



## Talking Points: Closing the Coverage Gap and Behavioral Health

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### The Problem

- In 2013, **six in ten adults** with serious mental illness went without mental health care, in large part due to having no insurance.<sup>1</sup>
- A 2006 study published by the Centers for Disease Control showed that serious mental illness can shorten a person's life by 14 to 32 years, *especially* if left untreated.<sup>2</sup>
- Not having access to mental health care results in people with mental illness frequenting emergency rooms, state hospitals, and local jails.
  - Increasingly, jails have become a revolving door for individuals with mental illness often leading to tragic results.
- In June 2015, the Compensation Board identified 7,054 individuals with mental illness in Virginia's local and regional jails, accounting for more than 1 in 4 inmates.<sup>3</sup>
  - Jails have become the Commonwealth's largest providers of mental health services, but are not intended to be hospitals and not equipped to provide mental health care.

### A solution

- Medicaid is the single largest payer of mental health services in the United States. In 2012, 27 percent of spending on mental health services was paid for by Medicaid.<sup>4</sup>
- Closing the coverage gap will return more than \$2 billion annually to the Commonwealth to provide comprehensive health care services, including behavioral health treatment, to Virginians.

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<sup>1</sup> NAMI (2013). Medicaid Expansion & Mental Health Care retrieved from <https://www.nami.org/getattachment/About-NAMI/Publications/Reports/2013MedicaidReport.pdf>

<sup>2</sup> Centers for Disease Control (2006). Congruencies in Increased Mortality Rates, Years of Potential Life Lost, and Causes of Death Among Public Mental Health Clients in Eight States retrieved from [http://www.cdc.gov/pcd/issues/2006/apr/05\\_0180.htm](http://www.cdc.gov/pcd/issues/2006/apr/05_0180.htm).

<sup>3</sup> Compensation Board (2015). Mental Illness in Jails Report retrieved from <http://www.scb.virginia.gov/docs/2015mentalhealthreport.pdf>.

<sup>4</sup> Centers for Medicare and Medicaid Services (2012). CMCS Informational Bulletin retrieved from <https://www.medicare.gov/Federal-Policy-Guidance/Downloads/CIB-12-03-12.pdf>

- Expanding coverage will result in a significant infusion of resources to Virginia's behavioral health system, transforming care and treatment for people with mental illness and their families.
- The Governor's introduced budget is expected to add **more than \$226 million per year**, through closing the coverage gap, to improve the care and treatment of individuals living with mental illness and substance use disorders including:<sup>5</sup>
  - Psychiatric hospital services, mental health counseling and medication management; and community-based services for intensive community treatments and support. (This estimate could be understated because it doesn't take into account potential spending on anti-psychotic medications.)

### **Closing the Coverage Gap Benefits the Criminal Justice System**

- Closing the coverage gap will improve access to primary care and mental health treatment and delay or prevent criminal justice involvement for thousands of Virginians with mental illness and substance use disorders.
  - Upon an individual's release from jail or prison, access to health care will improve re-entry to the community and possibly prevent recidivism.
- Federal law allows Medicaid to pay for hospital stays for inmates who meet Virginia's eligibility requirements.
  - In 2015, Virginia began implementing a streamlined process to receive reimbursement for these services and free up state and local resources.
  - However, few inmates currently meet Virginia's eligibility requirements, because Virginia has not closed the coverage gap.
- Expanding coverage would **save local governments more than \$18 million annually** as federal Medicaid dollars are used to pay for hospital care for most jail inmates.<sup>6</sup>
  - Savings to local budgets can be used to make needed improvements in community-based care or facility-based treatment for people with a mental illness.

Visit [www.havcoalition.org](http://www.havcoalition.org) for more information.

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<sup>5</sup> Department of Medical Assistance Services (2016).

<sup>6</sup> Department of Medical Assistance Services (2016).