

Thousands Suffer from Lack of Services as Lawmakers Tackle Mental-Health Reform

Written by Lynn Campbell
Friday, 23 March 2012 08:02

Lawmakers are struggling with how to transform Iowa's 99-county system for providing mental-health services into a more uniform, statewide network. The underfunded system presently leaves thousands waiting for services.

"Those are the people probably suffering the most right now," said Margaret Stout, who for 25 years was executive director of Iowa's chapter of the National Alliance on Mental Illness, a not-for-profit that provides mental-health education, advocacy, and support.

Iowa's adult-mental-health system provided services to 52,059 people last fiscal year, according to the Iowa State Association of Counties. Underfunding leaves thousands more without needed services. The system has an anticipated \$51.4-million shortfall in Fiscal Year 2013, according to the state's Legislative Services Agency.

When lawmakers began tackling the issue last year, they focused on eliminating the list of Iowans waiting for mental-health services. They provided a one-time appropriation of \$20 million.

But the money wasn't enough. Eleven Iowa counties still have waiting lists, according to the Iowa Department of Human Services. Those lists include about 4,000 people, said Teresa Bomhoff, vice president of NAMI Greater Des Moines.

The end of federal stimulus money exacerbated the problem. Counties used \$40 million of this money for mental-health services, but that money is now gone.

State money to address shortfalls in the system is expected to be in the human-services budget, which the legislature has yet to address.

Meanwhile, a plan advanced March 22 by House Republicans aims to create statewide equity in the \$1.3-billion mental-health system, and provide \$125.8 million in property-tax relief. This would happen by leaving the entire bill with the state and federal governments.

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A [House version of Senate File 2315](#) would, on July 1, 2013, end a county mental-health levy – which ranges from 20 cents per \$1,000 of assessed valuation in Plymouth County to 97 cents per \$1,000 of assessed valuation in Audubon County – and replace it with money from the state’s general fund over five years. That shift would amount to \$145.8 million after inflation.

“We don’t truly believe that property taxes are the best way to pay for this,” said state Representative Renee Schulte (R-Cedar Rapids), the bill’s House floor manager. “Your general fund – consisting of income taxes, sales taxes, and all that – is just a more fair and equitable way to levy funds for this particular service.”

But Bomhoff said having the state buy out the county’s share in the mental-health delivery system “makes people really, really nervous, based on past performance.”

State lawmakers shorted Iowa counties about \$7 million for mental-health services last year – providing \$81 million instead of \$88 million – leaving county taxpayers to pay higher property-tax levies.

“Counties have dealt with the legislature making promises that they haven’t fulfilled in the past,” said Linda Hinton, government-relations manager for the Iowa State Association of Counties.

Even as Representative Schulte, via a 19-6 vote, moved the mental-health plan through a House Appropriations committee on March 22, state Senator Jack Hatch (D-Des Moines) said the plan has “absolutely no support” in the Democrat-led Senate.

“We are gaining nowhere in funding mental health,” Hatch said of the House plan. “We’re just replacing state dollars for county dollars. Mental health has always been underfunded. So why would we continue to underfund it ... while we are trying to redesign the system?”

Hatch said in addition to the \$125.8 million paid by counties, an additional \$150 million will be needed to pay for mental-health services in the next five years. He said the state should focus

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its resources on that growth, rather than merely changing the funding mechanism.

State Representative Dave Heaton (R-Mount Pleasant) said that if the state doesn't live up to its promise to fund the mental-health system, it would still lead to an increase in property taxes at the local level.

Schulte said no one wants property taxes to grow. "The state will be much more motivated to prioritize this funding, knowing that it's going to be a property-tax increase if they don't," she said.

Stout said the success of mental-health reform will be judged on whether the money is there for needed services: "Any changes that may come forward may be a step in the right direction, but if the money isn't there, we're still in the same boat. The system really would not have changed unless the dollar follows. That's the main concern."

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