PCPA Decries Dismantling of Behavioral Health System and Devastating Budget Cuts

For over 40 years, Pennsylvania state government has built one of the best, if not the best, systems of public behavioral health care in the country, effectively serving Pennsylvanians of all ages. State institutions have been closed or downsized, community providers have built local services, peer services have been incorporated into the available array of services, and movement to a model focused on recovery and resiliency has progressed. The proposed state budget – with massive cuts and a major public policy shift to a block grant funding model – promises to devastate the current system and poses significant risks to those most in need of commonwealth support. The Corbett administration has abdicated its long-term responsibility for and commitment to care for people with mental illness and substance use disorders. Promises made to vulnerable citizens and to communities will be broken.

The Block Grant
The Corbett budget creates significant problems for the behavioral health system. The administration is proposing a massive redistribution of funds from several budget lines into a new human services block grant, along with major reductions to these funds. The proposed block grant displays a lack of awareness of legal, historical, and operational processes and precedents. Behavioral health funds are used as the primary underpinning to support the human services block grant. Approximately 73 percent of the block grant is comprised of funds that were previously dedicated to behavioral health services.

Furthermore, the proposed block grant marks a major shift in public policy that was developed with little or no outside or stakeholder input. There appears to have been little, if any, utilization of industry experts. The process lacks the typical approaches used to develop sound public policy and the result is, therefore, flawed public policy. Funding streams for these services have been carefully thought out over the years, informed by a wide range of stakeholders, experts, and past administrations. Systemic changes have taken place through transparent public processes of deliberations, educated by the realities of consumers, families, and communities. The promise of flexibility and opportunities for better integration of programs and services has some merit, but this model is untested. Looting the commonwealth’s behavioral health system that has a proven track record of success to sustain other categorical programs is wrong and laden with great risk. The massive transfer of behavioral health funds to the Human Services Development Fund, with promise of flexible spending, will decimate the infrastructure that has developed over multiple administrations. The proposed block grant is wrong and must be opposed.

Promises Not Kept
Over a 25 year period, the commonwealth has repeatedly moved to improve the lives of individuals facing the challenges of mental illness. Promises were made that individuals could live meaningful lives in the community, rather than in isolation in an institution. With the closure of
each state institution or downsizing though the Community/Hospital Integration Projects Program (CHIPP) promises were made to individuals and communities that the commonwealth would maintain these services and supports. Communities across Pennsylvania were repeatedly promised that care would be provided and individuals would not be “dumped” into the streets, the jails, or emergency rooms in community hospitals. The Olmstead Plan for Pennsylvania’s State Mental Health System details how the “Department of Public Welfare will work with counties to plan for the development of a broad array of integrated options to meet the needs of consumers.” It also acknowledges the fiscal and social costs of failing to provide the necessary supports and services that far outweigh the costs of paying for these supports and services. In spite of the well acknowledged fact that persons with mental illnesses can live successfully in their communities at a cost significantly less than services provided in institutions, the Corbett administration has reneged on these promises and shifted the burden back to local communities for care that is a state responsibility. The Corbett administration must keep the promises of prior administrations, both Republican and Democratic, to adequately serve people outside of institutions and to assure local communities they will be safe and free from the significant cost burdens of good local care.

The Funding Cuts
The Corbett budget proposes massive cuts to the behavioral health service system and the General Assistance program which provides support and services to individuals with mental illness and substance use disorders. These cuts were made without regard to severe consequences such as increased incarceration and homelessness and the elimination of life-sustaining services. These cuts were made ignoring the devastation it will bring to the critical services provided to Pennsylvania’s most needy.

The budget proposes a cut of $123.08 million for behavioral health services. That includes Community Mental Health appropriation - $110.02 million; Behavioral Health Services Initiative - $9.58 million; Act 152 Drug and Alcohol appropriation - $2.99 million; and Special Pharmaceuticals appropriation - $.49 million. The proposed block grant lacks sufficient detail for other analysis, although there have been consistent reports that counties will be freed of matching fund requirements, which would mean another potential loss of $14.1 million in county matching funds. Since counties will be free to transfer funds to needed areas, even a transfer of 5 percent of the behavioral health funds is another potential loss of $27.5 million.

PCPA is working to determine the impact of the $170.3 million cut to General Assistance-related Medical Assistance coverage. It has been estimated that as much of one third of the General Assistance program funding made treatment possible for those with mental illness and substance use disorders, a possible impact of as much as $51.09 million. The reduction of the cash component of the General Assistance program will also impact behavioral health consumers. The total potential cuts to behavioral health may approach $200 million.

It is recognized that these are difficult times for the state’s budget. However, the proposed cuts are excessive and devastating to the system. These cuts target the truly needy. They will hurt individuals who have long been the responsibility of the state, dating back to its founding. These vulnerable individuals should not be sacrificed during this time of more limited resources, but should be among the first that are protected. These cuts must be restored!
PCPA Behavioral Health Budget Position

**Action Steps:**
1. Contact Mental Health/Intellectual Disability county administrators, Single County Authorities, and county commissioners to explore possible avenues of joint action. Discuss and demonstrate the devastating effects on services.
2. Contact legislators in the district to communicate the impact of these devastating cuts and policy shifts.
3. Contact local media – write an op-ed or a letter to the editor. Tell your story!
5. Watch for additional announcements and alerts from PCPA about further actions needed.

*In summary, the block grant is wrong and must be stopped; promises made to consumers and to communities must be kept; and the massive cuts must be restored.*