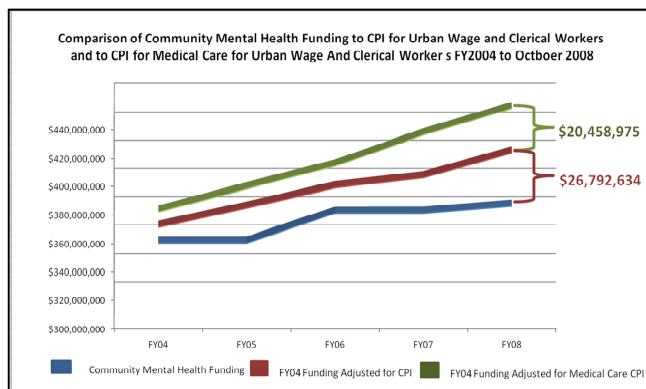




Maintain Critical Mental Health Services Impact of Increased Costs FY 2004—FY 2008

The following chart depicts annualized impact of increased costs on the public mental health system from FY 2004 to FY 2008:



Funding for Community Mental Health has not addressed increased cost to deliver critical mental health services since FY 2000.

Through Resiliency and Disease Management, Local Mental Health Authorities have increased administrative efficiencies, implemented utilization management and productivity standards to stretch resources, enhanced Patient Assistance Programs to maximize access to medication and tapped local funding to address resource challenges.

Despite efficiency measures, Local Mental Health Authorities contend with increased costs in the following areas:

- Pharmaceuticals
- Laboratory and utilities
- Psychiatric care
- Nursing care
- Employee healthcare

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NAMI estimates 10.4%¹ of American adults live with Schizophrenia, Bipolar Disorder, or Major Depressive Disorder—estimates indicate 175,568 more Texans live with a major mental illness in FY 2008 than in FY 2004.

Cost increases have created:

- Recruitment and retention challenges across the entire work force
- Unacceptably high turnover in paraprofessional and professional staff positions

In response to cost increases Local Mental Health Authorities are:

- Instituting reductions in force
- Increasing caseloads to unacceptably high levels
- Reducing healthcare and other employee benefits
- Deferring much needed infrastructure improvements

Support DSHS Exceptional Item #13 (\$26.8 million) for Maintenance of Critical Services

¹ NAMI Fact Sheet: *Mental Illness: Facts and Numbers* October 2007.