



**MENTAL HEALTH AND
SUBSTANCE ABUSE SERVICES
FISCAL YEAR 2023-2024 BUDGET HEARING**

TN

Department of
**Mental Health &
Substance Abuse Services**

OUR MISSION:

Creating

***COLLABORATIVE
PATHWAYS TO***

*RESILIENCY,
RECOVERY, and
INDEPENDENCE*

for Tennesseans living with mental illness and
substance use disorders

OUR VISION:

A STATE

of resiliency, recovery,
and independence

IN WHICH

TENNESSEANS

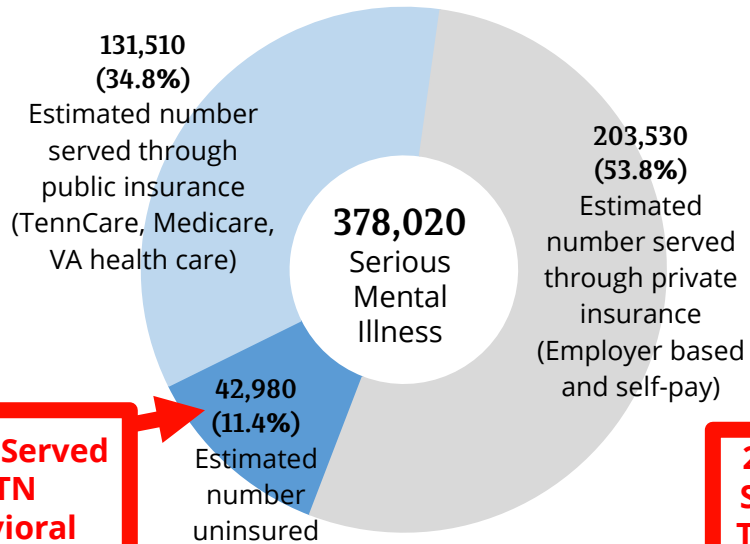
living with mental illness
and substance use disorders

THRIVE

Continued Efforts to Close the Gap

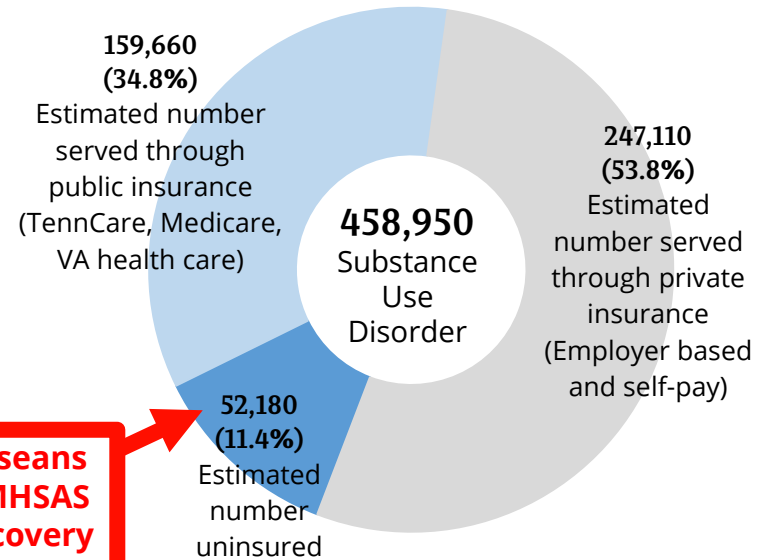
2019 Tennesseans, **ages 18+:** **378,020** were estimated to have serious mental illness (SMI) (7.1% of 5,324,254 Tennesseans, rounded to nearest 10)

2019 Tennesseans, **ages 18+:** **458,950** were estimated to have a substance use disorder (SUD) (8.62% of 5,324,254 Tennesseans, rounded to nearest 10)



36,587* Served by TN Behavioral Health Safety Net in FY22

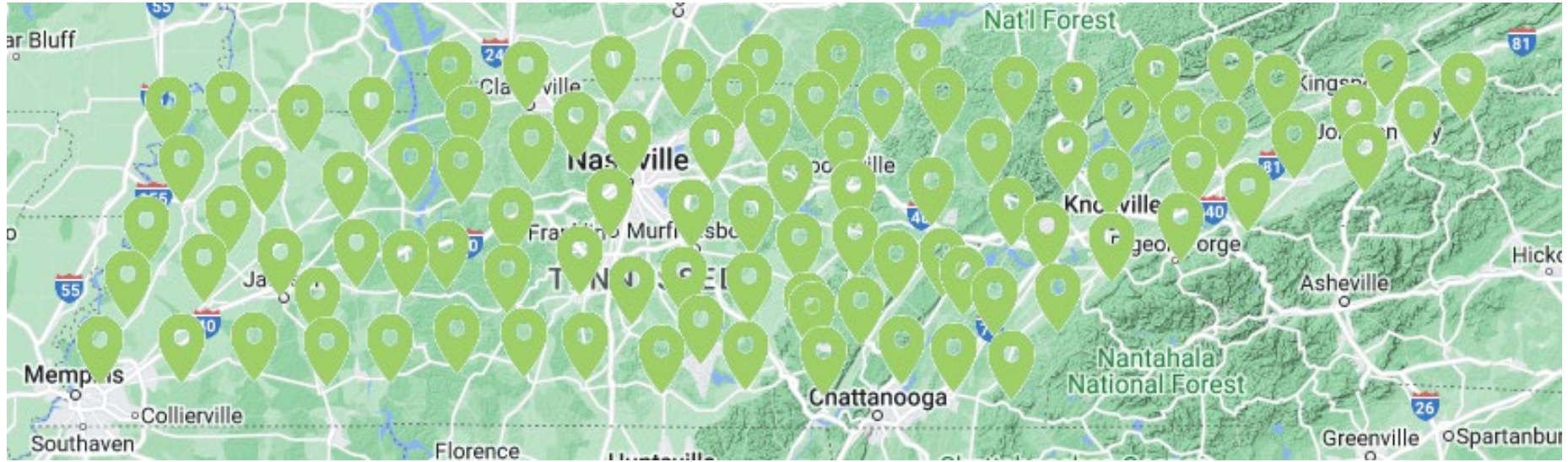
20,154 Tennesseans Served by TDMHSAS Treatment/Recovery Support in FY21



Sources: National Survey on Drug Use and Health 2018-2019, National Survey on Drug Use and Health 2018-2019, U.S. Census population estimates for Tennessee 2019. BHSN Numbers Served: 35,460 Adults, 1,127 Children



TDMHSAS Public Behavioral Health System



652,315 Tennesseans Served by TDMHSAS
Public Behavioral Health System in FY21.

Mental Health and Substance Abuse Services

Based on continued workforce challenges, TDMHSAS is requesting two (2) FY24 cost increases to support the public behavioral health provider network:

1. Provider Rate Increase: \$18,000,000 Recurring

- This funding will support TDMHSAS state-funded, community-based behavioral health providers who have been **dramatically impacted by employee turnover, hard-to-fill vacancies, and staff burnout** due to increased overtime responsibilities and demand for service.
- Prior to the FY23 increase, TDMHSAS providers **hadn't received significant rate increases in more than a decade.**
- This FY24 cost increase will account for a **10% increase** in provider rates.

2. Behavioral Health Workforce Initiative: \$10,000,000 Non-Recurring

- Key Components: Sign-On Bonuses, Scholarships, Internship Portal
- Expected Outcomes: More students pursuing **education in behavioral health related fields**, participating in **internships with public behavioral health agencies**, working for **public behavioral health agencies** post-graduation, and **maintaining employment long-term** with public behavioral health agencies long-term.
- Based on HRSA's Bureau of Health Workforce Tennessee data, **by 2030 estimated shortages include psychiatrists (780), psychologists (890), addiction counselors (830), and mental health counselors (1,270).**



Mental Health and Substance Abuse Services

To meet the significant need for infrastructure around treatment and recovery services, we are proposing two increases:

- 3. Substance Use Residential Treatment Bed Infrastructure: \$2,460,000 Recurring (operations), \$12,000,000 Non-Recurring (infrastructure)**
 - Tennessee has an **84% higher opioid overdose death rate** than the U.S. overall.
 - The demand for residential substance use treatment beds has revealed capacity limitations of the state’s public behavioral health system.
 - These funds will add **60 new residential treatment beds** across the state and to serve **approximately 530 individuals annually**.

- 4. Residential Re-Entry Housing: \$6,320,700 Recurring (operations), \$6,748,200 Non-Recurring (infrastructure)**
 - This would fund Long-Term Supportive Residential Services for people who would **otherwise not be able to successfully live in the community** due to the lack of available housing with the capacity to meet their specific needs.
 - Targeted Population: People living with Serious Mental Illness who are currently incarcerated
 - Proposed six (6) facilities total, two (2) in each Grand Division, **108 beds total**



Mental Health and Substance Abuse Services

We remain proud of our department's ability to put every dollar possible into the community. Currently our overhead is 6%. We respectfully request additional staff in 2 key areas.

5. Licensure Staffing: \$497,900 Recurring

- In the last six years, Tennessee's behavioral health providers have seen a **27% increase in licensed sites and a 46% increase in incidents/investigations**, all without any increase in TDMHSAS Licensure personnel.
- The coming implementation of **virtual service licensure** will further add to the workload.
- This cost increase will allow us to add **three investigators and one supervisor**, as well as **reclassifying three existing surveyor positions** to investigators.

TDMHSAS Current Licensure Staffing Rates	
114 Sites per FTE	162.3 Investigations per FTE
TDMHSAS Proposed Licensure Staffing Rates	
90 Sites per FTE	128 Investigations per FTE



Mental Health and Substance Abuse Services

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6. Contract and Legal Staff: \$341,500 recurring

- 65% of the TDMHSAS budget goes to community-based services **requiring more than 1,000 contracts** to be drafted, processed, and legally reviewed in a timely and accurate manner.
- **TDMHSAS currently only has four attorney positions and two full-time contract support staff.**
- This cost increase will allow us to **add two new contract specialists and an attorney.**

TDMHSAS Current Staffing Rates

LEGAL	CONTRACTS
4 Attorneys	2.33 FTEs
0 Paralegals/Legal Assistants	~1,055 Contracts
0.67 Administrative Support	453 Contracts per FTE (317 per FTE including Contracts Director)
TOTAL 4.67FTEs	

TDMHSAS Proposed Staffing Rates

LEGAL	CONTRACTS
5 Attorneys	4.33 FTEs
0 Paralegals/Legal Assistants	~1,055 Contracts
0.67 Administrative Support	244 Contracts per FTE (198 per FTE including Contracts Director)
TOTAL 5.67FTEs	

Mental Health and Substance Abuse Services

Our department and community-based providers have established a strong track record of diverting youth from deep end juvenile justice interventions over the last few years. We are gratefully requesting additional funding to serve more youth and families.

7. Juvenile Justice Diversion: \$1,332,000 recurring

- This will build on current investments and will allow providers to serve more youth and families alleviating wait list issues.
- Since referrals began in January 2019, **more than 3,000 youth and families** have received services through this program.
- Among youth served in FY22, there was a **97% reduction in out of home placement** and a **95% decrease in recidivism**.
- An anticipated **additional 300 youth** will be served annually.



Mental Health and Substance Abuse Services – Cost Increase Request

	State		Federal	Other	Total	Positions
	Recurring	NR				
1 Provider Rate Increase	\$ 18,000,000	\$ -	\$ -	\$ -	\$ 18,000,000	-
2 Behavioral Health Workforce Initiative	-	10,000,000	-	-	10,000,000	-
3 Substance Use Residential Treatment Bed Infrastructure	2,460,000	12,000,000	-	-	14,460,000	-
4 Residential Re-entry Housing	6,320,700	6,748,200	-	-	13,068,900	1
5 Licensure Staffing	497,900	-	-	-	497,900	4
6 Contract and Legal Staff	341,500	-	-	-	341,500	3
7 Juvenile Justice Diversion	1,322,000	-	-	-	1,322,000	-
8 Major Maintenance	450,000	-	-	-	450,000	-
Total Cost Increases	\$ 29,392,100	\$ 28,748,200	\$ -	\$ -	\$ 58,140,300	8



Mental Health and Substance Abuse Services – 1% Efficiency Plan

	State		Federal	Other	Total	Positions
	Recurring	NR				
1 Peer Support Centers	\$ (1,071,100)	\$ -	\$ -	\$ -	\$ -	-
Total Efficiency Plan	\$ (1,071,100)	\$ -	\$ -	\$ -	\$ -	-



Mental Health and Substance Abuse Services

THANK YOU