

Community Organization Requesting Funds: Petersburg Mental Health Services, Inc.

Contact Name: Susan Ohmer, LCSW

Phone and E-mail: 907-772-3332/susano@raincountry.org

Please answer the following questions. Please return this form no later than 5pm on March 2nd by email to jtow@petersburgak.gov or deliver to the finance office. The information provided will be included in the Assembly packet for the noon, March 7th Assembly meeting. Please be available to speak to the assembly regarding your request.

Amount Requested for FY 2017: \$85,000

Have you received funding in the past? If so how were the funds used?

Yes. For the last 22 years the Borough (previously City) of Petersburg has supported Petersburg Mental Health Services at similar levels.

Local funds were used to allow us to provide care to individuals who are not considered priorities to the State. State funds that we are given for treatment services are restricted in how it can be used. Our State grant allows us to serve four priority populations—these can be simply described as the suicidal, the psychotic or severely mentally ill, the severely emotionally disturbed children, and those actively abusing substances. We must focus care on these four priorities first. Unless a person is severely impaired by their symptoms, the depressed, anxious, or grieving may not qualify beyond short term interventions. Borough funding allows us to serve people who don't fit the State's four narrow categories. We can allow people with a "non-state-priority" psychiatric diagnosis to receive care, be in groups, and participate in our life skills activities even if they don't have insurance coverage.

How will the requested funds fit into your organization's strategic plan for operations? Please include who and how many community members would be served and the consequences of not receiving funding.

With your support we formally treat over 130 people a year and we help many others who are in crisis. Over the last five years, on average, we responded to over 500 crises per year. This is in addition to our regularly scheduled appointments.

Local funding will allow us to maintain our current service level. It will also support us providing services before damage is critical to an individual or their family. In this way we prevent people from becoming so ill that they eventually meet the STATE's criteria for services. Through this we reduce the burden on law enforcement and medical providers who also work with them. Other Alaskan mental health centers limit general mental health services or do not provide them at all.

Reductions in funding from non-State sources drastically alter our ability to serve the kind and number of families we currently see. Behavioral health funding is changing radically and we are adjusting and preparing for a very different future. Our state grant providers predict progressive cuts to programs this year and in years to come. We are being proactive and creative while obtaining direction from the state on ways to reinvent our approach.

In FY16 our program was cut \$215,000. Our masters level clinicians were reduced from five full time professionals to two for FY15. In FY16, we reduced that number to one while increasing the case load carried by our Director. We also increased providing on-site and in-home substance abuse treatment and rehabilitation services for severely mentally ill adults and children with locally trained providers. We are cross-training staff members to be skilled in both rehabilitation and clerical services as documentation and administrative mandates from the State increase each year. We have maintained a part time weekend counselor to satisfy the needs of our community for weekend on-site services and allow some respite for the director who covers after hours emergency services. Changes to our funding level in FY17 will cause further reductions to staff.

With a reduction of funds our focus will narrow to services for suicidal crisis and priority populations. With fewer providers, our ability to gain revenue through billing Medicaid and Medicare will be further reduced. Local funding support is more important now than it has ever been.

Please provide a current budget. (If you have already provided this information to the Borough please state that the information has previously been provided.)

Please see attached.

PETERSBURG MENTAL HEALTH SERVICES
Behavioral Health Budget July 1, 2015 through 6-30-2016

	Budgeted	Used as of: 3/01/2016	\$ Remaining	% Remaining
				44%
Income				
Borough	\$85,000.00	\$85,000.00	\$0.00	
Contracts (School, PMC & Others)	\$23,100.00	\$9,062.50	\$14,037.50	
Fees				
Medicaid	\$333,247.00	\$106,349.96	\$226,897.04	
Medicare	\$6,000.00	\$5,976.15	\$23.85	
Self-Pay	\$8,000.00	\$3,613.60	\$4,386.40	
Third Party	\$22,000.00	\$18,714.84	\$3,285.16	
Donations	\$2,000.00	\$4,114.54	(\$2,114.54)	
MHT Mini-Grants		\$4,120.53	(\$4,120.53)	
State Behavioral Health Grant	\$354,443.00	\$265,833.00	\$88,610.00	
Total Operating Income	<u>\$833,790.00</u>	<u>\$502,785.12</u>	<u>\$331,004.88</u>	<u>40%</u>
Expense				
Personnel				
Wages	\$450,191.00	\$290,943.21	\$159,247.79	
Taxes, WC, Benefits	\$173,999.00	\$68,816.60	\$105,182.40	
	<u>\$624,190.00</u>	<u>\$359,759.81</u>	\$264,430.19	42%
Training	<u>\$17,000.00</u>	<u>\$15,041.93</u>	\$1,958.07	12%
Facility				
General Exp. (rent)	\$51,000.00	\$25,405.40	\$25,594.60	
Communications	\$9,000.00	\$9,598.24	(\$598.24)	
All Other	\$9,000.00	\$14,669.70	(\$5,669.70)	
	<u>\$69,000.00</u>	<u>\$49,673.34</u>	\$19,326.66	28%
Supplies	<u>\$4,200.00</u>	<u>\$7,263.11</u>	(\$3,063.11)	-73%
Equipment	<u>\$5,200.00</u>		\$5,200.00	100%
Other				
Advertising	\$1,800.00	\$449.45	\$1,350.55	
Legal	\$4,000.00	\$778.50	\$3,221.50	
Psychiatrist	\$32,000.00	\$12,056.56	\$19,943.44	
Dues & Subscriptions	\$2,000.00	\$11,488.30	(\$9,488.30)	
Insurance	\$14,000.00	\$14,410.82	(\$410.82)	
All Other	\$60,400.00	\$47,256.79	\$13,143.21	
auditor, accountant, misc,				
accreditation, legal, bank charges				
	<u>\$114,200.00</u>	<u>\$86,440.42</u>	\$27,759.58	24%
Total	<u>\$833,790.00</u>	<u>\$518,178.61</u>	<u>\$315,611.39</u>	<u>38%</u>



Petersburg Mental Health Services, Inc.

P.O. Box 1309

(907) 772-3332

Petersburg, Alaska 99833

Steve Giesbrecht, Borough Manager
Jody Tow, Finance Director
P.O. Box 329
Petersburg, AK 99833

January 6, 2016

Dear Mr. Giesbrecht, Ms. Tow, Mayor Jensen, and Assembly Members:

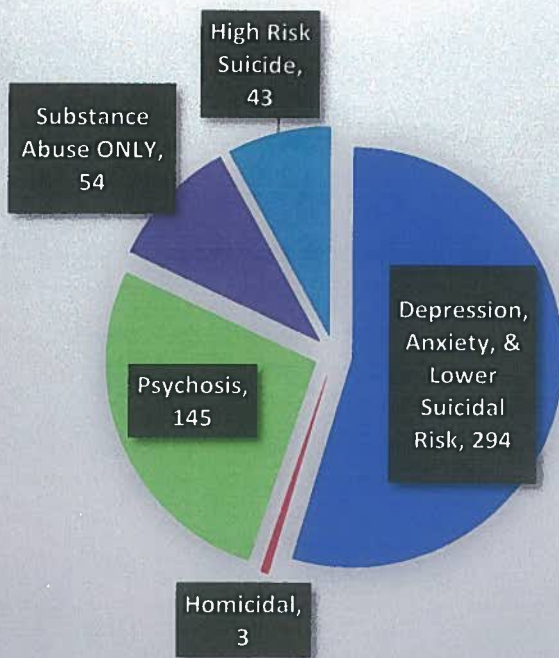
Please accept this letter as our request for continued Borough funding of \$85,000 in FY16. The City of Petersburg, now our Borough, has supported nonprofit mental health and substance abuse services for over 20 years at virtually the same level as this request.

Behavioral health funding is changing radically and we are trying to adjust and prepare for a very different future. Our state grant providers predict progressive cuts to programs this year and in years to follow. We are being proactive and creative, reinventing our approach so we can keep serving our community. We have a great team but it is admittedly challenging!

In FY16 we estimated our revenue from grants would be reduced by approximately \$325,000. Fortunately, a program was extended for one more year and our actual cut was \$215,000. This was still a significant challenge, and we predict that we will spend a significant part of our reserves this year and the next while we reinvent our approach to keep providing services to as many people as possible.

Our masters level clinicians were reduced from five full time professionals to two for FY15. In FY16, we will reduce that number to one while increasing our focus of providing on-site and in-home substance abuse treatment and rehabilitation services for severely mentally ill adults and children with locally trained providers. We are cross-training staff members to be skilled in both rehabilitation and clerical services as documentation and administrative mandates from the State increase each year. We plan to maintain a part time weekend counselor to satisfy the needs of our residents for weekend on-site services. With the reduction of grants we are expecting our focus will be on services to psychiatric crisis and priority populations. With fewer providers, our ability to gain revenue through billing will be reduced. Local funding support is now more important than it has ever been.

**Emergencies by
Presenting Concern
(5 year average)**



With your support we have formally treated over 130 people a year and we have helped many others who are in crisis. Over the last five years, on average, we responded to over 500 crises per year. This is in addition to our regularly scheduled appointments. An average of 43 crises (but as high as 70) are in response to serious suicidal risk; approximately 3 per year are for homicidal ideation; 145 involve psychotic episodes. A very large portion of these crises also involve drug and alcohol abuse. About 54 are exclusively related to substance abuse where the person has no identified co-occurring mental illness. The remaining crises are focused on people with depression and anxiety, many of which include individuals with a low to moderate suicidal risk.

PMHS writes off between \$70,000 to \$80,000 a year in treatment services. We provide support to the police, the hospital, the school, and local ministers when they call. Back up services are arranged if a clinician is unavailable at the time of a crisis involving potential imminent threat to self or others. Serving people seven days a week allows us to provide care to many families who can't leave work during the week to see us. We work in our offices, in the schools, at the hospital and emergency room, in jail, in our clients' homes, and in the community.

We respect that the Assembly must respond to many different community needs. We appreciate every dollar we've received from you and work hard to make those dollars count! Although our work is invisible to many people in the community, it is an integral part of the quality of life of our town. Loss of local support will impact the health and safety of our community.

As our capacity to respond to the needs of our clients changes, the efforts and resources of our police, hospital, school, churches, and other nonprofits will be needed to care for our town's most vulnerable. We have experienced this before, but it was more than 20 years ago and many may have forgotten, or never knew, what it was like. Again, local funding support and working together as a community is more important than it has ever been.

PMHS understands that the Mayor and Assembly members have tough decisions to make in a difficult economy. We do not envy the position of Assembly members trying to represent the community's priorities. We appreciate your past support. Please call me if you have questions or email me at susano@raincountry.org.

Sincerely,

Susan Ohmer, LCSW

Behavioral Health Borough Grant Budget Narrative

SERVICE PROVIDER & SUPPORT STAFF PAYROLL

- A. **Clinical Services, including contracted weekend clinician and visiting psychiatrist.** A masters level position that provides direct mental health services that includes crisis intervention, on-call services, assessments, treatment planning, individual, child, and family psychotherapy, and case management services.
- B. **Substance Abuse Counselors, Behavioral Health Clinical Associates, and Rehabilitation Providers.** Services are provided by both certified chemical dependency counselors and masters level clinicians with substance abuse training. These positions provide assessments, counseling, therapy, education, and intensive support services to the dually diagnosed and counseling to people with substance use problems and their families. Many services are performed in a home setting. Rehabilitation services for substance abuse, severe mental illness, and severe emotional disturbance for individuals of all ages are provided by clinical associates, care coordinators, and rehabilitation providers.
- C. **Clerical Support Staff.** These positions provide direct assistance to all providers by monitoring and maintaining mandatory requirements for continued certification; coordinate financial assistance for clients, billing & collection for services; scheduling, agency accreditation, accounting and payroll functions.

Anticipated payroll budget for FY 16/17 (excluding benefits & travel costs:) for average staff of 10: \$397,500. PMHS is requesting that \$85,000 of local support be provided as it has been in the past to assist in these expenses.