

January 28, 2025

Senator Lisa Reynolds
900 Court Street NE
State Capitol
Salem, OR 97301

RE: Senate Committee on Early Childhood and Behavioral Health – Jan. 23rd Follow Up

Dear Chair Reynolds,

Thank you for the opportunity to present to the Senate Committee on Early Childhood and Behavioral Health on Jan. 23. Below you will find follow up responses to questions raised during that presentation.

Behavioral Health Funding and Results

Members raised questions about federal funds and results regarding slide 11 *OHA Behavioral Health System Budget By Fund Type* and slide 12 *Behavioral Health System: Funding by Program* from the January 23 presentation. The primary driver of the increase in federal funding over the last five biennia is due to an overall increase in total behavioral health spending, the majority of which is related to costs in the Medicaid program that receive a federal participation rate. A secondary driver for the 2019-21 and 2021-23 biennia is related to an increased federal participation rate due to the public health emergency of COVID-19.

As OHA drives towards accountability and results for Oregon's behavioral health system, linking spending to outcomes will be critical as work towards transforming the behavioral health system to see the desired. According to the National Association of State Mental Health Program Directors Research Institute (NRI), Oregon's spending on community mental health for FY 2022 was over \$177.36 per capita. The [NRI 2023-2024 State Profiles on Organization and Funding of Community Mental Health](#) that was released last fall breaks up spending into four categories: less than \$52.40; \$52.41- \$85.73; \$85.74- \$177.35; and over \$177.36.ⁱ Oregon falls within the highest category, as do Washington, Montana, New York and several other states.

Severe and Persistent Mental Illness (SPMI) in Oregon

it is important to note that there is not consistent consensus on how to define Severe and Persistent Mental Illness (SPMI). National data will show prevalence rates of Severe Mental Illness (SMI) for the adult population. For 2022, SMI is estimated to be 5.4 percent for adults 18 years and up. For children and youth, SPMI is not a term that is used. Within the numbers for young adults

experiencing early onset or emerging psychosis, there are indications of youth who may be at risk for SPMI later in life. Serious Emotional Disturbance (SED) is a category that encompasses childhood schizophrenia and other diagnoses that impact daily functioning in children and adolescents. National prevalence estimations show between five and 13 percent of nine to 17-year-olds live with SED.ⁱⁱ

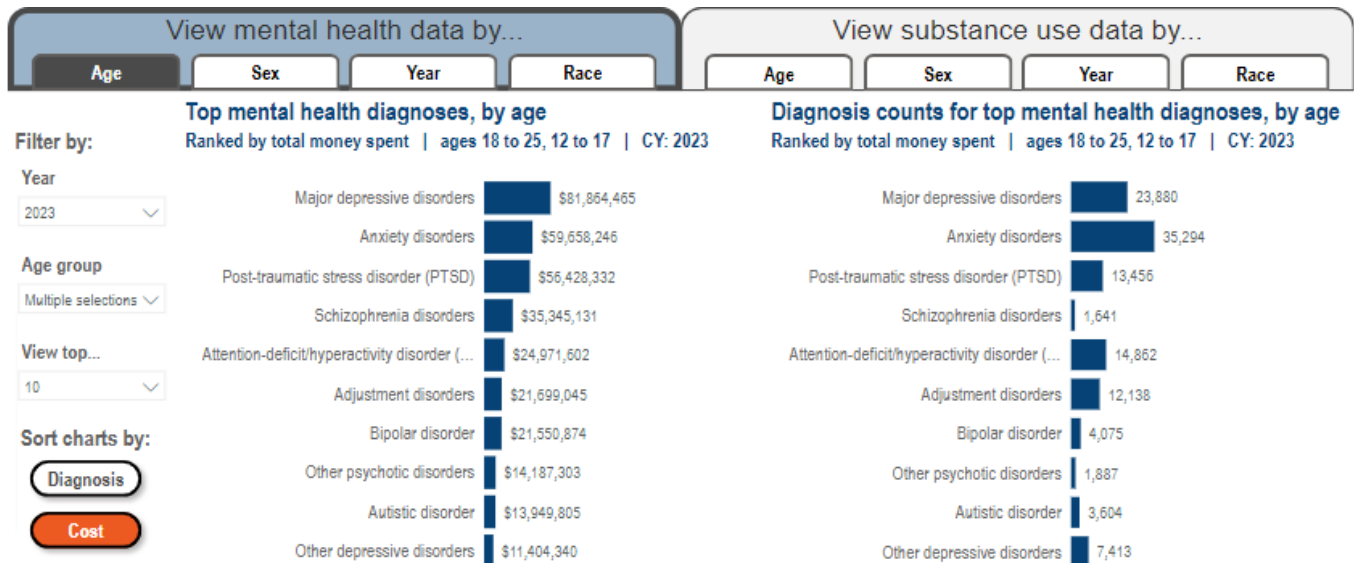
The following table shows the number of adults (18+) with an SMI diagnosis who were enrolled with Medicaid in 2023 and received treatment under Medicaid. The lower number (147,289) received treatment specific for a mental illness. The total prevalence across Oregon is much higher than the 205,488 shown below as this number does not consider those who are under or privately insured or may not have sought any service at all:

Table 1. SPMI Prevalence for Adult Medicaid Recipients, CY2023 (1/1/2023-12/31/2023)

SPMI	Count	Percent of Total Enrolled Adults
Count of persons enrolled in Medicaid (adults 18+)	1,167,809	
Number of adults on Medicaid clients with a Serious and Persistent Mental Illness (SPMI) diagnosis	205,488	12.35%
Number of adults on Medicaid clients receiving services for a Serious and Persistent Mental Illness (SPMI)	147,289	8.85%

The following graph shows the top 10 behavioral health diagnoses, associated costs, and number of Medicaid-enrolled youth and young adults (ages 12-25), which is inclusive of the top SPMI-specific diagnoses (Bipolar Disorder, Schizophrenia Spectrum Disorder, Major Depressive Disorder), in 2023. It is important to note that the total numbers shown are not inclusive of youth and young adults who are under or privately insured, or who are experiencing early symptoms of a severe mental illness that has not yet been formally diagnosed.

Graph 1. Mental Health and Substance Use Diagnoses for Youth Medicaid Recipients, CY2023



Thank you again for the opportunity to present on Oregon’s behavioral health system.

Sincerely,



Ebony Clarke
Behavioral Health Director

ⁱ NRI 2023-2024 State Profiles on Organization and Funding of Community Mental Health (2024):
<https://www.nri-inc.org/media/l4nl3jlc/organization-and-funding-of-community-mh-services-2023.pdf>

ⁱⁱ Adults with AMI and Children with SED Prevalence Estimates (2023):
<https://www.samhsa.gov/data/sites/default/files/reports/rpt42790/adults-with-smi-and-children-with-sed-prevalence-estimates-in-2022.pdf>