding this item at this time.
5. ***Provide \$4,485,200 Ongoing General Fund for FY 2014 to Assist Local Authorities in Covering a Shortfall in Medicaid Match Requirements:*** In 1987 the Legislature gave authority for the provision of mental health and substance abuse services to counties. The primary payment sources for mental health and substance abuse services are: 1) Medicaid, 2) state General Fund, and 3) county matching funds. As Medicaid providers, local authorities typically pay the required Medicaid match by using a combination of state General Fund pass through and county funds. The division states, “the rising number of individuals eligible for Medicaid, the increasing costs of service provision and the increasing rate of the State’s FMAP is putting significant strain on the local authority system and its ability to maintain the PMHP [*Prepaid Mental Health Plan*] with declining DSAMH funds. In order to provide the needed services to their citizens, some of the local authorities significantly overmatch the required 20% in order to support the increasing cost of Medicaid. On the other hand, many of the local authorities are struggling to provide the Medicaid match with limited DSAMH and local county revenue.” The Governor does not recommend funding this item.
6. ***Provide \$895,000 Ongoing General Fund for FY 2014 for Evidence-based Substance Abuse Prevention:*** DSAMH is requesting funding to sustain and expand family-based programs for the prevention and treatment of child abuse and neglect related to substance use disorders. Programs funded by this request will target families who have been identified by child welfare agencies for past child abuse and neglect or who are at high risk for child abuse and neglect. The request has two parts: 1) \$600,000 for strategies designed to prevent the onset of substance abuse in individuals who are showing early danger signs such as failing grades and consumption of alcohol and other gateway drugs and 2) \$295,000 to develop coalitions among all local authorities responsible for assessing community need and developing comprehensive prevention services plans. These coalitions will use a *Communities that Care* (CTC) model to prevent youth problem behaviors including underage drinking, tobacco use, violence, delinquency, school dropout, and substance abuse. The CTC model guides the community coalitions through an assessment and prioritization process that identifies the risk and protective factors most in need of attention and links the priorities to evidence-based prevention programs that are proven to work. The division estimates that 200 to 400 individuals will be served through this project. The Governor does not recommend funding this item.
7. ***Provide \$500,000 Ongoing General Fund for FY 2014 for Substance Abuse Medication Assisted Therapy:*** This request is intended to provide Medication Assisted Therapies (MAT) to 200 qualifying individuals through the Access to Recovery (ATR) provider network in Salt Lake, Utah, and Weber counties. The benefit under ATR allows for qualifying individuals to receive up to \$2,500 to assist individuals in paying for their Medication Assisted Therapies. DSAMH feels that providing services through the ATR voucher program has been very successful and

provides the best mechanism for allocation of these kinds of funds. For the first three months, ATR reimburses up to 75 percent of the cost of services and for the remaining three months, ATR reimburses up to 50 percent of the cost of services. DSAMH feels that medications are an emerging and evidence-based treatment approach previously under-utilized in the public substance abuse system. The Governor does not recommend funding this item.

8. **Authorize the following three items of intent language:**

*Under Section 63J-1-603 of the Utah Code, the Legislature intends that up to \$50,000 of appropriations provided for the Division of Substance Abuse and Mental Health line item in Item 18, Chapter 14, Laws of Utah 2012 not lapse at the close of FY 2013. These funds are to be used for the purchase of computer equipment and software, capital equipment or improvements, equipment, or supplies.*

*Under Section 63J-1-603 of the Utah Code, the Legislature intends that any remaining funds provided by Item 18, Chapter 14, Laws of Utah 2012 for the State Substance Abuse Services and Local Substance Abuse Services within the Division of Substance Abuse and Mental Health line item not lapse at the close of FY 2013. The use of any nonlapsing funds is limited to "other charges/pass through" expenditures.*

*Under Section 63J-1-603 of the Utah Code, the Legislature intends that any remaining funds provided by Item 18, Chapter 14, Laws of Utah 2012 for the Drug Courts program within the Division of Substance Abuse and Mental Health line item not lapse at the close of FY 2013. The use of any nonlapsing funds is limited to "other charges/pass through" expenditures.*

**ACCOUNTABILITY DETAIL**

For an eight year history of performance measures used by the division, see the issue brief *Division of Substance Abuse and Mental Health Performance Measures* (2013 General Session).

**BUILDINGS**

For a discussion of buildings used by the Division of Substance Abuse and Mental Health including the Utah State Hospital, see the *Department of Human Services In-depth Budget Review* found at <http://le.utah.gov/interim/2011/pdf/00000280.pdf> pages 35 through 44. For a listing of those buildings see the *Department of Human Services In-depth Budget Review Appendix 1*, page 24 found at <http://le.utah.gov/interim/2011/pdf/00000279.pdf>

**BUDGET DETAIL**

The following table shows the budget history for the Division of Substance Abuse and Mental Health and its FY 2014 Recommended Budget. This proposed FY 2014 Budget consists of the ongoing portion of FY 2013 state funds (General Fund and various restricted funds) plus the most recent estimates of other funds (federal funds, dedicated credits collections and various transfer or carry over funds). Estimated expenditures are then proposed based upon available funding.

Human Services - Substance Abuse & Mental Health						
Sources of Finance	FY 2012 Actual	FY 2013 Appropriated	Changes	FY 2013 Revised	Changes	FY 2014* Recommended
General Fund	83,504,000	86,736,000	0	86,736,000	(31,400)	86,704,600
General Fund, One-time	1,241,400	3,400,000	0	3,400,000	(1,900,000)	1,500,000
Federal Funds	26,142,100	24,854,100	3,656,400	28,510,500	(1,377,100)	27,133,400
American Recovery and Reinvestment Act	(38,400)	0	0	0	0	0
Dedicated Credits Revenue	3,350,300	3,214,400	201,200	3,415,600	(10,100)	3,405,500
GFR - Intoxicated Driver Rehab	1,500,000	1,500,000	0	1,500,000	0	1,500,000
GFR - Tobacco Settlement	2,325,400	2,325,400	0	2,325,400	0	2,325,400
Transfers - Child Nutrition	0	71,600	(71,600)	0	75,000	75,000
Transfers - Commission on Criminal and Juvenile	305,100	305,100	(155,100)	150,000	0	150,000
Transfers - Medicaid	7,772,400	7,889,900	286,600	8,176,500	91,100	8,267,600
Transfers - Other Agencies	74,000	23,000	0	23,000	(23,000)	0
Transfers - State Office of Education	73,500	0	75,000	75,000	(75,000)	0
Beginning Nonlapsing	249,500	0	208,800	208,800	(208,800)	0
Closing Nonlapsing	(208,800)	0	0	0	0	0
Lapsing Balance	(48,000)	0	0	0	0	0
<b>Total</b>	<b>\$126,242,500</b>	<b>\$130,319,500</b>	<b>\$4,201,300</b>	<b>\$134,520,800</b>	<b>(\$3,459,300)</b>	<b>\$131,061,500</b>
<b>Programs</b>						
Administration - DSAMH	2,620,700	2,573,600	48,900	2,622,500	(3,700)	2,618,800
Community Mental Health Services	5,288,800	8,982,200	2,090,600	11,072,800	(2,405,900)	8,666,900
Mental Health Centers	27,862,700	27,426,000	0	27,426,000	0	27,426,000
Residential Mental Health Services	177,800	230,800	31,500	262,300	(20,400)	241,900
State Hospital	51,749,900	52,834,300	347,900	53,182,200	84,900	53,267,100
State Substance Abuse Services	7,654,900	6,982,200	1,922,600	8,904,800	(1,163,100)	7,741,700
Local Substance Abuse Services	23,342,900	23,451,100	(160,600)	23,290,500	0	23,290,500
Driving Under the Influence (DUI) Fines	1,452,000	1,500,000	0	1,500,000	0	1,500,000
Drug Offender Reform Act (DORA)	2,139,500	2,590,900	0	2,590,900	0	2,590,900
Drug Courts	3,953,300	3,748,400	(79,600)	3,668,800	48,900	3,717,700
<b>Total</b>	<b>\$126,242,500</b>	<b>\$130,319,500</b>	<b>\$4,201,300</b>	<b>\$134,520,800</b>	<b>(\$3,459,300)</b>	<b>\$131,061,500</b>
<b>Categories of Expenditure</b>						
Personnel Services	44,752,400	44,467,100	1,278,800	45,745,900	0	45,745,900
In-state Travel	75,500	25,300	22,600	47,900	(10,100)	37,800
Out-of-state Travel	35,600	15,100	30,900	46,000	9,400	55,400
Current Expense	10,791,000	11,995,900	(1,267,100)	10,728,800	(32,000)	10,696,800
DP Current Expense	2,175,200	2,445,100	(35,500)	2,409,600	(11,100)	2,398,500
Other Charges/Pass Thru	68,412,800	71,371,000	4,171,600	75,542,600	(3,415,500)	72,127,100
<b>Total</b>	<b>\$126,242,500</b>	<b>\$130,319,500</b>	<b>\$4,201,300</b>	<b>\$134,520,800</b>	<b>(\$3,459,300)</b>	<b>\$131,061,500</b>
<b>Other Data</b>						
Budgeted FTE	782	788	2	789	0	789
Actual FTE	781	0	0	0	0	0
Vehicles	46	46	0	46	0	46

\*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.

Table 2