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Background Brief on ...

Mental Health and Chemical Dependency Services

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Like other states, Oregon has a significant number of its citizens who have mental health and chemical dependency disorders. Many also have co-occurring disorders, meaning that they have both a mental illness and a chemical dependency problem. Since an estimated 40-50 percent of people with mental health disorders are dually diagnosed, and these two conditions often adversely impact each other in terms of overall disorder and treatment, it is important to consider both.

The term “mental disorders” encompasses a wide range of conditions of altered thinking, mood, and/or behavior associated with impaired functioning. Mental disorders range from the more significant types, like schizophrenia and major depressions, to the less severe phobias and anxiety disorders. Research is finding that most significant mental disorders are biologically based, meaning that there are physical causes in the brain that result in the disorders. Many mental disorders are treatable with prescription medications and other services such as counseling and case management. Mental retardation—such as Down syndrome—should not be mistaken for mental illness. However, people with mental retardation can also have a mental illness and substance abuse problems.

Chemical dependency includes addiction to alcohol and/or illegal drugs such as opiates, methamphetamines, and marijuana. Many people with chemical dependency problems will often abuse several illegal substances as well as alcohol.

Public Sector Services

The Office of Mental Health and Addiction Services (**OMHAS**), in the Department of Human Services, is the state’s primary agency for mental health and addiction treatment and prevention programs. OMHAS is responsible for planning and policy development for mental health, alcohol/drug and gambling addiction services, overseeing community services such as detoxification, residential treatment, outpatient counseling as well as prevention/education, quality assurance and licensing.

Adults in the Oregon Health Plan¹ (**OHP**) Plus program with mental health problems are generally eligible for a variety of services funded in the OHP prioritized list of services including crisis care, acute hospitalization, case management, counseling, medication management and other services. Adult residential services are available through a “carve-out” program, meaning that funding is not

just from Medicaid, but also from General Funds. Children covered by the OHP are eligible for prevention, education, early intervention, assessment, crisis, inpatient hospitalization, therapy, case management, medication management, in-school supports, psychiatric day treatment, psychiatric residential, and state hospital services.

Children and adults who need services but have no public or private insurance are prioritized based on those with the most significant needs. Uninsured children with a severe emotional disturbance are eligible for assessment services, crisis services and therapy. Uninsured adults also must usually have a severe mental illness or major psychiatric crisis to access services, which are provided through state General Fund and Mental Health Block Grant funds.

People who are identified as a danger to themselves, a danger to others, or unable to provide for basic needs as a result of a mental illness may be required to receive psychiatric treatment (commitment). The county is responsible for the cost of hospital care and treatment prior to a commitment hearing. The state provides limited funds to local hospitals once persons are committed. For patients in state hospitals, the care and treatment is paid for primarily through the General Fund.

Depending on the specific services and population, the expected outcomes for people receiving mental health and chemical dependency services range from lowered use of emergency and hospital services to improved social functioning in work, school and family relationships.

OHP mental health services are provided in a managed care environment through networks of insurers and providers. These networks are called mental health organizations (MHO) and are operated by county community mental health programs, multi-county regional programs, private insurers, networks of providers, or fully capitated health plans (i.e., managed care plans). MHOs are also carve-out programs, which in this case means that their services are covered and paid for separately from the physical health services that OHP clients receive.

Adults and adolescents with chemical dependency problems and no insurance may receive a range of treatment services including outpatient counseling, detoxification, and residential treatment. There is a major focus on early intervention and the prevention of chemical dependency. These services include public education, skill building programs, community development, and environmental approaches.

People in OHP who need chemical dependency treatment can receive assessments, outpatient, intensive outpatient services, methadone and medical detoxification. These treatments are paid within the OHP client's physical health care services, as chemical dependency treatment services are not carve-out programs like MHOs. Oregonians not on the OHP may receive the same services through OMHAS, which also funds residential and social detoxification for both OHP clients and those not covered under Medicaid using funds from the federal block grant, General Funds and some dedicated state funding.

While the mental health and chemical dependency benefits were restored for adults and couples eligible for Medicaid based on poverty (OHP Standard), the number of people eligible has been constrained to a biennial average of 24,000. This is a substantial decrease from over 100,000 eligibles in previous biennia. People without coverage for treatment of substance abuse problems are placed on wait lists by community programs that do not have the resources to treat everyone requiring treatment.

Child & Adolescent System Change Initiative

In response to a 2003 Legislative Budget Note, OMHAS worked with stakeholders to prepare for a major change in the delivery of intensive mental health services to children with severe emotional disorders. Planning continued throughout 2004 and early 2005. The full initiative was implemented October 1, 2005 with the transition to managed care for the Psychiatric Day and Residential Treatment Services.

Since October 1, 2005, Medicaid-reimbursed mental health services include a full array of

managed services that are community-based, with decision-making and service delivery occurring locally or regionally. Communities have a single point of access, most commonly the Community Mental Health Program, which uses a uniform method of determining a child and family's service needs and strengths. Children and their families receive care coordination, flexible community-based services, and interagency collaboration. The services are individually determined based on the needs of the child and family. The goal is to provide intensive community-based services so that children and their families receive services to keep a child at home and in school.

Private Sector Mental Health Benefits

Since the early 1980s, Oregon has required that group health insurance plans include mental health and chemical dependency treatment benefits (ORS 743.556). The law specified certain minimal dollar benefits that plans must provide for both mental health and chemical dependency treatment inpatient, residential and outpatient services for adults and children. The 2005 Session passed Senate Bill 1, the so-called "Parity Bill". Effective January 2007, mental

health and chemical dependency problems will be treated using comparable medical necessity criteria and techniques used to manage other insured illnesses.

People Who Receive Services

In state fiscal year 2004-05, OMHAS preliminarily reports that 72,043 adults and 33,220 children received public-funded mental health services in Oregon. Approximately 63,133 clients with chemical dependency problems were also treated in 2005.

OMHAS documents the number of children and adults from various racial and ethnic groups who use mental health and chemical dependency treatment services. Figures 1 (children) and 2 (adults) below shows a break down of the overall number of individuals who receive mental health (MH) services, with a breakdown by racial/ethnic groups.

Based on the same racial/ethnic population totals as above, Figures 3 and 4 below, respectively, show the number of children and adults receiving chemical dependency (CD) services, along with the percentage of each group as it relates to their respective total populations.

Figure 1 – Mental Health Services (Children)

Children	White	Native Am.	Hisp.	Black	Asian
Oregon Pop.	765,551	13,260	64,533	14,144	26,520
Number receiving services	25,376	1,333	3,124	2,041	299
Percent receiving services	3.3%	10.1%	4.8%	14.4%	1.1%

Data from the Office of Mental Health and Addiction Services, FY 04/05

Figure 2 – Mental Health Services (Adults)

Adults	White	Native Am.	Hisp.	Black	Asian
Ore Pop.	2,336,907	40,478	196,991	43,176	80,955
Number receiving services	60,493	1,863	3,112	3,055	2,084
Percent receiving services	2.6%	4.6%	1.6%	7.1%	2.6%

Data from the Office of Mental Health and Addiction Services, FY 04/05

Figure 3 – Chemical Dependency Services (Children)

Children	White	Native Am.	Hisp.	Black	Asian
Number receiving services	4,813	483	784	283	86
Percent receiving services	Under 1%	3.6%	1.2%	2.0%	Under 1%

Data from the Office of Mental Health and Addiction Services, FY 04/05

Figure 4 – Chemical Dependency Services (Adults)

Adults	White	Native Am.	Hispanic	Black	Asian
Number receiving services	44,785	2,435	5,816	2,210	618
Percent receiving services	1.9%	6.0%	3.0%	5.1%	Under 1%

Data from the Office of Mental Health and Addiction Services, FY 04/05

Unmet Need for Services

A number of factors—most notably an increasing state population, high unemployment and lack of insurance, fewer mental health professionals in certain parts of the state and fewer public programs due to budget cutbacks—have created more demand for mental health and chemical dependency services than are available.

For 2004-05 (the most current period available), OMHAS estimated that 45 percent of the people with severe mental illness received public services. Others did not receive services due to a lack of personal resources, inability to access appropriate treatment or for other reasons. In the same timeframe, OMHAS estimated that 31 percent Oregon children with severe emotional disorders received needed public mental health treatment.

OMHAS estimates that there are 473,252 Oregonians (424,574 adults and 48,678 youth) who need alcohol and/or drug treatment. Of those requiring the state's assistance because of their low-income or because they have inadequate insurance, 94,650 will normally seek some form of state-provided treatment in a given year. The state also provides services to the estimated 21,000 people who are adjudicated into treatment by the Driving Under the Influence of Intoxicants (DUI) program.

Oregon State Hospital & Eastern Oregon Psychiatric Center

Oregon State Hospital (OSH), in Salem and Portland, along with Eastern Oregon Psychiatric Center (EOPC) in Pendleton, comprise the state's publicly funded psychiatric institutions. The hospital facilities are very old; a third was built between 1883 and 1912, and the newest building in Salem was constructed in 1955. There are continuing and costly maintenance and remodeling challenges with the hospital to meet current standards of psychiatric treatment and patient/staff safety and security.

OSH programs include:

- Forensic Psychiatric Services, which consists of Hospital Services (334 beds on 10 wards) and Residential Services (100 beds on three

wards), provide evaluations for fitness to proceed and criminal responsibility; treatment to restore capacity for trial (i.e., aid and assist in a trial); and treatment for those found guilty except for insanity and placed under the jurisdiction of the Psychiatric Security Review Board²

- Geropsychiatric Services (114 beds on four wards) provides evaluation and treatment services for older adults with psychiatric and medical disorders and for younger, neurologically impaired adults
- Adult Treatment Services (133 beds on five wards) provides services to adult patients in Portland (68 patients on three wards) and Salem (65 patients on two wards) —these adult patients are usually referred from acute care hospitals in the community under civil commitment orders

The demand for services at OSH is growing, especially within Adult Treatment Services and Forensic Treatment Services. The patient population is currently above the hospital's budgeted capacity (681). Generally, all patients at OSH are there under a court order. EOPC has 60 beds for adults.

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End Notes:

1. See the Background Brief on *Oregon Health Plan* for more information.
2. A board appointed by the Governor responsible for monitoring the mental and physical health and treatment of any person placed under its jurisdiction as a result of a finding by a court of guilty except for insanity.

Robert Nikkel, Madeline Olson and Jamie Rockwell of the Department of Human Services, Office of Mental Health and Addiction Services, assisted with the development of this document.