



Research Results

New Information from the National Association of State Mental Health Program Directors Research Institute, Inc (NRI)

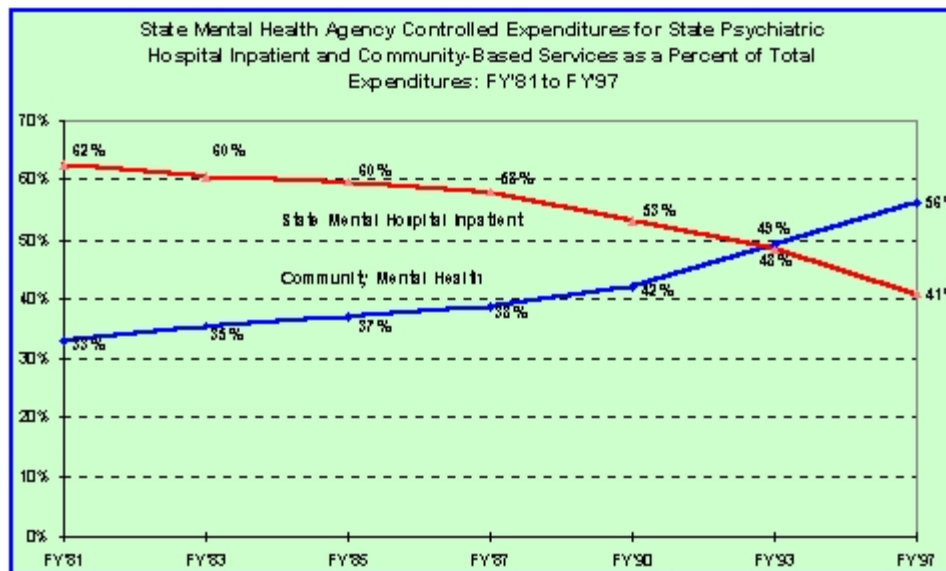
September 30, 1999

State Mental Health Agencies Shift To Community-Based Expenditures Despite Overall Slowing of Growth in Available Fiscal Resources

In August 1999, the National Association of State Mental Health Program Directors Research Institute released *Funding Sources and Expenditures of State Mental Health Agencies: Fiscal Year 1997*, the latest update of its series of reports on the funding sources and expenditures directly controlled by state mental health agencies (SMHAs). This FY'97 report, completed with contract support from the Center for Mental Health Services, documents the expenditures of over \$16.1 billion for mental health services by the nation's state mental health agencies. Highlights of the report include:

- ✓ **Increasing Community-based Mental Health Services:** In FY'97, SMHA-controlled expenditures for community mental health services totaled \$9.1 billion (56% of total SMHA expenditures). From FY'93 to FY'97, SMHA-controlled expenditures for these community-based mental health services increased by over \$2.1 billion, an increase of 31%.

Figure 1

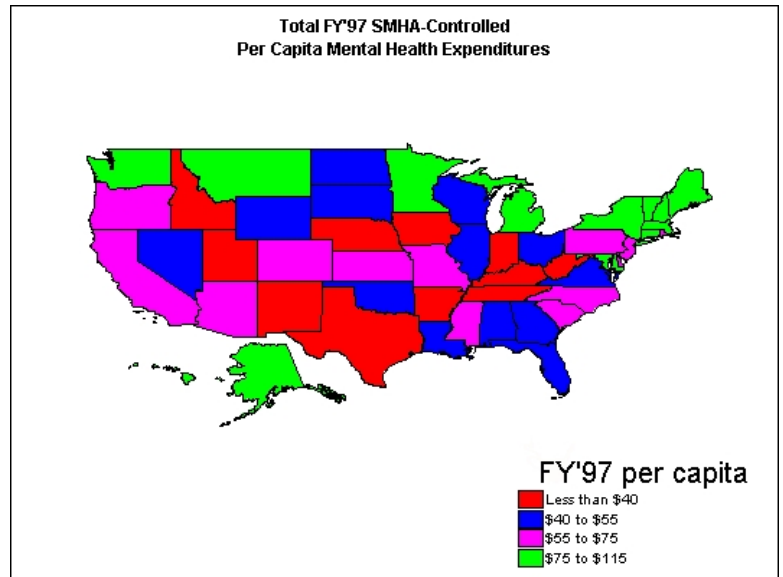


- ✓ **Decreasing Expenditures by State Psychiatric Hospitals:** Expenditures \$6.6 billion for state psychiatric hospital-inpatient care in FY'97 represented a decrease of \$266 million (down 4%) from FY'93. Adjusted for inflation, state-psychiatric hospital expenditures decreased by over 17% from FY'93 to FY'97. State psychiatric hospital-inpatient expenditures in FY'97 represented 41% of total SMHA expenditures, down from 49% in FY'93 and 62% in FY'81.

✓ **Total inflation Adjusted SMHA Dollars Decline:** Total SMHA-controlled expenditures for mental health services increased by 14% from FY'93 to FY'97. When adjusted for inflation, SMHA-controlled expenditures decreased by 2% from FY'93 to FY'97 and have declined 7% since FY'90.

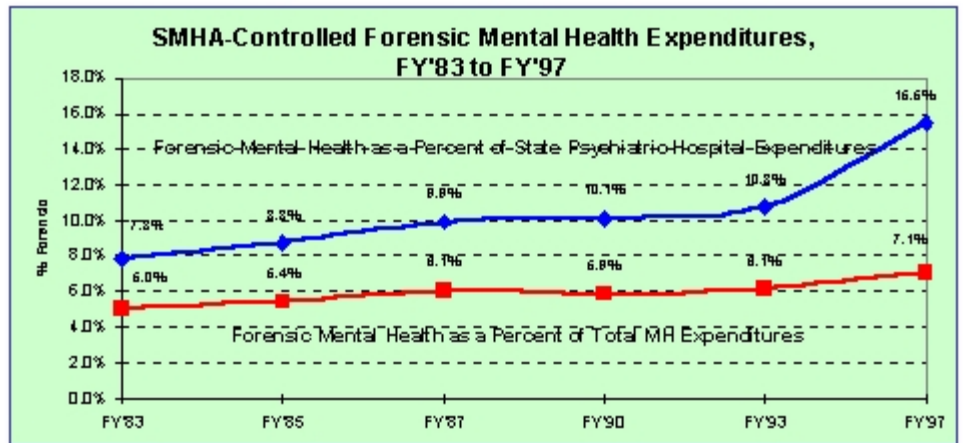
✓ **Per Capita Expenditures Vary By State and by Region:** In FY'97, SMHA-controlled expenditures averaged \$60.59 for the civilian population and ranged from a high of \$91.07 in New England states to a low of \$38.53 in South Central region states. States in the New England region had mental health expenditures above the U.S. average for both community mental health services and state psychiatric hospital inpatient services. States in the South Central region expended less than the U.S. average on both state psychiatric hospital inpatient services and community mental health services.

Figure 2



✓ **Forensic Mental Health Service Expenditures Are Increasing:** Expenditures for forensic mental health services increased by 64% from FY'90 to FY'97, almost twice as fast as overall SMHA-controlled mental health expenditures (up 33%). Forensic mental health services expenditures have increased to almost 16% of total state psychiatric hospital-inpatient expenditures in FY'97, from 10.8% in FY'93 and 7.8% in FY'81.

Figure 3



Copies of the report *Funding Sources and Expenditures of State Mental Health Agencies, Fiscal Year 1997* are available from the NASMHPD Research Institute for \$35 each (including shipping and handling). Please contact Ted Lutterman (703) 739-9333 ext. 21 with any questions, or Bethanne Poindexter on ext. 26 to order the report. This report was prepared under contract no. 97M03591501D from the Survey and Analysis Branch, Division of State and Community Systems Development, Center for Mental Health Services.