

# Mental Health Liaison Group

March 31, 2004

The Honorable Dennis Hastert  
Speaker  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Mr. Speaker:

The undersigned members of the Mental Health Liaison Group (MHLG), a coalition representing the broad, diverse mental health community that serves adults and children with mental disorders, and their families, are deeply concerned that the House-passed Budget Resolution proposes to cut Medicaid funding by \$2.2 billion, and would provide less funding than the President's Budget for public health – including mental health and addictive disorders programs.

With the \$20 billion relief package for states set to expire in June, adopting the House Budget's recommendations of a \$2.2 billion cut in Medicaid would only exacerbate the worse fiscal crisis in states since World War II. Mandated cuts in Medicaid, Medicare, and veterans' healthcare would inevitably take a heavy toll on people with mental illnesses. For example, Medicaid is the single largest source of financing for critical mental health care and encompasses over half of state and local spending on mental health services. Reducing Medicaid funding or restructuring Medicaid in a way that gives states more ability to cut benefits would put millions of people who have mental illnesses and depend on Medicaid at increased risk of homelessness, involvement with the criminal justice system, and even suicide.

The President's New Freedom Commission on Mental Health declared that our nation's failure to prioritize mental health is a national tragedy. In his request for increased funding for mental health services, the President supports the vision of the Commission and his budget is an important first step in the transformation of the public mental health system. Only with additional resources can we begin to address our nation's crisis of the burgeoning gap of those who need treatment and actually receive mental health services, of youth and adult suicide, and of the wide schism between science discovery and service delivery.

The House Budget Resolution includes a nearly \$400 million cut from last year in funding for health discretionary programs in FY 2005 alone. This budget plan falls short of even the funding levels proposed by the President, who called for increased spending for research and effective mental health programs. The budget's lower funding levels jeopardize our ability to realize the President's budget increase requests for needed mental health services. In fact, the House budget will likely result in an \$11.4 billion shortfall for public health programs over the next five years.

We urge you to support the Senate provision that would eliminate any Medicaid cuts in the fiscal year 2005 budget and to eliminate the reconciliation instructions requiring these unacceptable cuts. In addition, the MHLG urges the House to recede to the Senate on the extra \$2 billion for the

National Institutes of Health that was added with bipartisan support by the full Senate. It is critically important to maintain our nation's commitment to biomedical research, including research focused on mental illness. We also urge you to work with budget conferees to reverse the significant fiscal shortchanging of vital health programs.

Sincerely,

Alliance for Children and Families  
American Academy of Child and Adolescent Psychiatry  
American Association for Geriatric Psychiatry  
American Association of Pastoral Counselors  
American Group Psychotherapy Association  
American Mental Health Counselors Association  
American Occupational Therapy Association  
Anxiety Disorders Association of America  
American Psychiatric Association  
American Psychiatric Nurses Association  
American Psychological Association  
American Psychotherapy Association  
Association for the Advancement of Psychology  
Bazelon Center for Mental Health Law  
Children & Adults with Attention-Deficit/Hyperactivity Disorder (CHADD)  
Depression and Bipolar Support Alliance  
International Association of Psychosocial Rehabilitation Services  
International Society of Psychiatric-Mental Health Nurses (ISPN)  
National Association for Children's Behavioral Health  
National Alliance for the Mentally Ill (NAMI)  
National Association of County Behavioral Health Directors  
National Association of Mental Health Planning and Advisory Councils (NAMHPAC)  
National Association of Psychiatric Health Systems  
National Association of Social Workers  
National Association of State Mental Health Program Directors  
National Council for Community Behavioral Healthcare  
National Mental Health Association  
Suicide Prevention Action Network  
Tourette Syndrome Association

cc: House and Senate Budget Conferees