

JOINT FINANCE COMMITTEE HEARING  
FISCAL YEAR 2025 BUDGET



JOANNA CHAMPNEY, M.A.  
DIVISION DIRECTOR

Division of Substance Abuse and Mental Health  
Department of Health and Social Services  
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Good Afternoon Senator Pardee, Representative Williams, and members of the Joint Finance Committee and members of the public.

Thank you for the opportunity to speak with you today and present our accomplishments and Fiscal Year (FY) 2025 Governor's Recommended Budget.

## ACCOMPLISHMENTS

- **Increased regulation of Recovery Residences (Sober Living)**
- **Obtained state and federal grant funding to support our client-level scholarship program for people in addiction recovery (housing, transportation, childcare, etc.)**
- **Launched Health Equity Advancement Project (HEAP)**



Upon the passage of HB 114 led by Rep. Kerri Harris, DSAMH increased its regulation of recovery residences (sober living). The legislation allows DSAMH to identify an independent certifying body in Delaware to oversee certification of recovery residences and created a budget for this organization to do that important work. This law helps ensure that people in recovery houses can access high quality and consistent living conditions in which to focus on their sobriety and path to recovery.

DSAMH successfully obtained state and federal grant funding to support our client-level scholarship program for people in addiction recovery. This program allows treatment providers to apply on behalf of their clients for temporary emergency housing funds that can be used for a week at a motel, first month's rent, or Oxford House fees. We are preparing to reopen the scholarship program to also cover short-term emergency costs for transportation, childcare, etc. Funding from the Prescription Opioid Settlement Distribution Commission and the Delaware Criminal Justice Council helped us to restart the scholarship.

In response to the significant increase in opioid use and opioid drug poisoning among Black and African American people in Delaware, DSAMH launched the Health Equity Advancement Project (HEAP). Through this initiative, DSAMH awarded funding to multiple new, nontraditional community organizations that act as trusted voices to educate people of color about the dangers of opioid dependency, poisoning or accidental overdose. Using our Statewide Opioid Response grant, we are preparing to award another lineup of providers additional grants and technical assistance to improve cultural competency in outreach to all races and ethnicities for awareness and treatment options.

## FY 2025 GOVERNOR'S RECOMMENDED BUDGET

### FY 2025 Governor's Recommended Budget (\$ in thousands)

|              | GF        | ASF     | NSF      | Total     |
|--------------|-----------|---------|----------|-----------|
| FTEs         | 557.1     | 1.0     | 11.0     | 569.1     |
| Dollars (\$) | 128,322.4 | 7,066.2 | 24,593.0 | 159,981.6 |

**Budget Definitions:**

GF – General Funds  
ASF – Appropriated Special Funds  
NSF – Non-Appropriated Special Funds  
FTEs – Full Time Equivalent Positions

The slide above shows the budget included in the FY 2025 Governor's Recommended Budget (GRB).

Our Division's FY 2025 GRB is:

- \$128,322.4 [One Hundred Twenty-Eight Million, Three Hundred Twenty-Two Thousand, Four Hundred dollars] in General Funds (GF);
- \$7,066.2 [Seven Million, Sixty-Six Thousand, Two Hundred dollars] in Appropriated Special Fund (ASF) spending authority; and
- \$24,593.0 [Twenty-Four Million, Five Hundred Ninety-Three Thousand dollars] in Non-Appropriated Special Funds (NSF)

## FY 2025 GOVERNOR'S RECOMMENDED BUDGET

- \$ 508.0 - State Rental Assistance Program Housing Assistance Growth
- \$ 400.0 - Certified Recovery House Fund
- \$1,465.3 - Substance Use Disorder Rate Increases
- \$ 368.5 - Delaware Psychiatric Center Billing Modernization



Our GRB includes:

- \$508.0 [Five Hundred Eight Thousand dollars] for State Rental Assistance Program Housing Assistance Growth that will support an additional 20 vouchers, bringing the total to 460 housing vouchers for people with serious mental illness.
- \$400.0 [Four Hundred Thousand dollars] for the Certified Recovery House Fund establishing the First State Alliance of Recovery Residences (FSARR) associated with the passage of HB 114. The bill allows DSAMH to identify a certifying body (FSARR), to certify sober living houses in Delaware. The funds will support the operating expenses of FSARR to ensure quality housing for individuals in recovery from addiction.
- \$1,465.3 [One Million, Four Hundred Sixty-Five Thousand, Three Hundred dollars] for Substance Use Disorder Rate increases for treatment providers in the community. These addiction treatment providers serve clients who are uninsured or underinsured who do not qualify for Medicaid or whose insurance doesn't cover all of the addiction treatment needed. This funding will allow DSAMH to reimburse providers equivalently to the Medicaid reimbursement rate.
- \$368.5 [Three Hundred Sixty-Eight Thousand, Five Hundred dollars] in one-time funds to modernize Delaware Psychiatric Center Medical Billing. These funds will support the hospital's efforts to ensure we are maximizing revenue options for the hospital.

## LOOKING AHEAD

- **Implementation of Care Coordination Platform to Improve Cross-System Coordination for Consumers (DTRN 360)**
- **Care Navigators for State-Pay Patients Leaving Residential Substance Use Treatment**
- **Behavioral Health Crisis Communications Center**
- **Narcan vending machine pilot launch**



Initiatives on the horizon that will advance behavioral health in Delaware include:

- Implementation of an electronic, web-based Care Coordination Platform called DTRN 360 to improve Cross-System Coordination for Consumers. The website will allow emergency departments, psychiatric hospitals, community treatment providers, mobile crisis providers, and even criminal justice organizations to communicate with each other about a shared client.
- Also, a Care Navigators Program for State-Pay Patients Leaving Residential Substance Use Treatment will now provide the same Care Navigator support Medicaid and private insurance patients receive. Our goal is to reduce the number of people who start their recovery journey but drift away from treatment because they need help connecting to community supports.
- Additionally, suicide prevention continues as a focus through our collaboration with the Department of Services for Children, Youth and their Families to establish a Behavioral Health Crisis Communications Center. Multiple crisis lines will be funneled here, including the suicide prevention hotline (988), Adult Mobile Crisis, and crisis calls concerning children/adolescents.
- In response to urgency around drug overdoses we are launching a Narcan vending machine pilot. This spring 5 vending machines will be placed statewide at easily accessible outdoor locations so individuals can access Narcan and other items 24/7, confidentially and anonymously. If the pilot is successful, we hope to increase the number of machines to reach additional parts of the state.

Thank you for your support of our work this year and for the consideration of our budget presentation.