

**Alcohol, Drug and Mental Health (ADAMH) Board
Levy Review
HSLRC Meeting Minutes
March 5, 2020**

CALL TO ORDER-CHAIR

The Human Services Levy Review Committee (HSLRC) meeting was called to order by Jesse Hemphill on March 5, 2020, at 11:02 A.M.

ROLL CALL

HSLRC members present: Jesse Hemphill, James Bowman, Jean Carter Ryan, Michael Curtin, and Zak Talarek.

HSLRC members absent: Rose Handon, Ph.D., and Jerry Friedman.

Office of Management and Budget (OMB): Madeline Gresham and Rachel Buske.

Alcohol, Drug and Mental Health (ADAMH) staff members: Erika Clark Jones, Chief Executive Officer; Mark Lambert, Jonathan Thomas, Dr. Delaney Smith, Kythryn Carr Harris, and Dr. Kevin Dixon.

ADAMH Board Members: Sharon McCloy-Reichard and Trudy Bartley.

ELECTION OF HSLRC CHAIRPERSON

The Committee elected Jesse Hemphill to continue serving as the HSLRC Chairperson.

REVIEW AND APPROVAL OF MEETING MINUTES

Ms. Buske stated that the first item on the agenda was the approval of the September 11, 2019 mid-levy review meeting minutes. Mr. Curtin made a motion to approve the minutes and Ms. Carter Ryan seconded the motion. All members voted “Aye” and Mr. Hemphill said the motion carried.

Ms. Buske went over the rest of the agenda with the meeting participants. She then turned the meeting over to ADAMH to begin the presentation.

PRESENTATION OF THE ADAMH 2020 LEVY PROPOSAL-ADAMH STAFF

Ms. Clark Jones began the presentation by acknowledging the fantastic leadership team of the ADAMH Board. She noted that the mission of ADAMH is to improve the well-being of our community by reducing the incidence of mental health problems, and the abuse of alcohol and other drugs. The levy proposal seeks to continue the funding needed to provide mental health and substance use disorder services in Franklin County.

She explained that ADAMH does not provide direct services but partners with more than thirty non-profits that offer mental health and substance use disorder treatment and prevention to Franklin County residents. ADAMH also works with twenty specialty contractors and many other partners within the city, county, and state to provide these needed services and programs. She showed a slide (slide 4) that contained the names of all providers that ADAMH contracts with and noted that many of them were long-standing partnerships and some of them were pilot programs. She also mentioned that 85% of consumers served live below the poverty line.

Ms. Clark Jones provided examples of new or expanded services:

- PrimaryOne Health is now offering mental health and addiction services on the near eastside in partnership with Southeast Healthcare to address the gap in services created by the closure of Columbus Area Integrated Health Services.
- Heartland High School is the first recovery high school in Franklin County. It is open to high school students who are recovering from substance use disorder, providing them with peer and recovery support, in addition to a high school education.
- Franklin County Loss provides services to families who have lost a loved one to suicide and prevention training to help community members identify and assist anyone who is at risk for suicide.
- The Community for New Directions is offering services for people with severe and persistent mental illness and substance use disorder (services such as recovery housing).
- Southeast is now partnering with law enforcement, hospital emergency teams, and mobile response teams to connect people with treatment immediately after an overdose.

Ms. Clark Jones explained that collaboratively designing community responses that put consumers and families first will be a priority. This will require more closely monitoring the quality of service delivery and tracking responsiveness to emerging community issues. Her goal is to approach this work with transparency and build capacity within the system, where it is most needed. ADAMH delivers by working with diverse partners, and will move forward to collectively produce system innovation and driving high impact outcomes.

Ms. Clark Jones stated that a simple renewal of our levy will not meet the growing demand for services in the community or sustain the new investments added to address the opioid crisis. ADAMH is recommending that the Franklin County Board of Commissioners place a 2.2 mill renewal with a 1.09 mill increase property tax levy, for a ten-year period on the November 3, 2020, general election ballot.

Mr. Lambert explained that ADAMH wanted to go on the ballot in November 2020 for three reasons:

- First, voter turnout tends to be higher during a Presidential election and they wanted voters to be able to weigh in, particularly when public awareness for behavioral healthcare is as high as it ever has been.
- Secondly, they wanted to go early with the understanding that they could go in 2021 if needed.
- Thirdly, by going in an even year, ADAMH saves on Board of Election expenses, since those expenses are covered in even years (expenses were approximately \$0.5 million in 2015).

Mr. Lambert explained why ADAMH is requesting a 10-year levy:

- ADAMH has a history of being able to manage 10-year levies well over the last twenty-plus years.
- ADAMH is looking to reduce levy fatigue; if the Committee recommends a 5-year levy with new millage for this cycle, ADAMH will most likely need to ask for additional millage in 5 years.
- The agency wants to improve the financial stability of our community providers and make sure the continuity of care is occurring. He noted that the system has been in flux due to:
 - Medicaid expansion and elevation to the state level.
 - Behavioral Health redesign:
 - Modernizing billing process for providers became harder when providers had to submit claims to the state. Some providers have seen up to 50% of claims denied and had close to 43% of claims in the first six months after implementation denied. This is causing providers to struggle with the Medicaid system which is the largest payer for services.
 - Shifting management at the state level to Managed Care Organizations (MCOs). Right now, there are five MCOs and there have been significant issues with billing,

enrolling clients, and with managing the overall service utilization within that new environment.

Mr. Lambert explained that ADAMH is proposing a renewal with an increase because a replacement would only increase revenue by approximately \$6 million and the state will no longer provide rollbacks with replacements.

Mr. Lambert gave the Committee a brief history of ADAMH's levy revenues. The phase out of Tangible Personal Property tax hit the agency hard; ADAMH lost approximately \$5 million in 2012. Funding levels peaked in 2010 and the agency has slowly seeing its funding levels rebound. Moving forward, he explained that ADAMH will end the current cycle with a \$14 million operating deficit and referred the Committee to a slide (slide 15) that demonstrates that a 1.09 mill increase will bring in the revenue necessary to continue to grow community investments as needs change and the population increases.

Mr. Lambert explained that ADAMH had provided three recommended levy scenarios for the Committee to consider:

- Option A is a ten-year 2.2 mill renewal, with a 1.09 mill increase.
- Option B is a ten-year 2.2 mill renewal, with a 0.88 mill increase.
- Option C is a 5-year 2.2 mill renewal with 0.84 mill increase.

He noted that all of the options address:

- The current operating deficit
- Anticipated contract inflation (estimated at 1.59% based on the CPI-U)
- Population growth in Franklin County which is anticipated to grow by 100,000 residents during the next 10 years
- Annual funding of approximately \$2 million with a growth of 3% per year for the Probate Court Guardianship Services Board (GSB)
- Repayment of the \$10 million loan from the Board of Commissioners, with a payment of \$1 million plus 3% each year

Option A also addresses the demand growth factor, which includes other metrics besides population growth and is based on a formula used by the hospital systems (it is proprietary data and cannot be shared with the Committee). The demand growth factor includes factors such as the cost of healthcare, the impact of high deductible plans, insurance coverage, new national payment model and pilots, and other innovations and changes directly or indirectly impacting residents and their need for services. The demand growth factor accounts for approximately 20% of the requested increase in millage. ADAMH is anticipating that there will be a 23% growth in the demand for Behavioral Health Services over the next ten years.

He referred the Committee to a slide (slide 11) that demonstrated how much of the increase will fund each of the various cost drivers and another slide (slide 13) that included the impact on taxpayers for each of the options.

Mr. Thomas provided more information on the planned Franklin County Mental Health and Addiction Crisis Center which is an innovative model designed to produce the best combination of services to meet mental health and substance use disorder needs. It seeks to expand capacity and divert people in crisis away from hospital Emergency Departments, which are not designed to provide services specific to mental health and substance use disorder. Research has shown that consumers do better in non-hospital settings unless they have significant physical health problems. He referred the Committee to the additional material provided with the report.

Mr. Lambert discussed the major funding sources for ADAMH:

- 70% of funding comes from the levy
- Federal funding is approximately \$7.2 million (approximately \$5 million is from SAMHSA for prevention and treatment services)
- State funding is approximately \$6 million
- Local funding is approximately \$1.4 million and comes from the City of Columbus and currently, the Denial Ohio Campaign (the campaign is scheduled to end in 2021)

Mr. Lambert walked the Committee through the levy request model begins with approximately \$83 million in Social Services spending in 2022 and builds capacity through to 2031 when the projected Social Services expenditures would be approximately \$113 million.

Q&A- WITH ADAMH STAFF

Mr. Curtin asked if ADAMH is statutorily allowed to carry an operating deficit.

Mr. Lambert explained that there are not statutory requirements around that and ADAMH is able to deficit finance during the current cycle by spending down budget reserves. ADAMH submitted a resolution to its Board of Trustees to identify a budget stabilization reserve and a plan over five years to spend that down responsibly. Mr. Talarek clarified that ADAMH cannot run an operating deficit if it does not have cash reserves to cover the deficit.

Mr. Lambert explained that the additional millage in the request would allow ADAMH to close its operating deficit for 2022. With a straight renewal ADAMH projects having to eliminate approximately \$24 million in operating expenses for 2022.

Mr. Hemphill asked what percentage of revenue is received from the levy.

Mr. Lambert stated that it represents over 70% of the overall revenues. Right now, with deficit financing, levy revenues cover about 80% of Social Services expenditures.

Mr. Bowman asked for the effective millage rate of the current 2.2 mill levy and if a replacement would reset the effective millage to 2.2 mills.

Mr. Lambert explained that the current effective millage is approximately 1.95 and that rate would continue under the next cycle for the renewal portion. He stated that a replacement would reset the effective millage. He explained that the effective millage rate has decreased over the current cycle so that the taxpayers would pay the same tax for the entire cycle despite increases in property valuations.

Mr. Bowman confirmed with ADAMH that the goal at the end of the levy cycle is to have 90 days of cash reserves. He asked about Option C that is for five years rather than ten years.

Mr. Lambert explained that Option C recommends a 0.84 mill increase for the next five years. In the event that Option C is passed, ADAMH anticipates needing to request an additional 0.5 mills in 2025.

Ms. Carter Ryan asked where the new Crisis Center would be located.

Mr. Thomas stated that ADAMH bought property on the westside of Harmon Avenue near Children Services and is conducting a site study to ensure that it will be a viable location. So far community groups have expressed their support for the project.

Mr. Bowman asked about how the Crisis Center construction is being financed.

Mr. Lambert explained that ADAMH is contributing \$8 million in levy funds; the Franklin County Board of Commissioners is contributing a \$10 million loan; the Ohio Hospital Association is contributing \$8

million; and ADAMH has asked the state for \$5 million in capital funds. They are looking for other funding sources including the city of Columbus.

Ms. Carter-Ryan asked about service delivery forecasting and noted that it does not appear that demand will decrease even as the Opiate Crisis is mitigated.

ADAMH explained that there is still a major problem with the opioid epidemic, but that there is an emergence of people using crystal meth. Staff also noted that the projections are for both mental health and substance use disorder and that they account for population growth, changes among age cohorts, and also that studies are showing that the stigma has been reduced and people are more willing to seek treatment.

Mr. Lambert also noted that there is a problem with drugs being more potent, including fentanyl, which is impacting addiction and overdoses.

Mr. Talarek asked if there is duplication in the modeling because the options reference demand growth which includes population but then population is listed separately in the explanation.

Mr. Lambert explained that population is backed out of the demand growth factor in the option explanations and then listed separately.

Mr. Curtin asked for information on the trendline related to consumers being able to provide copays.

Mr. Lambert provided an overview of the copay responsibilities related to the federal poverty level and promised that ADAMH would provide more information on how this information is collected, for both how ADAMH determines if someone is below the federal poverty level and how do they determine that 85% of consumers are below the federal poverty level.

Ms. Carter Ryan asked about summer camps and how children find out about the camps.

Dr. Dixon explained that they have over twenty-two different providers who engage in outreach and promote the camps.

Ms. Carter Ryan asked if there are housing solutions available for people with children where the children can live with them.

Ms. Carr Harris stated that ADAMH does not currently fund a recovery house that houses women with children, but that the Board of Trustees has identified this as an area they would like to expand into during the next cycle.

Ms. Carter Ryan asked if ADAMH works with the faith community.

Dr. Dixon stated that ADAMH does outreach and sometimes provides services on-site.

Mr. Curtin asked when the terminology changed from substance abuse to substance use disorder.

ADAMH noted that this change occurred approximately five years ago to better describe these conditions as brain disorders.

Mr. Curtin asked how many counties in Ohio have ADAMH boards.

ADAMH stated that there are approximately fifty ADAMH boards in Ohio and that some are multi-county.

Mr. Curtin asked if the state collects data that ADAMH can use to compare its performance and service delivery to other counties.

Mr. Thomas explained that the state requires a standard data set, but that the state has been going through a transition where they are changing all metrics and the data collection process. This has been underway for at least six years and ADAMH has had to make changes to its data system because the state managed billing system is no longer in use. The metrics previously collected captured status of individuals at admissions, six-month follow-ups, and discharges.

Mr. Curtin asked if Franklin County residents are getting a higher level of service than peer counties.

Mr. Thomas stated that ADAMH does try to share data with other counties and that sharing data is an important part of their work. Dr. Dixon added that Franklin County has more prevention programs than Cuyahoga County and Hamilton County combined.

Mr. Bowman asked if the housing programs are capital or rent subsidies.

Ms. Carr Harris explained that ADAMH provides capital as well as funding for supportive services. ADAMH does not pay rent subsidies but it does work with community partners to get vouchers for consumers.

HSLRC MEETING SCHEDULE-APPROVAL OF TIMELINE

Ms. Buske walked the Committee through the draft timeline. The Committee had no objections to the timeline; a motion was made and seconded. All members voted “Aye” and the motion carried.

The Committee and OMB discussed a potential location for the rest of the meetings.

CLOSING REMARKS

Mr. Hemphill asked for a motion to adjourn the meeting. A motion was made to adjourn the meeting and seconded. All members voted “Aye” and the motion carried.

The meeting was adjourned at 1:03 pm.