



**REPORT ON KEY ISSUES FROM THE
HOUSE APPROPRIATIONS COMMITTEE**

BUDGET BRIEFING

DWIGHT EVANS, DEMOCRATIC CHAIRMAN

July 20, 2007

2007/08 DPW Budget: Mental Health Services

The Department of Public Welfare (DPW) oversees and funds the Commonwealth's mental health system, comprised of state mental hospitals and community programs. The system served approximately 126,000 individuals with mental illness in 2006/07, including 3,535 individuals who received services in the state mental hospitals.

The 2007/08 budget includes \$723 million in state funds (\$999 million including federal and other) for the Mental Health Services appropriation, which funds both the state hospitals and community programs. State funding includes \$19.4 million to expand community services to an additional 200 persons currently residing in state hospitals and to provide respite care for 2,000 families of children with mental illness. It also provides for a three percent cost of living increase for community programs.

Pennsylvania's Mental Health System

Various state laws govern Pennsylvania's mental health system, beginning with the Mental Health/Mental Retardation Act of 1966 (MH/MR Act of 1966) and including the Mental Health Procedures Act of 1976. The MH/MR Act of 1966 establishes responsibilities for state and county government, identifies mandated services, defines eligibility, and creates procedures for commitment to state facilities. The Mental Health Procedures Act of 1976 further defines the procedures for voluntary and involuntary treatment in state mental hospitals.

DPW operates the state mental hospital system, which is comprised of eight state mental hospitals and one restoration center. All state hospitals provide general psychiatric inpatient treatment for adults with serious mental illness who require extended treatment. In addition, three hospitals offer specialized treatment programs for mentally ill adult offenders and defendants. Only adults are in the state hospital system; children and adolescents are treated in community-based facilities.

Pennsylvania targets community services to adults with serious mental illnesses and to children/adolescents with or at-risk of serious emotional disturbances. Community mental health programs are administered by the counties, which receive funding grants from DPW. In general, the county MH/MR office determines a person's eligibility for service funding, assesses the need for treatment or other services, and makes referrals to appropriate programs. Most actual services are delivered by local mental health providers under contract with the county.

CHIPP

Community/Hospital Integration Program Projects (CHIPP) links community programs to the state hospital system. The objective is to move state hospital patients, who no longer require inpatient psychiatric treatment, into more appropriate community-based programs.

CHIPP is designed to assure that counties have the necessary residential and treatment services to support discharged patients. As patients are discharged, DPW closes hospital beds and transfers state hospital funds to the county programs.

Community services developed with CHIPP funds are not only available to discharged patients, but also to individuals residing in the community who would likely be hospitalized if CHIPP services were not available. Thus, CHIPP creates additional community-based service capacity for diversionary services that prevent unnecessary hospital utilization, facilitating more predictable planning for future state hospital needs.

Since its inception in 1991/92, DPW reports that 2,539 patients have been discharged from the state hospitals through CHIPP. Moreover, the number of admissions to the state hospitals has continuously decreased since CHIPP began. As a result of these 2,539 discharges, CHIPP funding has accumulated

Mental Health Program Performance Measures	2006/07	2007/08
Persons receiving community mental health services	122,660	123,890
Persons receiving services in state hospitals	3,535	3,415
Total admissions to state mental hospitals	1,440	1,410
Forensic admissions to state mental hospitals	450	445

\$190.3 million through June 2007 and served a total of 12,387 people – this includes individuals directly receiving CHIPP funds and others receiving diversionary services.

Community Mental Health Services

The MH/MR Act of 1966 requires the counties to establish mental health programs with nine mandated services, including: short-term inpatient treatment, partial hospitalization, outpatient care, 24-hour emergency services, rehabilitation and training, and aftercare services for people released from state mental hospitals.

- Inpatient psychiatric care provides short-term 24-hour evaluation, care and treatment services to individuals in severe distress. The treatment objective is to stabilize the crisis so that an individual may return safely to the community.
- Partial hospitalization services are provided daily to individuals suffering moderate emotional or mental disorders. In partial hospitalization, the individual resides in the community and spends the day at a treatment center. Services include group therapy, individual therapy, and medication management.
- Outpatient psychiatric services are provided periodically (such as weekly or monthly) to individuals suffering minimal to moderate distress. Services include counseling, therapy, psychiatric evaluation, and medication reviews.
- Emergency and crisis interventions assure the safety of individuals. These services include telephone counseling for individuals experiencing moderate to severe distress and 24-hour intervention for people experiencing severe emotional distress.

Community programs also include the following services for individuals with mental illness and their families:

- Case management to assure individuals receive needed services; employment and training programs for adults; and residential living arrangements such as personal care homes, group homes and supervised apartments.
- Family support services, such as respite care and family-based mental health services that enable families to care for their children at home.

State funding for community mental health services is \$362.1 million in 2007/08, an increase of \$24 million

(or seven percent) from 2006/07. DPW allocates funds to the county MH/MR offices as direct grants to pay for community programs.

CHIPP Expansion The budget includes \$18.9 million in CHIPP funding for counties to develop additional community-based services for 200 persons currently residing in state hospitals. This initiative would provide community placement for people (under age 65) who have been in the state mental hospital system for over two years and who no longer need inpatient treatment.

Respite Services The budget provides \$500,000 in state funds for specialized respite services for families that have children with serious emotional disturbance. DPW estimates 2,000 families will receive an average of twelve hours of respite service per year.

Three Percent COLA The budget includes \$14.7 million in state funds for a three percent COLA for community programs. This represents the largest cost of living increase in more than fifteen years.

State Mental Hospitals

DPW currently operates eight state hospitals: Allentown, Clarks Summit, Danville, Mayview, Norristown, Torrance, Warren and Wernersville.

The Restoration Center at South Mountain provides licensed skilled nursing and intermediate long-term care services to elderly former residents of state hospitals who require nursing home care.

With the initiative to expand community placements, the state hospital system is expected to serve 3,415 people in 2007/08. This represents a decrease of 160 from 2006/07.

State funding for the state hospitals is \$361.5 million in 2007/08, an increase of \$14 million. Budgeted funds pay the staff, operating expenses, and fixed assets needed by DPW to effectively run the hospitals.

QUESTIONS AND COMMENTS

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