



Department of
**Finance &
Administration**

**MENTAL HEALTH AND
SUBSTANCE ABUSE SERVICES
FISCAL YEAR 2024-2025 BUDGET HEARING**

Recovery is **possible**.
Recovery is **attainable**.
Recovery is **real**.

The following slides examine our successes
in this area during the Lee Administration

CREATING HOMES INITIATIVE

ALL CHI PROGRAMS SINCE INCEPTION

 MORE THAN
35,000
New or Improved Housing Opportunities

 MORE THAN
\$1.2B
Leveraged from Federal, State, Local, Foundational, and other funding sources

CHI 2.0 ADDICTION RECOVERY HOUSING \$3M RECURRING STATE FUNDING ADDED FY20

 MORE THAN
1,250
New or Improved Housing Opportunities

 MORE THAN
\$115M
Leveraged from Federal, State, Local, Foundational, and other funding sources

CHI 3.0 PRISON RE-ENTRY HOUSING \$3.6M RECURRING STATE FUNDING ADDED FY22

 MORE THAN
400
New or Improved Housing Opportunities

 MORE THAN
\$13M
Leveraged from Federal, State, Local, Foundational, and other funding sources

Safe, stable, affordable housing leads to:

- Fewer Emergency Department Visits
- Reduced Incarceration
- Reduced Psychiatric Inpatient Hospital Stays
- Improved Physical and Mental Health Symptoms

CREATING JOBS INITIATIVE

Expanding evidence-based employment supports to more Tennesseans through leveraged funding

+\$900,000
New State Investment in FY23

+\$3.2M
Drawdown in Federal Funds



LIFE-CHANGING OUTCOMES

People who obtain competitive employment through IPS have increased income, improved self-esteem, improved quality of life, and reduced psychiatric symptoms.

Nearly half of all clients who obtain a job with help from IPS become steady workers and remain competitively employed five years and even a decade later.

School-Based Behavioral Health Liaisons

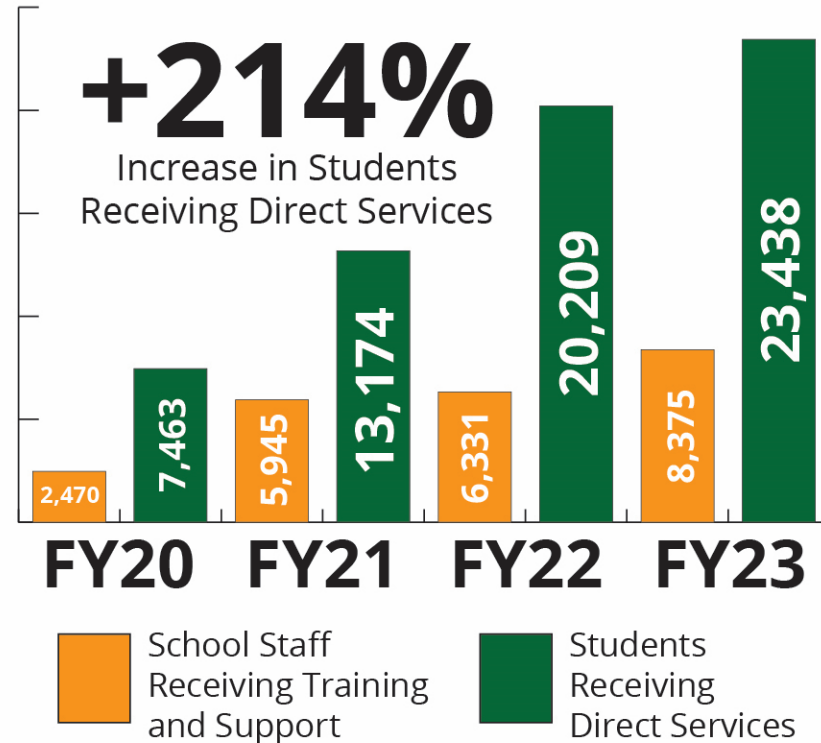
Lee Administration Investments

FY21	FY23	FY24	
+\$3M	+\$4M	+\$8M	
CURRENT FUNDING <small>(STATE & FEDERAL)</small>	\$28.6M	TOTAL LIAISONS	274

Outcomes that Matter

- Increased Academic Success
- Reduced Truancy
- Reduced Discipline Rates
- Increased Graduation Rates

Connection with Behavioral Health Resources






Mental Health and Substance Abuse Services

Cost Increase 1: Inflationary Based Provider Rate Increase \$15,346,200 (Recurring)

- Landmark provider rate increases in FY23 and FY24 were built on FY22 baseline and didn't account for recent inflationary impacts.
- With this increase, TDMHSAS seeks to further ensure that providers who make up the public behavioral health system remain viable and well-positioned to serve one of Tennessee's most vulnerable populations.
- Amount requested is **6%** of FY24 state base budgets.

Evidence and Impact – Seeing the Results of Prior Investments

Community Mental Health Agency Annual Turnover Rate	Number of Vacant Positions at Community Mental Health Agencies	Mobile Crisis Provider Annual Turnover Rate
 10%	 5%	 5%



Mental Health and Substance Abuse Services

Proposed Cost Increase 2: Children and Youth Crisis Stabilization Unit (CSU)/Walk-In Center Expansion – \$30,000,000 (One-Time)

- Funding to create **4 additional locations** for families experiencing mental health crises.
- Additional projected numbers served based on Knoxville pilot:
 - **3,864** Kids served annually for Walk-In Center Services
 - **2,024** Kids served annually for CSU Services

Proposed Cost Increase 3: School-Based Behavioral Health Liaison Expansion – \$8,000,000 (Recurring)

- Will add **114 positions** on top of 274 existing positions
- Projected impact:
 - **24,000** More students receiving direct services annually
 - **31,000** More individual clinical interventions provided annually
 - **18,000** More group and classroom interventions provided annually
 - **23,000** More teacher consultations provided annually

Evidence and Impact – Pilot Project Outcomes

Percentage of Youth Diverted from Inpatient or Residential Care	Percentage of Youth Readmitted after 30 Days (Tennessee)	Percentage of Youth Readmitted after 180 Days (National)
94%	4.5%	12%

Evidence and Impact – Program Outcomes

• Reduced Discipline Rates • Reduced Truancy • Increased Academic Success • Increased Graduation Rates	
Students Scoring >80% on Psychoeducational Group Post Tests	85%

Mental Health and Substance Abuse Services

Proposed Cost Increase 4: Substance Use Treatment Residential Rehabilitation Rate Increase – \$13,949,500 (Recurring)

- Funding to increasing TDMHSAS rates to further align with TennCare averages
- It is anticipated approximately 2,200 unduplicated Tennesseans will be served.
- Impacted programs include: Continuum of Care, Pregnant Residential, and Adolescent Residential

Proposed Cost Increase 5: Addiction Recovery Program Expansion – \$2,467,300 (Recurring)

- Will add 30-40 new providers and serve an estimated additional 1,821 Tennesseans annually
- ARP provides community-based wrap around support to help people sustain their recovery during and after treatment.
- Examples of ARP services include transitional housing, relapse prevention skills, transportation, and pastoral/spiritual support.

Evidence and Impact – TN Outperforms National Averages

Long-Term Residential Treatment Completion Rates		Participants Discharged from SUD Treatment Services with Stable Housing	
Tennessee: 52%	National: 36%	Tennessee: 91%	National: 86%
Outcomes Include: Reduced Incarceration, Better Management of Substance Use Disorder, Reduced Reliance on Higher Intensity Services, Increased Productivity/Workforce Participation			



Mental Health and Substance Abuse Services

Proposed Cost Increase 6: Behavioral Health Safety Net Co-Location Pilot Project Expansion \$555,000 (Recurring)

- Funding to create co-located mental health spaces in Health Department offices in as many rural counties as possible
- Addresses infrastructure barriers for providers and transportation/connectivity barriers for clients
- 107 referrals for service at pilot project location in Jackson County in first 8 months

Evidence and Impact – Pilot Project Outcomes

People Engaged in Mental Health Treatment	Percentage Remaining Engaged in Treatment (as of 10-31-23)	Reduced Usage of More Intensive Services Among People Engaged in Mental Health Treatment
74	69%	For the 74 Individuals Engaged: 1 ED Visit, 1 Inpatient Hospitalization, 2 CSU Stays



Mental Health and Substance Abuse Services– Cost Increase Request

	Cost Increases	State				Total	Positions
		Recurring	NR	Federal	Other		
1	Inflationary Based Provider Rate Increase	\$ 15,346,200	-	-	-	\$ 15,346,200	-
2	Children and Youth Crisis Stabilization Unit (CSU)/Walk-In Center Expansion	-	30,000,000	-	-	30,000,000	-
3	School-Based Behavioral Health Liaison Expansion	8,000,000	-	-	-	8,000,000	-
4	Substance Use Treatment Residential Rehabilitation Rate Increase	13,949,500	-	-	-	13,949,500	-
5	Addiction Recovery Program (ARP) Enhancement	2,467,300	-	-	-	2,467,300	1
6	Behavioral Health Safety Net Co-Location Pilot Project Expansion	555,000	-	-	-	555,000	-
Total Cost Increases		\$ 40,318,000	\$ 30,000,000	\$ -	\$ -	\$ 70,318,000	1



THANK YOU