



**State of Wisconsin**

**Tony Evers, Governor**

**Linda A. Hall, Director**

*Helping All of Wisconsin's Children Improve their Social and Emotional Well-Being*

The Office of Children's Mental Health's Director Linda Hall sent the following budget recommendations to the Joint Finance Committee. Each of the recommendations, if adopted, would increase children's access to critical mental health services and the chance for more children to be healthy and reach their full potential.

## **Children's Mental Health 2021-23 Budget Recommendations**

**The Office of Children's Mental Health's charge** is to improve children's and families' access to mental health services through:

- Coordinating initiatives and improving the integration of children's mental health services across state departments working with children, and
- Monitoring children's mental health data and submitting an Annual Report to the legislature.

### **What we know about children's mental health:**

- Approximately 269,000 (21%) of Wisconsin's children have a diagnosable mental illness and nearly half are not accessing treatment.
- These numbers from 2019 are likely to have increased given shuttered schools, social distancing, and the economic stress that families have been under due to the COVID-19 pandemic.
- Children's mental and emotional functioning is predominantly shaped by the social, economic, and environmental factors into which they are born, live, and grow. Children who are nurtured and supported by their families, communities, and systems are best able to reach their highest potential.
- Unfortunately, too often, Wisconsin's youth struggle with issues such as anxiety, depression, and trauma, and they have difficulties obtaining timely and appropriate care.

### **What we know about children's mental health during COVID-19:**

While we don't have much data yet for 2020, a recent report by FAIR Health analyzed 32 billion private healthcare claims filed. Each month from January to November 2020 was compared to the same month in 2019. Among the pediatric mental health claims examined were claims for overall mental health, intentional self-harm, top mental health diagnoses, and emergency room visits.

Two findings from the Wisconsin data in this report stand out:

- Intentional self-harm claims for the 13-18 age group increased more than 100% from March 2019 - 2020
- Wisconsin ranked among the top 5 states in the nation for the most intentional self-harm claims among those ages 6 to 22.

#### **What the Legislature can do:**

- Expand Medicaid to increase children's access to mental health and reinvest the \$1.6 billion savings into improving Wisconsin's children's mental health system.
- Increase the Earned Income Tax Credit that has been proven to reduce children's behavioral issues and to pull kids out of poverty.
- Increase our investment in school mental health which data show is where most kids access treatment.
- Increase DSPS position authority to help address our mental health professional shortage.

Each of these options, as well as the additional items below, would increase children's access to critical mental health services and the chance for more children to be healthy and reach their full potential.

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#### [Voices of Wisconsin Students Project: Learning, Coping, and Building Resilience during the COVID-19 Pandemic](#)

Students participating in focus groups for this project generally struggled to identify school-based or other resources available to help them with mental health concerns. Many expressed a need for more mental health resources noting that school counselors were too overloaded to help students.

*"I feel like the people in power should respond more to the students and ask them how they're feeling in different ways to improve more often."*

*-focus group youth*

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## **7 Recommendations for Improving Children's Mental Health**

1. **Expand Medicaid** which would extend coverage to 53,000 parents and result in millions of dollars of savings that could be reinvested in children's mental health
  - **Medicaid Expansion.** Expand Medicaid under the federal Affordable Care Act by covering all low-income Wisconsin residents who earn between 0 and 138 percent of the federal poverty level. This expansion would provide health care coverage to 90,900 additional Wisconsinites, of which 53,000 are parents, while saving \$634 million GPR and drawing down an additional \$1.6 billion FED over the biennium. The American Rescue Act increases the financial incentives for Wisconsin and the other 11 remaining states that have not adopted the Medicaid expansion. With these changes, Wisconsin can save even more that can be reinvested to support families in ways that would help them exit the Medicaid program.

Governor Tommy Thompson's BadgerCare Expansion proved that covering parents means more kids will get health care. The Kaiser Health News recent report [To Insure More Poor Children, It Helps If Parents Are On Medicaid](#) documents the evidence that Medicaid expansions lead to more children enrolled in the program and more children accessing health care. For Wisconsin, this fact is old news. In the 11 months following Governor Thompson's launch of BadgerCare (July, 1999), 13,000 children who were already eligible for Medicaid were enrolled by parents newly eligible for BadgerCare. A 2021 expansion of Medicaid is expected to add 53,000 parents to the program, while some of their children may be enrolled through another parent, Wisconsin experience tells us that many, many more children will access health care if their parents are covered. (DHS, -\$328,481,300 GPR, \$675,883,500 PR-F in 2021-22 and -\$305,618,700 GPR, \$717,004,600 PR-F in 2022-23, p.10)

2. **Increase the Earned Income Tax Credit** to reduce children's behavioral health problems, including anxiety and depression, as recommended by the Centers for Disease Control and Prevention
  - **Earned Income Tax Credit.** Support Wisconsin families by increasing the Wisconsin earned income tax credit as a percentage of the federal credit from 4 percent to 16 percent for parents with one qualifying child and from 11 percent to 25 percent for parents with two qualifying children beginning with tax year 2021. The earned income tax credit has been shown to be effective in reducing childhood poverty and children's behavioral health issues, including anxiety and depression. An estimated 200,000 tax filers will benefit from this expansion. (General Fund Taxes, \$101,283,600 GPR and \$47,016,400 PR over the biennium, p. 25).
3. **Increase investment in school mental health** for both student services staff and mental health collaboration grants
  - **School Mental Health / Student Wellness.** Invest in students' mental health by funding 10% of school expenditures for school counselors, psychologists, social workers, and nurses. Expand this program to fund all school districts, independent charter schools, and private parental choice schools with expenditures for pupil support staff rather than only school districts with an increase in social worker expenditures in the previous year. Program expansion could increase the number of eligible schools from 87 to more than 420. In addition, rename the appropriation for these expenditures to include student wellness and reflect the program's whole-student approach. (DPI, \$22,500,000 GPR in 2021-22 and \$24,000,000 GPR in 2022-23, p.11)
  - **School Mental Health Collaboration Grants.** Increase grant funding to increase the number and size of school-based mental health collaboration grants that provide students with mental health services, specifically through co-location of services at schools. Existing grants area increasing students' access to treatment, schools' ability to respond to students' mental health needs, and students' sense of belonging. In addition, expand the definition of eligible partner agencies to include individual providers, telehealth, or online services which could aid rural school districts' participation. (DPI, \$3,500,000 GPR in 2021-22 and \$3,500,000 GPR in 2022-23, p.11)
4. **Increase Medicaid payment for mental health treatment** to improve recruitment and retention of mental health professionals
  - **Medicaid Outpatient Mental Health and Substance Abuse Services and Child-Adolescent Day Treatment Rate Increases.** Increase the Medicaid rate for outpatient mental health and

substance abuse services and child-adolescent day treatment to increase access to outpatient mental health treatment and suicide prevention services. (DHS, \$40.6 million; \$4,069,200 GPR, \$6,103,900 PR-F in 2021-22 and \$12,207,700 GPR, \$18,311,500 PR-F in 2022-23, p. 20)

5. **Invest in skillful responses to children's problem behaviors** by supporting early child care educators
  - **Social Emotional Learning (SEL) Training and Technical Assistance for Early Childhood Educators.** As part of the Quality Care for Quality Kids allocation, provide funding for training and technical assistance to child care educators with the goal of reducing instances of children being removed from care settings due to behavioral challenges. This funding for training, technical assistance, and program coordination will be augmented by dollars from DCF's implementation [Preschool Development Grant – Birth to Five](#) (DCF, \$3,291,200 FED, p. 11).
6. **Increase investment in peer support** to increase access to services leading to faster and longer lasting recovery as shown by Mental Health America
  - **Behavioral Health Phone Lines Support.** Fund a supplemental call center to provide backup to staff at four peer-run respite centers during periods of high call volume or when staff are providing in-person service. DHS would contract for six additional peer specialists to staff the supplemental phone service. (DHS, \$313,800 GPR in 2021-22 and 2022-23, p. 58)
7. **Increase DSPS Position Authority** so the Department can process mental health professional licenses faster with staff financially supported by licensing fees
  - **Improve Professional Licensing and Regulation Functions.** Provide position and expenditure authority to improve professional licensing and regulation functions. With additional staff, mental health professional licenses will be approved more quickly to improve recruitment and retention of mental health professionals which would increase the availability of treatment for children and avoid worsening mental health symptoms, family conflict, child abuse and neglect, risk of suicide, increased emergency room visits, and in-hospital stays. (DSPS, 16 positions, \$907,900 PR in 2021-22 and \$1,178,100 PR in 2022-23, p. 1)