



Budget & revenue

## Mental Health and Addiction Services

Wendy Patton

**Policy Matters Ohio priority:** *Ensure treatment for all Ohioans struggling with mental health and addiction*

**Recommendation:** *Restore state funding for community mental health and addiction services*

**Outcome:** *A \$2 billion investment in the Ohio Department of Mental Health and Addiction Services will help reduce the surging substance use epidemic, but long-term state investment is needed to build infrastructure for a healthier future.*

Ohioans deserve a chance to live a healthy life, no exceptions. Behavioral health problems are rising in the pandemic recession as people are laid off, isolated from their friends and families, and lose loved ones to the virus. With strengthened state funding, coordination of services at the local level and readily available Narcan, drug deaths fell in Ohio in 2018. But with the pandemic there have been alarming increases in people dying from drug overdoses. This year, federal funds swell the budget which will help with the immediate crisis but these are one-time funds – and recovery is a lifetime struggle for many people.

### Funding for the Department of Mental Health and Addiction Services

Ohio's Department of Mental Health and Addiction Services (MHA) administers six regional psychiatric hospitals and provides funding for 51 Alcohol, Drug Addiction, and Mental Health Boards, covering all 88 counties, which offer community mental health and substance abuse treatment, administer crisis centers, networks, and work with housing and other services.

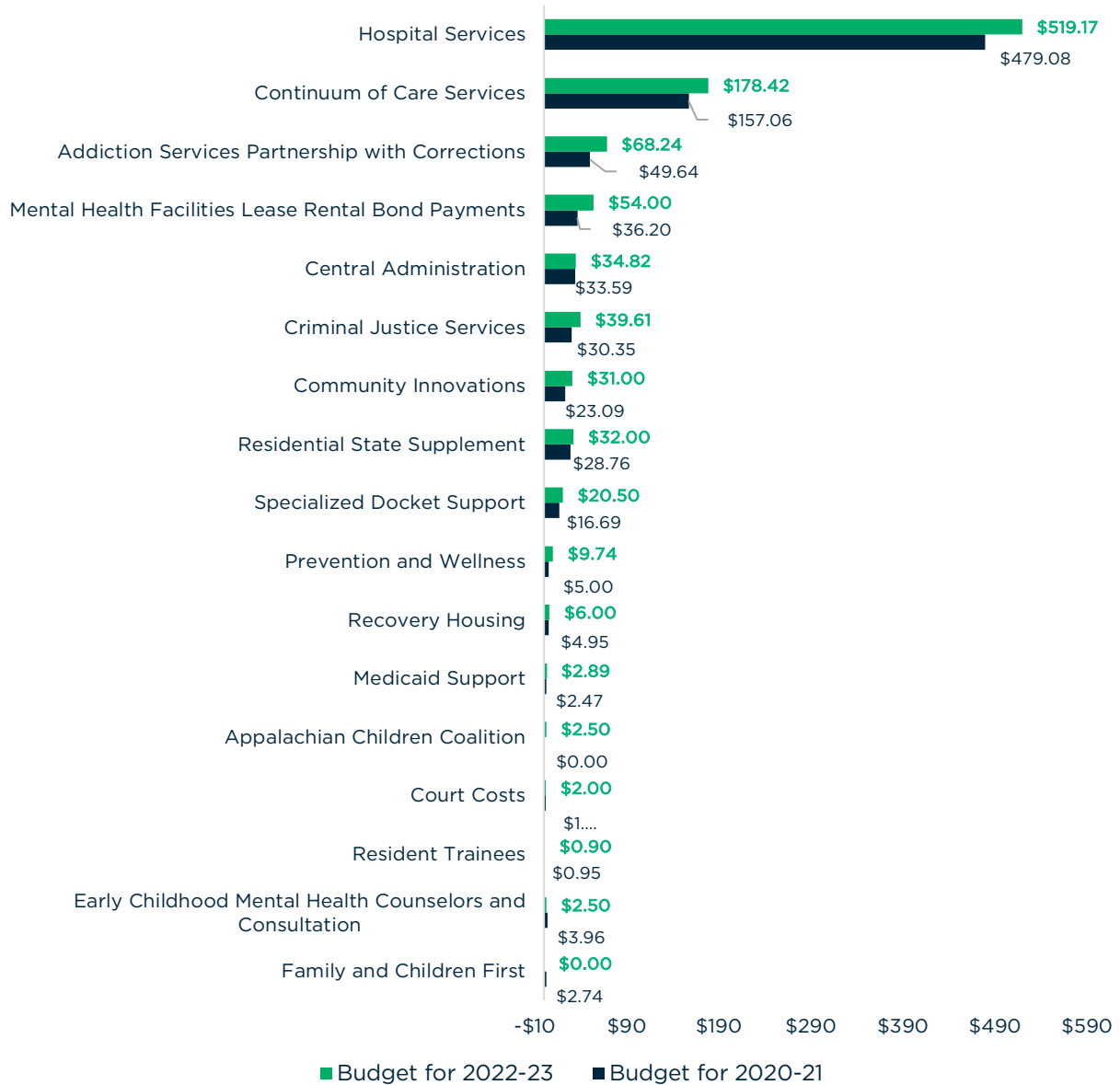
Overall, lawmakers authorized \$2 billion during the 2022-23 budget period for this agency, an increase of \$254.4 million (16.1%) compared to the 2020-21 budget period. Growth is supported by a substantial increase in the federal Mental Health Block and Substance Abuse Block Grant. In terms of the investment of state dollars, lawmakers increased state funding in the General Revenue Fund for the Ohio Department of Mental Health and Addiction Services by \$127.8 million (14.6%). Figure 1, below, illustrates the increases in General Revenue Funds by program:

- Lawmakers increased the Continuum of Care line (336421) – which funds community mental health services – by \$21.4 million, a 13.6% increase. The increase covers a number of new earmarks, which reduce flexibility, but one of the largest earmarks is for local addiction service and mental health boards (ADAMH); this remains one of the more flexible GRF funded line items that local boards receive.<sup>1</sup>

<sup>1</sup> E-mailed communication from the Ohio Association of Behavioral Health Authorities, August 2, 2021

Figure 1

**Lawmakers increased GRF funding for mental health and addiction services**  
 State 2022-23 budget funding vs. 2020-21 for GRF programs. (Not adjusted for inflation)



Source: Policy Matters Ohio, based on Ohio Legislative Budget Office Appropriation Spreadsheet (Budget in Detail, 2021 actual appropriations)

- Advocates had asked state lawmakers to direct \$7 million a year — or \$75,000 a year for each county — to help meet the needs of clients and families. Lawmakers provided funding, although how it will be distributed is not yet known.

- Lawmakers also provided up to \$3.5 million in each fiscal year to support workforce development initiatives and \$5 million in FY 2022 for community behavioral health organizations certified by the agency to develop and sustain workforce recruitment, retention and supervision.
- Lawmakers increased funding to support mental health treatment in the correctional system by \$9.3 million (30.5%) over the last budget and provided an additional \$3.8 million for specialized docket services at the local level, which supports services to defendants with behavioral health issues. The \$3.8 million boost in funding increases total funding to \$20.5 million for this purpose over the two-year budget period, an increase of 22.8% over the past budget.
- Officials directed \$11 million in additional funding to strengthen multi-system adult collaboration to connect people with serious mental health issues to needed care, recovery supports, stable housing, and community connections.

### Medicaid and mental health treatment

The Department of Mental Health and Addiction Services receives \$5.6 million from the Ohio Department of Medicaid to support administration of Medicaid services for patients, including screening for admission to state psychiatric hospitals. This is a tiny share of state Medicaid funding for behavioral health - the Ohio Department of Medicaid paid for direct mental health services for over 900,000 Ohioans in 2020.<sup>2</sup> Lawmakers directed substantial new resources to behavioral health treatment in the 2022-23 Medicaid budget, including:<sup>3</sup>

- Behavioral health coordination - The Ohio Department of Medicaid will direct \$500 million (\$86.5 million in state funds) to the coordination of behavioral health services in 2022-23, maintaining the 2021 level.
- Ohio RISE - Overall funding of \$484.9 million (\$186.5 million in state dollars) will support case coordination for youth with complex health and other needs addressed through various state and local systems and agencies.

### Context

Lawmakers have allowed mental health services to be diminished in Ohio. In 1988, there were 3,500 state psychiatric hospital beds available at 17 hospitals – 14 for adults and three for youth. Today, there are 1,081 beds at six state psychiatric hospitals, all serving adults. The capacity fails to meet demand for services. According to the Ohio Association of Behavioral Health Authorities, 65 to 70% of all clients in state hospitals are there as a result of a court order, crowding out the beds available for civil admissions. As a result, individuals in need of hospitalization for their mental illness are often left lingering in emergency departments and jails until a bed becomes available. Once they are admitted to a state hospital their stays are often too short to meet all their needs.<sup>4</sup> There are a number of needs in the community as well: for data, coordination, sentencing reform and other reforms to ensure treatment is available, accessible, and delivered in an appropriate setting.

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<sup>2</sup>Testimony of Director Maureen Corcoran of the Ohio Department of Medicaid to the Senate Finance Committee, April 15, 2021 at <https://ohiosenate.gov/committees/finance/document-archive/>.

<sup>3</sup> Spreadsheet of Medicaid initiatives in the 2022-23 budget as enacted (Copy of adjustments and policy change final info as passed SFY 2022-23 8-12 revision shared), provided by Brooke O'Neill to Wendy Patton, 8/30/2021.

<sup>4</sup> Issues and Recommendations for Community Mental Health and Addiction Services, Ohio Association of Behavioral Health Authorities, [https://oacbha.org/docs/Transition\\_Paper\\_12019.pdf](https://oacbha.org/docs/Transition_Paper_12019.pdf)



Need for public services to address mental health and substance abuse disorders is on the rise. More Ohioans die from substance abuse than do in many other states. Drug deaths rose to 5,215 in 2020, a 22% increase over 2019.<sup>5</sup> Lawmakers slashed funding to address the substance use crisis in communities a decade ago but restored it in recent budgets. Gov. Kasich's decision to expand Medicaid to low-paid workers has helped, providing treatment to 900,000 Ohioans in 2020.<sup>6</sup>

Federal funding provides important support for Ohioans in the 2022-23 state budget but will not last forever. Ohio's lawmakers need to continue to strengthen the health and human service infrastructure of the state to permanently control and reduce the problems Ohioans face in mental health and addiction.

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<sup>5</sup> Zuckerman, Jake, "New data: fatal overdoses leapt 22% in Ohio last year," Ohio Capital Journal, July 15, 2021 at <https://bit.ly/3kaZQWl>

<sup>6</sup> Testimony of Director Maureen Corcoran, Op.Cit.