2008 Progress Report

of the

Mental Health Oversight Committee

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Prepared by:

Jennifer Carbee, Esq.
Legislative Council
State House, Montpelier, VT 05602
802-828-2231
jcarbee@leg.state.vt.us

Robin Lunge, Esq.
Legislative Council
State House, Montpelier, VT 05602
802-828-2231
rlunge@leg.state.vt.us
Part I. Statutory Authority and Responsibilities of the Mental Health Oversight Committee

The Mental Health Oversight Committee (MHOC) was created by the General Assembly in 2004 primarily to oversee the development and implementation of the Vermont Mental Health Futures Plan (Futures Plan) and to ensure that Vermonters have access to a comprehensive and integrated continuum of mental health services. The charge of the MHOC was amended during the 2007 legislative session to reframe it to focus on Vermont’s mental health system in general and to remove the committee’s sunset date. (See Appendix #1.)

The MHOC is a bipartisan committee composed of senators and representatives who serve on the health and welfare, human services, appropriations, and corrections and institutions committees. As of 2006, the MHOC is required to provide an annual progress report to the standing committees. This is the third progress report of the MHOC.

Part II. Summary of 2008 Committee and Related Activities

The committee met twice during the 2008 interim and heard from a variety of individuals and organizations representing a broad spectrum of perspectives and interests. The committee also held a roundtable discussion in December 2008 due to a lack of quorum for a meeting. (See Appendix #2 for list of witnesses.) Topics addressed by the committee included:

- The status of the Vermont Mental Health Futures Plan, including the progress in negotiations between the Department of Mental Health and several health care facilities about opening additional beds for inpatient hospitalizations and the creation of a new, smaller facility in Waterbury.
- The progress towards recertification of the Vermont State Hospital, the successful Joint Commission accreditation in September 2008, and the reasons that the Centers for Medicare and Medicaid Services failed to certify the hospital in October 2008, resulting in a continued loss of federal Medicaid matching funds.
- Grants from the federal Substance Abuse and Mental Health Services Administration, including:
  - A $2.1 grant to assess and provide services for veterans who may have post-traumatic stress disorder and could be at risk for future involvement in the criminal justice system; and
  - A six-year, $9-million grant to identify the best ways to serve transition-age youth.
- A review by the Department of Banking, Insurance, Securities, and Health Care Administration of proposed changes to Rule 10 governing Managed Care Organizations.
• An update on the proposed and finalized budget rescissions in the Department of Mental Health, including testimony from providers and advocates regarding the impacts of the rescissions on services for individuals with mental illness.
• Clinical issues regarding the maximum recommended dose for Zyprexa and the allowable doses authorized by the Office of Vermont Health Access.
• Changes to the group therapy code used in Medicaid and the impacts on providers.

In addition, the Committee expressed concern to the Joint Fiscal Committee regarding the impacts and severity of the budget rescissions on services to individuals with mental illness. (See Appendix #3 for the Memo to JFC.) The Committee is concerned that budget reductions in community mental health services adversely affect the individuals receiving services and will likely shift costs to other segments of the state budget. Individuals who are not able to receive mental health services in the community may also need acute mental health services in costlier inpatient settings, such as VSH, which result in an overall increase in health care spending.
Appendix #1. Amended Charge of the Mental Health Oversight Committee

Sec. 124b of No. 65 of the Acts of 2007 amended the original charge of the MHOC as follows:

Sec. 124b. Sec. 141c of No. 122 of the Acts of 2004 (creating the mental health oversight committee), as amended by Sec. 293a of No. 215 of the Acts of 2006 (extending sunset to July 1, 2009; requiring progress report), is amended as follows:

Sec. 141c. THE MENTAL HEALTH OVERSIGHT COMMITTEE

(a) The mental health oversight committee is created to oversee the development and implementation of the secretary of human services’ strategic plan to develop alternatives for services currently provided by the Vermont state hospital and to ensure that consumers have access to a comprehensive and adequate continuum of care and that Vermont has a financially sustainable department of developmental and mental health services designated agency provider system. The committee shall be composed of one member from each of the house committees on human services, institutions, and appropriations and a member-at-large to be appointed by the speaker of the house, not all from the same party, and one member from each of the senate committees on health and welfare, institutions, and appropriations and one member-at-large to be appointed by the committee on committees, not all from the same party. Initial appointments shall be made upon passage.

(b) The committee shall review whether the secretary’s study on the department of developmental and mental health services designated agency provider system required in Sec. 141 of this act, the strategic plan for developing alternatives to the Vermont state hospital required in Sec. 141a of this act, and the department of corrections mental health services plan achieve the goals and principles stated herein effectively, efficiently, and satisfactorily, including that the findings and recommendations of the reports are coordinated and complementary. The committee shall specifically:

(1) solicit input from individuals and their families served by the mental health system;
(2) monitor the study and planning processes and timelines;
(3) measure the efforts of the agency of human services against the goals and principles described in this act; and
(4) review and approve, modify, or disapprove the recommendations contained in the reports required by Secs. 141 and 141a of this act and authorize preliminary implementation steps for developing alternatives to the services currently provided by
the Vermont state hospital developed within the context of long-range planning for a comprehensive continuum of care for mental health services.

(c) Based on the reports required by Secs. 141, 141a, and 141b of this act, the committee shall recommend areas of further study needed to develop a comprehensive continuum of care for mental health services.

(d) The committee is authorized to meet up to six times per year while the general assembly is not in session to perform its functions under this section.

(e) The secretary of the agency of human services commissioner of mental health shall report to the committee as required by the committee and Secs. 141 and 141a of this act and this section.

(f) Members of the committee shall be entitled to compensation and reimbursement for expenses under section 406 of Title 2.

(g) The secretary of administration, the legislative council, and the joint fiscal office shall provide staff support requested by the committee.

(h) The mental health oversight committee shall provide a progress report to each of the committees represented thereon no later than January 15 of each year.

(i) The committee shall cease to exist on July 1, 2009.
Appendix #2. 2008 List of Witnesses

Michael Hartman, Commissioner, Department of Mental Health
Beth Tanzman, Deputy Commissioner, Department of Mental Health
Tom Huebner, President, Rutland Regional Medical Center
Jill Olson, Vermont Association of Hospitals and Health Systems
Christine Oliver, Deputy Commissioner, Health Care Administration, Department of Banking, Insurance, Securities, and Health Care Administration
Laura Ziegler, Concerned Citizen
Judith Hayward, Executive Director, Healthcare and Rehabilitative Services of Southeastern Vermont
Margaret Joyal, Director of Outpatient Services of Washington County Mental Health
Ken Libertoff, Vermont Association of Mental Health
Paul Dupre, Executive Director, Washington County Mental Health
Stuart Graves, Drug Utilization Review Board Member
Dr. David Rettew, Pediatric Psychiatry, Fletcher Allen
Todd Centybear, Executive Director, Howard Center
Julie Tessler, Director, Vermont Council of Developmental and Mental Health
Bill McMains, Medical Director, Department of Mental Health
Jennifer Carbee, Legislative Council
Robin Lunge, Legislative Council
Joshua Slen, Director, Office of Vermont Health Access
Appendix #3. Memo to the Joint Fiscal Committee

MEMORANDUM

To: Joint Fiscal Committee
From: Mental Health Oversight Committee
Date: December 17, 2008
Subject: Rescission concerns

As members of the Mental Health Oversight Committee, which is charged with ensuring “that consumers have access to a comprehensive and adequate continuum of mental health services,” we have some serious concerns about the proposed cuts to mental health services for Vermonters.

We understand that this is a very difficult time for the members of the Joint Fiscal Committee and for all Vermonters who are experiencing the impacts of a tough economy. We appreciate the hard work that has gone into this round of rescissions and that more tough decisions will have to be made to balance this year’s budget.

The Mental Health Oversight Committee has worked hard in the last six years to plan for a responsible replacement of the services currently provided at the Vermont State Hospital. This requires that we have a strong system of providing stability for Vermonters who depend on mental health services in their community. It is clear to us that if we do not have a strong community system of support for Vermonters with mental health needs, we will find that we need to build a new state hospital with significantly more capacity.

Richard Surles, Ph.D., co-author of the consultants’ report on the future of the VSH, said, “The failure to promote local access to crisis care, outpatient, and rehabilitation services increases adverse events thus requiring greater and increasing demand for high cost emergency, acute inpatient care, and long-term secure residential care.” Cutting back on community mental health services adversely affects the individuals receiving services and can also shift costs to other segments of the state budget. Individuals who are not able to receive mental health services in the community may end up needing acute mental health services in costlier inpatient settings.

The 8% reduction to the Designated Agencies for the remainder of FY09 and the reductions to Medicaid-funded programs administered through other parts of the Agency of Human Services will have a profoundly negative impact on our system of care and will dramatically affect the health and lives of Vermonters living with mental illness and developmental disabilities. We fear that this will amount to a significant dismantling of an important part of our community safety net. The proposed level of cuts to our community mental health services will adversely affect the individuals who receive services and will likely shift costs to hospitalization, incarceration, and other segments of the state budget.
We understand that these are tough times and that we all must work together to make some difficult decisions. We fear that these cuts will lead to much more expensive realities in our communities. We urge you to look elsewhere for your rescissions than to the already limited services provided to Vermonters with some of the greatest needs.
2008 Report of the Mental Health Oversight Committee

Senator Douglas Racine, Co-Chair  Representative Michael Fisher, Co-Chair

Senator George Coppenrath  Representative Anne Donahue

Senator Diane Snelling  Representative Mitzi Johnson

Senator Jeanette White  Representative Thomas Koch