

Hamilton County Tax Levy Review Committee  
138 East Court Street  
Cincinnati, Ohio 45202

Hon. Stephanie Summerow Dumas President  
Hon. Alicia Reece, Vice President  
Hon. Denise Driehaus

Re: Mid-cycle review of the Mental Health and Rehabilitation Services Board

Dear Commissioners:

The Hamilton County Tax Levy Review Committee (TLRC) appointed a subcommittee to perform a mid-cycle review of the Mental Health and Rehabilitation Services Board levy. The members of the sub-committee are Edward Herzig, chair, Jenny O'Donnell and Bishop Ennis Tait. The sub-committee reviewed the consultant report of HMA of May 2017, reviewed the June 2017 recommendations of the TLRC and met with and heard a presentation from the MHRSB on December 29, 2020 via a teleconference. We thank Lisa Webb for organizing this meeting and for her keen insight. We also congratulate Alicia Reece on becoming Commissioner.

“The mission of the Hamilton County Mental Health and Recovery Services Board is to develop and manage a continuum of mental health, addiction, and prevention services that have a positive impact on the community and are accessible, results oriented, and responsive to individual and family needs.” (quoted from the presentation) The Board does not provide direct services. It is to lead the public behavioral health care on the County and to ensure coordinated care by planning, funding, managing and evaluating that care delivery. The goal is to be cost efficient, responsive to community needs and of high quality. The Board has fourteen volunteer members. Six are appointed by Ohio Mental Health and Addiction Services and eight by the Hamilton County Board of County Commissioners. The twenty-five staff members are led by an able group of executives under the President and CEO Pat Tribbe. The staff is far smaller than those of Cuyahoga and Franklin Counties. For the years 2016-2019, it served an average of 20,600 clients annually. The majority of the clients were male (58.2%) and Black/African American (53.5%). During the past four years, the MHRSB is transitioning to a new operating system: Great Office Solutions Helper (GOSH) that is used by a majority of Mental Health boards in the State of Ohio. It is a more efficient and user-friendly system.

The main concern of the last review was that “[T]he TLRC’s mid-point review of the levy should focus on the impacts of potential State changes to Medicaid and Federal healthcare policy changes on anticipated MHRSB service levels and increases to provider payments.” From fiscal year 2013 through fiscal year 2020 Federal funding has fallen from \$2.2 million to \$561,000. (See below) At the same time, State funding has fallen from a high of \$5.6m in 2014 to \$2.4m in 2020. It is to be noted that there has been an increase from a low of \$1.9m in 2016. Revenue from the Mental Health Levy has averaged \$34,751,202 for CY 2017-2019. It is projected to increase a bit over the last two years of the levy to about \$35,428,000,285. During the period ending in 2022, expenses are increasing for provider contracts yet MHRSB administration costs

are flat. The ending balance shrunk from \$24.923m to \$22.994m for 2018 and 2019. It is projected to decrease further to \$9.093m by the end of the levy cycle in 2022.

## HCMHR SB Mental Health Levy Current 5-Year Financial Plan

### HCMHR SB Mental Health Levy Current 5-Year Financial Plan

	CY 2018 Actual	CY 2019 Actual	CY 2020 Projected	CY 2021 Projected	CY 2022 Projected
Beginning Balance,	\$ 25,405,054	\$ 24,923,844	\$ 22,994,143	\$ 20,680,254	\$ 15,523,620
<b>Revenue</b>	<b>\$ 35,076,610</b>	<b>\$ 34,837,816</b>	<b>\$ 35,716,848</b>	<b>\$ 35,139,722</b>	<b>\$ 35,139,722</b>
<b>Expenditures</b>					
Provider Contracts	\$ 32,499,252	\$ 33,542,958	\$ 34,899,896	\$ 37,246,893	\$ 38,325,300
HCMHR SB Operating	2,621,977	2,794,493	2,682,439	2,549,463	2,584,589
Auditor & Treasurer Fees	436,591	430,066	448,403	500,000	500,000
Board of Election Expenses	-	-	-	-	160,000
<b>Total Expenditures</b>	<b>\$ 35,557,820</b>	<b>\$ 36,767,517</b>	<b>\$ 38,030,738</b>	<b>\$ 40,296,356</b>	<b>\$ 41,569,889</b>
Ending Balance	\$ 24,923,844	\$ 22,994,143	\$ 20,680,254	\$ 15,523,620	\$ 9,093,453

The MHR SB has identified several factors that could impact levy funds going forward: Law enforcement-behavioral health interface (i.e., more emphasis on behavioral health needs); an increase in homelessness worsening a housing crisis; COVID-19 mental health issues; and behavioral health redesign. There are several challenges facing the behavioral health community: the opioid epidemic, a decrease in psychiatric beds with a shift to more forensic cases accompanied by an increase in the numbers of those in jail with serious mental health problems, a significant increase in 281-CARE calls as well as more telehealth utilization. This will require more funding or a decrease in the number of clients served. Additional stressors are the potential decrease in monies received from taxes due to increased unemployment and the uncertain future of additional but temporary Federal monies for local and state governments that were passed by Congress due to increased pandemic related expenses.

Our opinion is that the MHR SB is a well-run, efficient Board that is funding essential services to the Hamilton County community. The issue is always increased needs and therefore expenses., Because of the reduction in Federal funding and flat State funding and, unless additional sources of income can be found or expenses reduced, the ending balance is shrinking significantly. This

is, in our opinion, inadequate. The TLRC has always recommended that an adequate reserve be kept for a healthy balance sheet based on the need for services. It probably will be necessary for the MHRSB to ask for a levy increase in 2022. We recognize that asking for an increase in taxes is risky in this environment, but it seems to be necessary.

Respectfully submitted,

Edward B. Herzig MD Chair  
Jenny O'Donnell PSyD  
Bishop Ennis Tait