

**Public Policy Agenda, 2004-2005**

(Adopted by Board of Directors, NAMI St. Louis, 11/18/04)

Reductions to the Missouri Department of Mental Health (DMH) budget over the last three years have caused the most vulnerable of people with mental illness – those without health insurance, homeless, non-compliant to treatment, in trouble with the law – to have access to even fewer of the mental health services necessary for their recovery. On behalf of these most vulnerable individuals, NAMI St. Louis adopts the following Public Policy Agenda.

This agenda was prepared by the Advocacy Committee of NAMI St. Louis, considering recommendations of **NAMI Missouri** and the **Federation of Missouri Advocates for Mental Health and Substance Abuse Services**. The agenda is subject to modification during the upcoming fiscal year as new legislative or administrative issues may arise. It is presented in priority order, highest to lowest...

**1. Budget, Division of Comprehensive Psychiatric Services, Missouri Department of Mental Health:**

Mental health services supported by DMH are in crisis. With the nation-wide economic downturn of 2001-2003, state revenue receipts were well below projections and our state budget was under intense fiscal stress. To balance the budget, Missouri legislators cut funding to all departments, including DMH. But DMH has been suffering more than its share of cuts. Its percentage of state revenue has fallen from 9.4% in 1989 to 6.6% in 2003 – a 30% decline. From 2001 to 2004, DMH suffered \$58.2 million in budget cuts. Of those cuts, \$30.5 million was absorbed by the Division of Comprehensive Psychiatric Services.

Thus, over the last three years, beds have been closed at our publicly funded acute care and long-term psychiatric hospitals, and funding for community-based psychiatric services for adults has been reduced by \$7.8 million. The number of non-Medicaid eligible adults receiving psychiatric treatment declined by approximately 2,500 individuals since 2000, and funding for PACT (Program for Assertive Community Treatment) programs was cut by 50%.

PACT is an evidence-based, best practice program for serving the most at-risk persons with severe mental illness. For years, NAMI St. Louis, NAMI Missouri and NAMI National worked together to encourage DMH to implement PACT programs in Missouri. And we were successful. In 2001, DMH finally released a “Request for Proposals” for funding of integrated treatment programs such as PACT, and a program in St. Louis was funded. However, with the state budget crisis, DMH subsequently cut its funding for the St. Louis PACT program by 50%.

**Suggested Action:** We will advocate for restoration of \$7.8 million to the DMH Budget for community-based adult psychiatric services cut during the last three years. Included in this amount will be restoration of funding for the St. Louis PACT program plus an additional \$1 million for another PACT program in Missouri.

**2. Medicaid Reform**

For individuals disabled by mental illness who cannot afford private health insurance, Medicaid is essential as their means to purchase medications and receive mental health services. However, Medicaid is the fastest growing government expenditure for states, and as Missouri suffered its intense budget crisis, Medicaid became a large target for cuts. Thus, during the last several years state legislators have focused on several ways to reduce Medicaid costs as a way to balance the state budget, by 1) freezing or reducing provider payments; 2) restricting medications available to Medicaid clients (medication formularies or preferred drug list); 3) changing eligibility requirements; 4) implementing a disease management initiative; and/or 5) implementing fraud and abuse activities. In 2004 state revenues have begun to improve and budget shortfalls are shrinking. However, now Amendment 3 threatens a portion of state revenue allocated to DMH, and further reductions to Medicaid may be considered by our legislators.

**Suggested Action:** We will monitor state plans for controlling Medicaid expenditures, to assure that pharmacy benefits and access to psychiatric services are not threatened. We will advocate for a state budget that 1) maintains an open formulary within Missouri's Medicaid program and ensures unrestricted access to the newest and most effective psychotropic medications for persons with mental illness; and 2) Raises to \$1,200 (from the current \$1,000) the maximum level of cash savings a person may have to qualify for Medicaid.

### **3. Residential Care Facilities:**

Safe and affordable housing for people with severe mental illness is essential to recovery. For a community of individuals for whom safe and adequate housing is in short supply, residential care facilities (RCF's) provide one housing option. Unfortunately, Missouri is in a residential care crisis. Reimbursement rates are too low to allow RCF's to provide high quality services.

**Suggested Action:** We will advocate for an increase to reimbursement rates received by Residential Care Facilities on behalf of their residents with severe mental illness and study how additional options for adequate housing may be developed.

### **4. Psychiatric Advance Directives**

Psychiatric or mental health advance directives have recently emerged as a potentially helpful tool for resolving problems of individuals with mental illness who experience situations in which they are given little control over important treatment decisions or of families who are frustrated by having to stand by and watch their loved ones deteriorate and suffer. They can be of potential help in empowering individuals suffering from mental illness to communicate treatment preferences in advance of periods of incapacity. Psychiatric advance directives have both positive and negative considerations. Laws specifically authorizing psychiatric advance directives have been enacted in twelve states, but apparently not in Missouri. Ongoing research projects and pending court decisions around the country should provide more comprehensive information on the potential value of this tool.

**Suggested Action:** During 2005, we will work with NAMI Missouri and the Missouri Department of Mental Health to draft a bill that will enable more effective procedures for psychiatric advance directives, to file in the 2006 legislative session.

### **5. Involuntary Outpatient Commitment**

The "McBride Bill" was enacted in 1996 to revise Missouri Statue section 632 relating to involuntary commitment. Included in it were provisions to enable involuntary outpatient commitment (IOC) as an option for psychiatric facilities in addition to involuntary inpatient commitment, following a 96-hour confinement for psychiatric evaluation. Lack of funding, provider fears about liability, and judicial system unfamiliarity of this option have caused it to be rarely implemented. NAMI St. Louis, NAMI Missouri, and the Mental Health Association are developing a demonstration project with a community mental health center to implement involuntary outpatient commitment on a trial basis for a limited number of its clients. The CIT program now functioning in the St. Louis area may offer an additional opportunity to successfully establish IOC as a viable option.

**Suggested Action:** We will research information on the state-of-the-art of IOC and its implementation in other states, and determine why it is not frequently utilized in Missouri. We will support the trial IOC project with a St. Louis area community mental health center and, if it is successful, work with DMH to establish IOC guidelines and promote its implementation throughout Missouri.