

## Office of Health Transformation **Consolidate Mental Health and Addiction Services**

### **Background:**

In May 2012, Governor Kasich announced plans to consolidate the Ohio Departments of Mental Health (ODMH) and Alcohol and Drug Addiction Services (ODADAS) into a single cabinet agency effective July 1, 2013. The new Department of Mental Health and Addiction Services (MHAS) will align state-level service delivery with the local system, where 47 of 53 county board systems already administer both types of services. According to the federal Substance Abuse and Mental Health Services Administration (SAMHSA), at least 25 percent of individuals with mental illness also have a substance abuse disorder and in Ohio's state-run psychiatric hospitals rates of 50 percent are common. Many providers are certified for both types of services and a significant percentage of consumers interact with providers in both systems. Nationally, 46 other states have agencies with a mission that crosses more than one system, and there is a combined federal Substance Abuse and Mental Health Services Administration (SAMHSA).

ODADAS and ODMH have much in common already. Mental illnesses and addictions are both biological brain disorders with genetic and/or neurobiological factors. Both are often unseen and may remain undetected for years before treatment is accessed, and denial and stigma are common barriers to getting treatment. Both addiction and mental illness can be treated successfully, and the social supports and community resources that people with both types of diseases need are very similar. The ultimate goal is to provide a system for prevention and treatment of mental illness and addiction with no wrong doors, shared resources, and combined expertise.

Significant work has occurred already to integrate the two departments. Most back office functions are now combined (fiscal, legislation, communications, information technology, legal, and Medicaid policy). A detailed transition plan is in place, and a Website devoted to the consolidation allows stakeholders to follow work in progress ([www.adamh.ohio.gov](http://www.adamh.ohio.gov)). All that is left is to formally create a new consolidated department.

### **Executive Budget Proposal and Impact:**

The Executive Budget consolidates mental health and addiction services in a single cabinet-level department effective July 1, 2013. Some budget line items have been restructured to reflect the broader scope of the new agency. The new structure will facilitate the Administration's support of local priorities that might vary from community to community, including housing, criminal justice partnerships, employment supports, prescription drug abuse, evidence-based prevention approaches, and services to families of youth in crisis.

The goal of the new Department of Mental Health and Addiction Services is to recognize and value what is unique in both systems while also providing better services through integration and, ultimately, improving overall health system performance. The major issues related to creating a new department are described below, including a summary of budget language and a description of administrative costs.

***Budget language.*** The Executive Budget changes references to ODMH and ODADAS throughout the Ohio Revised Code to reflect the name change to the Ohio Department of Mental Health and Addiction Services. ODADAS Chapter 3793 has been incorporated into Chapter 5119, which currently governs mental health. Slight adjustments have also been made to Chapters 5122 (state-run psychiatric hospitals) and 340 (Alcohol, Drug and Mental Health Services Boards). Much of the language appears new based on how the Legislative Service Commission drafts language, but actual changes are minimal and were made in consultation with stakeholders.

***Administrative cost impact.*** The Executive Budget reflects overall administrative savings from consolidating ODADAS and ODMH. While there are no plans for layoffs, the amount of administrative spending will decrease during the biennium as costs are streamlined and some positions are vacated but not replaced. The Executive Budget redirects \$1.5 million annually in administrative savings that result from consolidation to a new Community Innovations program. The goal of this program is to support projects that require collaboration and have the potential to generate future savings. For example, improvements such as tele-health services in jails and linkages made for inmates with the community treatment system will lessen the rate of recidivism, potentially saving significant government costs in the future.

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