

## **Executive Director's Report- February 18, 2025**

### Transportation Service Updates

In January, Jackson County completed 37 transports, while Marshall County recorded 221 transports (Day Treatment: 175 | Outpatient: 46).

### Albertville City Schools Mental Health Grant

Albertville City Schools were recently awarded a \$3.5 million, five-year grant to expand School-Based Mental Health services. As part of this initiative, they have committed to contracting with us for one additional Master's-level Therapist. Additionally, if they can reallocate funds within their grant budget, they hope to add two more Master's-level Therapists, bringing the potential total to three new positions. These new roles are expected to begin at the start of the next school year (August).

### Alabama Legislative Meetings

Last week, the Alabama Council for Behavioral Healthcare held its annual legislative meetings in Montgomery. We had productive discussions with legislators and are optimistic about the FY26 budget. Attached is the one-pager we used during our meetings.

### 16-Bed Crisis Stabilization Unit

On February 7th, Judge LeCroy and Sheriff Sims convened a meeting with the Marshall County Mental Health Task Force, DMH Commissioner Kim Boswell, and her staff. We had a highly productive discussion regarding the critical shortage of voluntary and involuntary inpatient beds in our region. Commissioner Boswell announced that MLBH will receive funding to operate a 16-bed crisis stabilization unit starting in FY26, contingent on the \$10 million crisis bed expansion funding remaining in the FY26 state budget.

### Certified Community Behavioral Health Clinic (CCBHC)

Discussion on anticipated new costs and payment structures related to CCBHC implementation. Please review the attached spreadsheet for further details.

# Mental Health Beds

According to the Treatment Advocacy Center, maintaining community mental health requires a minimum of 30 psychiatric beds per 100,000 people, with an optimal benchmark of 60 beds per 100,000. Currently, Alabama falls significantly short of these standards, with only 13.4 beds per 100,000 residents. This 5-Year Plan aims to address the critical bed shortage by increasing capacity for both civilly committed individuals and crisis services, while also strengthening the existing infrastructure, which has gone over a decade without rate adjustments. If the FY26 request is fully funded, the state would achieve 16.1 beds per 100,000 residents, and with full funding of the 5-Year Plan, this number would increase to 18.7 beds per 100,000 residents—representing a significant improvement.

## 5-Year Plan & 2025 Legislative Requests

5-Year Plan			
	New Civil Commitment Beds/ Residential Services	Current Civil Commitment Beds/Residential Services	Adding to the Crisis System of Care
Details	<ul style="list-style-type: none"> <li>Build additional Crisis Residential Units (CRUs) to add 192 beds</li> <li>Buy 75 Designated Mental Health Facility (DMHF) beds from community hospitals</li> <li>Add 250 Residential/Supervised Housing Beds</li> </ul>	<ul style="list-style-type: none"> <li>CRUs have not had a funding increase since 2012</li> <li>Many DMHF Beds are funded well below the \$850/day Medicaid rate</li> <li>Residential rates have not been increased since 2009</li> </ul>	<ul style="list-style-type: none"> <li>Add additional Crisis Service Centers, Mobile Crisis Teams, and 988 capacity to under-served areas</li> <li>Achieve the goal of offering crisis services in all 67 counties</li> </ul>
Cost	\$64 million for operations annually and a one-time capital investment of \$100 million for new construction that supports: <ul style="list-style-type: none"> <li>39% increase in capacity for civil commitment beds</li> <li>14% increase in Residential/Supervised Housing</li> </ul>	\$45 million for operations annually that supports retaining: <ul style="list-style-type: none"> <li>402 beds for the civilly committed</li> <li>1,814 Residential/Supervised Housing Beds</li> </ul>	\$41 million for operations annually that adds: <ul style="list-style-type: none"> <li>5 Crisis Service Centers</li> <li>9 Mobile Crisis Teams</li> <li>Additional capacity to existing 988 call centers</li> </ul>

### FY26 GENERAL FUND BUDGET PRIORITIES

New Civil Commitment/ Residential Services	<b>\$23 million:</b>	Funds 120 CRU beds & 18 DMHF Beds
Current Civil Commitment/ Residential Services	<b>\$13 million:</b>	1st rate increase in over a decade
Adding to the Crisis System of Care	<b>\$11.5 million:</b>	Funds One Crisis Service Center, 6 Mobile Crisis Teams & \$1.5 million to 988

# 2025 Legislative Requests

## ID/DD Provider Rates

Intellectual Disabilities and Developmental Disabilities (ID/DD) provider rates were updated in FY24 following a comprehensive study of Alabama's rates. The new rates required an increase in direct service provider (DSP) to an average hourly wage of \$14.51 per hour. In FY22, the average wage for a DSP was \$9.91 per hour. By March 2024, the average wage was \$15.17 per hour. However, when calculated, the cost and complex needs of the populations we are serving was underestimated in the rate study and sustaining these wages will require an additional investment.

**FY26**  
**BUDGET**  
**PRIORITY**

Residential Rate Deficit  
**\$10 million**

- MINIMUM OF \$5 MILLION NEEDED FOR FY26
- ADDITIONAL \$5 MILLION NEEDED FOR FY27

Source: Burns & Associates, a division of Health Management Associates. (2022-2023) I/DD Waiver Rate Studies: prepared for The Alabama Department of Mental Health.

## SUD Treatment Beds

Before the 2026 Legislative Session, we must develop a 5-year plan, similar to the one created for mental health, to address the cost and need for Substance Use Disorder (SUD) inpatient and residential treatment. High demand for these services comes from individuals discharged from emergency rooms, hospitals, jails, and other community settings. However, outdated rates and stagnant contract increases have left many providers struggling to meet this critical need.

For some time, additional Medicaid providers have not been enrolled due to a lack of state match. Investing \$2 million would allow for additional of providers to begin serving Medicaid clients.

**FY26**  
**BUDGET**  
**PRIORITY**

Invest in more Medicaid state match  
 to allow additional providers to serve  
 Medicaid clients

**\$2 million**

**Anticipated New Costs Worksheet**

**New Staff Positions**

**Anticipated NEW costs**

**Notes**

**Direct Costs**

Intake Coordinator	76,439	
Therapist- Outpatient	70,777	
Therapist- Outpatient	70,777	
Mobile Crisis Therapist (5.0 FTE)	353,886	
Mobile Crisis Peer Specialist or Care Coordinator (5.0 FTE)	223,010	
Employment Specialist	52,024	
Employment Specialist	52,024	
Care Navigator	56,186	
Care Navigator	56,186	
Care Navigator	56,186	
Care Navigator	56,186	
Therapist- Vets & First Responders	70,777	
Peer Specialist- Veterans & First Responders	44,602	
Primary Care Screener-LPN or Medical Assistant (MA)	70,777	
Primary Care Screener-LPN or Medical Assistant (MA)	70,777	
Nurse Practitioner- Primary Care	175,875	
Psychologist	134,000	
SA- IOP Program Coordinator	82,554	
SA- IOP Counselor	52,024	
SA- Peer Specialist	44,602	
Payee Specialist	48,170	

**Indirect Costs**

**Admin./Support**

Assistant Clinical Director	120,600	
Program Director- Children/Adolescent Services	103,996	
Training Specialist	76,439	
Data Analyst	82,554	
Asst. IT Director	108,875	
Maintenance Supervisor	52,024	
Human Resources Assistant	52,024	
Grant Writer	65,534	
Accountant	76,440	
Community Outreach Specialist	70,777	
Community Outreach Specialist	70,777	
IT Specialist	65,534	
IT Specialist	65,534	
Virtual Chief Information Security Officer (VCISO)	50,000	Yearly contracted expense
Benefits Specialist	52,024	
Vehicle Fleet Manager	48,170	

**Current Employees**

	2,775,031	Adjusted to Non-CCBHC vs. CCBHC (direct/indirect) per Scott
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**Miscellaneous**

Outreach Vehicles-Yearly Lease fleet (25)	125,000	Yearly ongoing expense= Minus current mileage payment costs savings
AI Clinical documentation software (150)	225,000	Yearly ongoing expense= 150 users at \$125/mo.
HR/Payroll/Accounting Software upgrade	50,000	Yearly ongoing expense= Additional expense vs. current expense
Website 1x professional upgrade	40,000	1x purchase= website total redo
Website yearly maintenance	20,000	Yearly maintenance
Additional Evidence Based Training & Staff Development	50,000	Yearly ongoing expense
Care Coordination Software	50,000	NTST CareManager & Alabama One Health Record & NTST Connect
Mobile Outreach vehicle	350,000	1x purchase
Additional Education Assistance	100,000	Yearly ongoing expense= Current budget \$50k, so increase to \$150K/yr.

Costing/cost reporting consultation with FTI	50,000	Yearly ongoing expense= cost reporting
Office furniture/equipment for HWY 35 & Marshall Co. lease office	295,000	1x purchase
Netsmart additional EHR licenses & software upgrades	200,000	Yearly ongoing= 50 new users @ \$1,100/yr. + new modules= patient portal, care coordination etc.
Upgrade to Office 365 & Azure	160,000	Yearly ongoing expense= 200 users X \$25/mo. + hardware and software to upgrade to Azure
Tablets purchase for Outreach staff	87,500	1x purchase= ~\$700 x 125 tablets
Upgrade all mobile phones to Smart phones with unlimited data	144,000	Yearly ongoing expense= 150 x \$80/mo.
A/V equipment upgrades for all office locations	40,000	1x purchase= 8 units x \$5k
Recruitment and Retention program	75,000	Yearly ongoing expense= sign on bonus, paid internships,
Virtual Meeting Software- Zoom	24,000	Yearly ongoing expense= \$20/mo. X 100 users
Office space lease- Marshall County	30,000	Yearly ongoing expense= 3,000 sq. ft. at \$10/year
Primary Care exam room equipment/supplies X 2	90,000	1x equipment/supplies purchase
Insurance increases for vehicles, equipment, liability, workman's comp	80,000	Yearly ongoing expense= increase on top of current rates
Specialty consultation/services (i.e. autism, behavioral management)	50,000	Yearly ongoing expense
Increase in interpreter costs as we serve more subpopulations	50,000	Yearly ongoing expense
MyCare tablets/monthly service for Crisis, first responders and outreach	84,000	Yearly ongoing expense= 100 tablets at \$70/mo.
Upgrade camera surveillance system & cabling	150,000	1x purchase
Cloud email protection & achival	5,500	Additional yearly expense for new users
Additional laptops for new users	78,000	1x purchase- 50 @ \$1,558 each
Upgrade ethernet cabling for all building locations	108,500	1x purchase
NTST Client Portal	30,000	
AI Training Software	15,000	Yearly ongoing expense
Electronic document processing software (i.e. docuSign)	1,800	Yearly ongoing expense= \$150/mo.
Year end wage increases and one-time bonuses	6,000	Yearly ongoing expense= \$500/mo.
	-	Removed per Scott. Yr end increases are based on MEI.
Total	8,642,033	
		12,383,656