



THE MEADOWS MENTAL HEALTH POLICY INSTITUTE

**House Committee on Public Health:
Invited Testimony on Medicaid Suspension (HB 337, HB 1734)**

B.J. Wagner, MS | March 28, 2017

The Local Burden of Unmet Mental Health Needs on Texas Counties

Texas Mental Health Landscape

30,000

Texas children are at risk for entry into the “school to prison pipeline”



300,000

Texans in need receive no treatment at all

THE COST of UNMET MENTAL HEALTH NEED

\$2.2 billion

total cost to local Texas governments

\$1.4 billion

in emergency room costs

\$700 million

in local justice system costs

— \$100 million other



“SUPER UTILIZATION”



do not receive care adequate to break the cycle of “super utilization”



6 in 7

who need ACT do not receive it

9 in 10

who need FACT do not receive it



Jail Costs for Individuals with Mental Illness

\$461 million

Juvenile Justice Costs for Youth with Serious Emotional Disturbances

\$236 million

Psychiatric Emergency Department Costs

\$965 million

Alcohol and Substance Abuse Emergency Department Costs

\$457 million

Other Costs (e.g. shelter services to homeless individuals and school district costs)

\$100 million

Total Costs to Local Governments

\$2.2 billion

Continuity of Care and Recidivism

- **34 percent of Texas inmates** have a mental health need and most have substance use disorders.
- Ensuring that **eligible individuals** with mental health care needs are **enrolled in Medicaid at release**, or immediately thereafter, can **reduce systemic costs by lowering recidivism rates**.
- In other states, having **Medicaid at release** was associated with up to a **16 percent reduction** in the average number of subsequent detentions as well as enhanced community service use after jail release.

Medicaid Suspension vs. Termination

Medicaid suspension allows an incarcerated individual to:

- Remain on the Medicaid rolls in a **suspended status**;
- Demonstrate **continued eligibility**;
- Obtain **qualifying inpatient medical care** outside the penal institution, if needed; and
- Quickly **reactivate** Medicaid, when released, to maintain **continuity of care**.

Once **Medicaid is terminated**, reinstatement can take **90 days (at best)** and often **as long as one-year**, post release.

Medicaid Eligibility Through SSI

- When an individual becomes an inmate, **SSI benefits** are **suspended after 30 days of incarceration**.
- Section 1902(a)(10)(A)(II)(aa) of the Social Security Act requires states to provide **medical assistance** to all individuals when “supplemental security benefits *are being paid* under title XVI . . .” (emphasis supplied).
- Texas has no choice except to **terminate Medicaid eligibility** since the individual no longer meets a fundamental requirement for eligibility based on receipt of SSI payments.

Public Assistance Information Reporting System (PARIS)

- **PARIS** provides the federal Health and Human Services agency with the names of persons **detained in county jails and state prisons**.
- These names are matched against federal benefit roles for the purpose of **suspending benefits** during periods of ineligibility (incarceration).

*Individuals should not be included in the PARIS match data file to the Health and Human Services agency **if they are incarcerated under 30 days.***

TEXAS STATE
— of —
MIND

THE MEADOWS MENTAL HEALTH POLICY INSTITUTE

okay
to say

The truth is: mental illness affects more people than you may think, and we need to talk about it. It's Okay to say..." okaytosay.org
