Legislative Testimony

Assembly Bill 289: Interim Study of Mental Health Governance

March 24, 2015

Testimony before the Assembly Committee on Legislative Operations and Elections
Prepared Statement of Kenny Guinn Center for Policy Priorities

Last year, the Governor’s Behavioral Health and Wellness Council began exploring how to decentralize mental health services. In December 2014, the Guinn Center presented a report to the Council titled: Mental Health Governance: A Review of State Models and Guide for Nevada Decision Makers, in which we acknowledged that redesigning Nevada’s mental health system will take careful planning, leadership, and collaboration. The proposed interim study committee can use lessons learned from other states to design a regional structure that is tailored to Nevada’s needs.

Nevada’s Current Mental Health Governance System is Atypical

- Nevada is one of four states that directly operates community-based programs.
- In 31 states, the state contracts directly with community-based programs.
- In 15 states, the state funds county or city authorities to operate community-based programs.

Mental Health Governance Models: 2013

Seven state governance models reviewed: Arizona, Missouri, North Carolina, Ohio, Oregon, Virginia, and Washington.

- Mix of governance models (state control, regions controlled by state, county control)
- Some have expanded Medicaid (Arizona, Oregon, Washington)
- Some have long-standing models (Missouri, Ohio, Virginia), while others are currently going through major changes (Arizona, North Carolina, Oregon, Washington).
- Looked at: overall structure for behavioral and physical health; structure of governing boards; coordination across agencies; local funding; incentives and evaluation; and information technology.
Key Findings from Other States

- Affordable Care Act having big impact
- Integration of physical and behavioral healthcare becoming a major issue
- Amount of local control varies
- Various models for governing board structure
- Regions getting larger to absorb risk
- Local funding often leads to disparities, and
- Success varies with hospital incentives and performance based contracts.

Guiding Principles Adopted by the Behavioral Health and Wellness Council

- Best care at the lowest cost
- Integrate behavioral and physical health care
- Encourage savings across programs and agencies
- Money follows client from hospital to community
- Hold providers accountable for outcomes
- Cost neutrality by optimizing Federal funding

Decision Points for Interim Study Committee and Legislature

<table>
<thead>
<tr>
<th>Overall Structure</th>
<th>Governing Board Structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. What should the role of the State be in community mental health?</td>
<td>7. How should governing boards be organized?</td>
</tr>
<tr>
<td>2. Should services be provided regionally?</td>
<td>8. What is the appropriate role for providers on</td>
</tr>
<tr>
<td>3. What type of entity should manage services?</td>
<td>governing boards?</td>
</tr>
<tr>
<td>4. What are the human resources implications for State workers?</td>
<td></td>
</tr>
<tr>
<td>5. Should the State do a pilot project first?</td>
<td></td>
</tr>
<tr>
<td>6. How should physical and mental health be integrated?</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Funding</th>
<th>Outcomes and Information Technology</th>
</tr>
</thead>
<tbody>
<tr>
<td>9. What funding sources should be included?</td>
<td>13. How can the state create incentives to achieve positive outcomes?</td>
</tr>
<tr>
<td>10. Should there be a local match?</td>
<td>14. How can supportive housing needs be met?</td>
</tr>
<tr>
<td>11. How should Medicaid-funded services be administered?</td>
<td>15. What information technology changes are needed?</td>
</tr>
<tr>
<td>12. What funding is available to transition to a new governance structure?</td>
<td></td>
</tr>
</tbody>
</table>

See full report: Mental Health Governance: A Review of State Models and Guide for Nevada Decisionmakers

Kenny C. Guinn Center for Policy Priorities: Contact Information
Kenny C. Guinn Center for Policy Priorities                           Email: info@guinncenter.org
c/o InNEVation Center                                                Website: www.guinncenter.org
6795 Edmond Street, Suite 300                                       Dr. Nancy E. Brune, Executive Director
Las Vegas, NV, 89118                                                Email: nbrune@guinncenter.org
Phone: (702) 522-2178                                               Victoria Carreón, Director of Education Policy
Email: vcarreon@guinncenter.org