

Office of Mental Health

Briefing Paper: Implementing a Community-Based System of Care

The National Perspective

In 2001, President Bush launched his **New Freedom Commission on Mental Health** to address the problems in the current mental health system. In July of 2003, the Commission published its report: *Achieving the Promise: Transforming Mental Health Care in America*. The report finds that mental health systems in the United States are fragmented in both structure and ability to provide organized and seamless services. Fewer than 50% of all persons suffering from serious mental illnesses receive even minimally adequate care; most children and adolescents in need of mental health services do not receive them; and, access to appropriate treatment is limited for adults and youth who are poor, African-American or from other minority groups. The Commission recommends that “*In short, the Nation must replace unnecessary institutional care with efficient, effective community services that people can count on*” (tab 5, appendix A).

While over the last 30+ years states have downsized mental institutions, there has been a failure to place adequate resources in the communities necessary to meet the health and psychosocial needs of adults, youth and families suffering with serious mental disorders. A comprehensive review of services provided for adults with severe and persistent mental illness, *Mental Health, United States, 2000* (Manderscheid and Henderson), reports that nationally, patient census has gone from 186 hospital residents per 100,000 population in 1969 to 33 residents per 100,000 population in 1992 (CMHS, 1996). Further, it highlights the following issues:

- The closing/downsizing of state psychiatric hospitals has had profound implications for the long-term care of persons with serious mental illness throughout the United States.
- The process of deinstitutionalization has moved into the second generation of persons with more disabling conditions.
- The majority of state mental health agency dollars are now being allocated to outpatient and residential services. Other public funding sources, predominately Medicaid, are paying for short-stay acute psychiatric hospitalizations and other treatment services.
- Long-term community support interventions include residential services, adult crisis services, outpatient treatment, psychosocial rehabilitation services, and employment services.

State Mental Health Systems Profile: Revenue and Expenditure Study Results

The National Association of State Mental Health Program Directors Research Institute routinely issues profile data comparing state mental health system activities. The most recently released data studies 2002 expenditures controlled by the State Mental Health Authorities.

Major Findings:

- State mental health agencies spent \$25.2 billion on mental health care in 2002. The average per capita expenditure was approximately \$87.65. **Louisiana's per capita expenditure ranked 9th from the lowest-approximately \$47.00 or 54% of the national average.**
- The average ratio of expenditures for hospital-based to community-based services is 30:67 across the nation. In Louisiana, the ratio of hospital to community expenditures is 62:35.
- The average percent of total state psychiatric hospital expenditures for forensic services was 25%; Louisiana spent 49%, the 6th greatest percentage.

Extrapolating from these national indicators, for Louisiana to be consistent with the national trends in expenditures, Louisiana would have to appropriate approximately \$394,103,000, instead of the \$214,788,000. Of that amount, \$264,094,000 would be allocated for community-based services and \$118,230,600 for state hospital services (see tab 5, appendix B for the full report).

The Louisiana Plan

Given the overwhelming evidence throughout the United States, it is clear that community-based treatment interventions embedded within systems of care represent the standard of care for adults and children with serious mental and emotional/behavioral disorders. The national imperative is to facilitate major systems transformation of public mental health systems. It is also clear that Louisiana falls far from the national average of states in both systems design and per capita funding of mental health services. Louisiana allocates too few resources for the treatment of the mentally ill and what limited resources are available are being spent in a disproportionate manner on maintaining large psychiatric hospital campuses which serve less than 2,000 persons per year, while community services are provided to over 40,000 persons per year.

A contemporary mental health system in Louisiana requires the following services:

1. Adult Services
 - Acute crisis stabilization
 - Outpatient therapies including medications

- Residential supports
- Psychiatric rehabilitation programs
- Employment options
- Consumer-based recovery services
- Assertive Community Treatment Programs
- Intensive Case Management Programs
- Integrated treatment for mental and substance abuse disorders
- Community-based forensic services
- Inpatient long-term forensic hospitalization
- Intermediate and long-term inpatient specialized psychiatric hospitalization

2. **Adolescent Services**

- School-based mental health treatment
- In-home family centered interventions such as cognitive behavioral interventions
- Community-based crisis services including mobile outreach
- Crisis respite programs as alternatives to hospitalization
- Structured day programs
- Residential supports
- Integrated treatment for mental and substance abuse disorders

3 **Infant and Children’s Services**

- Early intervention programs for at-risk mothers
- In-home family centered interventions such as cognitive behavioral interventions and other wrap-around services which are child centered and family focused
- Community-based crisis services including mobile outreach
- Crisis respite programs as alternatives to hospitalization
- Structured day programs

Initial Steps: Reinvestment of Existing State Hospital Resources

Louisiana does not currently have a mental health trust fund with protected assets dedicated to the provision of mental health services. However, Louisiana does have a “asset” in the lands and buildings which currently support mental health services delivered on state psychiatric hospital campuses. Converting these capital resources into ongoing funding of mental health services is possible. Revenues received through sale of these properties combined with existing appropriation levels for the operation of these facilities would be a major step toward both the structural and financial transformation of the public mental health system.

Data for a recent study at SELSH indicate that a new state-of-the-art facility could be built and paid for in less than five years, thus reducing annual operating expenditures and providing for the redirection of these funds to community-based services (see attached

report in tab 3). It is anticipated that similar opportunities exist at Central Louisiana State Hospital. By investing the funds received from the sale of these properties into a Mental Health Trust Fund, the state could provide for the timely pay-off of the building of a new psychiatric hospital and provide for additional community-based services. The Office of Mental Health welcomes the opportunity to collaborate with the Legislature in the pursuit of these initiatives.

Examples of State Mental Health System Transformation Initiatives (tab 5, appendix C)

- 1. New Mexico --- implementation of managed care system of integrated behavioral health services for adults and wrap-around system of care services for children and adolescents.**
- 2. North Carolina --- development of capacity to serve adults in the community who are currently being served in state hospitals.**
- 3. New Jersey --- System of Care Initiative for children and adolescents with emotional and behavioral disorders.**
- 4. Pennsylvania --- Statewide Medicaid managed care program for adults and children.**
- 5. Delaware --- public managed care system**

Local initiative: Wraparound Milwaukee focuses on children with emotional and behavioral disorders and those identified by the child welfare or juvenile justice system as being at-risk for residential or correctional placement. (LAYES is a similar initiative in Louisiana.)

Appendix A

Appendix B

Appendix C

Appendix D

Appendix E