National Alliance on Mental Illness

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TO THE LABOR-HHS-EDUCATION SUBCOMMITTEE
COMMITTEE ON APPROPRIATIONS
UNITED STATES SENATE
REGARDING FY 2011 FUNDING FOR THE NATIONAL INSTITUTE OF MENTAL HEALTH (NIMH), THE SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION (SAMHSA) AND THE SOCIAL SECURITY ADMINISTRATION (SSA)

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Chairman Harkin and members of the Subcommittee, I am Mike Fitzpatrick, Executive Director of NAMI (the National Alliance on Mental Illness). I am pleased today to offer NAMI's views on the Subcommittee's upcoming FY 2011 bill. NAMI is the nation's largest grassroots advocacy organization representing persons living with serious mental illnesses and their families. Through our 1,100 affiliates in all 50 states, we support education, outreach, advocacy and research on behalf of persons with serious mental illnesses such as schizophrenia, manic depressive illness, major depression, severe anxiety disorders and major mental illnesses affecting children.

The cost of mental illness to our nation is enormous. It is estimated that the direct and indirect cost of untreated mental illness to our nation exceeds $80 billion annually. However, these direct and indirect costs do not measure the substantial and growing burden that is imposed on "default" systems that are too often responsible for serving children and adults with mental illness who lack access to treatment. These costs fall most heavily on the criminal justice and corrections systems, emergency rooms, schools, families and homeless shelters. Moreover, these costs are not only financial, but also human in terms of lost productivity, lives lost to suicide and broken families. Investment in mental illness research and services are – in NAMI's view – the highest priority for our nation and this Subcommittee.

National Institute of Mental Health (NIMH) Research Funding

The National Institute of Mental Health (NIMH) is the principal federal agency charged with funding biomedical research on serious mental illnesses. To inspire and support research that will continue to make a difference for people living with mental illnesses, and ultimately, promote recovery, NIMH developed a Strategic Plan in 2009 to guide future research efforts. The overarching objectives of the Strategic Plan are to: (1) promote discovery in the brain and behavioral sciences to fuel research on the causes of mental disorders; (2) chart mental illness trajectories to determine when, where and how to intervene; (3) develop new and better interventions that incorporate the diverse needs and circumstances of people with mental illnesses; and (4) strengthen the public health impact of NIMH-supported research.

Translating Research Advances into New Treatments

It is critical for us to move beyond the current universe of palliative treatments for serious mental illness. Even with optimal care, some children and adults living with serious mental illness will not be able to achieve recovery (as defined as permanent remission). As NIMH Director Dr. Tom Insel has noted, consumers and families need rapid, effective treatments that target the core pathophysiology of serious mental illnesses and the tools for early detection. Mental illness research can develop new diagnostic markers and treatments, but this will require defining the pathophysiology of these illnesses. NIMH now has the research tools necessary. Now is the time to set an ambitious goal of finding cures to these

extremely disabling illnesses. However, NIMH must have the resources it needs to support this critical research agenda.

ARRA Investments

NAMI would like to draw the Subcommittee's attention to two specific critical investments NIMH is making as part of the American Recovery and Reinvestment Act (ARRA) and collaborations with the Department of Defense. The first is the RAISE (Recovery After an Initial Schizophrenia Episode) study which is being financed (in part) with $368 million in ARRA funds. RAISE is the first ever large-scale trial exploring early and aggressive treatment integrating a variety of different therapies to reduce the symptoms and prevent the gradual deterioration of functioning that is characteristic in schizophrenia. The second is STARRS (Study to Assess Risk and Resilience in Service Members – a joint Army-NIMH study of suicide and mental health among military personnel. Army STARRS will identify – as rapidly as possible – modifiable risk and protective factors related to mental health and suicide. It also will support the Army's ongoing efforts to prevent suicide and improve soldiers' overall wellbeing.

Continuing the Federal Investment in Mental Illness Research

The President is proposing $1.541 billion for basic scientific and clinical research at the National Institute of Mental Health (NIMH). This is a $51 million increase above the current FY 2010 level of $1.489 billion. While this is below the expected increase in biomedical research inflation, it is a tremendous accomplishment and endorsement of the importance of investment in medical research in a budget that proposes an overall freeze in domestic discretionary spending.

For FY 2011, NAMI supports the recommendations of the Ad Hoc Group on Medical Research for an overall NIH funding level of $36 billion (a 12% increase over FY 2010). For NIMH, NAMI recommends a similar 12% increase, up to $1.683 billion -- $143 million above the President's request and $193.6 million above the FY 2010 appropriation.

Funding for Programs at SAMHSA's Center for Mental Health Services (CMHS)

Mr. Chairman, as our nation continues to struggle through this current economic downturn and states struggle with diminished revenues, we are experiencing unprecedented strain in mental health service budgets. Since 2009, we have seen a combined total of nearly $1.8 billion cut from state mental health authority (SMHA) budgets. In a number of states the spending reduction for mental health exceeds 20% of the entire SMHA budget. A few examples of the scale of these cuts to state mental health budgets include:

- Ohio - Combined state mental health authority cuts from 2009 through 2011 of 36.2% across the board or a $191.3 million reduction,
- Rhode Island – A total percentage cut of 34% from 2007 to 2009 (from a statewide budget of $82.1 million to $54.5 million) – as a result the state is experiencing a 65% increase in the number of children with Serious Emotional Disturbance boarding in public emergency rooms,
- Illinois – Since 2009, 10,000 low income children and adults have lost access to community-based mental health care.
- Kansas -- New admissions to the state's public psychiatric hospitals have been frozen for the remainder of 2010 and nine of the state's 27 Community Mental Health Centers are in operating deficits and in jeopardy of being closed (most of these agencies serve rural health professional shortage areas).
- Mississippi – The Governor has proposed an $18 million cut this year that would result in the closing of six crisis centers and four Department of Mental Health facilities including two inpatient psychiatric hospitals.

When investments in treatment, support and recovery are slashed to this extreme degree, the costs to society and to government do not go away. Instead, the costs just get passed along far more expensively in terms of public spending and far less successfully in terms public health:

- Half of all lifetime mental illnesses begin by age 14 and without access to early diagnosis and treatment, we end up paying much more for special education, private placements, substance abuse and juvenile detention.
- Without access to community-based treatment and support, we end up paying much more for secondary medical symptoms, homelessness, addiction, broken families, extended hospital emergency admissions, nursing home beds, jails and prisons.
- Without access to mental health care, our national and state economies lose billions of dollars every year in unemployment, under-employment and lost productivity.
- Without access to treatment and recovery, people with serious mental illnesses are destined to die 25 years sooner than the general population.

At NAMI we refer to this as "spending money in all the wrong places" as the burden of untreated mental illness is shifted and hidden but no less at taxpayers expense.

It is imperative that programs at the Center for Mental Health Services (CMHS) at SAMHSA help states respond to the individual crises they are facing in trying to manage such deep reductions to community mental health budgets in a time of rising demand – both respect to the needs of the existing population of people living with serious mental illness and new populations at risk of anxiety, depression and psychosis.

In particular, this Subcommittee must expand investment in the Mental Health Block Grant (MHBG) for FY 2011. Funding for the MHBG has been frozen at its current level of $420 million since FY 2000. **NAMI urges the Subcommittee to respond to this crisis at the state level by increasing funding for the Mental Health Block Grant by $100 million to $520 million in FY 2011.**

NAMI would also recommend the following priorities for CMHS for FY 2011:

- Support the President's proposal to increase the PATH Homeless Formula Grant program to $70 million (a proposed $5 million increase above FY 2010),
- Support the President's proposal for a $5 million increase for the Children's Mental Health program, boosting funding up to $126 million, and
- Support the President's proposal for a $6 million increase for suicide prevention activities at CMHS (up to $54.2 million), including funding for the Garrett Lee Smith Memorial Act.

Addressing Chronic Homelessness and Mental Illness

SAMHSA's homeless programs fill a gap created by a preference *for funding housing capital needs over the critically important services* that are necessary for programs to be effective. In the recent competition conducted by SAMHSA the agency received over 500 qualified applications, of which the agency was only able to fund 68. The interest and capacity of providers to put these federal dollars to work and end homelessness for thousands of homeless individuals should demonstrate to Congress a clear mandate to significantly increase funding for SAMHSA's homeless programs.

The current FY 2010 funding level of SAMHSA homeless programs is $75 million. This is divided between two accounts: $32.25 million within the Center for Mental Health Services (CMHS) and $42.75 within the Center for Substance Abuse Treatment (CSAT). The President's budget proposes an increase of $12.1 million, $7.446 million for CMHS and $4.610 million for CSAT.

The President's 2011 budget proposal includes a new Homeless Initiative Program. This is a HUD/HHS partnership creating two demonstration programs, including one that couples Housing Choice Vouchers with services funding by Medicaid and SAMHSA. The Medicaid funds are mandatory spending and do not require an appropriations amount. However, the SAMHSA contribution must be appropriated and the President proposes $15.8 million. This funding includes the $12.1 million proposed SAMHSA homeless services increase and an additional $3.7 million from existing CSAT resources.

NAMI applauds the Administration's recognition that the federal government can do a better job helping communities couple housing and services funding. This is a good first step. However, we are concerned that the chronically homeless demonstration would take $3.7 million from existing resources and only states with existing 1115 Medicaid waivers can apply. NAMI urges this Subcommittee to ensure that an optimal number of states and public housing authorities, who administer Housing Choice Vouchers, can use the Medicaid and SAMHSA funding available for this program to more effectively target chronically homeless individuals living with mental illness.

Overall, NAMI urges this Subcommittee to provide $120 million in SAMHSA homeless programs for essential mental health and substance use treatment services linked to permanent supportive housing for chronically homeless individuals and families. This request would increase funding by $45 million over the FY 2010 funding level. NAMI also supports the President's recommendation for $15.8 million for SAMHSA's portion of the Administration's Homeless Initiative Program for FY 2011.

Continue Progress on Addressing the Social Security Disability Claims and Appeals Backlog

Mr. Chairman, people with mental illness and other severe disabilities have been bearing the brunt of the backlog crisis for disability claims and appeals at Social Security. Behind the numbers are individuals with disabilities whose lives have unraveled while waiting for decisions – families are torn apart; homes are lost; medical conditions deteriorate; once stable financial security crumbles; and many individuals die. NAMI congratulates this Subcommittee on the progress made since 2008 with the appropriation for SSA's Limitation on Administrative Expenses (LAE), boosting it to $11.447 billion for FY 2010. This investment, along with ARRA funds to improve information technology has allowed SSA to hire new staff, reduce processing times and make progress on the reducing the disability claims backlog. **NAMI urges the Subcommittee to continue this progress and support the President's recommendation for an LAE of $12.521 billion for FY 2011.**

Conclusion

Chairman Harkin, thank you for the opportunity to share NAMI's views on the Labor-HHS-Education Subcommittee's FY 2011 bill. NAMI's consumer and family membership thanks you for your leadership on these important national priorities.