



**Testimony of the Delaware-Morrow Mental Health and Recovery Services Board
Ohio Senate Finance Committee
Regarding the Ohio Department of Mental Health and Addiction Services' FY 2026 and 2027
Proposed Budget**

Chairman Cirino, Vice Chairman Chavez, Ranking Member Hicks-Hudson, and distinguished members of the Ohio Senate Finance Committee, thank you for the opportunity to provide testimony on the proposed budget for the Ohio Department of Mental Health and Addiction Services for Fiscal Years 2026 and 2027. My name is Deanna Brant and I am the Executive Director of the Delaware-Morrow Mental Health and Recovery Services Board. Our Board serves the counties of Delaware and Morrow, providing essential mental health and addiction recovery services to individuals in our communities.

We recognize the fiscal challenges the state faces in funding critical behavioral healthcare programs and services, and we are grateful for the continued attention to mental health and addiction services in the state's budget. Overcoming these challenges is central to the well-being of our residents and requires sustained investment to ensure access to the services individuals need to thrive.

Support for the Block Grant Consolidation

We commend the Ohio Department of Mental Health and Addiction Services for the initiative to consolidate various funding streams into more streamlined block grant categories. This approach has the potential to enhance flexibility and efficiency in how funds are allocated at the local level, which is critical for responding to the unique needs of our communities. The consolidation of funding categories will allow our Board and other local entities to allocate resources more effectively and reduce the administrative burden associated with managing multiple distinct funding sources.

The ability to direct resources to where they are needed, whether that be in crisis intervention, treatment, recovery, or prevention—will enable us to be more responsive and adaptable in meeting the needs of the residents that we serve, without reducing accountability for public dollars. Additionally, this approach provides an opportunity to align funding with local priorities and emerging trends, such as the growing demand for mental health services for our youth and the ongoing opioid crisis.

Funding Formula Considerations

While we appreciate the consolidation of funding categories, we do want to share local considerations regarding the future structure of the funding formula used to allocate these consolidated block grant dollars. The funding formula is a critical element in determining how



resources are distributed across Ohio's mental health and addiction service providers, and it is essential that it be both equitable and responsive to the diverse needs of all regions of the state.

In particular, we are hopeful that the eventual formula will account for:

1. **Growth:** Delaware County has seen an explosion in its population over the last 20 years, and that trend is expected to continue. Morrow County is also expected to see population gains in the coming years. The formula used to determine OhioMHAS funding for local boards needs to consider recent and expected growth as a key metric in order to ensure services are appropriately funded.
2. **Regional Differences in Need:** The populations we serve in Delaware and Morrow counties are not the same as those in larger urban areas. Our region includes both suburban and rural communities, and the mental health and addiction needs can vary greatly between these areas. A formula that does not adequately account for these disparities in service needs and population density could result in inequitable distribution of funds, leaving rural areas like ours at a disadvantage.
3. **Service Demand and Costs:** Delaware and Morrow counties have seen significant increases in the demand for mental health and addiction services, especially in the areas of youth mental health, opioid addiction recovery, and crisis services. However, the costs of providing services in rural and underserved areas can be higher due to travel distances, limited local infrastructure, and a smaller service provider network. It is critical that the funding formula reflects these realities to ensure that services can be delivered effectively and efficiently in all regions, particularly in areas with less population density.

We also urge the General Assembly and OhioMHAS to regularly revisit and update the funding formula to ensure it is based upon the most recent data analyses and continues to meet local needs.

Impact on Boards and Service Providers

In addition to the increased demand, the economic climate has caused a significant rise in operational costs for behavioral health service providers, without proportional funding increases. The rising costs of personnel, supplies, and facilities, coupled with inflationary pressures, have made it more expensive to provide services, particularly in rural and underserved areas.

Board contracted providers in Delaware and Morrow counties, all of whom are non-profit agencies, are struggling to keep up with the rising cost of delivering services while maintaining a quality workforce. Recruitment and retention of qualified mental health professionals have become even more difficult as the job market tightened, and many service providers are facing higher turnover rates. These challenges are compounded by the need for additional training and certification to meet increasing service demands, especially for populations with co-occurring disorders.



As a result, local boards like ours are being forced to make difficult decisions about the ethical and strategic allocation of limited resources. Without continued and even additional state funding to support local efforts, we risk seeing further fragmentation of care and reduced access to essential services in our communities.

In addition, a concerning provision was added to Section 337.20 in the House omnibus amendment that would prohibit ADAMH Boards from refusing to contract with a hospital that is in good standing with the Department of Behavioral Health. We support the OACBHA request to remove the proposed changes to 337.20 related to mandating contracting with psychiatric hospitals. **(Amendment SC1017)**

We also appreciate the inclusion of language that would require OhioMHAS and ODM to partner with ADAMH Boards to put in place data sharing agreements to enable the departments and Boards to exchange data necessary to support our local continuum of care. We ask that you maintain the language added in ORC 340.038.

ADAMH Boards are invested in the success and stability of the Medicaid program, for the clients we collectively serve and the provider agencies that deliver services. We urge you to enable flexibility and change the “shall” to “may” in the proposed trigger language. Using “may” allows the legislature and administration to retain control over the best strategy to minimize the impact of any cut in the federal matching rate. **(Amendment SC1883)**

As you consider changes to how to utilize funds generated by the sale of marijuana, we urge you to restore the 25% portion of the 10% tax on Adult-Use Cannabis, as-passed by voters, to be allocated to support community-based prevention, treatment, and recovery supports and direct a portion of those funds to ADAMH Boards to support community services. Our boards are the planning authority for the impact on behavioral health services demand of the Adult Use Cannabis program and will direct those dollars accordingly.

Additionally, the State should utilize existing expertise and knowledge to inform any efforts related to drug misuse, prevention, education, and public awareness initiatives. Any program designed to address prevention, education, and awareness should be led by the Ohio Department of Behavioral Health with consultation and involvement with local ADAMH Boards for the content development and distribution of public awareness activities.

Conclusion

The Delaware-Morrow Mental Health and Recovery Services Board is grateful for the continued investment in mental health and addiction recovery services as outlined in the FY 2026-2027 proposed budget. We are particularly supportive of the consolidation of funding categories, which we believe will improve efficiency and responsiveness to local needs. However, we urge you to



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carefully consider the structure of the funding formula to ensure that it is equitable, flexible, and responsive to the diverse needs of Ohio's communities—particularly in rapidly-growing and rural areas.

We remain committed to working with the OhioMHAS and the Ohio General Assembly to ensure that all Ohioans, regardless of where they live, have access to the services they need to achieve better mental health and long-term recovery. Thank you for your time and consideration.

Respectfully submitted,

Executive Director
Delaware-Morrow Mental Health and Recovery Services Board