

Budget Brief – Div. of Substance Abuse & Mental Health

NUMBER HHS-05-13

SUMMARY

The Division is the State's public mental health and substance abuse authority. It oversees the twelve local mental health and thirteen local substance abuse authorities. Each county legislative body is both a mental health and substance abuse authority. Two or more counties may join to provide services, either directly or through contracted providers. The Division has general supervision of the State Hospital in Provo.

ISSUES AND RECOMMENDATIONS

Reopening of Forensic Beds

Since one wing of the Forensic Facility (26 beds) was closed in 2002, it has filled and there is a list of patients waiting in jails for treatment. Court orders forced the Division to hire staff and reopen the wing in December, 2004. The Analyst recommends \$2,147,100 for FY 2006 and \$1,252,400 in FY 2005, all General Fund. (See Issue Brief: HHS-05-23.)

Enhanced Clinical and OSHA Standards

Recent reviews of the State Hospital forensic facility has resulted in a citation for unsafe working conditions. The Analyst recommends the Hospital's requested funding to enhance the management team with additional psychiatric and medical staff, at an estimated cost of \$305,100 in FY 2006 and \$76,300 for FY 2005 (all General Fund).

State Hospital Medication Cost Increases

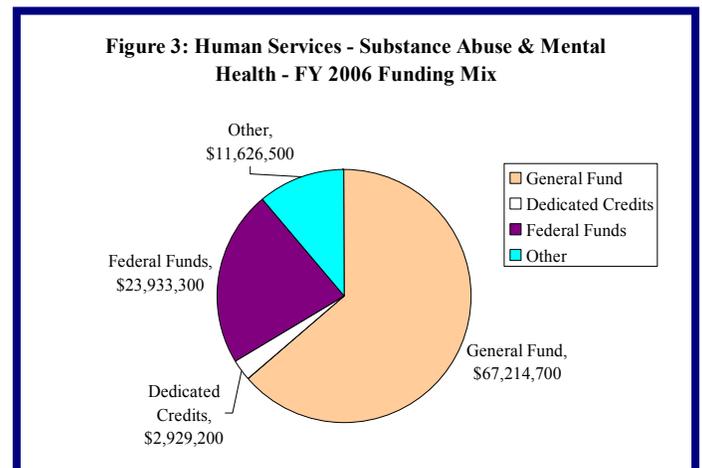
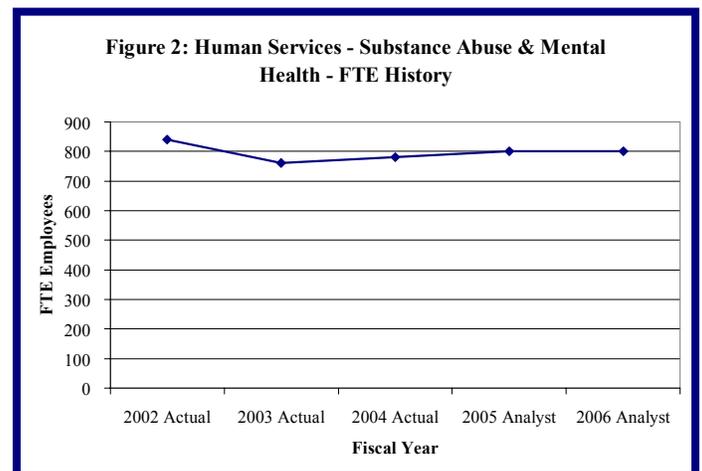
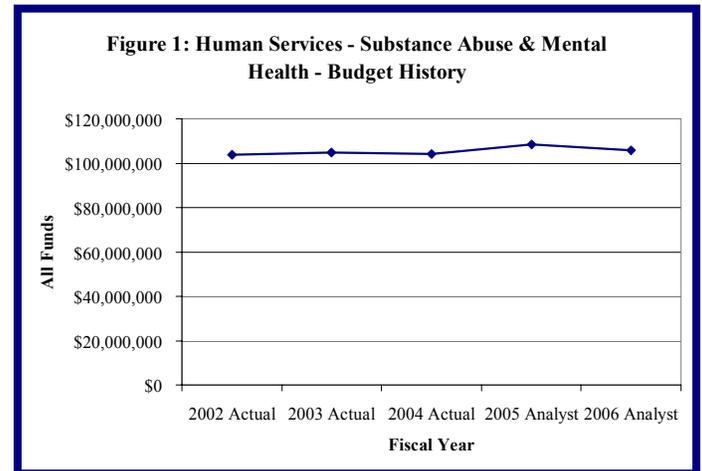
Medication costs at the State Hospital is increasing at an annual rate between six and eight percent. For FY 2006, the Analyst recommends an increase of \$186,100 (\$145,200 General Fund) for this purpose.

One-time Autism Program Funding in FY 2005

The 2004 Legislature provided a \$200,000 increase for pre-school autism programs in the State. However, \$50,000 of that was from one-time sources. The Analyst recommends the Legislature replace this amount with on-going funds in the base budget for FY 2006.

Federal Medical Assistance Percentage (FMAP) Rate Change

The Analyst recommends that the Legislature replace lost federal funds due to the FMAP rate change. In DSAMH, this will require an appropriation \$120,100 for FY 2006. (See Issue Brief: HHS-05-24.)



Note on Above Recommendations:

The above recommendations are NOT built into the Analyst’s recommended FY 2006 budgets in the tables in this brief, as the Executive Appropriations Committee has not yet allocated additional funds to the subcommittee. The Analyst recommends these items be prioritized highly if/when additional funds become available.

Medicaid Policy Changes Impact on Local Mental Health Centers

Recent Medicaid policy changes have impacted the local mental health centers by lowering its capitated rates and by restricting the use of Medicaid funds for Medicaid clients. The net impact to the local mental health centers is just under \$6 million of lost revenues used for services to non-Medicaid clients. There would also be an impact in FY 2005. (See Issue Brief: HHS-05-25.)

Providers Staff Cost of Living Adjustment

A one percent cost of living adjustment for staff of local mental health and substance abuse service providers would cost \$364,400 (\$239,200 General Fund). The Executive Appropriations Committee will consider this.

Increased Competency and PASRR Evaluations

There continues to be significant increases in required Pre-Admission Screening and Resident Reviews (PASRR) which screens potential nursing homes clients for mental illnesses. Medicaid pays about 70 percent of the cost, but the increased State match required is estimated at \$87,500. The State pays the full cost of competency evaluation ordered by the courts. These are expected increase for FY 2006 at a cost of \$67,600 in State funds.

Intoxicated Drivers’ Rehabilitation Account

These funds, passed through to local substance abuse authorities, support education, intervention and treatment services for drivers convicted of driving under the influence. Collections are expected to exceed the current \$1.2 million appropriation. The Analyst has included an increase of \$300,000 from this restricted account in the FY 2006 recommendation.

State Hospital Nursing Salaries

The turnover rate of the State Hospital’s licensed practical nurses (LPNs) has been running between 25 and 50 percent annually (currently 26 percent). The Hospital is requesting \$45,300 (\$34,000 General Funds) to give its LPNs a 5.5 percent salary adjustment in FY 2006.

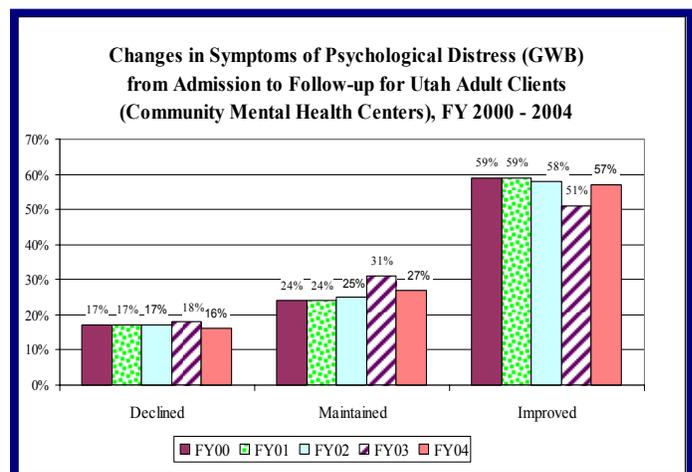
Federal Grant Maintenance of Effort

Recipients of the federal Community Mental Health Services Block grant are required to maintain state and local funding support. Budget reductions in prior years have resulted in a one-time expected loss of \$745,400 in FY 2005. (See Issue Brief: HHS-05-26.)

ACCOUNTABILITY DETAIL

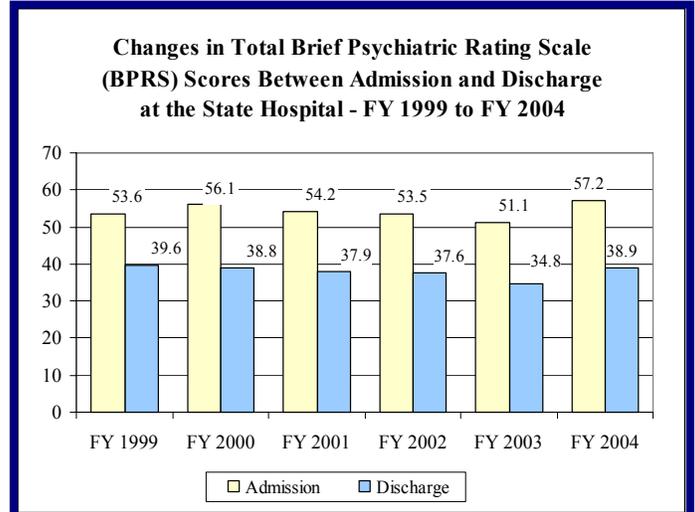
Improvements in Clients’ Symptoms – Community Mental Health Centers

The chart to the right compares the overall level of psychological distress of clients of the community mental health centers in Utah at time of admission and at a time of follow-up after discharge from services. For the last five years, the symptoms (using the General Well Being – GWB – instrument) improved in over 50% of the clients. In FY04, 57% of clients reported improvements, 27% remained stable, and 16% of clients declined.



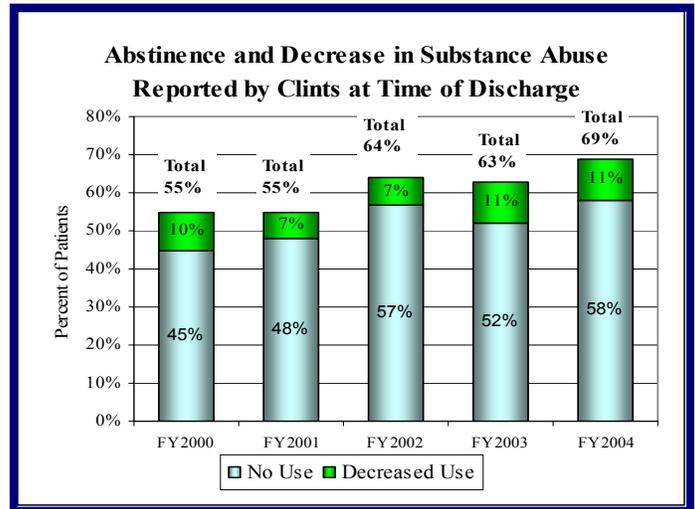
Improvements in Patients’ Symptoms – State Hospital

The chart at right compares the symptom levels of patients of the State Hospital at time of admission with their condition at time of discharge, using the “Brief Psychiatric Rating Scale (BPRS). A higher score means the symptoms are worse. In FY 2004, the average score of all patients receiving a BPRS within one week of admission and two weeks of discharge showed a 38% decrease in the symptoms level, from 57.2 to 38.9. This is quite consistent with results over the previous five years.



Decreased Substance Abuse at Discharge from Treatment

This chart shows the decrease in substance abuse among clients of treatment centers, comparing usage at start of treatment with usage at the end of treatment. In FY 2004, 69% of clients had either stopped or had reduced their substance abuse by the end of treatment, and 58% reported no usage.



BUDGET DETAIL

Budget Recommendation

The Analyst recommends an FY 2006 appropriation for the Division of Substance Abuse and Mental Health (DSAMH) totaling \$105.7 million (3 percent below the current FY 2005 authorized budget). The FY 2006 recommendation includes \$67.2 million from the General Fund. The FY 2005 authorized budget reflects several time-limited federal grants that are running out. Additional funding recommendations by the Fiscal Analyst are not built into the tables and charts in this budget brief.

Intent Language – FY 2005

If funds are available, the Division of Substance Abuse and Mental Health is authorized to not lapse up to \$65,000 at the end of FY 2005. These funds are to be used for the purchase of computer equipment and software, capital equipment or improvements, and equipment or supplies.

LEGISLATIVE ACTION

1. The Analyst recommends a base budget for the Division of Substance Abuse and Mental Health totaling \$105,703,700 (\$67,214,700 General Funds) as detailed in the “Budget Detail Table.”
2. Consider above listed intent language to grant limited non-lapsing authority for FY 2005.
3. Consider budget adjustments recommended by the Analyst and others as considered by the subcommittee.

BUDGET DETAIL TABLE

Human Services - Substance Abuse & Mental Health						
	FY 2004	FY 2005		FY 2005		FY 2006
Sources of Finance	Actual	Appropriated	Changes	Revised	Changes	Analyst*
General Fund	65,611,000	67,214,100	0	67,214,100	600	67,214,700
General Fund, One-time	0	572,000	0	572,000	(572,000)	0
Federal Funds	24,426,400	26,220,900	313,000	26,533,900	(2,600,600)	23,933,300
Dedicated Credits Revenue	2,953,200	2,822,100	15,100	2,837,200	92,000	2,929,200
GFR - Intoxicated Driver Rehab	1,200,000	1,200,000	0	1,200,000	300,000	1,500,000
Transfers - H - Medical Assistance	9,728,000	9,904,900	0	9,904,900	(22,000)	9,882,900
Transfers - Other Agencies	254,600	243,600	0	243,600	0	243,600
Beginning Nonlapsing	0	0	76,900	76,900	(76,900)	0
Closing Nonlapsing	(76,900)	0	0	0	0	0
Total	\$104,096,300	\$108,177,600	\$405,000	\$108,582,600	(\$2,878,900)	\$105,703,700
Programs						
Administration	2,151,100	2,343,100	229,700	2,572,800	(275,000)	2,297,800
Community Mental Health Services	5,710,000	5,926,100	(51,200)	5,874,900	(1,085,700)	4,789,200
Mental Health Centers	22,794,800	23,411,200	(84,800)	23,326,400	(165,900)	23,160,500
Residential Mental Health Services	2,595,700	2,819,800	0	2,819,800	0	2,819,800
State Hospital	41,746,600	42,840,900	10,500	42,851,400	(221,400)	42,630,000
State Substance Abuse Services	4,867,700	5,940,300	251,200	6,191,500	(1,393,600)	4,797,900
Local Substance Abuse Services	23,030,400	23,696,200	49,600	23,745,800	(37,300)	23,708,500
Drivers Under the Influence	1,200,000	1,200,000	0	1,200,000	300,000	1,500,000
Total	\$104,096,300	\$108,177,600	\$405,000	\$108,582,600	(\$2,878,900)	\$105,703,700
Categories of Expenditure						
Personal Services	35,986,200	37,273,100	(64,400)	37,208,700	(364,800)	36,843,900
In-State Travel	37,600	34,700	6,300	41,000	(600)	40,400
Out of State Travel	38,600	28,500	23,400	51,900	(5,100)	46,800
Current Expense	9,670,400	8,937,500	566,600	9,504,100	(624,300)	8,879,800
DP Current Expense	704,000	804,000	175,500	979,500	(75,400)	904,100
DP Capital Outlay	40,200	0	169,000	169,000	(85,400)	83,600
Capital Outlay	(6,600)	38,600	0	38,600	0	38,600
Other Charges/Pass Thru	57,625,900	61,059,100	(469,300)	60,589,800	(1,723,300)	58,866,500
Total	\$104,096,300	\$108,175,500	\$407,100	\$108,582,600	(\$2,878,900)	\$105,703,700
Other Data						
Total FTE	781.5	789.9	11.2	801.1	(1.0)	800.1
Vehicles	70	71	(1)	70	0	70

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