

Mental Health America News Release

February 4, 2008

Last Bush Budget Bashes Mental Health

Proposed Cuts Jeopardize the Lives of Millions of Americans with Mental Illnesses

Contact: Eileen Sexton, (703) 837-4783 or esexton@mentalhealthamerica.net

ALEXANDRIA, Va. (February 4, 2008)—At a time of real insecurity for vulnerable Americans, the President's budget for FY 2009 harshly turns its back on the millions children and adults with mental health needs and others at risk of mental health problems. Mental Health America and its over 320 affiliates nationwide urge Congress to reject the Administration's wrongheaded proposals; adopt a budget that places children and adults living with, or at risk of, mental health conditions among its priorities; and block proposed regulatory cuts that would further deny people the promise of recovery from mental illnesses.

The President's budget proposes to further weaken and destabilize the Medicaid program, which currently funds over 50 percent of state and local spending on mental health. Ignoring congressional disapproval of regulatory changes cutting billions from Medicaid already this year, the Administration's budget proposes to further shrink Medicaid support by \$18 billion over five years, to include cutting more than \$1 billion in case-management services, repealing special protections for children with special needs and Medicare beneficiaries at a "savings" of more than \$2 billion, and slashing more than \$5 billion in "streamlined" state Medicaid financing. These and other Administration proposals abandon many low-income Americans who need the critical support Medicaid provides, and would likely induce states to weigh even sharper Medicaid reductions given shrinking revenues at a time of economic downturn.

"The impact of such cuts on people and communities -- in job loss, economic and personal hardship, school failure, disability, homelessness, and even suicide -- cannot be overstated," said David Shern, Ph.D., president and CEO of Mental Health America. "We stand on the threshold of achieving monumental changes in the lives and futures of people with or at risk of mental health problems, but such achievement requires dedicated commitment to areas ranging from research, health promotion, prevention services, public health, workforce development, housing and education. This budget proposes to retreat in all these areas."

While the budget proposes deep, troubling cuts to Medicaid, even as Congress has blocked the implementation of proposed Medicaid regulations that would slash billions from rehabilitation services and school-programs, this budget would drastically shrink support for vital "discretionary" mental health and human-services programs Congress has embraced as national priorities. Tragically, the earlier advice of the President's New Freedom Commission on Mental Health has apparently had little effect on shaping the priorities of the FY 09 budget. While the Commission characterized as a tragedy the failure to make mental health a national priority, funding for the spartan "priority" programs of the Center for Mental Health Services (CMHS) of the Substance Abuse and Mental Health Services Administration would sustain a deep 14 percent cut (to include outright elimination of modest mental health consumer-support programs). This cut must not be seen in isolation, however, in terms of the impact on people with or at risk of mental health problems.

Mental Health America calls on Congress to reverse the misplaced priorities proposed in this budget, and looks forward to working with the nation's leaders to determine solutions that are both fiscally and socially responsible.

For additional information visit: www.mentalhealthamerica.net.

***Mental Health America** is the country's leading nonprofit dedicated to helping all people live mentally healthier lives. With our more than 320 affiliates nationwide, we represent a growing movement of Americans who promote mental wellness for the health and well-being of the nation—everyday and in times of crisis.*

###