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Around the States: State and Local Behavioral Health Financing News

Arizona

- **Catholic Healthcare West Awards \$425,000, Promotes Integrated Care:** Catholic Healthcare West has awarded 12 organizations \$425,000 to support health programming. The award is part of an annual grant program that provides funding for health organizations to support treatment of multiple chronic conditions and improve the understanding of how physical illness and behavioral health issues connect ([Inside Tucson Business, 7/8](#)).

California

- **Assembly Committee Approves Bill Establishing State Health Plan for Low-Income Residents:** On July 5, the **California Assembly Committee on Health** approved legislation (**SB 703**) that would establish the Basic Health Plan, a state plan providing essential health coverage to approximately 800,000 low-income state residents. The Basic Health Plan would provide health coverage to adults earning between 133 percent and 200 percent of the federal poverty level (FPL), as well as legal immigrants earning below 133 percent of the FPL. Legislators supportive of the program say it would be 95 percent federally subsidized and would reimburse providers at a rate up to 25 percent higher than Medicaid. However, lawmakers opposed to the measure expressed concern that the program would draw too many individuals away from health reform's health insurance exchange. The bill now goes before the **California Assembly Committee on Appropriations** ([California Healthline, 7/8](#); [Kaiser Health News, 7/11](#)).
- **Alameda County to Provide Three Months of Funding to Substance Abuse Organizations Appealing Permanent Funding Cut:** While the groups appeal their loss of county funding, Alameda County officials will provide three months of funding to three substance abuse prevention organizations serving the greater Hayward-San Leandro area. County officials originally intended to cease funding the organizations on July 1. The county receives \$1.6 million in federal prevention funding and must provide an additional \$400,000 in county matching funding; however, in previous years, Alameda County has provided a total of \$1.1 million for prevention programs. To address a budget shortfall, county officials decided to eliminate the \$700,000 in optional spending from its FY2012 budget, ending county funding for Davis Street Family Resources Center in San Leandro, Community Prevention of Alcohol Related Problems in Hayward, and Project Eden. All three groups are appealing their loss of county funding and say the three-month stopgap funding will support their operations during the appellate process ([Oakland Tribune, 7/7](#)).
- **Community Foundation Offering Health Programming Grants:** The Community Foundation is offering a total of \$165,000 in health programming grants to non-profit organizations in Riverside and San Bernardino counties. Eligible programs include those serving individuals with mental illnesses. The foundation will accept applications through August 1 ([The Press-Enterprise, 7/10](#)).

Delaware

- **State Reaches Settlement with DOJ, Restructures Mental Health Services:** On July 5, Delaware officials reached a settlement with the **U.S. Department of Justice** (DOJ) outlining mandatory reforms in the provision of mental health services at the Delaware Psychiatric Center. Settling a three-year DOJ investigation that found Delaware in violation of the **Americans with Disabilities Act** (ADA) and the **U.S. Supreme Court's** 1999 *Olmstead v. L.C.* decision, the agreement will reduce the number of patients at the facility from 160 to 125. The agreement also requires the state to provide individuals with community-based mental health services where possible, and provide support services, including a peer support recovery network and housing assistance. By January, the state must also establish a mental health crisis team, capable of statewide crisis response within one hour. State officials estimate implementation of the agreement will cost approximately \$4 million in the first year ([The News Journal, 7/7](#); [News Works, 7/6](#)).
- **Pioneer Behavioral Health Acquires MeadowWood Behavioral Health, Plans 36-Bed Expansion:** On July 1, Massachusetts-based Pioneer Behavioral Health acquired the 58-bed MeadowWood Behavioral Health facility in New Castle. MeadowWood offers inpatient and partial hospitalization services, focusing on treatment of geriatric, co-occurring, and acute mental disorders. Pioneer officials say they plan to seek approval for a 36-bed expansion of the facility within one year. MeadowWood generated \$14.6 million in revenue in 2010 ([Pioneer Behavioral Health via PR Newswire, 7/5](#)).

Florida

- **New Directions Behavioral Health to Provide Services for BCBS:** On July 1, **New Directions Behavioral Health** announced an agreement to provide behavioral health services to **Blue Cross and Blue Shield of Florida** (BCBS), the state's largest insurer. The agreement will go into effect at the end of 2011, affecting BCBS' nearly 2 million beneficiaries. New Directions currently provides behavioral health services to 3.5 million individuals nationally. Financial details of the agreement were not disclosed ([Kansas City Business Journal, 7/6](#)).

Massachusetts

- **Update: Governor Signs Budget Saving Nearly \$800 Million in Medicaid Spending:** On July 11, **Governor Deval Patrick** (D) signed a \$30.6 billion FY2012 budget, a \$750 million reduction from FY2011 levels. The budget provides \$10.4 billion for Medicaid, increasing funding by \$130 million over current funding levels. Originally slated to increase an additional \$800 million, the budget uses measures including provider reimbursement reductions and increased copayments to reduce projected Medicaid spending ([The Republican, 7/11](#); [Telegram & Gazette, 7/11](#); [Reuters, 7/11](#)).

Missouri

- **Governor Announces \$2 Million for Mental Health Center Serving Children Affected by Joplin Tornado:** **Governor Jay Nixon** (D) has announced \$2 million in state funding to establish a center serving children whose mental health was affected by the May 22 tornado that struck Joplin, Missouri. Once established, the Joplin Child Trauma Center will provide free therapy services to children and train community partners in recognizing the signs of trauma ([Politic MO, 7/6](#)).

- **Hannibal Regional Hospital to Close 14-Bed Mental Health Unit:** As part of a shift toward outpatient care, on July 15, Hannibal Regional Hospital will close its 14-bed inpatient mental health unit. Hospital officials say the facility will continue providing inpatient mental health services but no longer maintain a dedicated mental health unit ([Quincy Herald-Whig, 7/9](#)).

New York

- **Summit Educational Resources to Merge with Consulting Firm to Improve Behavioral Health Services:** Non-profit Summit Educational Resources is merging with Genesis Behavioral Consulting, Inc. to enhance its ability to provide behavioral health services. Summit currently provides educational, therapeutic, and family support services to children and young adults with autism, language disorders, and other developmental disabilities. Under the merger, Summit will begin a new department, Genesis Community Support Services, serving individuals ages 4 to 21 with mental health issues. Services will include therapy, mentoring, behavior management, crisis services, and parent training. Currently operating on a \$22 million annual budget, Summit officials estimate the new Genesis Community Support Services unit will provide \$220,000 in additional annual revenue ([Buffalo Business First, 7/8](#)).

North Carolina

- **Mecklenburg County ABC Board Awards \$558,000 for Prevention and Treatment:** The Mecklenburg County Alcoholic Beverage Control (ABC) Board has awarded 21 non-profit organizations \$558,000 to support new and existing substance abuse prevention and treatment programming. The grants range in size from \$4,260 to \$30,000. Last year, the board provided similar grants totaling \$3.8 million ([The Charlotte Observer, 7/11](#)).

Ohio

- **Secretary of State Verifying Signatures for Ballot Measure Barring Implementation of Individual Mandate:** On July 6, **Ohio Secretary of State Jon Husted** received a 546,000-signature petition that supports placing a measure on the November 8 ballot that would amend the state constitution to prohibit enforcement of the national health care reform law's individual insurance mandate in Ohio. Requiring approximately 385,000 valid signatures to earn a spot on the ballot, the proposed amendment would prohibit any law from forcing state residents, employers, or health care providers to participate in a health care system. Secretary Husted has until July 26 to verify the signatures ([The Fiscal Times, 7/6](#); [Kaiser Health News, 7/7](#); [AP via The Washington Post, 7/6](#)).

Pennsylvania

- **Foundations Community Partnership Provides \$160,000 for Bucks County Health Services:** On July 5, Foundations Community Partnership announced sixteen grant awards to Bucks County non-profits, providing \$160,000 for behavioral health and human service programming. Foundations officials say the organization has provided over \$1 million to Bucks County organizations since 2007 ([Bensalem Patch, 7/11](#)).

Rhode Island

- **Legislature Approves Bill Establishing Recovery High School for Students with Substance Abuse Issues:** The **Rhode Island Legislature** has approved legislation (**S 439** and **H 6055 Substitute A**) that would establish a pilot substance abuse recovery high school for Rhode Island students with substance abuse issues. The legislation would authorize the school for two years, after which state officials would evaluate whether to continue the program. The bill is before **Governor Lincoln Chafee** (I) ([AP via The Boston Globe, 7/8](#)).

West Virginia

- **Appellate Court Upholds the Federal Government's Authority to Withhold Medicaid Funding:** On July 6, the **4th U.S. Circuit Court of Appeals** ruled that the federal government acted appropriately in withholding Medicaid funding from West Virginia after the state failed to provide the **Centers for Medicare & Medicaid Services** (CMS) with settlement funds. In 2004, West Virginia reached an \$850,000 settlement with pharmaceutical company **Dey, Inc.** to address the state's allegation that the company caused \$1 million in Medicaid losses in 2001. Federal officials contended that CMS should have received \$400,000 of the settlement to compensate for federal losses and withheld a commensurate level of Medicaid funding after West Virginia failed to provide settlement funds ([West Virginia Metro News, 7/6](#)).