



# **Ohio Pursues Multiple Strategies for Expanding Housing Options for Persons with Serious Mental Illness** *Making Progress but Need Remains*

Jon Honeck, Ph.D., Former Director of Public Policy  
*With assistance from Tara Britton, Director of Public Policy,  
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## Background

For 40 years, state policy has followed national trends in favor of deinstitutionalizing individuals with severe mental illness (SMI) by emphasizing community treatment options over placement in state hospitals or other institutions. In the 1960s, the average daily census at Ohio's psychiatric hospitals was over 22,000.<sup>1</sup> Since then, state population has grown by nearly 1.2 million, but the state's six regional psychiatric hospitals now have an average daily census of just 1,000.<sup>2</sup> Sixty percent of these patients are committed due to encounters with the criminal justice system. For patients with civil commitments, short stays are typical.<sup>3</sup>

Decades after deinstitutionalization, Ohio, like the nation, is still grappling with how to build a community mental health system to meet the needs of individuals with severe mental illness. Individuals with SMI are more likely to be homeless, cycle through the criminal justice system, experience short-term stays at private hospitals due to periodic crisis episodes, and become re-institutionalized in inappropriate settings such as nursing homes, jails, and prisons.<sup>4</sup> The purpose of this paper is to provide a description of historical trends in capital funding for community assistance projects for the mentally ill and to make the case for additional investments in this area. Of particular interest to this paper is that the link between mental illness and homelessness has been well-demonstrated. Nationally, an estimated 26 percent of adults living in shelters are affected by SMI.<sup>5</sup> The costs of these policy failures impact multiple state and local programs, as discussed in [\*By the Numbers 1: Developing a Common Understanding for the Future of Behavioral Health Care\*](#), a joint report by The Center for Community Solutions and The Mental Health and Addiction Advocacy Coalition released in 2011.

Fortunately, there are welcome signs of a long-overdue shift in policy to recognize the enormous cost to society of failing to provide sufficient recovery resources to individuals with SMI. For example, in 2014, the state used federal resources from the Money Follows the Person Program to move 555 individuals with mental illness out of nursing homes to the community.<sup>6</sup> Money Follows the Person is an ongoing, multi-year effort. Approaches are also changing in the criminal justice system, with 42 Ohio counties now using specialized court dockets for mental health.<sup>7</sup> Many counties are participating in projects coordinated by Justice Center of The Council of State Governments to develop crisis intervention teams (CIT) to change the way that law enforcement organizations handle situations involving individuals with SMI. The CIT approach offers training to front-line officers and develops linkages with Alcohol, Drug Addiction, and Mental Health (ADAMH) boards and other organizations to connect people with services. The Ohio Attorney General's Task Force on Criminal Justice and Mental Illness is

working with a network of individuals and organizations that are sharing best practice approaches in criminal justice. At the state level, the extension of Medicaid to non-disabled adults with incomes at or below 138 percent of the poverty line creates an important payment source for psychiatric treatment services and, if needed, substance abuse treatment.

Ultimately, however, the best approach is to prevent individuals with SMI from ever reaching the point of homelessness or encounters with the criminal justice system. Besides treatment and supportive services, the stability of living arrangements is fundamental. One of the most promising approaches is a national movement called “housing first,” which emphasizes placement in permanent housing *in conjunction with* treatment for mental illness or substance abuse, even for individuals who have not completely embraced or completed a treatment regimen.<sup>8</sup>

In theory, individuals with SMI should have access to a variety of housing options that can best meet their needs. The Ohio Department of Mental Health and Addiction Services (ODMHAS) recognizes the following types of arrangements:

- Permanent supportive housing, as the name suggests, is an arrangement covered by landlord-tenant law in which individuals sign a lease but also receive specific on-site services.
- A community residence is a group living situation governed by specific rules and regulations, not defined by landlord-tenant law. It may be owed by an ADAMH board or a private provider.
- A residential care facility provides room, board, and personal care services seven days per week in a group living arrangement. This kind of facility requires a license from a state agency (e.g., adult care facility, residential care facility).<sup>9</sup>

Given the typically low incomes of individuals with severe SMI, the private market will not provide sufficient housing to meet their needs. Public resources are essential.

### **Department of Mental Health and Addiction Services Capital Funding**

One of the critical, but often overlooked pieces of the state capital bill is funding for the Ohio Department of Mental Health and Addiction Services.<sup>i</sup> In order to support the policy shift to community living, state law allows ODMHAS to fund construction for residential housing and other community projects owned by private, nonprofit organizations in addition to maintaining state-run hospitals. Stable housing is a key component in the recovery process of individuals with mental illness, but it is in short supply in many parts of Ohio. In a recent Needs Assessment and Resource Inventory of the state’s ADAMH boards, 54 percent of the boards who responded said they have a need for permanent supportive housing for the people they serve with mental health disorders.<sup>10</sup>

Local ADAMH boards also provide resources for housing. Housing is the largest non-treatment service funded by local boards. Boards are constrained by competing demands placed on their

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<sup>i</sup> The Ohio Department of Mental Health (ODMH) and the Ohio Department of Alcohol and Drug Addiction Services (ODADAS) were combined into ODMHAS effective July, 2013.

local property tax levy resources, however, and their capacity to support housing projects varies dramatically. In this context, state funding is likely to be a major source of financial support for housing for the foreseeable future, and most of this funding will come from the capital budget.<sup>11</sup> The state also works with ADAMH boards to leverage state and local public resources, as well as local private resources, to maximize a community's ability to meet housing needs.

William Denihan, Chief Executive Officer of the ADAMHS Boards of Cuyahoga County, said that housing for people recovering from mental health and/or substance use disorders continues to top the list of needs in the community. He said, "The growing impact of the opiate epidemic only adds to the urgency around increasing support for housing. Safe, stable housing is key to recovery for both mental health and substance use disorders, and current demand exceeds supply."

It should also be noted that federal funds designed specifically to help individuals with SMI with housing needs are limited. The state recently received an \$11.9 million grant under the 811 Project Rental Assistance Program from the U.S. Department of Housing and Urban Development for housing assistance for individuals with disabilities, including mental or developmental disabilities, who are also eligible for home and community-based waivers.<sup>12</sup> The Ohio Housing Finance Authority will select eligible properties and handle payments, while the Ohio Department of Medicaid, ODMHAS, and Ohio Department of Developmental Disabilities will determine applicant eligibility. This will be used over five years to assist an expected 485 people.

### *Community Projects*

Ohio law allows ODMHAS to assist construction projects for residential housing for "severely mentally disabled individuals and persons with substance abuse disorders" through grants or reimbursements upon project completion.<sup>13</sup> The current administrative practice is to use reimbursements. The applicant must obtain a 30-year mortgage or contract for the facility and pledge that it is maintained exclusively for mental health or addiction services.<sup>14</sup> The application must be submitted by a local ADAMH board or by a nonprofit organization. The funding is subject to certain conditions:

1. The application must include a plan specifying the services that will be available to residents;
2. The housing plan must promote maximum integration of residents with others at the same site who do not have severe mental illness; and,
3. State funds cannot be used to support purposes that will lead to debt obligations being subject to federal income taxation.

ODMHAS funding is limited to 50 percent of project costs, up to a total of \$500,000.<sup>15</sup> This requirement is not in statute but is intended to leverage local resources.

## Overall Trends

A review of total capital appropriations made to the Ohio Department of Mental Health (ODMH) since FY 1991 shows that amounts were generally higher before the FY 2001-2002 biennium (Table 1). Over the span of six capital budgets, between FY 1991 and FY 2002, ODMH received an average of \$40 million. Starting with FY 2013, the amounts shown also reflect appropriations for addiction-related housing services after the merger of ODMH and the Ohio Department of Alcohol and Drug Addiction Services (ODADAS) into ODMHAS.

Funding decreased from \$49.5 million in FY 2001-2002 to \$19.4 million in FY 2003-2004, and then again to \$9.9 million in 2005-2006 before rising to \$23.3 million in the last capital bill before the Great Recession. The highest-ever appropriation of \$104.7 million occurred in FY 2009-2010, but \$83.7 million of these funds were for one specific capital project to replace and merge the Cleveland and Northfield state hospital facilities. ODMH merged with ODADAS at the start of FY 2013. The most recent capital budget appropriated \$19.6 million for FY 2015-2016. Senate Bill 310 more than doubles the amount appropriated in the last General Assembly to \$41.2 million for 2017-2018. Adjusting for inflation, the General Assembly would have had to appropriate \$100 million in FY 2015 to equal the FY 1991 amount.<sup>16</sup>

**Table 1: Capital Appropriations for the Ohio Department of Mental Health, FY 1991-2016**

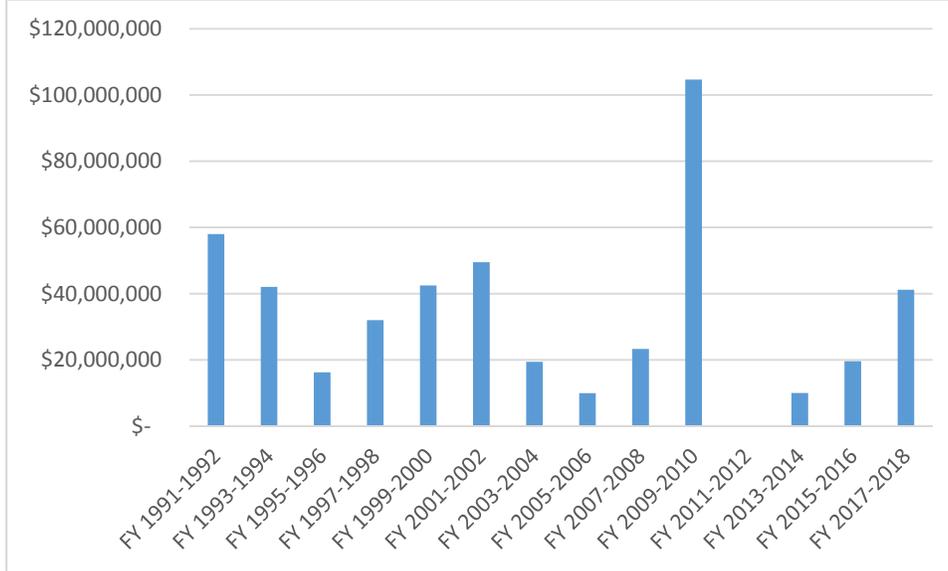
General Assembly	Appropriation Fiscal Years	Amount
118 <sup>th</sup> -HB 808	1991-1992	\$57,997,600
119 <sup>th</sup> -HB 904	1993-1994	\$42,050,000
120 <sup>th</sup> -HB 790	1995-1996	\$16,215,602
121 <sup>st</sup> -HB 748	1997-1998	\$32,020,000
122 <sup>nd</sup> -HB 850	1999-2000	\$42,490,215
123 <sup>rd</sup> HB 640	2001-2002	\$49,500,000
124 <sup>th</sup> -HB 675	2003-2004	\$19,412,500
126 <sup>th</sup> -HB 16	2005-2006	\$9,950,000
126 <sup>th</sup> -HB 699	2007-2008	\$23,280,000
127 <sup>th</sup> -HB 562	2009-2010	\$104,680,000
128 <sup>th</sup> (None)	N/A	N/A
129 <sup>th</sup> -HB 482	2013-2014	\$10,000,000*
130 <sup>th</sup> -HB 497**	2015-2016	\$19,579,140*
131 <sup>st</sup> - SB 310	2017-2018	\$41,175,000*

Source: Legislative Service Commission, Capital Appropriations Budgets (122<sup>rd</sup> G.A. - 130<sup>th</sup> G.A.); *Laws of Ohio*, (118<sup>th</sup> G.A. - 121<sup>st</sup> G.A.).

\* From FY 2013, reflects combination of ODMH and ODADAS.

\*\* HB 497 contains both capital appropriations and reappropriations of the 130<sup>th</sup> General Assembly

**Figure 1: Total Capital Appropriations for ODMH/ODMHAS, FY 1991-2018**

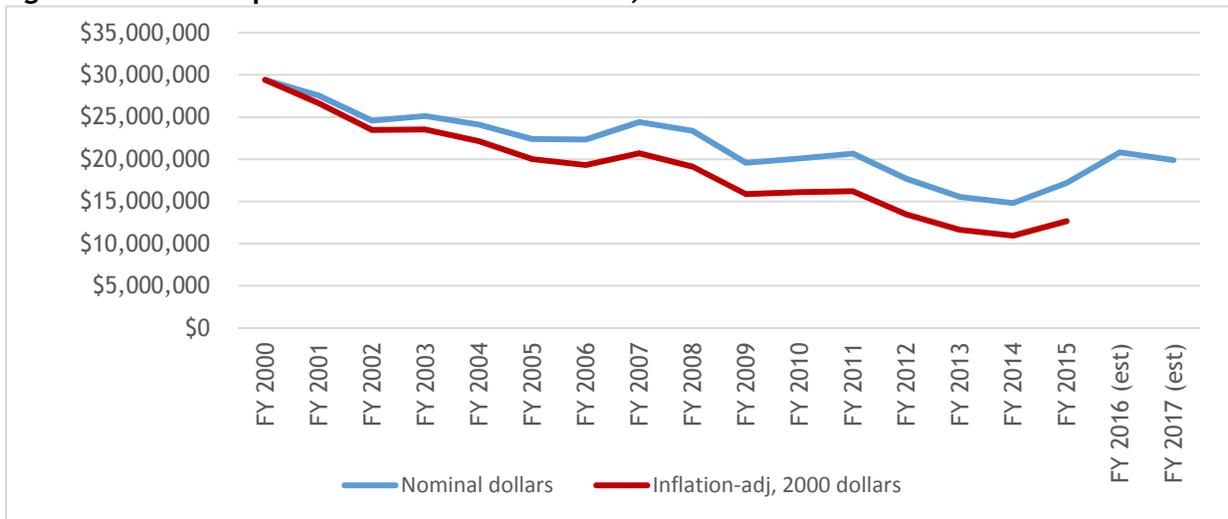


Source: Legislative Service Commission, Capital Appropriations Budgets (122rd G.A. - 131st G.A.); *Laws of Ohio*, (118th G.A. - 121st G.A.).

\* From FY 2013, reflects combination of ODMH and ODADAS.

The debt service necessary to finance bond issuances for capital appropriations is paid out of the ODMHAS *operating* budget. As shown in Figure 2, actual expenditures for debt service levels had trended lower until FY 2015. Starting in FY 2013, amounts reflect the merger with ODADAS. In inflation-adjusted terms, the FY 2015 level is 43 percent of the FY 2000 level, reflecting a lower level of fiscal effort devoted to housing for the mentally ill. This trend is consistent with overall slow growth in the state-source GRF operating budget since that time.<sup>17</sup>

**Figure 2. ODMH Expenditures for Debt Service, FY 2000 - 2017**



Source: Legislative Service Commission, Catalogue of Budget Line Items, various years.

\*From FY 2013, reflects combination of ODMH and ODADAS.

***Trends for Community Projects***

Community Projects in the ODMHAS budget are one component of the total department appropriations shown above. The current process for community projects requires ADAMH boards to submit and prioritize project proposals from their service areas to ODMHAS for selection and review. The department’s current practice is to cost-share up to 50 percent with local funds, with a maximum state contribution of \$500,000 to each project.

ODMHAS guidance provides that housing is the first priority for capital projects.<sup>18</sup> In 2013-2014, all \$10 million in community project funds went to housing projects. According to ODMHAS, about 80 percent of all capital funding in the 2015-2016 biennium through the agency was for housing projects. In 2015-2016, and continuing into the requests for proposals for 2017-2018, the department’s priority remained housing, but boards could include other types of community projects in their requests. These included supportive housing projects, recovery housing projects, projects that have other sources of funds to leverage, consumer/peer/recovery coach-operated program space, and other mental health or substance use program space.<sup>19</sup>

Table 2 shows the appropriation levels for ODMHAS community assistance projects. The highest level of nearly \$22 million occurred in FY 1991-1992. After a low of \$1.8 million in FY 2005-2006, there has been a steady recovery in appropriation levels over the last four capital budget cycles to \$15 million in FY 2015-2016 (\$5 million of the FY 2015-2016 amount was earmarked for substance abuse recovery housing.) In FY 2015, the General Assembly would have had to appropriate \$38 million to equal the FY 1991 inflation-adjusted level.<sup>20</sup>

ODMHAS set a target to create or renovate a total of 430 housing units with the FY 2013-2014 appropriation. Part of the department’s long-term strategy is an ongoing partnership with the Ohio Housing Finance Agency (OHFA), for which \$1 million was set aside in the FY 2015-2016 capital plan in order to leverage \$3 million in OHFA funds.<sup>21</sup>

**Table 2: Capital Appropriations for ODMH/ODMHAS Community Projects, FY 1989-2018**

General Assembly – Bill No.	Appropriation Fiscal Years	Appropriation
118 <sup>th</sup> -HB 808	1991-1992	\$21,985,000
119 <sup>th</sup> -HB 904	1993-1994	\$12,500,000
120 <sup>th</sup> -HB 715	1995-1996	\$1,247,572
121 <sup>st</sup> -HB 748	1997-1998	\$11,500,000
122 <sup>nd</sup> -HB 850	1999-2000	\$11,500,000
123 <sup>rd</sup> -HB 640	2001-2002	\$10,000,000
124 <sup>th</sup> -HB 675	2003-2004	\$3,912,500
126 <sup>th</sup> -HB 16	2005-2006	\$1,800,000
126 <sup>th</sup> -HB 699	2007-2008	\$5,550,000
127 <sup>th</sup> -HB 562	2009-2010	\$9,160,000
128 <sup>th</sup> G.A. (None)	N/A	N/A
129 <sup>th</sup> -HB 482	2013-2014	\$10,000,000*

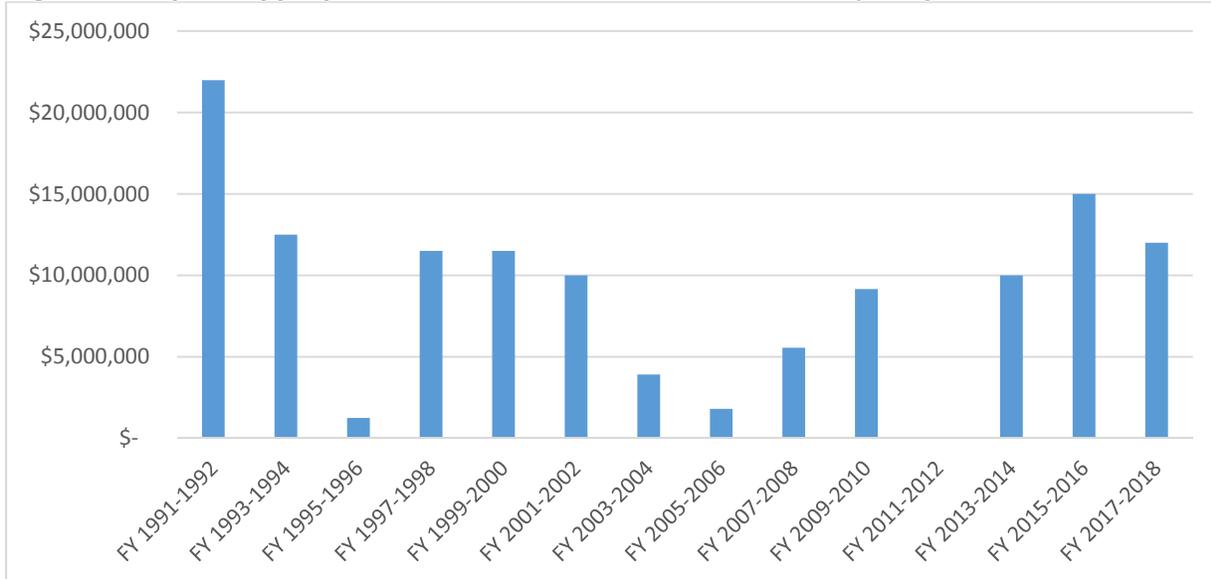
130 <sup>th</sup> -HB 497**	2015-2016	\$15,000,000*
131 <sup>st</sup> - SB 310	2017-2018	\$12,000,000*

Source: Legislative Service Commission, Capital Appropriations Budgets (122<sup>rd</sup> G.A. - 130<sup>th</sup> G.A.); *Laws of Ohio*, (118<sup>th</sup> G.A. - 121<sup>st</sup> G.A.).

\* From FY 2013, reflects combination of ODMH and ODADAS.

\*\* HB 497 contains both capital appropriations and reappropriations of the 130th General Assembly

**Figure 3: Capital Appropriations for ODMH/ODMHAS Community Projects, 1991-2018**



Source: Legislative Service Commission, Capital Appropriations Budgets (122<sup>rd</sup> G.A. - 131<sup>st</sup> G.A.); *Laws of Ohio*, (118<sup>th</sup> G.A. - 121<sup>st</sup> G.A.).

Because ODMHAS only pays for projects upon completion, the increased appropriations of recent years will take time to result in actual disbursements. The increase is beginning to happen, however. In FY 2015, the most recently completed fiscal year, ODMHAS provided a total of \$5.2 million in community capital funding to 19 projects (Table 3). This is more than double the FY 2014 total of \$2.4 million.<sup>22</sup> Through mid-February, 2016, the department had already exceeded the FY 2015 total, having disbursed \$5.4 million. It should be kept in mind that, in a combined agency, some projects will be for addition.

**Table 3. ODMHAS Community Capital Grants in FY 2015**

Ashland County	\$ 95,513
Century Health Inc. (Hancock)	\$ 270,000
Coleman Professional Services Inc. (NE OH)	\$ 450,000
Community Housing Network Inc. (Franklin)	\$ 341,151
Cornerstone Of Hope (Cleveland & Columbus)	\$ 33,320
Counseling Center Of Wayne	\$ 49,352
Eden Inc. (Cuyahoga)	\$ 95,000
Geauga County	\$ 44,475
Housing Solutions Of Greene County Inc.	\$ 350,000
Main Place Inc. (Licking and Knox)	\$ 315,632
Marion Area Counseling	\$ 696,000

National Church Residences	\$ 450,000
New Home Development Company Inc. (NW OH)	\$ 152,951
Oesterlen Services For Youth (Clark)	\$ 9,818
Ohio Housing Finance Agency	\$ 1,100,000
Sojourners Care Network (Vinton)	\$ 24,261
Talbert Services (Hamilton)	\$ 390,336
TCN Behavioral Health (Montgomery & Greene)	\$ 143,500
Wright Street Housing Corporation (Logan)	\$ 229,111
<b>FY 2015 Total</b>	<b>\$ 5,240,421</b>

Source: Ohio's Online Checkbook.  
ODMHAS Capital Grants for Buildings and Other Structures

### **Earmarks**

Earmarking is a common practice that the legislature uses in a capital budget to allocate specific amounts of funding to community projects, which can include housing, as well as capital funds for space to run programs that address mental illness and addiction. This procedure bypasses the standard formulas or competitive processes that agencies use. In the case of ODMHAS capital allocation, sometimes the earmarks are carved out of the community assistance project line item. Alternatively, each project can receive additional funding amounts. The latter approach occurred in the FY 2015-2016 capital budget, which earmarked almost \$2.6 million for six community agencies in addition to the \$15 million in the regular community assistance project line item (Table 4). This approach was repeated and augmented in the proposed 2017-2018 capital bill (SB 310) (Table 5).

**Table 4: ODMHAS Earmarks in FY 2015-2016 Capital Budget**

Providence House	Cuyahoga County	\$191,640
Talbert House (Hamilton)	Hamilton County	\$300,000
Cornerstone of Hope Butterfly Treehouse	Cuyahoga County	\$40,000
Bellefaire Jewish Children's Home	Cuyahoga County	\$1,500,000
Nancy's Place Replacement	Franklin County	\$500,000
Cocoon Shelter	Wood County	\$47,500
<b>Total</b>		<b>\$2,579,140</b>

Source: Am. Sub. H.B. 497, 130<sup>th</sup> G.A.; Sec. 221.10.

**Table 5: ODMHAS Earmarks in FY 2017-2018 Capital Budget**

Bellefaire Jewish Children's Home	Cuyahoga County	\$550,000
Cocoon Emergency Shelter	Wood County	\$800,000
Child Focus, Inc.	Brown County	\$415,000
CHOICES for Victims of Domestic Violence Campaign	Franklin County	\$500,000
Family Services of Northwest Ohio Adult Crisis Stabilization Unit	Henry County	\$100,000
Glenbeigh Hospital Multipurpose Building	Ashtabula County	\$400,000
OhioGuidestone Residential Treatment Building Renovation	Cuyahoga County	\$350,000

Salvation Army of Greater Cleveland Harbor Light Complex	Cuyahoga County	\$350,000
Greenville East Main Street Recovery Center	Darke County	\$25,000
Columbus Briggsdale Apartments-Phase II	Franklin County	\$250,000
The Buckeye Ranch, Inc.	Franklin County	\$100,000
Expansion of Lettuce Work	Franklin County	\$250,000
Ravenwood Mental Health Facility Expansion	Geauga County	\$500,000
Cincinnati Center for Addiction Treatment Expansion	Hamilton County	\$2,000,000
Painesville Mental Health Services Agency	Lake County	\$200,000
Tri-County Board of Recovery and Mental Health Services	Montgomery County	\$500,000
McKinley Hall Renovation	Stark County	\$75,000
Glenway Outpatient Opiate Facility	Hamilton County	\$200,000
Alvis Women Community Reentry Project	Franklin County	\$50,000
Daybreak Youth Shelter and Employment Center	Montgomery County	\$250,000
<b>Total</b>		<b>\$7,865,000</b>

Source: Senate Bill 310, 131<sup>st</sup> General Assembly

### Residential State Supplement

Building and maintaining facilities to house individuals with mental illness is only a first step. The next step is to consider how to finance operating costs of these facilities. In some cases clients may be eligible for federal Department of Housing and Urban Development (HUD) vouchers, but demand generally exceeds supply. Given that Medicaid does not pay for housing costs, the major public funding source for the operating costs of facilities is the local ADAMH board. Housing, including both capital dollars and support for operating expenses, is the leading use of local board funds for non-Medicaid purposes.<sup>23</sup> Boards' ability to support these services, however, varies dramatically according to local property tax levy support. Twelve counties do not have access to a levy for mental health services.<sup>24</sup>

The state has one highly focused source of operating dollars for housing, the Residential State Supplement program (RSS).<sup>25</sup> RSS funds are focused on aged or disabled adults who reside in approved living arrangements including group homes, adult care facilities, residential care facilities, and other facilities licensed by the Department of Mental Health and Addiction Services. Facilities are required to provide supervision and personal care services in addition to accommodations. Eligible participants use the monthly cash supplement along with individual income from Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI), Social Security retirement payments, or personal financial sources in order to finance their living arrangements. The number of participants has declined in recent years. In 2009, there were 1,787 people on the program, with a waiting list of 177.<sup>26</sup> As of 2015, there were 1,086 participants, 22 percent of whom were under the age of 60; approximately 92 percent had a mental health diagnosis.<sup>27</sup>

Due to the mental health status of the majority of the recipients, the program was transferred from the Department of Aging to the Department of Mental Health and Addiction Services in fiscal year 2012, where the program is currently housed.

The primary objective of the program in the wake of a 2014 legislative change is to “prevent premature or unnecessary institutionalization” of individuals needing a protective level of care. The program now prohibits new applicants from residing in facilities with 17 beds or more. Eligibility requirements limit applicants’ income to \$1,300 per month and no more than \$1,500 in assets. The amount that operators can charge for rent and services, called the “allowable fee,” was increased in January, 2016, to \$1,100 per month to promote increased quality of care.

Table 6 shows the overall appropriation amounts in the main operating budget from years 2002-2017. Funding levels declined from a high of over \$12 million in the FY 2002-2003 biennium to \$4 million in 2012-2013. Funding recovered to \$7 million in FY 2014-2015, and increased to \$15 million in the current biennium.

**Table 6: Residential State Supplement Appropriation Levels, FY 2002 - 2017**

FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
\$12,346,572	\$12,106,551	\$9,960,356	\$9,960,356	\$9,156,771	\$9,156,771	\$9,156,771	\$9,156,771
FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
\$5,225,417	\$5,225,417	\$4,702,875	\$4,702,875	\$7,502,875	\$7,502,875	\$15,002,875	\$15,002,875

Source: LSC Budgets in Detail.

## Conclusion

For decades, state policy has followed national trends in favor of deinstitutionalizing individuals with SMI. Access to housing is essential to the successful recovery of individuals with SMI, but it is often hard to achieve given the low incomes typical of this population. Investments in housing are beneficial to communities, as evidenced by an analysis from the ADAMH Board of Franklin County. CEO of the ADAMH Board of Franklin County, Dave Royer, shared that “In 2012, the ADAMH Board conducted an analysis in Franklin County with two 24/7 supportive housing programs (Briggsdale and Southpoint) to evaluate the cost for the period of up to two years prior to a consumer moving into supportive housing compared to the period while the consumer was in housing. The average treatment costs per person per year decreased from an average of \$34,986 before move-in to \$14,028 after move-in, a 60 percent reduction. This was due in part to a shift from a high-cost residential setting to a supportive housing environment for the ADAMH-designated clients. Among chronically homeless single adults, outpatient costs increased slightly, as expected, now that the person is engaged in receiving services.”

State investment in housing through ODMHAS capital bill appropriations for community projects has been inconsistent and has not kept pace with inflation, although the recent trends have been positive and the latest capital bill proposal continues to move in the right direction. After not having a capital bill for the FY 2011-2012 biennium, the legislature appropriated \$10

million for ODMHAS community projects in FY 2013-2014 and \$15 million for FY 2015-2016. After adjusting for inflation, however, the legislature would have had to appropriate \$38 million to equal the level of the early 1990s.

The state has limited support for rent and other housing operating expenses through the RSS program, which also requires that individuals have physical disabilities that require a nursing home level of care. RSS appropriations have also followed a positive trend in recent years as well, rising from a low of \$4.7 million per year in FY 2012-2013 to \$15 million per year in the current biennium. Nonetheless, this increase has been used as a quality incentive for operators of group homes and not to increase the number of individuals receiving benefits. Moving forward, the following policy recommendations should be considered to meet the housing needs for people with SMI in Ohio.

### *Policy Recommendations*

- Consider modifying the amount of the match for high need/high priority areas with limited local funding opportunities.
- Increase ODMHAS funding to match early 1990s levels. Along with an increase, allow for more flexible funding to match the needs in the community. Much of the federal funding for housing has requirements to serve certain populations. This limits the ability of communities to fully match funding with needs.
- Evaluate the need for increased rental assistance through RSS or other programs.
- Distinguish the role of the ADAMHS boards versus the role of the state in building and maintaining housing units.

## **APPENDIX 1**

As the state's opiate addiction epidemic has taken its toll, the need for housing for recovering addicts has become more important. ODMHAS received funding for recovery housing for addiction amounting to a total \$10 million for state fiscal years 2015-2016. Five million dollars of the overall funding was set aside in the 2014 Mid-Biennium Review, House Bill 483, and the remaining \$5 million was taken from the Capital Budget Bill for 2015-2016. These funds will be used to expand the recovery housing network in Ohio by approximately 660 beds.<sup>28</sup> This is of great significance compared to past appropriations for addiction-related services. With the current addiction epidemic in Ohio, this improvement in recovery housing is a step in the right direction for a population in crisis. The overall appropriations and community assistance funding for ODADAS/ODMHAS for the years 1991-2016 are shown below in Tables A-1 and A-2.

**Table A-1: Total Capital Bill Appropriations for ODADAS, 1989-2014**

General Assembly	Year	Appropriation
118-HB 808	1991-1992	N/A
119-HB 904	1993-1994	\$5,636,450
120-HB 715	1995-1996	\$5,503,525
121-HB 748	1997-1998	\$2,900,000
12 <sup>d</sup> -HB 850	1999-2000	\$2,000,000
123-HB 640	2001-2002	\$3,365,000
124-HB 675	2003-2004	\$266,512
126-HB 16	2005-2006	\$100,000
126-HB 699	2007-2008	\$450,000
127-HB 562	2009-2010	\$1,550,000
128 <sup>th</sup> G.A. (None)	N/A	N/A
129-HB 482	2013-2014	Merged with ODMH
130-HB 497	2015-2016	Merged with ODMH
131-SB 310	2017-2018	Merged with ODMH

Source: <http://www.lsc.ohio.gov/fiscal/capitalbudget130/default.htm>

**Table A-2: Appropriations for Community Projects**

General Assembly	Year	ODADAS Community Projects
118 <sup>th</sup> -HB 808	1991-1992	N/A
119 <sup>th</sup> -HB 904	1993-1994	\$2,678,450
120 <sup>th</sup> -HB 715	1995-1996	\$2,678,450
121 <sup>st</sup> -HB 748	1997-1998	\$2,650,000
122 <sup>nd</sup> -HB 850	1999-2000	\$2,000,000
123 <sup>rd</sup> -HB 640	2001-2002	\$3,365,000
124 <sup>th</sup> -HB 675	2003-2004	\$266,512
126 <sup>th</sup> -HB 16	2005-2006	\$100,000
126-HB 699	2007-2008	\$450,000
127-HB 562	2009-2010	0
128 (None)	N/A	n/a
129-HB 482	2013-2014	Merged with ODMH
130-HB 497	2015-2016	Merged with ODMH

131-SB 310	2017-2018	Merged with ODMH
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Source: Legislative Service Commission. Capital Budget Bill, various years.<sup>29</sup>

## APPENDIX 2

Reappropriations: Project timelines often extend beyond the two-year appropriations cycle, leaving some capital funds unspent.

**Table A-3. Reappropriations- ODMH and ODADAS**

General Assembly	Year	Reappropriations	
		Dept. of Mental Health	ODADAS
118 <sup>th</sup> -HB 808	1991-1992	N/A	N/A
119 <sup>th</sup> -HB 904	1993-1994	\$15,659,040	N/A
120 <sup>th</sup> -HB 715	1995-1996	\$37,975,700	N/A
121 <sup>st</sup> -HB 748	1997-1998	\$5,562,871	\$7,231,961
122 <sup>nd</sup> -HB 850	1999-2000	N/A	N/A
123 <sup>rd</sup> -HB 640	2001-2002	N/A	N/A
124 <sup>th</sup> -HB 675	2003-2004	N/A	N/A
126 <sup>th</sup> -HB 16	2005-2006	N/A	N/A
126 <sup>th</sup> -HB 699	2007-2008	\$25,687,765	\$3,088,902
127 <sup>th</sup> -HB 562	2009-2010	\$31,816,101	\$975,762
128 <sup>th</sup> (None)	N/A		
129 <sup>th</sup> -HB 482	2013-2014	\$25,708,000	N/A
130 <sup>th</sup> -HB 497	2015-2016	Combined w/ capital appropriations	N/A
131 <sup>st</sup> -SB 260	2016-2017	\$6,418,093	N/A

Source: Legislative Service Commission.

<sup>1</sup> ODMHAS *Annual Report SFY 2015*, p. 14.

<sup>2</sup> Legislative Service Commission, *Redbook, Department of Mental Health and Addiction Services (2015)*.

<sup>3</sup> ODMHAS *Annual Report SFY 2015*, p. 7.

<sup>4</sup> The Center for Community Solutions and the Mental Health Advocacy Coalition, *By the Numbers 1: Developing a Common Understanding for the Future of Behavioral Health Care*. (Jan. 2011)

<sup>5</sup> National Association on Mental Illness, *Mental Illness Facts and Numbers*.

[http://www2.nami.org/factsheets/mentalillness\\_factsheet.pdf](http://www2.nami.org/factsheets/mentalillness_factsheet.pdf)

<sup>6</sup> Mathematica Policy Research. *Money Follows the Person 2014 Annual Evaluation Report*. December 18, 2015. Table A.1. Number of institutional residents who transitioned under MFP from January 1 to December 31, 2014, by population subgroup, p. 91. Available at:

<https://www.medicaid.gov/medicaid-chip-program-information/by-topics/long-term-services-and-supports/balancing/downloads/mfp-annual-report-2014.pdf>

<sup>7</sup> Supreme Court of Ohio, Ohio Specialized Dockets Certification Status Sheet, February 25, 2016.

<https://www.supremecourt.ohio.gov/JCS/specDockets/certification/statusSheetCty.pdf>

<sup>8</sup> Carol L. Pearson, et al., *The Applicability of Housing First Models to Homeless Persons with Serious Mental Illness*, Final Report, Prepared for the U.S. Department of Housing and Urban Development, Office of Policy Development and Research (July 2007).

<https://www.huduser.gov/Publications/pdf/hsgfirst.pdf>

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<sup>9</sup> ODMHAS, *Housing Categories and Definitions* Fact Sheet (July 2014).

<http://mha.ohio.gov/Portals/0/assets/Supports/Housing/201407-Housing-definitions.pdf>

<sup>10</sup> Tracy Plouck. *Ohio Housing Needs Assessment and Resource Inventory* presentation to Ohio Housing Finance Agency Board on March 16, 2016.

<sup>11</sup> ODMHAS has a “Community Capital Replacement” line item (336616) in its budget with an appropriation level of \$350,000 in FY 2016 and FY 2017. This funding is used to assist local boards or community nonprofit agencies in purchasing housing. The line item has been funded at less than \$1 million in recent years. Ohio Legislative Service Commission, *Catalog of Budget Line Items 2015*, p. 25.

<sup>12</sup> Ohio 811 Project Rental Assistance Program, Fact Sheet, updated 2-3-2016,

<https://ohiohome.org/ppd/documents/Ohio811-factsheet.pdf>. The HUD 811 Program Handbook is available at

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips/handbooks/hsg/4571.2](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsg/4571.2).

<sup>13</sup> R.C. 5119.42

<sup>14</sup> ODMHAS, *Community Capital Assistance Project Process Guidelines*, Bureau of Capital Planning and Management, January 2015.

<sup>15</sup> Id.

<sup>16</sup> Calculation by the author using the BLS Consumer Price Index. An inflation adjustment using construction prices would show a more severe erosion of state purchasing power.

<sup>17</sup> Terry M. Thomas, *Trends in State General Revenue Fund Tax Policy*. State Budgeting Matters Volume 11, Number 13, November, 2015

<sup>18</sup> ODMHAS Director Tracy Plouck, Memorandum to ADAMH boards RE: Capital Project Requests, May 14, 2014. <http://mha.ohio.gov/Portals/0/assets/News/PlouckCapitalRequests2014.pdf> and Community Capital Plan Requests Fiscal Years 2017-2022, Memo from Doug Bailey and Jonathan Baker, July 20, 2015.

<sup>19</sup> Community Capital Plan Requests Fiscal Years 2017-2022, Memo from Doug Bailey and Jonathan Baker, July 20, 2015. <http://mha.ohio.gov/Portals/0/assets/Planning/BCP/Community-Capital-Plan-FY%2017-22-Mem-Worksheet.pdf>

<sup>20</sup> Calculation by the author, using BLS Consumer Price Index, Midwest Urban series, all items, current base.

<sup>21</sup> ODMHAS Memorandum to ADAMH boards May 14, 2015, op. cit.

<sup>22</sup> Ohio’s Online Checkbook, downloaded 2-17-2016. ODMHAS capital grants for buildings and other structures.

<sup>23</sup> Based on State Fiscal Year 2011 data, boards spent \$65.9 million on housing, accounting for 47.6 percent of board’s non-Medicaid spending. The Center for Community Solutions and the Mental Health Advocacy Coalition, *By the Numbers 2: Analysis of Ohio’s Mental Health Non-Medicaid Spending* (Nov. 2012), page 9. Permanent housing was \$19.2 million of this total.

<sup>24</sup> County Association of Behavioral Health Authorities, <http://www.oacbha.org/docs/LevyMap062014.pdf>

<sup>25</sup> The RSS statute is in R.C. 5119.41 and rules are in O.A.C. 5122-36-01 *et seq.*

<sup>26</sup> Ohio Legislative Service Commission, *Redbook, Department of Aging*. H.B. 1, 128<sup>th</sup> General Assembly (2009), page 15. The number of participants then declined to 1,494 with a 175-person waiting list in 2010, and to 1,279 at the start of 2013. (*Redbooks*, various years).

<sup>27</sup> Ohio Legislative Service Commission, *Redbook, Department of Mental Health and Addiction Services* (2015), page 15.

<sup>28</sup> ODMHAS Press Release, “State Awards Up to \$10 Million to Strengthen Housing Options for Ohioans Recovering from Addiction,” Nov. 7, 2014.

<http://mha.ohio.gov/Portals/0/assets/News/pressReleases/20151107-recovery-housing-PR.pdf>

<sup>29</sup> <http://www.lsc.ohio.gov/fiscal/capitalbudget130/default.htm>

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