

NAMI New Jersey Challenges & Choices

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Topics to Discuss

Budget

Olmstead

Healthcare Reform

Parity

National View

FY2009: 32 states (of 42 respondents) cutting
SMHA budgets

Average '09 cut = 4.9%

Range: 0% to 17.5%

NASMHPD, 12/08

National View

FY2010: Average anticipated cut: 8.2%
Range: 1% to 25%

FY2011: Average anticipated cut: 9.4%
Range: 3% to 25%

NASMHPD, 12/08

State Strategies

- Hiring freezes
- Reduce administrative expenses
- Layoffs
- Furloughs
- Reduce salaries
- Reduce number served
- Close state hospital
- Restrict population served
- Move people to managed care

NASMHPD, 12/08

New Jersey

- FY09: Roughly \$20M in one time reductions between community and state hospitals
- FY10: Governor's Recommended Budget net \$15M growth
- Several programmatic reductions, but preserve direct services
- Continued expansion of Olmstead
- Furloughs, hiring freeze, overtime, non-salary

Olmstead

- Litigation update
- DMHS continues plan implementation
- Census: May 2005: 2,320
- Census: May 2009: 1,940
- Census: June 8, 2009: 1,905 (net)

Healthcare Reform

- Will behavioral health be there?
- Prevention & Wellness emphasis
- Medical Home: Care integration/coordination
- Workforce development
- Costs*: Overall healthcare costs increasing.
- Mental Health is decreasing as a % of total healthcare costs.
- Pharmacy costs increasing at rapid pace.

Parity

- How will parity fit into healthcare reform?
- Effective October 3, 2009
- Comments for Rulemaking were due 5/09
- Medicare phase-in
- Medicaid Managed Care plans required to participate

WRAP Up

- Comparatively, NJ MH budget faring well.
- We must deal with economic reality, but see through the recession.
- Progress in FY10 difficult, but possible.
- FY2011 anxiety
- Significant opportunity for MH in healthcare reform.
- Eye on parity.

Thank you.....

For your continued Advocacy!!

References

- National Association of State Mental Health program Directors (NASMHPD), NASMHPD Research Institute, Survey of State Mental Health Authorities Budget Shortfalls, December 2008
- New Jersey Budget in Brief, March 2009
- US Substance Abuse & Mental Health Services Administration (SAMHSA), Projections of Expenditures for Mental Health and Substance Abuse Treatment, 2004-2014, power point presentation.