

## POSITION STATEMENT IN SUPPORT

### LD 2082 An Act to Ensure the Financial Stability of Behavioral Health Services Providers and Housing Assistance Providers

#### Presented to Maine's Joint Standing Committee on Health and Human Services

As the state's largest grassroots mental health advocacy organization, NAMI Maine strongly supports the passage of *An Act to Ensure the Financial Stability of Behavioral Health Service Providers and Housing Assistance Providers*. NAMI Maine speaks to countless family members and peers living with Severe and Persistent Mental Illness each year navigating the mental health system and seeking treatment and support services to maintain stability in the community with the ever-increasing housing crisis ensuing across the state. It is estimated that one-third of individuals who are unhoused experience a severe and persistent mental illness, primarily diagnoses of schizophrenia and bipolar disorder. Without services and support in place, many more individuals would most likely experience being chronically unhoused as well.

While 1 in 40 Americans will experience a severe and persistent mental illness across their lifetime, less than half will receive an adequate and effective intervention before their illness progresses to the point of meeting the criteria for a disability. Sadly 20% of young people who develop a severe and persistent mental illness receive their first formal intervention during an encounter with law enforcement. People who are admitted to the hospital due to severe and persistent mental illness are far more likely to be readmitted within a month if they do not receive appropriate community-based services and housing assistance. The average cost of readmission due to a mood disorder is \$7,200<sup>i</sup>. It is currently estimated that the cost of untreated or undertreated mental health disorders costs the nation \$4.2 billion a year<sup>ii</sup>. These numbers are staggering to think of the impact on the state and national economy. Due to these staggering statistics, the state has provided contractual services to many non-profit entities across the state to ensure that our most vulnerable receive appropriate support and safe housing. These non-profits often exist with a small buffer in managing placements and housing for the individuals whom they are serving. Although the state works diligently, there are times that contracts are drafted with a delay in the contracts being encumbered, or at times delays in payments being sent out to the agencies. When this occurs, those small margins are quickly depleted and to ensure that those who need the services most are not impacted, agencies will assume loans or lines of credit for the amount due. However, like any person who does this, the interest that is accumulated must also be assumed, resulting in the agencies with minimal additional funding shouldering the financial burdens of delays they have no control over, and at times resulting in financial impacts and insecurities.

NAMI Maine appreciates that the State of Maine is in a difficult fiscal position at times, and like any organization, there are unforeseen delays that occur. However, support services assisting vulnerable individuals should not shoulder the burden and face potentially dire financial consequences due to situations outside of their control. Because of this, NAMI Maine supports the passage of LD 2082.

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**ABOUT NAMI MAINE:** *Incorporated in 1984, the National Alliance on Mental Illness, Maine Chapter (NAMI Maine) is the state's largest grassroots mental health organization. With support from national and regional affiliates, the agency is dedicated to building better lives for everyone impacted by behavioral health concerns. NAMI Maine engages with leaders and community partners at all levels to improve the state's mental health system through collaboration and education.*

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<sup>i</sup> [Enhancing-Mental-Health-Care-Transitions-Reduces-Unnecessary-Costly-Readmissions.pdf \(healthcatalyst.com\)](#)

<sup>ii</sup> [Economic Burden Associated With Untreated Mental Illness in Indiana | Health Policy | JAMA Health Forum | JAMA Network](#)

## LEGISLATIVE CONTACT

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