

# Overview: 2022 Fiscal Year Budget for Georgia Department of Behavioral Health and Developmental Disabilities

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Gov. Brian Kemp's fiscal year (FY) 2022 budget proposal increases funding for the Department of Behavioral Health and Developmental Disabilities by \$22 million compared to FY 2021. Most of this funding will be used to make up for the loss of federal Medicaid matching funds due to the annual adjustment in the matching rate and the expected loss of the enhanced match states are receiving throughout the COVID-19 public health emergency. These new funds do not restore the \$91 million that was cut from the department budget in the FY 2021, leaving the agency with \$70 million in cuts to operate with this year despite the growing demand for mental health and substance use disorder services during the pandemic.

Georgia has invested over \$250 million in the state's behavioral health system since 2011 as part of the state's efforts to meet the terms of a legal settlement with the United States Department of Justice. The Department of Justice settlement required the state to move more individuals with developmental disabilities out of state hospitals and provide them with additional supports in their communities. The settlement was set to end in June 2018, but the independent reviewer says the state still needs federal oversight to meet its obligations. State lawmakers will need to consider how the department can meet the terms of the legal settlement while operating with fewer resources and higher demand.

The information in this overview is derived from GBPI analysis of data from Governor's Office of Planning and Budget. (2021). *The governor's budget report amended fiscal year 2021 and fiscal year 2022*. <https://opb.georgia.gov/document/document/fy-2022-governors-budget-report/download>

## Funding for the State's Behavioral Health Safety Net System

The department consists of the Division of Behavioral Health and Division of Developmental Disabilities. The behavioral health division provides mental health services to children, adolescents and adults at five state hospitals and through community partners at Community Service Boards and other providers. This division also provides services for

Georgians of all ages with substance use disorders. These services are core to the state's behavioral health safety net system that primarily serves the uninsured and low-income residents who receive Medicaid coverage.

## **Amended FY 2021 Budget**

The amended 2021 budget remains at the same level as originally passed last summer. The agency did see some savings due to the more federal Medicaid funding for the COVID-19 public health emergency. These savings were used to make a few key changes in the mid-year budget:

- \$22 million in savings used to fund additional community services for adults with developmental disabilities
- \$3.6 million in savings used to fund additional community services for adults with mental illnesses
- \$2 million in savings used to support the ongoing maintenance for state psychiatric hospitals that are now closed due to the transition to community-based services
- \$500,000 in savings used to fund a study on the feasibility of implementing a behavioral health crisis center for people with intellectual and developmental disabilities

## **Fiscal Year 2022 Budget**

State general funds for the agency are set to increase by \$22 million, mostly due to Medicaid matching rate changes. Although the agency does not run the Medicaid program, they provide the operations for Medicaid waivers for people with disabilities, and they are able to bill Medicaid for services provided to some adults with mental illnesses. Some highlights from the budget include:

- \$13.3 million to offset the expected loss of the 6.2 percentage point bump in the federal Medicaid match during the COVID-19 emergency (which is expected to last throughout 2021) and \$1.8 million to offset the reduction in the traditional Medicaid match from 67.03 percent to 66.85 percent
- \$2 million to fund 100 new slots for the New Options Waiver (NOW) and Comprehensive Supports Waiver Program (COMP), two Medicaid waivers that provide services for people with intellectual and developmental disabilities. There are about 6,000 people on the waitlist for these services

- \$355,080 to hire four new compliance specialists to review corrective action plans related to the Department of Justice Settlement Agreement
- Expansion of a housing support pilot program for the Georgia Housing Voucher program using existing funds