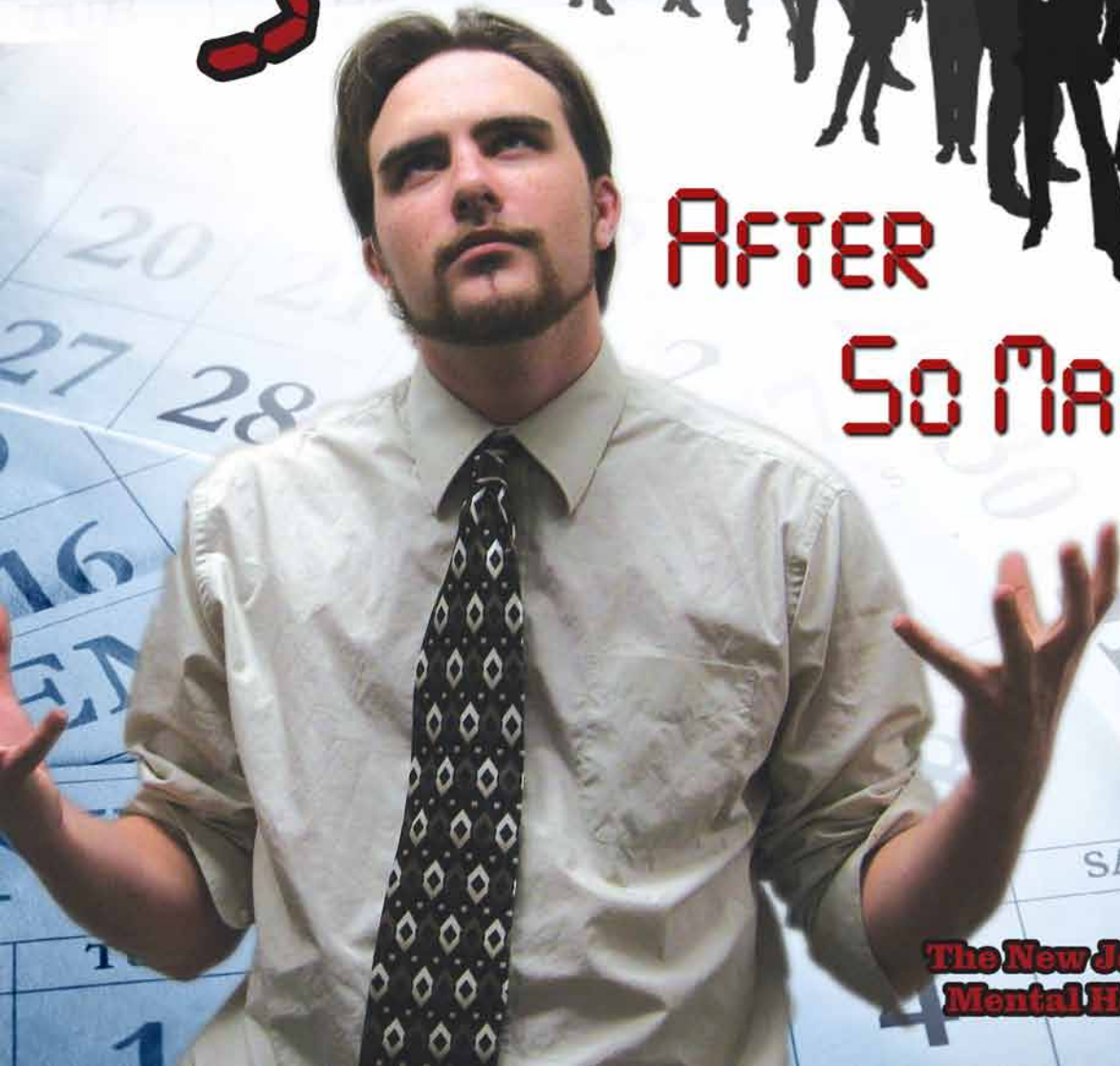


STILL WAITING?



**AFTER
SO MANY
YEARS**



**The New Jersey Association of
Mental Health Agencies Inc.**



It's **Time** To END The Wait

“It is to be hoped that within a few years the combination of increased mental health insurance coverage, added State and local support, and the redirection of State resources from State mental institutions will help us achieve our goal of having community centered mental health services readily accessible to all.”

These words could be spoken today. But they were part of an address by President John F. Kennedy Jr., delivered to Congress on Feb. 5, 1963. Forty-ve years later, millions of adults and children with mental illnesses are *Still Waiting*...



In 1963, President Kennedy recognized the need to move individuals with mental illnesses out of institutions and to return them to their communities with a system of care that would provide diagnostic, emergency, inpatient, outpatient, residential, rehabilitation, and case management services, as well as mental health education and information.

The process began that year with the passage of historic legislation that created mental health centers in communities across the nation. New Jersey and the rest of the country have made tremendous progress during that time, but have fallen far short of the goals set out in 1963. One troubling statistic that demonstrates the failings of the system: Today, the life expectancy of individuals with severe mental illness is 25 years less than that of the general population and the gap is widening.

New Jersey began to address the crumbling system three years ago with the work of former Governor Codey's Mental Health Task Force and the ensuing focus on specific needs, such as housing, screening, and wellness and recovery.

But an architect knows you must not build additions on a house without ensuring that the foundation is strong. The added weight will force the whole structure to crumble. The foundation of New Jersey's mental health system is crumbling.

As a result, more than four decades after President Kennedy's optimistic prediction, millions of adults and children with mental illnesses – your family members, neighbors, co-workers, and friends -- are *Still Waiting* for a system that provides services that are “readily accessible to all”.

Inadequate resources, lack of insurance parity...

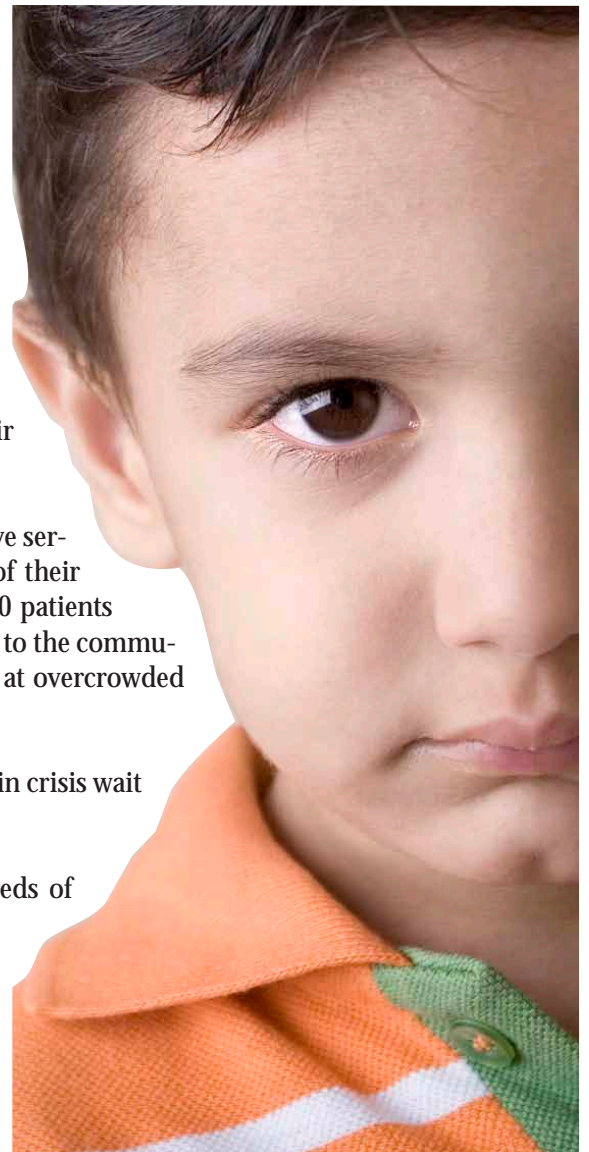


... increasing demand for service, stigma and burdensome regulations

These factors combine to hamper the efforts of community providers of mental health treatment and services. While non-profit providers serve hundreds of thousands of New Jersey adults and children, thousands more are *Still Waiting* for the care they need.

- Because of insufficient numbers of psychiatrists, particularly child psychiatrists, those in need of medication monitoring are waiting months for an appointment.
- Because of inadequate Medicaid reimbursement rates, individuals struggling to get by are waiting months—sometimes as long as four to five months—to meet with a therapist.
- Because of inadequate salaries and the resultant staff vacancies, teenagers with complex mental health needs wait for a meeting with their youth case manager.
- Because of insufficient affordable housing and the associated supportive services, thousands of adults wait in State institutions, in the homes of their elderly and overburdened parents and on the streets. More than 700 patients in State institutions have been waiting more than one year for release to the community, with nearly 100 waiting for more than five years. Half of those at overcrowded and problem-plagued Ancora are awaiting release.
- Because of insufficient numbers of short-term care beds, individuals in crisis wait in emergency rooms for days on end.
- Because of stigma that hampers the siting of new facilities, hundreds of New Jersey children wait in residential facilities in other states.
- Because of inadequate insurance coverage, thousands in need of treatment are waiting to call for help until they hit the crisis stage.

Because New Jersey and the nation still have not acknowledged their responsibility to treat mental illnesses with the same concern and commitment as are offered physical ailments, thousands of individuals are waiting far too long for access to treatment and services.



Waiting Increases

COSTS...

When an adult or child reaches the crisis stage, they can obtain the help they need. But it is cruel and discriminatory to make a person with a mental illness reach the breaking point before offering assistance.

Children and adults in crisis end up in the emergency room, where sometimes they must wait hours or days before being moved to appropriate services. Crisis for a child can mean acting out, missing school, getting caught up in the juvenile justice system or requiring care in an out-of-state facility. For an adult, it can mean the loss of a job, a deepening addiction, a criminal incident, extended in-patient care or commitment to a psychiatric institution. At its worst, waiting too long for treatment can lead to suicide.

Waiting for crisis to strike also increases State and business costs. Caring for a person in an outpatient setting is much less expensive than providing services in an emergency room or in a State psychiatric institution. The annual cost for an

individual in a State institution is \$135,000. In an outpatient setting, the cost is less than \$2,000 annually.

Examine the value. Compare the \$280 million spent annually in community contracts with mental health care providers to serve 254,000 adults to the similar amount -- \$266 million -- spent to care for approximately 2,100 adults in State psychiatric institutions. For every dollar spent on a consumer in the community, \$125 is spent for a patient in a state institution.

The value of investing in community care to avoid the need for institutionalization is clear.

The cost of untreated mental illness is \$4 billion annually in New Jersey, with the toll found in institutions, prisons, unemployment, non-psychiatric medical care, substance abuse, disability, shelters, school interventions and broken families.

The devastation caused by untreated mental illness has a multiplier effect, draining society's resources and destroying lives and families.

How Long Must I Wait?

The average wait for an outpatient visit with a therapist is between one to two months. In parts of the state where some providers have stopped taking Medicaid clients because of extraordinarily low reimbursement rates, the wait can stretch to five months for an appointment with a therapist with the appropriate clinical expertise. In New Jersey, the average wait for an outpatient appointment is 50 percent longer than the national average.



...And Destroys Lives

What is Needed:



Salary Parity

254,000
served



Community
cost \$280 M

2,100 Served



State Hospitals
cost \$266 M

Community mental health employees have been waiting decades to see their wages reach reasonable levels.

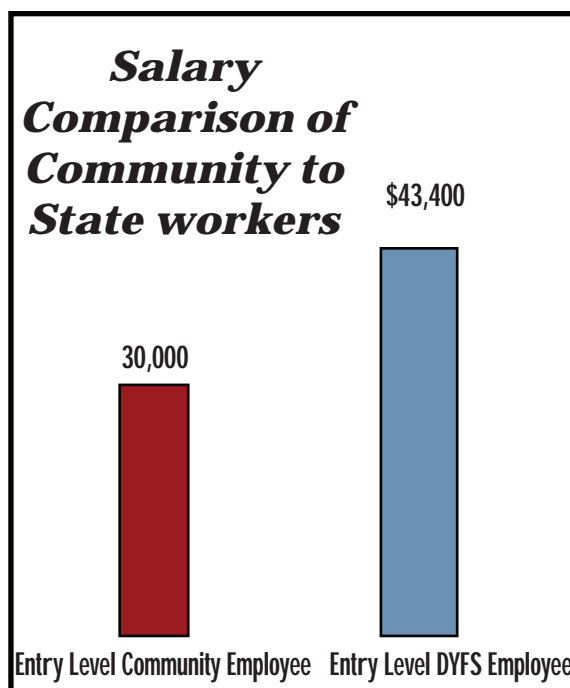
In 2005, they enjoyed a glimmer of hope when the Governor's Mental Health Task Force recommended the implementation of a three-year-plan to bring salaries in the community mental health system up to par with State salaries, improve benefits and the creation of a permanent index to be used to calculate increases in the total cost of community care contracts annually.

But these dedicated employees and the community mental health care system continue to wait. The State has not begun to address the salary gap, which continues to widen. In 2004, the gap between the salaries of State employees and non-profit community providers stood at more than 30 percent. Today, State employees with a comparable position and education requirements earn up to 50 percent more, with much more generous benefits.

The average starting salary for a bachelor's level mental health technician at a community provider is \$30,000. A position with comparable education requirements in the Division of Youth and Family Services pays \$43,400. After six months of employment, and successful completion of the working test period, the State salary is upgraded to \$45,445. The typical result? A graduate works in the community for a year or so, gaining valuable experience and learning important skills, and moves to State employment.

Even the average licensed clinician with a Master's Degree in Social Work earns less -- \$41,000 to start-- than the newly hired DYFS employee. The recent State worker contract settlement will further exacerbate the difference in pay. Last year, State workers received a 3 percent increase, compared to a 1.5 percent boost for community contracts, which also must cover rising business costs. The increases for State workers over the next three years are 3 percent, 3.5 percent and 3.5 percent, a total of 13 percent over four years.

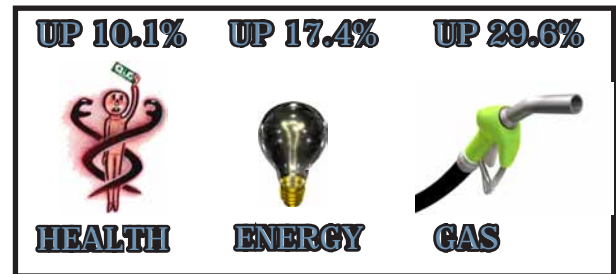
It is no surprise that community providers struggle to maintain their staff and witness a high turnover and vacancy rate. As a result, consumers face disruption in their service and miss the continuity of care that is so vital to their wellness and recovery... and they wait and wait for the treatment they need. Positions such as nurses, psychiatrists, and case managers, all of whom serve some of the most at-risk children and adults in the State, are left unfilled for months at a time. Unable to fill this void, community mental health providers are forced to ask their remaining staff to fill the gaps and ensure that there is no lapse in delivery of services. Yet demand for services continues to grow, as units of service in the adult system rose 40 percent from 2004 to 2007.



What is Needed:

Cost of Providing Care Increase of 3.6 Percent

Inflation has far outpaced the contract increases awarded community mental health providers over the last 10 years, leaving them on the brink of a financial crisis. While costs have increased more than 31 percent in the last decade, the total cost of providing care hikes included in the State budget have amounted to 16 percent – approximately half the rate of inflation.



In 2007, the inflation rate was the highest in 17 years. Recent statistics show a 4.1 percent hike in prices was pushed by spiraling double-digit increases in energy, gasoline and health insurance costs – all critical items for community providers. These providers are falling further and further behind as they put fuel in their vans, heat children's residences and try to maintain health coverage for their employees.

The provision of a cost of providing care increase of 3.6 percent, based on the more modest Northeast Urban CPI (CPI) from the previous fiscal year, is desperately needed, but would still fall short of the rate of the inflation. Most certainly, such an increase would not come close to making up for the years of underfunding. New Jersey gives its departments increases every year to address the mandatory increase in costs associated with providing services; however, community provider agencies, which deliver the services on the State's behalf, are the only component that does not receive an annual increase.

Annual Cost of Providing Care increases based on an inflationary index should be automatically calculated into the budget to ensure that the needs of vulnerable citizens are not swept aside as the State's priorities shift.

What is Needed: Increased Medicaid Rates

Some rates for Medicaid services have not increased in more than three decades. Some of the most egregious examples: a one-hour meeting with a therapist is reimbursed at \$26 while the actual cost is \$90 ... a consultation with a psychiatrist to monitor the effectiveness and side effects of medication is \$9 while the actual cost is closer to \$70. Community providers cannot hire the necessary professionals at such low rates, leading to the long waits for appointments.

Recently, based on a recognition of their inadequacy, Medicaid rates for these services for children were increased. However, the rates remain unchanged for adults. Equity must be provided throughout the system. Additionally, in order to ensure that the rate increases result in expansion of services, the State must not reduce other resources that support these programs. To provide resources with one hand and take away with the other provides no relief.



What is Needed:

Mental Health Parity and Elimination of Stigma and Discrimination

As long as insurers treat mental illnesses differently than physical ailments, the one in four individuals with mental illness will face discrimination and unequal access to treatment. Chronic mental illnesses can be just as deadly as cancer or diabetes and, with appropriate treatment and services, recovery is just as viable. There is no legitimate reason for insurers or the business community to discriminate against individuals with mental illness or to refuse insurance coverage or treatment.

The New Jersey State Legislature and the United States Congress must pass mental health parity legislation that ensures equivalent benefits and coverage for mental health and addictions disorders. Studies have shown the cost impact of parity on insurance rates is minimal – only 1 to 2 percent; whereas the benefits of increased productivity and reduced absenteeism and disability would reap enormous financial gains for the business community.

Individuals with mental illness have been waiting decades for equal treatment under the law. It is unconscionable that a person is penalized for having a disease of the brain rather than of another part of the body.

In addition to insurance inequity, stigma and discrimination are evidenced throughout society, serving as a barrier to treatment and a life in the community. Residents use insensitive remarks to oppose a group home in their neighborhood. Professionals in the mental health field make a fraction of their counterparts in the physical health field. Those with the disease worry about telling their co-workers and wait to seek help for fear of being shunned.

We must no longer wait to tackle the stigma and discrimination that hamper recovery.

What is Needed: A True Partnership

Providers, consumers, their families, the public, legislators and government must work hand in hand to ensure that the necessary resources are available, compassionate and realistic laws and policies are adopted, and effective and efficient programs are in place.

As the State transforms both the adult and children's system of services, providers must be an active part of the planning to ensure resources are used most effectively and efficiently and focused on improving the care for consumers. We must all work together to ensure that individuals with mental illnesses have the opportunity to live full, productive lives of recovery in the community with ready access to the array of services they need.





njamha

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Representative photographs have been used to protect confidentiality