



NAMI Vermont

April 5, 2016

From: Laurie Emerson, NAMI Vermont, Executive Director  
To: Senate Appropriations Committee, Vermont Senate  
Subject: Mental Health Funding and Vermont's Budget

NAMI Vermont urges you to increase funding to ensure Vermonters' access to mental health services. A Medicaid reimbursement rate increase of 3% is essential an essential for the state's mental health service providers. Final budget decisions must reflect that mental health is a prioritized component of health care. The recent cuts to mental health services, such as slashed Medicaid reimbursement rates for group therapy are not sustainable, and will overwhelm and slowly cripple Vermont's system of care.

The State of Vermont has become a leader in the nation by establishing community-based mental health Designated Agencies to serve communities locally. But during this time of structural transition, the need for mental health services has grown steadily and even intensively in certain areas. Since Tropical Storm Irene reshaped the banks of our system of care, funding has not matched the needs of the new system for mental health services. Budget shortfalls have eroded the service structure even further, with continually slipping Medicaid reimbursement rates already starting to upset Vermont's mental health landscape. Cutting mental health services causes unintended consequences that will increase other health care costs in the long run. We need to invest more in effective community services to prevent further services from being washed away.

Rate cuts for Medicaid reimbursement rates may be a way to mitigate budget gaps in the short term, but they will have detrimental effects on Vermont's mental health care system as long as they remain in effect.

As a conduit for peers, family members, mental health care providers and professionals, NAMI Vermont is resolved to ensure that adequate compensation for mental health professionals and access to effective mental health services for all Vermonters are prioritized in state policies. Primary mental health services and substance abuse treatment services are offered by health care providers across the state. Declining

Medicaid reimbursements rates could cause these providers to offer fewer services, or simply to stop offering services altogether. The lower rates may also cause more providers and professionals to leave the state in search of more adequate compensation. The Department of Mental Health's Designated Agencies are already plagued with constant staff turnover. The erosion of access to mental health services could have detrimental effects on community groups with the highest need for group therapy treatment.

Those with the greatest needs for mental health services are often the most financially disadvantaged populations of the state. These are the same people who will in turn be hurt the most by decreased access to this vital mental health service. Poverty, particularly in early life, is linked with higher occurrences of cognitive and emotional disturbances as well as neurological impairments, compared with higher income children, and the connection between living in impoverished environments and higher risks for substance abuse, anxiety, depression, and child abuse is well documented. By compromising health care providers' ability to offer group therapy services in Vermont, these low rates may further disadvantage communities at higher risks to medical conditions for which group therapy is an invaluable, cost-effective treatment option.

Community-based providers, like the Department of Mental Health's Designated Agencies, are vital organizations to mental healthcare in Vermont, and will be among the providers that slashed Medicaid reimbursement rates will significantly affect.

We have the opportunity to capitalize on recent advances in mental health, and optimize the use of the new infrastructure provided by the Department of Mental Health's designated agencies. Rather than forcing these organizations to do more with less through chronic budget skimming, Vermont must dedicate resources to a mental health system of care that will work. NAMI Vermont encourages the pursuit of strategies that effectively leverage public dollars to promote recovery and economic self-sufficiency for individuals with mental health disorders. Long term dependency on public programs can be reduced as recovery becomes the norm. Economic activity and community safety can be enhanced, all with a longer view of the financial predicament of the mental health's real cost, rather than a shorted sighted view of current budgetary straits.

We hope that you will continue to engage with the mental health community to find the best solutions for Vermont to invest efficiently and improve the quality of life for individuals, families and communities affected by mental illness. Your leadership on these issues can help transform our mental health service systems to be more effective and fiscally responsible. Please include a 3% increase for Medicaid rates in the budget and support the state's mental health services providers