Substance Abuse and Mental Health Services Administration
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Testimony Before the

Senate Health, Education, Labor, and Pensions Committee

Hearing on "Assessing the State of America's Mental Health System"

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Chairman Harkin, Ranking Member Alexander and members of the Senate Health, Education, Labor, and Pensions Committee, thank you for inviting me to testify at this important hearing on the state of the mental health system. I am pleased to testify along with Dr. Insel on the state of America's mental health system and to discuss some of the initiatives related to mental health included in the President's plan to protect our children and our communities.

The Substance Abuse and Mental Health Services Administration (SAMHSA)

As you are aware, the Substance Abuse and Mental Health Services Administration's (SAMHSA) mission is to reduce the impact of substance abuse and mental illness on America's communities. SAMHSA envisions a Nation that acts on the knowledge that:

- Behavioral health is essential for health;
- Prevention works;
- Treatment is effective; and
- People recover from mental and substance use disorders.

In order to achieve this mission, SAMHSA has identified eight Strategic Initiatives to focus the Agency's work on improving lives and capitalizing on emerging opportunities. SAMHSA's top Strategic Initiatives are: Prevention; Trauma and Justice; Health Reform; Military Families; Recovery Supports; Health Information Technology; Data, Outcomes and Quality; and Public Awareness and Support.

Prevalence of Behavioral Health Conditions and Treatment

In the wake of the Newtown tragedy, it is important to note that behavioral health research and practice over the last 20 years reveal that most people who are violent do not have a mental disorder, and most people with a mental disorder are not violent.[1] Studies indicate that people with mental illnesses are more likely to be the victims of violent attacks than the general population.[2] In fact, demographic variables such as age, gender and socioeconomic status are more reliable predictors of violence than mental illness.[3] These facts are important because misconceptions about mental illness can cause discrimination and unfairly hamper the recovery of the nearly 20 percent of all adult Americans who experience a mental illness each year.

It is estimated that almost half of all Americans will experience symptoms of a mental health condition – mental illness or addiction – at some point in their lives. Yet, today, less than one in five children and adolescents with diagnosable mental health problems receive the treatment they need.[4] And according to data from SAMHSA's National Survey on Drug Use and Health (NSDUH), only 38% of adults with diagnosable mental health problems – and only 11% of those with diagnosable substance use disorders - receive needed treatment.[5]

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[1] Monahan J, Steadman H, Silver E, et al: Rethinking Risk Assessment: The MacArthur Study of Mental Disorder and Violence. New York, Oxford University Press, 2001 and Swanson, 1994.

[2] Appleby, L., Mortensen, P. B., Dunn, G., & Hiroeh, U. (2001). Death by homicide, suicide, and other unnatural causes in people with mental illness: a population-based study. *The Lancet*, 358, 2110-2112.

[3] Elbogen EB, Johnson SC. Arch Gen Psychiatry. 2009 Feb;66(2):152-61. doi: 10.1001/archgenpsychiatry.2008.537.
The intricate link between violence and mental disorder: results from the National Epidemiologic Survey on Alcohol and Related Conditions.

[4] Unmet Need for Mental Health Care Among U.S. Children: Variation by Ethnicity and Insurance Status
Sheryl H. Kataoka, M.D., M.S.H.S.; Lily Zhang, M.S.; Kenneth B. Wells, M.D., M.P.H., Am J Psychiatry 2002;159:1548-1555.
10.1176/appi.ajp.159.9.1548

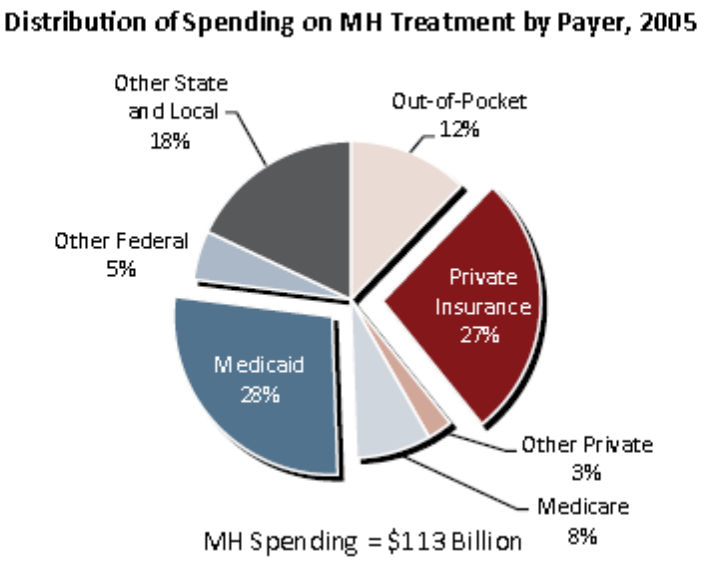
[5] Substance Abuse and Mental Health Services Administration, *Results from the 2011 National Survey on Drug Use and Health: Mental Health Findings*, NSDUH Series H-45, HHS Publication No. (SMA) 12-4725. Rockville, MD: Substance Abuse and Mental Health Services Administration, 2012.

With respect to the onset of behavioral health conditions, half of all lifetime cases of mental and substance use disorders begin by age 14 and three-fourths by age 24.[6] When persons with mental health conditions or substance use disorders do not receive the proper treatment and supportive services they need, crisis situations can arise affecting individuals, families, schools, and communities. We need to do more to identify mental health and substance abuse issues early and help individuals get the treatment they need before these crisis situations develop. And we need to help communities understand and implement the prevention approaches we know can be effective in stopping issues from developing in the first place.

The President's announcement includes several important steps to help address mental health prevention and treatment. I look forward to the opportunity to discuss these with you.

Mental Health Financing

First, however, I will provide some background on mental health financing. The National Expenditures for Mental Health Services and Substance Abuse Treatment report for 1986-2005 found that $113 billion was spent on mental health and $22 billion for substance abuse services in 2005. SAMHSA is in the process of updating this data. In 2005, spending on mental health services accounted for 6.1 percent of all-health spending. Public payers accounted for 58 percent of mental health spending and 46 percent of all-health spending. Medicaid (28 percent of mental health spending) and private insurance (27 percent of mental health spending) accounted for more than half of mental health spending in 2005, followed by other State and local government at 18 percent, Medicare at 8 percent, out-of-pocket at 12 percent, other Federal at 5 percent and other private sources at 3 percent.



The National Expenditures report also found prescription drugs accounted for the largest share of mental health spending in 2005—27 percent. Mental health drug spending grew by an average of 24 percent a year between

[6] Kessler, R. C., Berglund, P., Demler, O., Jin, R., Merikangas, K. R., & Walters, E. E. (2005). Lifetime prevalence and age-of-onset distributions of *DSM-IV* disorders in the National Comorbidity Survey Replication. *Archives of General Psychiatry, 62*(6), 593–602.

1997 and 2001. After 2001, growth slowed dramatically, to an average rate of 10 percent a year between 2001 and 2005.

A key source of funding for services for adults with serious mental illness (SMI) and children with severe emotional disturbances (SED) is the Community Mental Health Services Block Grant (MHBG), which is a flexible funding source that is used by States to provide a range of mental health services described in their plans for comprehensive community-based mental health services for children with serious emotional disturbance and adults with serious mental illness. These funds are used to support service delivery through planning, administration, evaluation, educational activities, and services. Services include rehabilitation services, crisis stabilization and case management, peer specialist and consumer-directed services, wrap around services for children and families, supported employment and housing, jail diversion programs, and services for special populations. The State plan is developed in collaboration with the State mental health planning councils. Planning Councils' membership is statutorily mandated to include consumers, family members of adult and child consumers, providers, and representatives of other principal State agencies. The FY 2013 President's Budget proposed $460 million to continue the MHBG.

SAMHSA also administers the Substance Abuse Prevention and Treatment Block Grant (SABG) for the States. The FY 2013 President's Budget proposed $1.4 billion for the SABG, and $400 million for primary prevention of substance abuse.

According to the National Association of State Mental Health Program Directors, over the past few years, States and communities have significantly reduced funding for mental health and addiction services. They estimate that in the last four years, States have cut $4.35 billion in mental health services, while an additional 700,000 people sought help at public mental health facilities during this period.[7] These changes have occurred despite the evidence that early treatment and prevention for mental illness and substance use programs can reduce health costs, criminal and juvenile justice costs, and educational costs, and increase productivity.[8]

Additionally, investments in these programs and services can help reduce physical health costs for those with co-morbid health and behavioral health conditions.[9] Some States have found that providing adequate mental health and addiction-treatment benefits can dramatically reduce health care costs and Medicaid spending.

Advancements and Trends in Behavioral Health

Community-Based Care

In 1963, President John F. Kennedy signed into law the Mental Retardation Facilities and Community Mental Health Centers Construction Act. The Act led to a drastic alteration in the delivery of mental health services and establishment of more than 750 comprehensive community mental health centers throughout the country. This movement to community-based services helped to reduce the number of individuals with mental illness who were "warehoused" in secluded hospitals and isolated institutions. Other advancements in the treatment of mental illness and the growth of the recovery movement, along with other programs such as supportive housing, assertive

[7] The National Association of State Mental Health Program Directors (NASMHPD). *Too Significant To Fail: The Importance of State Behavioral Health Agencies in the Daily Lives of Americans with Mental Illness, for Their Families, and for Their Communities*. Alexandria, VA. 2012.

[8] National Research Council. Preventing Mental, Emotional, and Behavioral Disorders Among Young People: Progress and Possibilities. Washington, DC: The National Academies Press, 2009.

[9] See e.g., Egede, L.E., Zheng, D., & Simpson, K. (2002). Comorbid depression is associated with increased health care use and expenditures in individuals with diabetes. Diabetes Care, 25(3), 464-470.

community treatment teams, peer specialists, supportive employment, and social security disability payments, have helped provide the services and supports necessary for persons with serious mental illness to survive and thrive in the community. Experience and research has shown that the goal of recovery is exemplified through a life that includes: Health; Home; Purpose and Community.[10] Peers play an important role in recovery support and the consumer movement has helped promote not only the idea that recovery is possible, but also those consumers should play a key role in their recovery. SAMHSA's Recovery Support Initiative partners with people in recovery from mental and substance use disorders and family members to guide the behavioral health system and promote individual-, program-, and system-level approaches that foster health and resilience; increase permanent housing, employment, education, and other necessary supports; and reduce discriminatory barriers.

Integration

Given that behavioral health is essential to an individual's overall health, SAMHSA administers the Primary and Behavioral Health Care Integration (PBHCI) program. The purpose of the program is to improve the physical health status of people with serious mental illnesses (SMI) by supporting communities to coordinate and integrate primary care services into publicly funded community mental health and other community-based behavioral health settings. The program supports community-based behavioral health agencies' efforts to build the partnerships and infrastructure needed to initiate or expand the provision of primary healthcare services for people in treatment for SMI and co-occurring SMI and substance use disorders. It is a program focused on increasing the health status of individuals based on physical or behavioral need. The program encourages structural changes in existing systems to accomplish its goals. To date, the program has awarded 94 grants and 55 percent of awardees are partnering with at least one Federally Qualified Health Center (FQHC). This integration results in significant physical and behavioral health gains. PBHCI grantees collect data on patients at admission and in follow-up reassessments every six months, as well as at discharge when possible. Some results that are based on grantee-reported outcome measures from February 2010 through January 7, 2013, include:

- Health: The percentage of consumers who rated their overall health as positive increased by 20% from baseline to most recent reassessment (N=3737).
- Tobacco Use: The percentage of consumers who reported they were not using tobacco during the past 30 days increased by 6% from baseline to most recent reassessment (N=3787).
- Illegal Substance Use: The percentage of consumers who reported that they were not using an illegal substance during the past 30 days increased by 12% from baseline to most recent reassessment (N=3568).
- Blood pressure (categorical): Among 7493 clients, 18.3% showed improvement, and 16.7% are no longer at risk for high blood pressure (systolic less than 130, diastolic less than 85).
- BMI: Among 7120 clients, 45.6% showed improvement, and 4.8% are no longer at risk for being overweight (BMI less than 25).

Service systems that are aligned with patient and client need, specifically those providing integrated treatment, produce better outcomes for individuals with co-occurring mental and substance use disorders.[11] Without integrated treatment, one or both disorders may not be addressed properly. Mental health and substance abuse

[10] New Freedom Commission on Mental Health, *Achieving the Promise: Transforming Mental Health Care in America. Final Report*. DHHS Pub. No. SMA-03-3832. Rockville, MD: 2003.

[11] Center for Substance Abuse Treatment. Systems Integration. COCE Overview Paper 7. DHHS Publication No. (SMA) 07-4295. Rockville, MD: Substance Abuse and Mental Health Services Administration, and Center for Mental Health Services, 2007.

authorities across the country are taking steps to integrate systems and services, and promote integrated behavioral health treatment. Currently, there are thirty-five States that have a combined mental health and substance abuse authority. In addition, at least two additional States and the District of Columbia are moving toward a single agency.

SAMHSA continues to work with both States and grantees to encourage systems collaboration and coordination to develop mental health and substance abuse systems that support seamless service delivery. SAMHSA's effort to integrate primary care and mental health and substance abuse services offers a promising, viable, and efficient way of ensuring that people have access to needed behavioral health services. Additionally, behavioral health care delivered in a primary care setting can help to minimize discrimination and reduce negative attitude about seeking services, while increasing opportunities to improve overall health outcomes. Leadership supporting this type of coordinated quality care requires the support of a strengthened behavioral health and primary care delivery system as well as a long-term policy commitment.

Mental Health Parity and Addiction Equity Act (MHPAEA)

In 2008, the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act (MHPAEA) became law. MHPAEA improves access to much needed mental and substance use disorder treatment services through more equitable coverage. The law applied to large group health plans (sponsored by employers with more than 50 employees) and health insurance issuers that offered coverage in the large group market. The law requires that plans and issuers that offer coverage for mental illness and substance use disorders provide those benefits in a way that is no more restrictive than the predominant requirements or limitations applied to substantially all medical and surgical benefits covered by the plan.

Affordable Care Act

The Affordable Care Act advances the field of behavioral health by expanding access to behavioral health care; growing the country's behavioral health workforce; reducing behavioral health disparities; and implementing the science of behavioral health promotion.

While most mental illnesses and addictions are treatable, those with mental illness often cannot get needed treatment if they do not have health insurance that covers mental health services. The Affordable Care Act will provide one of the largest expansions of mental health and substance abuse coverage in a generation by extending health coverage to over 30 million Americans, including an estimated 6 to 10 million people with mental illness. It also includes coverage for preventive services, including screening for depression and alcohol misuse. The Affordable Care Act will also make sure that Americans can get the mental health treatment they need by ensuring that insurance plans in the new Marketplaces cover mental health and substance abuse benefits at parity with other benefits. Beginning in 2014, all new small group and individual plans will cover mental health and substance use disorder services, including behavioral health treatment.

Medicaid is already the largest payer of mental health services, and the Affordable Care Act will extend Medicaid coverage to as many as 17 million hardworking Americans.

SAMHSA's number one strategic initiative is Prevention of Substance Abuse and Mental Illness, and the Agency has also been heavily engaged in the implementation of the prevention and public health promotion provisions of the Affordable Care Act. For example, the National Prevention Strategy includes priorities focused on Mental and Emotional Well-Being and Preventing Drug Abuse and Excessive Alcohol Use.

Moving Forward

Moving forward, in the wake of the tragedy in Newtown, CT, the Administration is focused on making sure that students and young adults get treatment for mental health issues. At the same time, SAMHSA knows that a larger national dialogue about mental health in America needs to occur and we will be taking steps to foster this dialogue.

Parity

The Administration intends to issue next month the Final Rule on defining essential health benefits and implementing requirements for new small group and individual plans to cover mental health benefits at parity with medical and surgical benefits. In addition, the President announced that the Administration is committed to promulgating a MHPAEA Final Rule.

Last week, the Centers for Medicare and Medicaid Services sent a State Health Official Letter regarding the applicability of MHPAEA to Medicaid non-managed care benchmark and benchmark-equivalent plans (referred to in this letter as Medicaid Alternative Benefit plans) as described in section 1937 of the Social Security Act (the Act), the Children's Health Insurance Programs (CHIP) under title XXI of the Act, and Medicaid managed care programs as described in section 1932 of the Act.

Reaching Youth and Young Adults

As I noted earlier, three-quarters of mental illnesses appear by the age of 24, yet less than one in five children and adolescents with diagnosable mental health and substance use problems receive treatment. That is why last week, the President announced initiatives to ensure that students and young adults receive treatment for mental health issues. Specifically, SAMHSA will take a leadership role in initiatives that would:

- **Reach 750,000 young people through programs to identify mental illness early and refer them to treatment:** We need to train teachers and other adults who regularly interact with students to recognize young people who need help and ensure they are referred to mental health services. The Administration is calling for a new initiative, Project AWARE (Advancing Wellness and Resilience in Education), to provide this training and set up systems to provide these referrals. This initiative has two parts:

    o **Provide "Mental Health First Aid" training for teachers:** Project AWARE proposes $15 million for training for teachers and other adults who interact with youth to detect and respond to mental illness in children and young adults, including how to encourage adolescents and families experiencing these problems to seek treatment.

    o **Make sure students with signs of mental illness get referred to treatment:** Project AWARE also proposes $40 million to help school districts work with law enforcement, mental health agencies, and other local organizations to assure students with mental health issues or other behavioral issues are referred to and receive the services they need. This initiative builds on strategies that, for over a decade, have proven to improve mental health.

- **Support individuals ages 16 to 25 at high risk for mental illness:** Efforts to help youth and young adults cannot end when a student leaves high school. Individuals ages 16 to 25 are at high risk for mental illness, substance abuse, and suicide, but they are among the least likely to seek help. Even those who received services as a child may fall through the cracks when they turn 18. The Administration is proposing $25 million for innovative State-based strategies supporting young people ages 16 to 25 with mental health or substance abuse issues.

- **Train more than 5,000 additional mental health professionals to serve students and young adults:** Experts often cite the shortage of mental health service providers as one reason it can be hard to access treatment. To help fill this gap, the Administration is proposing $50 million to train social workers, counselors, psychologists, and other mental health professionals. This would provide stipends and tuition reimbursement to train more than 5,000 mental health professionals serving young people in our schools and communities.

National Dialogue

Finally, we know that it is time to change the conversation about mental illness and mental health in America. HHS is working to develop a national dialogue on the mental and emotional health of our young people, engaging parents, peers, and teachers to reduce negative attitudes toward people with mental illness, to recognize the warning signs, and to enhance access to treatment.

Conclusion

Thank you again for this opportunity to discuss the state of America's mental health system. I would be pleased to answer any questions that you may have.