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Budget ensures effective and efficient care: Tracy Plouck

By Tracy Plouck

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Mental illness can strike anyone at any time. Ohio's state and local governments provide funding for treatment for individuals in need when private insurance coverage is not available. During 2010, more than 6,700 adults were served in Ohio's regional psychiatric hospitals, and approximately 365,000 adults and children were served in the community mental health system. These safety-net services are crucial to the health and safety of our citizens. Over time, the state and local resources available have not kept pace with the demand for, and cost of, these services.

Gov. John Kasich's budget is sensitive to people who struggle with severe mental illness. In light of the projected \$8 billion deficit in the next two-year state budget, and resulting reductions throughout state and local government, I am pleased to say that General Revenue Fund support for treatment services is preserved. Our charge, then, is to be as effective and efficient with these resources as possible.

One way to be efficient is to focus policy change in ways that will reduce the amount of spending on the highest-cost individuals. For example, adults with severe mental illness represent about 10 percent of Ohio's Medicaid 2 million enrollees, *yet account for 26 percent of total Medicaid spending*, largely due to co-existing physical health conditions. Individuals with severe mental illness have about twice the rate of hospitalizations and emergency room visits for chronic health conditions including diabetes, pneumonia and asthma.

Historically, individuals needing both physical and mental health services are treated within separate "silos," without the benefit of shared information or proper referrals among their doctors and other health care providers. Truly integrated care means treating both physical and mental health conditions in a comprehensive, coordinated way, where all of the individual's health care providers work together and regularly communicate. The Governor's Office of Health Transformation is leading the state's efforts to achieve integrated care during the next two-year budget.

Another way to be efficient is to provide as much treatment in the community as possible, rather than in a hospital setting. Community services are the lynchpin of Ohio's mental health system. These services are intended to keep people healthy enough to avoid inpatient psychiatric hospital care whenever possible and are less expensive than an inpatient stay.

My recent decision to consolidate the two state-administered hospitals in Northeast Ohio was based on the rationale that the state will be able to offer the same amount of inpatient hospital capacity to the region at \$4 million less per year. Keeping both hospitals open would have necessitated a reduction of \$4 million in the community services portion of the Department of Mental Health's budget. It is critically important to maintain as many resources for community services as possible, so the decision effectively puts services to people with mental illness above a new building in the city of Cleveland. The department is committed to working with patients, families and constituents to keep them informed and make the transition to the Northfield campus by July 1 as easy as possible.

Gov. Kasich's budget contains other opportunities for more efficiency and predictability in the mental health arena. Beginning next year, the state of Ohio will be responsible for funding community mental health Medicaid services rather than requiring the local alcohol, drug addiction and mental health boards to do so. This provides more financial predictability for the local boards and enables them to focus local resources on local priorities such as housing and services for children.

While there will likely never be truly enough resources available to address every need related to mental health in Ohio, I firmly believe that the governor's budget proposal is supportive of our system and provides us with some new tools to manage going forward.

Plouck is the director of the Ohio Department of Mental Health.

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