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PRESS RELEASE

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Mental Health Cuts Will Take Place Without Legislative Action

Rationing Plan Will Be Needed

Concord, NH: State cuts on care for Community Mental Health Center patients in New Hampshire, estimated to be between \$4 million and \$7.5 million, will take effect on October 15, 2009, without any formal action by the Legislature. In procedural moves late last week, the Legislative Fiscal Committee determined that the Commissioner of the Department of Health and Human Services (DHHS) has the authority to impose the cuts without further approval of the Legislature.

Jay Couture, President of the NH Community Behavioral Health Association (NHCBHA) and Executive Director of Seacoast Mental Health Center in Portsmouth, said, "In addition to the impacts on local consumers and their families, local hospitals, police departments, courts, and county jails will all feel these cuts, as those who need mental health care will not receive it." Couture stressed, "We have informed State officials that because of these cuts, care will be rationed. The State needs to be affirmative in how it prepares for this developing public health crisis."

The cuts arise out of errors made in the structuring of the State budget enacted in June, in which serious underestimates of case loads were made.

The impacts on mental health care will be serious but will vary depending on how each of the ten Community Mental Health Centers addresses the cuts. The Centers have indicated that the local impacts will include closing of residential beds, delays in emergency care, removal of mental health councilors from schools, and delays in the establishment and operation of mental health courts, as well as waiting lists for care.

Louis Josephson, CEO of the Concord-based Center, Riverbend Community Mental Health, said, "This is emerging as not only a public health issue, but as a public safety issue as well." He added, "The State must assume responsibility for the harm that will come of this. There will be more crime, more hospitalizations, and more folks in county jails."

Background

Shortly after the passage of the State operating budget in June, the Department of Health and Human Services informed the ten Centers of likely cuts to Medicaid reimbursements. The Department pointed out that the Legislature did not budget for a growing case load, despite the Department's and the Centers' projections and the downshifting of services to community-based providers. More NH citizens with mental health needs are presenting themselves to the Centers for care. In addition, because of State cuts to NH Hospital, a reduced number of emergency care beds, and the creation of mental health courts, the intensity of care required is also rising.

Under NH law, the Centers are reimbursed for Medicaid-eligible citizens but are also required to care for those with no coverage. Meanwhile, the shortfalls in budgeted Medicaid dollars are being imposed, creating a situation in which Centers are being paid less for dealing with more volume and higher intensity of cases.

The cuts come in the form of a cap on Functional Support Services for the most seriously ill Medicaid patients, as well as rate cuts for two of the largest payment areas at the ten Centers. Reduced revenues will extend beyond these rates, as the Centers will have their overall business structure disrupted, leading to a wide-ranging rationing of care.