

June 22, 2010

Dear Florida Policy Makers:

As the Florida Substance Abuse and Mental Health Corporation shuts its doors July 1, 2010, the board would like reiterate some of its key recommendations for improving the effectiveness of the state's treatment programs for people with mental illnesses and addiction disorders.

The Legislature created the Corporation to provide independent oversight of the state's publicly-funded substance abuse and mental health programs and advise the Governor and the Legislature on ways to improve service delivery. While we regret that revenue deficits forced budget cuts that included elimination of the Corporation, we believe the Corporation can point to many accomplishments and to improvements since its inception. Among them are better communication and coordination among agencies involved in the delivery of state-funded mental health and substance abuse services, and providing a forum for consumers and families to offer their recommendations.

But there is much more to be done. As part of the unfinished agenda, the Legislature must first sufficiently fund Florida's substance abuse and mental health system. For several years, the Legislature has found it too easy to cut funding for basic community substance abuse and mental health services. As a result, each year our service delivery system is less able to provide the necessary services and supports for Floridians with mental illnesses and addition disorders.

Invest in Community Services

Substance abuse and mental illness are public health crises with significant economic impact for Floridians. Our state ranks 49th in per capita spending for mental health care, an abysmal ranking borne out by the thousands of people who cannot get treatment and end up in our jails, prisons and on the streets. It is imperative that the Governor and Legislature maintain and shore up current community treatment and support services. Florida's leaders also must place greater focus on early intervention services, such as transitional housing and supportive employment services that will enhance chances for recovery.

Despite Florida's recent shift to investing more money in community-based treatment than institutional care, service levels in communities across the state still fall below the need for services. The lack of services in Florida is shocking and embarrassing, as well as very costly. Individuals who do not have proper treatment often end up the criminal justice system—a very expensive placement for society and the individual.

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We know that the solutions promoted by the Corporation work. An example is Orange County. There, community leaders found an effective way to divert a significant number of people from their county jail, where 25 percent of inmates have a mental health diagnosis and 72 percent have a substance abuse diagnosis or co-occurring disorder. A key to their strategy was creation of the Central Receiving Center in Orlando, which receives funding from the Corporation-administered the Criminal Justice, Substance Abuse and Mental Health Reinvestment Grant. The facility has saved annually \$3.5 million in reduced jail beds and \$25 million in reduced utilization of hospital emergency rooms.

Another example is in Alachua County, where a mental health forensic diversion team was created with Reinvestment Act grant funding to provide treatment and intensive case management services to defendants with mental illness, substance abuse and co-occurring disorders. From its inception in July 2008 through the end of 2009, 708 referrals had been received, and 273 were diverted into treatment.

Clients served in the Miami-Dade Felony Jail Diversion Program (FJDP) between October 2008 and September 2009 experienced a decrease in recidivism and time served in jail. Of the 106 participants actively enrolled in the program at the end of 2009, 80 or 75% had not been re-arrested. Only five of those arrested were charged with new offenses following enrollment in FJDP. The average days in jail for FJDP participants were also significantly decreased.

The next Governor and Legislature must look at these Florida solutions and other best practices around the country and fully implement them across the state in order to achieve a long-term reduction in jail and prison beds. Many opportunities have already been lost. One example is the Legislature's refusal to implement S.B. 2000. Passed by the 2008 Legislature, the new law created a joint legislative Correctional Policy Advisory Council. The Council was designed to evaluate correctional policies, justice reinvestment initiatives, and to review the effectiveness of correctional policies, including sanctioning programs for low-level drug and property offenders, mental health and substance abuse interventions and reinvestment strategies to enhance the long-term effectiveness of correctional policies by reducing cost without negatively affecting public safety. The Correctional Policy Advisory Council would set the stage for Florida to initiate the types of smart justice programs successfully adopted by states such as Texas, Kansas and Michigan— all of which are seeing reduced corrections costs.

A 2009 study conducted for the Corporation and the Florida Alcohol & Drug Abuse Association illustrated the human as well as the economic impact of alcohol and other drug abuse. Injury, illness, crime, and other adverse events related to alcohol and drug abuse are costing Florida more than \$43 billion a year—a little over \$2,300 per person, according to the *Annual Economic Impact of Alcohol and Drug Use in Florida*. There is no comparable study of the economic impact of mental illness in Florida, although one national study places the annual economic burden of serious mental illness at \$317 billion.

There are thousands of children and adults whose health, safety and future may depend on being able to obtain publicly-funded treatment services. It is in the state's best interest to provide these services so that more of its citizens can successfully live and work in their home communities and spend less time in hospitals, crisis units, jails and prisons.

Importance of Medicaid

Medicaid is major funder of mental health services provided through Florida's community-based treatment agencies. Community behavioral health organizations provide care to many individuals with mental illness and substance use disorders who are uninsured, many of whom have incomes well below the federal poverty level. Over the past two decades, expanded case management and rehabilitative services provided through Medicaid have significantly improved services to eligible children and adults with psychiatric disabilities. However, Florida's Medicaid program has been slow to expand coverage for substance abuse services as have several other states.

Policymakers have an opportunity to narrow current gaps in Florida's state-funded treatment services by making more efficient use of Medicaid coverage and taking advantage of the expanded benefits available through recently enacted federal health insurance reform legislation. As an example, the new federal law will increase eligibility standards so that benefits can be extended to many children and adults who currently are not being served. The act also provides higher federal match rates for certain Medicaid services and activities.

In looking to reform Florida's Medicaid Program to rein in costs, we recommend that the Legislature take action to assure that proposed changes do not unnecessarily deny access to services, especially for adults with serious mental illnesses and children with severe emotional disturbance and adults and youth with substance use disorders. Restricting treatment for these vulnerable populations could prove more costly in the long-run.

Focus on Prevention and Early Intervention

Early intervention and treatment is critical to combating symptoms of mental illness and chronic substance abuse and improving treatment outcomes. As a necessary first step, we recommend that there be a full assessment of prevention and treatment needs across all state agencies. Such an assessment can pinpoint areas of duplication and opportunities for collaboration. An approach that targets limited tax dollars to prevention and early intervention can reduce future spending on more costly, deep-end treatment programs (e.g., incarceration, foster care, and juvenile justice).

Expand Community-based Criminal Justice Diversion Programs

The impact of mental illnesses and substance use disorders on the criminal justice system at both the state and local level has been enormous. As an example, Florida is spending nearly \$3 billion a year on prisons—10 percent of the state's general fund. Based on current estimates of mental illness among Florida's prison inmates, 17 percent of those beds will be occupied by offenders with a mental health diagnosis.

Not only are there large numbers of adults with mental illnesses in the criminal justice system but there also are a significant number of youth with mental health and addiction disorders caught up in the juvenile justice system. Providing alternatives to incarceration for these

individuals is a key strategy for resolving this crisis—a strategy that has been endorsed by the Smart Justice Coalition and Florida Tax Watch, along with other groups.

The Criminal Justice, Substance Abuse and Mental Health Reinvestment Act grant program has shown that collaboration among leaders from local and state government, law enforcement, the courts, providers, and advocacy groups can lead to effective treatment alternatives to incarceration. The grant program supported implementation of criminal justice system diversion programs in 12 counties, serving 4,500 people. Included are programs that divert people from incarceration as well as those that support successful re-entry of people with mental illnesses and substance use disorders back to the community from jails and prisons. The \$3 million appropriated by the 2010 Legislature to continue the Reinvestment Act grants next year will result in expanding these programs to another 11 to 12 counties and expanding some existing programs. We applaud the Legislature for continuing this cost-effective program and recommend that the program be made available to still other communities over the next few years.

We also commend legislators for appropriating additional funding for the highly successful Redirection Program and recommend its further expansion. Redirection diverts juveniles who would otherwise be committed for a non-law violation of probation from residential programs to less costly therapy-based community programs. The program saved taxpayers \$36.45 million during its first four years in operation.

Unfortunately, bills that collectively would have dramatically reduced the number of people with mental illnesses and addiction disorders in the criminal justice and corrections systems failed to win approval during the 2010 session. These included:

- H.B. 1189/S.B. 1140—The Community Mental Health and Substance Abuse Treatment and Crime Reduction Act. This bill would have laid the groundwork for development of a network of community-based programs to divert people with mental illnesses and substance use disorders from jails, prisons and state forensic mental health facilities.
- H.B. 1587/S.B. 2714—This legislation directs the Department of Corrections to create a re-entry program that includes substance abuse and mental health treatment in the form of a 90 day in-prison treatment program, as well as a 12-month treatment program to be completed by the inmate while they are on substance abuse or mental health probation in the community during the last year of their prison sentence. Such re-entry programs and aftercare programs have clearly demonstrated their ability to reduce recidivism.

We encourage the Legislature to make these bills priorities for the 2011 Session and work for their swift approval.

The Corporation recommends the enactment of the major reforms recommended by the Blueprint Commission on Juvenile Justice and the Florida Department of Juvenile Justice. Florida must structure a system of care that acknowledges and addresses the underlying role that mental illness and substance abuse play in delinquent behavior and crimes committed by youth.

We also recommend that the state provide incentives for special needs housing in support of recovery efforts, such as rental assistance programs for individuals with mental illnesses and substance abuse disorders who are exiting from incarceration.

Guiding Principles for Policymakers

Since its inception, the SAMH Corporation has emphasized four research-based principles critical in guiding mental health and substance abuse policy. We again encourage the Governor and Legislature to use these principles in shaping mental health and substance abuse policy and making funding decisions:

- Treatment and prevention work.
- Treatment and prevention provide substantial cost benefits and cost offsets.
- Failure to provide effective community-based treatment results in unnecessary deep-end treatment costs, foster care, delinquency, incarceration, and significant long-term adverse economic and social consequences.
- Savings from reduced recidivism rates can provide the necessary funding for substance abuse and mental health treatment as inmates re-enter their communities.

The Corporation Board of Directors and staff appreciate the opportunity over the past six years to make an in-depth study of Florida's system for delivering substance abuse and mental health services and to share our conclusions and recommendations with Florida's leaders. We realize that fiscal constraints make system improvements more challenging, but we believe realistic solutions can be achieved through a state and local partnership that emphasizes the principles stated above. It is our hope that our work will be continued by representatives of the Department of Children & Families and the other state and local agencies and organizations with whom we collaborated over the years.

Sincerely,

David L. Miller, Chair

Enclosure – 2009 Corporation Annual Report