

**Testimony before the Human Services Committee**  
**March 8, 2011**  
**Support for SB 297**

Good morning, Senator Musto, Representative Tercyak, and members of the Human Services Committee. My name is Alicia Woodsby, and I am the Public Policy Director for the National Alliance on Mental Illness, CT (NAMI-CT). I am here today on behalf of NAMI-CT to testify in support of both SB 297, An Act Concerning an Amendment to the Medicaid State Plan Under Section 1915(i) of the Social Security Act to Provide Home Care Services.

NAMI-CT is a member of Keep the Promise, a statewide grassroots mental health advocacy coalition dedicated to advocating for the community based solutions necessary to maintain and expand critical mental health services for adults and children and the housing options to meet their needs. Community integration is at the very core of the work that we do at NAMI-CT.

There are multiple barriers that keep people with chronic and persistent mental health conditions from living and participating in community life. Stigma; discrimination, a lack of community based mental health services and housing options, institutional bias; a fragmented and underfunded mental health system.

One of the most striking examples is the warehousing of people with mental illness on locked units in nursing homes. It was last estimated in 2006 that 3,000 nursing home residents had serious mental illnesses. The number was rising at an average of 10% per year since 2000, which would have brought the state to 3,900 in 2009. Once placed, it is extremely difficult for them to leave because of the lack of housing and available services. In 2008, the state lost approximately \$7.5 million in lost federal Medicaid payments to nursing homes because they exceeded the allowable percentage of residents with psychiatric illnesses.

A federal lawsuit and the continuing increase of people with serious mental illnesses placed in nursing homes, led the state to launch a Medicaid Home & Community Based Waiver targeted to people with serious mental illnesses in nursing homes or at risk of being admitted to nursing homes.

This allows the state to spend Medicaid funds that pay for the nursing home stay for home and community based services. However, the waiver targets a limited number of people with serious mental illnesses per year.

We continue to use 100% state dollars to divert and discharge many people from nursing homes who don't exactly fit the criteria for the Waiver, not to mention the state funds that are needed for inpatient hospitalizations, and those who are cycling in and out of the prison and shelter systems.

The 1915(i) state plan amendment outlined in this bill will allow the state to bill Medicaid for many of the community mental health services and supports necessary to help people with serious mental illnesses maintain lives in the community. **Individuals do not have to meet the criteria for nursing home level of care as with the Waiver (thus an opportunity to provide services and supports before someone needs institutional care), AND community services and supports are less expensive than institutional and acute care settings.** Mental health is an area of particular opportunity, since the state has not maximized federal reimbursement for a number of community mental services.

Rather than consider to any cuts to the mental health service system, the state can utilize available federal Medicaid funding to preserve critically needed community mental health services. This will save the state money **and preserve state funds** for support services and rental assistance that are not Medicaid-billable but central components of community care.

By increasing opportunities for community integration for those with mental illnesses the state can shifts funds from costly criminal justice settings, nursing facilities and crisis services, to more cost-effective and evidence-based options.

Thank you.