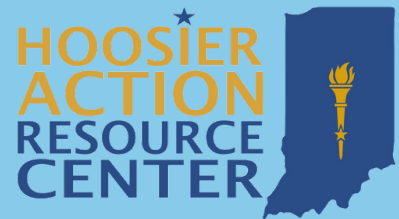
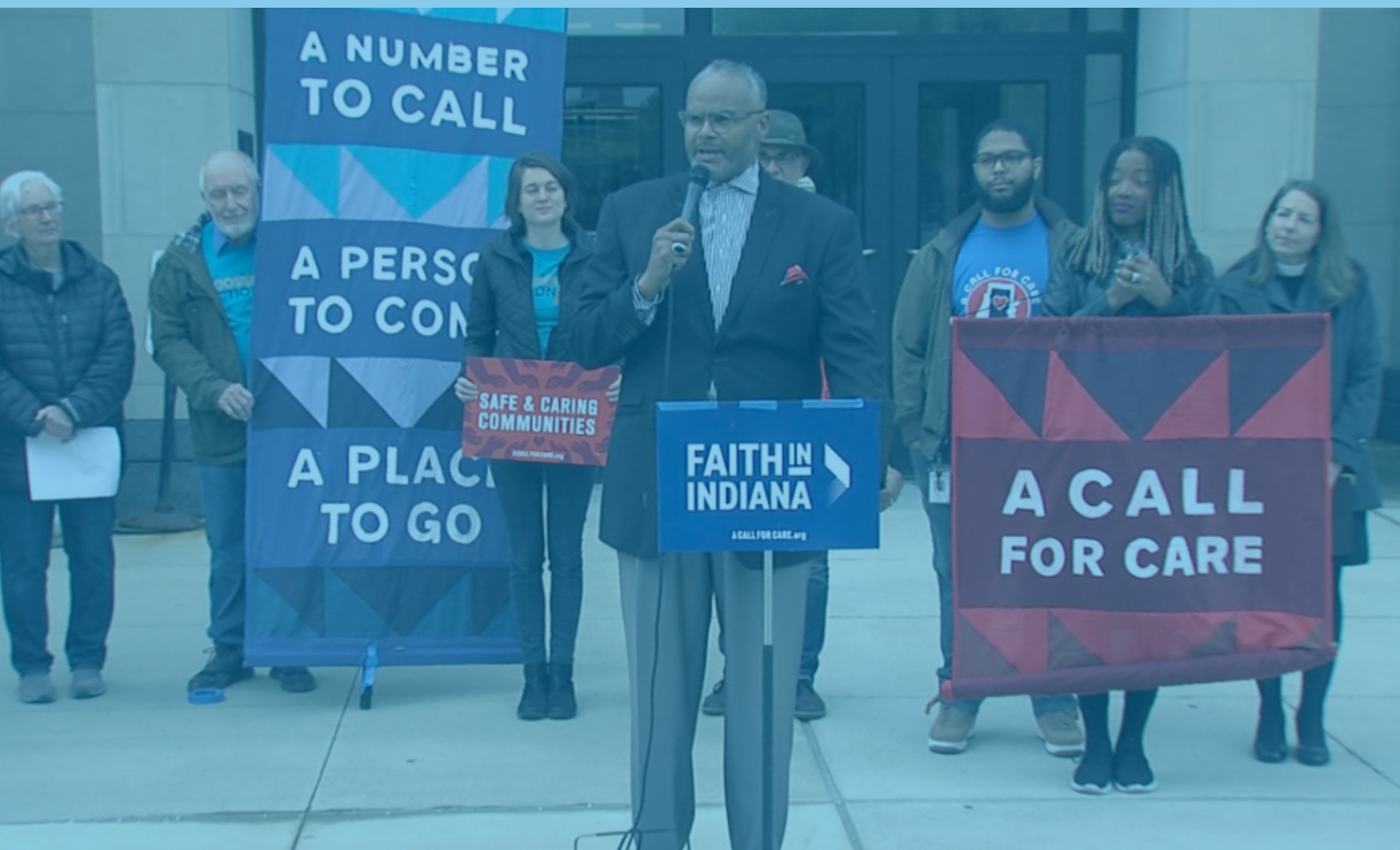


# THE FIGHT TO FUND HOOSIER FAMILIES:

20  
23



## INDIANA'S 2023 LEGISLATIVE SESSION



# Table of Contents

|                                      |       |              |
|--------------------------------------|-------|--------------|
| Introduction                         | _____ | <b>1-3</b>   |
| Funding for Mental Healthcare        | _____ | <b>3-7</b>   |
| Funding for Medicaid                 | _____ | <b>8-10</b>  |
| Housing & Tenant's Rights            | _____ | <b>11-12</b> |
| Public Education Funding             | _____ | <b>12-13</b> |
| The Future of Indiana's Public Funds | _____ | <b>14</b>    |
| Conclusion                           | _____ | <b>15-16</b> |
| References                           | _____ | <b>17-21</b> |

## About Hoosier Action Resource Center

Hoosier Action Resource Center is a non-partisan, grassroots community organization based in Southern Indiana. We believe in an Indiana where all Hoosiers, no matter the color of their skin or the content of their wallets are able to shape the decisions which impact their lives.

# Introduction

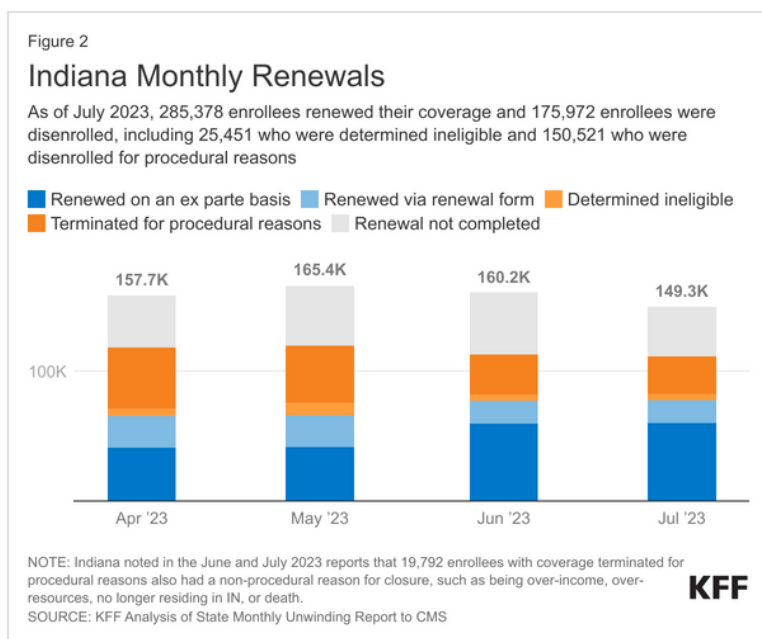
At the conclusion of the 2022 fiscal year (June 30, 2022) the total state cash reserves exceeded \$6 billion. Although that amount was initially estimated to decline to \$4 billion by the end of the 2023 fiscal year, Indiana's wealth, accumulated through the hard work of Hoosiers and the financial support of the federal government during the COVID-19 pandemic, gave state legislators an opportunity to increase funding for the support and services Hoosier families need.<sup>1</sup>

The COVID-19 pandemic had exacerbated and revealed the costs of preexisting public health challenges facing Hoosiers, putting strain on Indiana's already overburdened county and hospital health systems, contributing to the state's mental health crisis, and leading to a sharp increase in overdose deaths.<sup>2</sup> At the same time, Hoosier families also struggled with nearly 10% price increases in housing, groceries, and other necessities during 2022.<sup>3</sup>



The financial prospects of the state were further buoyed by a mid-session budget forecast which projected Indiana's revenue to be higher than ever for the next two years, with a total of \$22.4 billion in revenue anticipated in 2025.<sup>4</sup> These resources gave lawmakers the wherewithal to fully fund proposed mental and public health initiatives to provide the supports and services Hoosier families need to get and stay well. However, the decisions made by the majority of legislators at the Statehouse about how to spend this public money were ultimately shaped more by the greed of private interests than the needs of the public.

Leading up to the 2023 session, both Governor Eric Holcomb and leaders in the Indiana General Assembly created commissions to study the state of public and behavioral health in the state. In August 2022, The Governor's Public Health Commission's report was published.<sup>5</sup> Just a month later, in September 2022, the Indiana Behavioral Health Commission report was published.<sup>6</sup> Both reports provided thorough and in-depth analysis, developed a case for action and ultimately recommended significant increases of public health funding amounting to a \$350 million increase in public health spending per year and an additional \$130 million per year for behavioral health. While the 2023 legislature did ultimately increase public health spending, their allocations fell significantly short of what both commissions had recommended: only \$225 million was ultimately allocated for public health and net mental health funding was only increased by \$50 million per year.<sup>7</sup>



Indiana's Medicaid budget, a key piece of the state's public health spending, similarly saw an increase in spending during the session to meet the needs of Hoosier families. However, post-pandemic challenges facing Medicaid members suggest the need for additional legislative action to keep Hoosiers covered and reduce administrative costs. At the time of this report, Indiana has now completed three months of Medicaid redeterminations as a part of the public health emergency unwinding, and 175,972 Hoosier adults and children have been kicked off of the program, the vast majority (85.5%) for "procedural" or paperwork reasons.<sup>8</sup>

Should Indiana's Medicaid disenrollments continue at this rate, coverage loss would likely total more than 500,000, roughly 1 in 12 people in the state.<sup>9</sup> Loss of healthcare coverage for this many Hoosiers would be a catastrophic outcome by any measure, resulting in adverse health outcomes for Hoosier families, increased costs for the state and public, and threaten any public health gains made during the 2023 legislative session.

Unlike the recommendations put forward by Indiana's Public Health and Behavioural Health Commissions, leaders at the Indiana General Assembly failed to act on almost any of the recommendations put forward by the state's Housing Task Force. As researchers have noted again and again, housing is a key social determinant of health.<sup>10</sup> Indiana's Housing Task Force was formed by the 2022 legislative session, and provided strong recommendations to address substandard housing and improve housing affordability for Hoosier families.<sup>11</sup> The majority of legislation aimed at supporting Hoosier homeowners and renters, including bills to require enforcement of minimal habitability standards, were repeatedly blocked by legislators swayed by the lobbying of the Indiana Apartment Association, who primarily represent the interests of large corporate landlords.

Private schools also waged a successful lobbying campaign during the 2023 legislative session. Although Indiana's education budget did increase during the session, the lion's share of educational funding increases went to voucher program expansion for families making up to \$220,000 a year. In an attempt to justify moving public money into private pockets, some of Indiana's elected officials tried to turn the public against schools and parents by blaming the struggles Hoosier families face on teachers, librarians, and LGBTQ

individuals. As a result, much of the legislative session was taken up by debates and bills designed to fuel divisions based on race and exploit a lack of familiarity with transgender people.

While failing to fully fund mental and public health, the 2023 legislature continued a decades-long trend towards an increasingly regressive state tax structure. On the very last day of the 2022 legislative session, Indiana lawmakers approved a \$1.1 billion tax cut package, which reduced Indiana's income tax rate from 3.23% to 2.9% over seven years. The 2023 legislature accelerated the income tax rate cuts and reduced revenues by \$360 million over the upcoming biennium.<sup>12</sup>

Although the 2023 legislative session demonstrated that it is possible for everyday Hoosiers organized across race, place, and party to achieve and fund a common goal, like creating a new emergency crisis response system, lobbyists representing the wealthy few and big corporations continue to exercise the majority of influence at Indiana's Statehouse. This report attempts to shed light on Indiana's 2023 legislative session and provide insight into the process to create greater public accountability for the decisions made at the Statehouse.

---

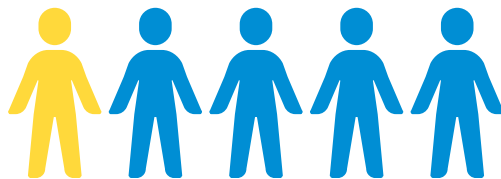
## Funding for Mental Health Care

Mental health and substance use problems, exacerbated by the economic and social toll of the COVID-19 pandemic, exact an unbearable human toll and undermine the economic and social well-being of Hoosiers. Whether living in rural or urban areas, Hoosiers with mental health issues struggle to get their needs met. Even if they or their loved ones have the funds to pay for mental health services, finding a mental health provider is challenging in Indiana. This too often means that help is not available when Hoosiers need it, and is made apparent by data on mental health in Indiana:

- One in five adults experience a mental health condition each year and only 40% receive services.<sup>13</sup>
- More than 19 million Americans struggle with substance use disorders but only 11% receive treatment.<sup>14</sup>
- Suicide is the eleventh leading cause of death in Indiana and second leading cause of death for Hoosiers between the ages of 10 and 34 years, according to the Centers for Disease Control and Prevention.<sup>15</sup>
- Indiana is 35th in the nation in overall health, according to the 2022 America's Health Rankings report and ranks 42nd when it comes to mental health, according to the State of Mental Health in America 2023.<sup>16</sup>



Many Hoosiers struggling with mental health and substance use go untreated by no fault of their own. Wait lines are long for community mental health providers, and hospitals turn people away. With nowhere else to go, Hoosiers turn to the police or call emergency services on friends, family, and neighbors because there doesn't seem to be any other help available.



**One in five adults experience a mental health condition each year**



**Of all Hoosiers suffering a mental health condition, only 40% receive services**

Too often, law enforcement are the only ones available to respond. As a result, Indiana jails have become the de facto detox centers for Hoosiers, and often the first place people get mental health treatment. Right now, 37% of people in state and federal prisons and 44% of people in jail have been diagnosed with a mental illness. 25% of people in jails report experiencing “serious psychological distress.” Indiana jails are the state’s largest mental health provider.<sup>17</sup>

Law enforcement agencies, whether at the county or municipal level, are ill-equipped, overburdened, and typically under-trained in how best to respond to these kinds of emergencies. Only 3%–5% of violent acts can be attributed to individuals living with a serious mental illness. In fact, people with severe mental illnesses are over 10 times more likely to be victims of a violent crime than the general population.<sup>18</sup> Sadly, people with mental illness are 16 times more likely to be killed during a police encounter than other civilians approached or stopped by law enforcement, according to a study by the Treatment Advocacy Center.<sup>19</sup>

Recognizing the enormity of the mental health challenges facing Hoosiers, Indiana’s Behavioral Health Commission recommended the creation of an entirely new and integrated system of care. This system would include centers to receive calls, mobile crisis teams, and crisis centers in every county in Indiana. While this kind of innovation carries a large price tag, the price we pay for not addressing this problem is even greater. To quote from the report: “the cost of untreated mental illness in Indiana and estimates that cost to be a staggering \$4.2 billion annually.”

A well-written report, however, was not enough to move a majority of Indiana’s legislators to action. To pass many of the recommendations from the Behavioral Health Commission’s report required the organization of diverse individuals and groups from across the state to create the political will necessary to draft and pass SEA 1, the primary mental health reform bill of the session.

In district organizing it was necessary to ensure that President Pro Tempore of the Senate Rod Bray made mental health reform the top legislative priority of the Senate, as indicated by its position as the first Senate bill. Beginning well before the 2023 legislative session, Hoosier Action leaders in Senator Bray’s district, held hundreds of conversations, knocked on doors, conducted surveys, and convinced Senator Bray along with other local electeds and 100 constituents to join them at an October 2022 Town Hall on mental health. At the event, Senator Bray publicly expressed his support for increasing the public health and mental health budget by as much as \$250 million more annually.<sup>20</sup>



**Senator Bray sits on the far right table in the back at Hoosier Action’s Town Hall.**

No similar effort was undertaken in Speaker of the House Todd Huston's district, and lack of interest for funding mental healthcare in Indiana was reflected in the version of the budget passed by the House, which only allocated \$10 million to funding regional mental health supports, less than 10% of what the Behavioural Health Commission had outlined as necessary.<sup>21</sup>

To move SEA 1 and win even a fraction of the funding for mental healthcare infrastructure in Indiana required persistent lobbying and public pressure coordinated across multiple organizations, much of which was anchored by Faith in Indiana who helped to align existing advocates like Mental Health America of Indiana and the AARP with more unlikely allies like the Indiana Sheriff's Association. This broad based coalition, aligned across race and place, held hundreds of meetings with legislators every week of the session, coordinated over 1,000 phone calls, and secured over 300 press hits over the course of the campaign.

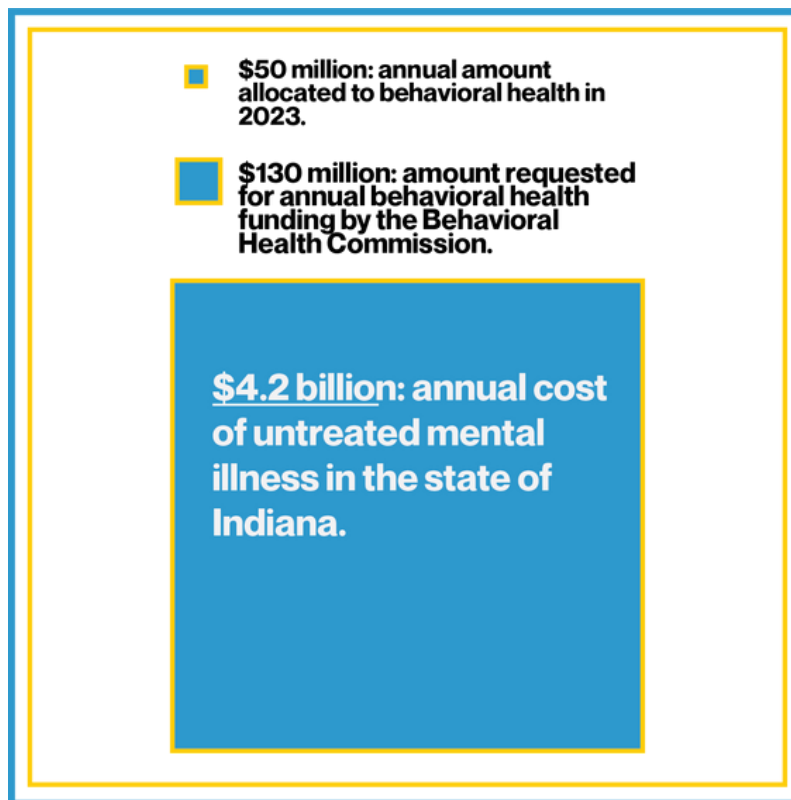


Despite progression of the “Call for Care” campaign, it became clear that the biggest hurdle for mental health reform would not be passing SEA 1, but fully funding the new mental health infrastructure created by the bill. Although some of the funding debate for SB 1 was held in public, most of it was hashed out in caucus or private meetings held by members of the Republican supermajority. Funding was stripped out of the Senate bill and put into the budget, making it harder for the public to follow the money. Various funding proposals for the bill outlined in the budget were typically only made public 24-48 hours prior to a vote, again making public oversight very challenging.



After learning that the updated budget revenue forecast was significantly larger than initially anticipated, news of abundance was turned into scarcity: an excuse for not implementing a new ongoing funding source for mental health crisis response. Caught in arguments about funding streams, key legislators failed to come to an agreement which would allocate the proposed \$130 million in funding necessary for a truly statewide crisis response. Although a dedicated tax on cell phones was considered as a source of self-generating funding, legislators sided with cell phone carriers who opposed the proposal and chose to rely on the state surplus without any new taxes. In the end, legislators chose to allocate only \$50 million dollars per year for SB1, less than half of what had been outlined in the Behavioural Health Commission report.

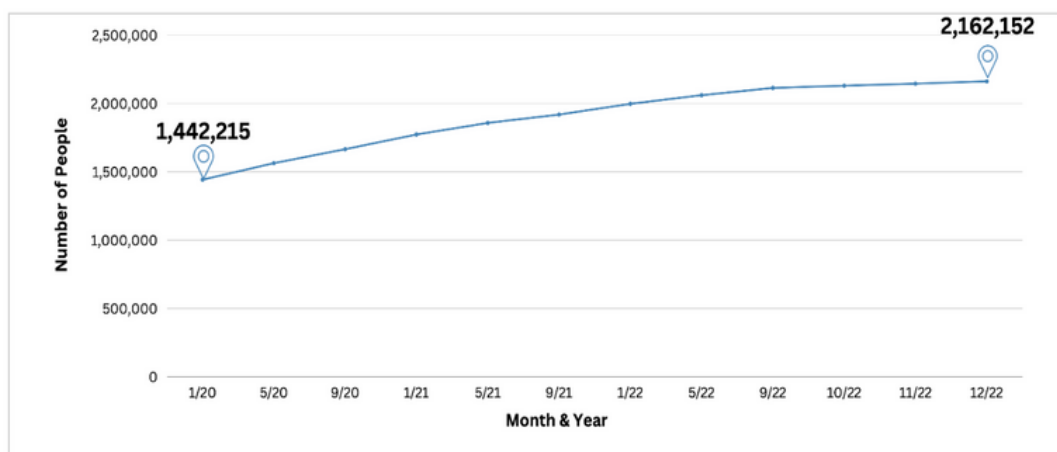
After learning that the updated budget revenue forecast was significantly larger than initially anticipated, news of abundance was turned into scarcity: an excuse for not implementing a new ongoing funding source for mental health crisis response. Caught in arguments about funding streams, key legislators failed to come to an agreement which would allocate the proposed \$130 million in funding necessary for a truly statewide crisis response. Although a dedicated tax on cell phones was considered as a source of self-generating funding, legislators sided with cell phone carriers who opposed the proposal and chose to rely on the state surplus without any new taxes. In the end, legislators chose to allocate only \$50 million dollars per year for SB1, less than half of what had been outlined in the Behavioural Health Commission report.



## Funding for Medicaid

Medicaid, and a companion healthcare program for children, Children's Health Insurance Program (CHIP), are critically important public insurance programs that provide health coverage to low-income children and adults as well as people with disabilities, including 2.23 million Hoosiers in April of 2023, at the end of the legislative session. Over the course of the pandemic, enrollment in Indiana's various Medicaid programs, including HIP, Hoosier Healthwise, and Hoosier Care Connect, increased by more than 750,000 people. At the time of the 2023 legislative session, roughly 1 in 3 Hoosiers relied on the program for healthcare, including more than half of the children in the state and 40% of pregnant people.<sup>22</sup>

### Indiana Medicaid Enrollment 1/2020-12/2022



2/3 of all individuals in nursing homes and 33% of disabled Hoosiers were insured by Medicaid.<sup>23</sup> Medicaid and CHIP programs cover medical care such as doctor visits, prescription medicine, mental health care, dental care, hospitalizations, surgeries, and family planning.

Medicaid plays an especially important role in both existing and expanding mental healthcare and substance use disorder treatment in Indiana. According to a study from 2020, 39% of Medicaid members live with a mental health or substance use disorder.<sup>24</sup> Indiana's Behavioural Health Commission's recommendations rely on leveraging Medicaid and other sources to sustain the system in the long term. A key benefit of the switch to Certified Behavioural Health Clinics (CCBHC) recommended by the Behavioural Health Commission report and implemented by SEA 1 is that all CCBHCs would take Medicaid.<sup>25</sup> Ensuring that Indiana's Medicaid programs are well-funded and well-run is, therefore, essential to addressing the state's behavioral health challenges.

During the pandemic, because the federal government recognized the critical role of healthcare coverage in preventing the spread of COVID-19, states received additional federal funding in exchange for ensuring continuous coverage by suspending involuntary disenrollments and accepting member attestation to verify eligibility. Between 2020 and 2023, the federal government provided funding for approximately 72% of the cost of these programs and the state of Indiana provided the remaining 28%.<sup>26</sup> Although federal spending will continue to cover the majority of the costs of Indiana's Medicaid programs, enhanced federal funding ended March 2023.<sup>27</sup>

Beginning in April 2023, all Indiana Medicaid members were required to once again go through a redetermination process to verify that they remain eligible for the program. According<sup>28</sup> to a budget presentation during the 2023 legislative session from Indiana's Family and Social Services Administration (FSSA), the state anticipated that around 400,000 Hoosiers would lose their coverage over the course of Indiana's Medicaid unwinding or "return to normal operations."<sup>29</sup>

Unfortunately, upon analyzing three months of data, it's clear that Indiana's redetermination process is going even worse than FSSA had anticipated. As of July 2023, well over 140,000 Hoosier kids and adults have been kicked off of the program, the vast majority not because they were deemed ineligible, but for procedural reasons. According to health policy research and reporting organization KFF, this places Indiana in the bottom third of states for both procedural and overall disenrollments.<sup>30</sup>



**If changes are not made to Indiana's Medicaid unwinding process, it seems likely that disenrollments over the next nine months will exceed half a million Hoosier kids and adults.**

This unfolding uninsurance catastrophe did not sneak up on FSSA's Office of Medicaid Policy and Planning or some at the Statehouse. Starting in April 2022, diverse Medicaid stakeholders from healthcare providers, faith leaders, and healthcare navigators have convened monthly meetings to coordinate public communication and advocate for plans from the state to ensure continuous coverage.<sup>31</sup> State Representative Ed Clere, a Republican, made national headlines when he expressed dismay at those staggering numbers at a May 24th Medicaid Advisory Group meeting. Clere warned that the cancellations set in motion an avoidable revolving door. He noted that some people dropped from Medicaid will have to forgo prescriptions drugs and cancel doctor visits and then down the line. When untreated chronic illnesses spiral out of control, they end up in the emergency room where social workers will need to help them re-enroll in Medicaid.<sup>32</sup> Although warned, the majority of legislators failed to take additional action or provide additional oversight or make statutory changes to protect Medicaid coverage for Hoosier families. Instead, some powerful legislators have fretted over rising Medicaid costs, and even created an interim study committee focused on Medicaid.<sup>33</sup> Despite these concerns, legislators did increase the Medicaid budget to meet FSSA's request.



**Various Hoosier Medicaid stakeholder organizations met March 23, 2023.**

The reasons for Indiana's Medicaid cost increases are myriad, and include rising labor costs due to inflation, federal requirements for rate equalization, as well as a post-pandemic reduction in federal funding.<sup>34</sup> Although enrollment in Indiana's Medicaid programs swelled during the pandemic, costs of administering the more streamlined program remained mostly flat, suggesting that increased Medicaid membership is not the primary cost driver.<sup>35</sup>

As Indiana's Medicaid unwinding continues, without further legislative or administrative action, it seems likely that the state's programs will cover fewer people and cost the public more as members churn through the program. Medicaid churn refers to the temporary loss of coverage in which enrollees disenroll and then re-enroll within a short period of time, a process which not only adversely impacts health outcomes, but also drives up public costs as the state is forced to process and reprocess mounting piles of paperwork.<sup>36</sup>



## Housing & Tenant's Rights

Similar to the Public Health and Behavioural Health Committees, an interim summer study committee was created in the 2022 legislative session and laid the groundwork for legislative action in 2023 with a set of recommendations.<sup>37</sup> Indiana's Housing Taskforce called for new legislation to address the state's substandard rental housing stock and improve housing affordability through tax credits and new infrastructure. While legislators approved some housing measures, mostly related to new construction, during the 2023 session the results were modest at best.

Most disappointingly, efforts to add habitability standards to state law were blocked again, and Indiana remains one of six states without health and safety protections for renters.<sup>38</sup> Habitability bills had bipartisan support, and tenant advocates worked aggressively. However, Senator Liz Brown, who chairs the Senate Judiciary Committee, and Representative Jerry Torr, chair of the House Judiciary Committee, prevented the bills from being heard in their original form. Brown and Torr have both received generous campaign contributions from the state apartment association's Indiana Multi Family Housing PAC, which opposed the legislation and gave \$750,000 to majority legislators and candidates in the 2021-22 election cycle.<sup>39</sup>

Legislators also continued blocking cities, towns and counties that try to ensure safe housing for their citizens. Late on the last night of the session, surprise language was added to the nearly 300-page HEA 1454 to expand the state's prohibition on local governmental rental housing inspections and fees.

Thanks to tireless advocacy anchored by the Hoosier Housing Needs Coalition, lawmakers did take some modest steps on housing.<sup>40</sup> They approved SEA 114, which will let courts appoint a receiver to handle the accounts of apartment complexes far behind on its utility bills. This is a response to tenants' having their utilities shut off because landlords didn't pay bills.<sup>41</sup>



**Dee Ross, CEO of the Ross Foundation, speaking on behalf of tenant protections during housing advocacy day. (Ben Thorp/WBAA News)**

Legislators also passed HEA 1005, which creates a revolving loan fund that local governments can tap to subsidize the creation of housing infrastructure, such as roads and utilities. This is beneficial for builders and developers and could help homeowners and renters by creating more housing. Finally, HEA 1627 extends statewide a law that lets nonprofit organizations acquire property at tax sales to develop affordable housing. It previously applied only in Indianapolis.

The state budget includes some funding to address homelessness: \$20 million for a low-barrier shelter grant program in Indianapolis; \$5 million for homelessness prevention grants; and \$1 million a year for “housing first” programs that prioritize housing for people at risk of becoming homeless. There is a new attainable homeownership tax credit, funded at \$4 million per year, for contributions to affordable housing organizations such as Habitat for Humanity. Those are all positives, but they are tiny expenditures in the context of the \$43 billion state budget that lawmakers approved. Tenant protection bills were once again sabotaged by legislators who care more about lining the pockets of corporate landlords at the expense of Hoosier families.

---

## Public Education Funding

While lobbyists protecting the profits of corporate landlords during the 2023 session won a defensive victory, private school lobbyists secured a significant windfall through a dramatic expansion of Indiana’s school voucher program. This victory was partially secured through strategic attacks made by vocal members of Indiana’s supermajority on teachers, librarians, and LGBTQ individuals, especially transgender youth. Both Indiana’s voucher expansion and culture war legislation are closely related: both are part of a heavily funded national effort to undermine public schools and other institutions that serve the public interest.<sup>42</sup>

Legislative leaders boasted that they approved record increases in school funding, but the majority went to expanding the voucher program to families that make many times the poverty level – up to \$220,000 a year for a family of four.<sup>43</sup> The expansion amounts to a vast transfer of wealth from everyday Hoosiers to wealthy families. The nearly “universal” vouchers are expected to cost \$1.1 billion over two years, shifting money away from public school funding, which continues to lag behind inflation and the national average.

On the culture war front, perhaps the cruelest action was SEA 480, a ban on gender-affirming medical care for anyone under 18.<sup>44</sup> The ban includes not only gender-conforming surgery, which isn't practiced on minors in Indiana, but also the use of puberty blockers and hormone treatments. Lawmakers who claim to support "parent rights" took away the right of youth and their families to consent to potentially life-saving care. A majority of lawmakers also approved HEA 1680, which requires schools to notify a parent if their child asks to be called by a different name or pronoun.<sup>45</sup> The requirement could harm youth whose families aren't supportive of their gender identity.

HEA 1447, Indiana book-banning bill, was rewritten behind closed doors.<sup>46</sup> Inspired by a moral panic about pornography in schools, it requires schools to set up procedures for book challenges and makes school librarians subject to a level 6 felony and up to two and a half years in jail for providing "harmful materials" to minors. A last minute addition to the state budget bars Indiana University from using state funds to support the Kinsey Institute, which conducts research on sex, gender and reproduction.<sup>47</sup>

Bogus claims from right-wing media alleging exploitation prompted the ban. The legislature also continued its assault on teachers' unions, approving SEA 486, which repeals a requirement that school officials discuss working conditions with teacher representatives.<sup>48</sup>

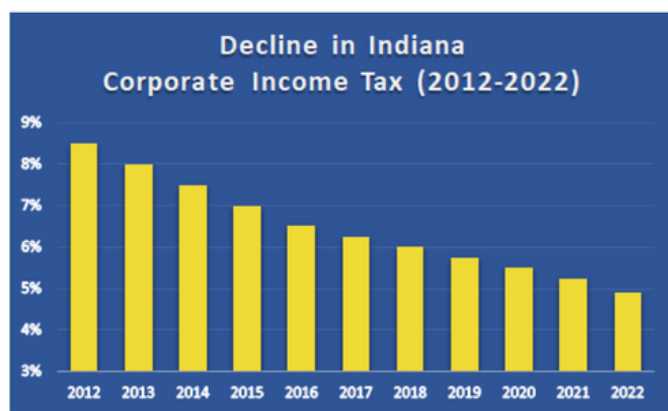
The voucher expansion, along with a large funding increase for charter schools, followed extensive lobbying by deep-pocketed advocates for school privatization. The group Hoosiers for Quality Education spent nearly \$1 million in 2021-22 campaign contributions to Republican legislators and candidates.<sup>49</sup> This is largely funded by out-of-state billionaires, including the Walton and DeVos families – whose political ideologies won out over the needs and best interests of Hoosier students, families and communities.



## The Future of Indiana's Public Funds

While the 2023 legislature did not fully fund either the Governor's public health initiative or the Behavioral Health Commission's mental health recommendations, a majority continued on a decades-long pathway to an increasingly regressive state tax structure which would undercut the future of any public spending and continue to redistribute Indiana's wealth upwards. On the very last day of the 2022 legislative session Indiana lawmakers approved House Bill 1002, a \$1.1 billion tax cut package.<sup>50</sup>

The bill provides a reduction in Indiana's income tax rate from 3.23% to 2.9% in small steps over seven years. As part of the 2023 session budget deal, the legislature accelerated the income tax rate from the current 3.15% to 2.9% by 2027. The acceleration is expected to reduce tax revenues by over \$360 million over the upcoming biennium.<sup>51</sup>



The failure to fully fund public and mental health while further entrenching a regressive tax structure demonstrates the majority party's legislative priorities and donor base. Over the last decade Indiana has cut corporate taxes nearly in half, from 8.5% to 4.9%.<sup>52</sup> Currently, nearly half of the state's general fund revenue comes from sales taxes, a little over a third comes from individual income taxes, and only a small percentage (about 5%) comes from corporate income taxes.<sup>53</sup>

With the majority of revenue coming from sales taxes, accelerating income rate cuts, coupled with a low corporate tax rate, the relative tax burden on hard working families is increased while wealthy individuals and corporations pay less than their fair share.

Unfortunately many members of the super majority party want to make our lopsided taxation system even more inequitable and regressive. The Indiana General Assembly passed a high priority Senate bill, SEA 3, which will create a commission to overhaul the state's taxation system including assessing the feasibility of eliminating Indiana's state income tax.<sup>54</sup>

The hard work of the citizens of Indiana enabled prosperity and a massive budget surplus giving lawmakers the funds needed to meet the mental and public health needs of Hoosiers. Various proposals would have added sustainable revenue streams for these programs. Instead a majority at the Statehouse decided to accelerate the state's wealth gap and increase the burden on those already struggling to meet their needs and expenses.



## Conclusion

The 2023 Indiana General Assembly failed to make the welfare of ordinary Hoosiers their top priority. While the session did produce some positive outcomes because of well-organized and widespread public campaigning, many critical decisions were still made in caucus behind closed doors preventing public accountability or input into the legislative process. A majority of legislators also doubled-down on decisions and rhetoric related to housing and public education that line the pockets of private schools and corporate landlords while stoking division.

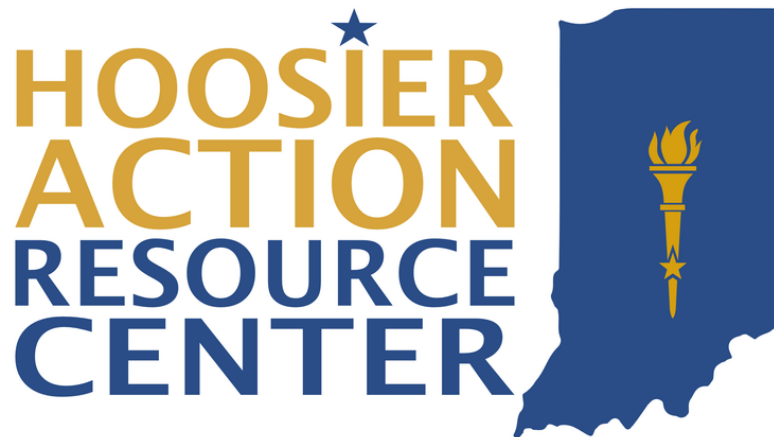
Going into the 2023 legislative session, members of the Indiana General Assembly were given clear blueprints for addressing the health and housing challenges facing Hoosiers from the state's Public Health Commission, Behavioral Health Commission, and Housing Taskforce. Some of the recommendations from these reports, including a critical overhaul of Indiana's behavioral health infrastructure, were implemented, but woefully underfunded. In spite of the collective efforts of thousands of Hoosiers, the legislature ultimately approved a total of \$100 million for additional mental health funding across the two budget years, a little over a third of the commission's recommendation. In addition to falling short on mental health, the 2023 legislature also failed to fully fund Governor Eric Holcomb's proposal to partner with local health departments to address Indiana's poor outcomes in areas such as obesity, smoking, and life expectancy. The governor asked for \$350 million over two years but lawmakers approved only \$225 million. This final outcome was in spite of a late April revenue forecast that estimated the state could spend \$1.1 billion more than previously anticipated.



**Members of Faith in Indiana, Hoosier Action and others at the Statehouse.**

Although legislators did approve of a budget to fully fund Indiana's Medicaid programs, which are essential to any efforts to improve mental and public health in the state, the 2023 state budget also includes provisions that will reduce Indiana's revenue, threatening future funding for the needs of Hoosier families. This acceleration is expected to reduce tax revenues by over \$360 million over the upcoming biennium, more than enough to fully fund mental health, especially given that such initiatives were projected to save both Hoosier lives and considerable public dollars.

Hoosiers deserve a legislature that represents the very best of them, makes their decisions in public, and is accountable to what Hoosier families need. By detailing the process and outcomes of the 2023 General Assembly, this report attempts to shine a light on how decisions were made at the Statehouse in 2023 and why those decisions matter to everyday Hoosiers. Although many legislators chose this year to put the interests of the greedy few ahead of the needs of struggling Hoosier families, it also demonstrates that by working together across their differences it is still possible and very necessary for Hoosier families to move their legislators to support their constituents. To win what Hoosier families deserve, they must continue to work together year round organizing, campaigning, and lobbying to bend the balance of power at the Statehouse toward the public good, and away from the wealthy and powerful who repeatedly influence elected officials to serve their own interests.



## References

1. Downard, W., January 9, I. C. C., & 2023. (2023, January 9). Budget has big ongoing, one-time obligations. Indiana Capital Chronicle.  
<https://indianacapitalchronicle.com/2023/01/09/budget-has-big-ongoing-one-time-obligations/>
2. Hoosier Action Resource Center | 1. (n.d.). <https://hoosieraction.org/wp-content/uploads/2021/06/One-Year-Under-COVID-19-White-Paper.pdf>
3. U.S. BUREAU OF LABOR STATISTICS. (2009). 12-month percentage change, Consumer Price Index, selected categories. Bls.gov. <https://www.bls.gov/charts/consumer-price-index/consumer-price-index-by-category-line-chart.html>
4. (2023, April 19). General Fund Revenue Forecast. <https://www.in.gov/sba/files/2.-Presentation-to-the-State-Budget-Committee-April-19,-2023.pdf>
5. (2022, August 1). Governor's Public Health Commission. <https://www.indianapca.org/wp-content/uploads/2022/08/Governors-Public-Health-Commission-Final-Report.pdf>
6. INDIANA BEHAVIORAL HEALTH COMMISSION FINAL REPORT. (2022).  
<https://www.in.gov/fssa/dmha/files/INBHC-Report.pdf>
7. Indiana General Assembly. (n.d.). Iga.in.gov. Retrieved August 29, 2023, from <https://iga.in.gov/legislative/2023/bills/house/1001>
8. (2023, August 1). How a return to normal will impact some Indiana Medicaid members. Members. <https://www.in.gov/medicaid/members/member-resources/How-a-return-to-normal-will-impact-some-Indiana-Medicaid-members/>
9. It is possible that this disenrollment number will decrease as Hoosiers disenrolled as a part of the Medicaid unwinding have an additional 90 days to submit late paperwork, making it possible for some of the 142,264 disenrolled members so far will return to the rolls.
10. Taylor, L. (2018). Housing And Health: An Overview Of The Literature. Health Affairs.  
<https://doi.org/10.1377/hpb20180313.396577>
11. Smith, B. (2022, October 28). Task force recommends more than a dozen policies aimed at addressing Indiana housing crisis. WFYI Public Media.  
<https://www.wfyi.org/news/articles/task-force-recommends-more-than-a-dozen-policies-aimed-at-addressing-indiana-housing-crisis>
12. The Indianapolis Star. (n.d.). Wwww.indystar.com. Retrieved August 29, 2023, from <https://www.indystar.com/restricted/?return=https%3A%2F%2Fwww.indystar.com%2Fstory%2Fnews%2Fpolitics%2F2023%2F04%2F26%2Ftakeaways-indiana-state-budget-voucher-expansion-tax-cuts-mental-health-funding-dcs-lawyrs%2F70151920007%2F>
13. INDIANA BEHAVIORAL HEALTH COMMISSION FINAL REPORT. (2022).  
<https://www.in.gov/fssa/dmha/files/INBHC-Report.pdf>
14. INDIANA BEHAVIORAL HEALTH COMMISSION FINAL REPORT. (2022).  
<https://www.in.gov/fssa/dmha/files/INBHC-Report.pdf>
15. ISSP. (2021, June 24). About Suicide Prevention. ISSP. <https://www.in.gov/issp/about-suicide-prevention/>

## References

16. Indiana Health | Areas of Expertise | IU School of Medicine. (n.d.). Medicine.iu.edu. <https://medicine.iu.edu/expertise/indiana-health>
17. Indiana Health | Areas of Expertise | IU School of Medicine. (n.d.). Medicine.iu.edu. <https://medicine.iu.edu/expertise/indiana-health>
18. SAMHSA. (2023, February 8). Mental Health Myths and Facts. Wwww.samhsa.gov. <https://www.samhsa.gov/mental-health/myths-and-facts>
19. Carroll, H. (2017, December 31). People with Untreated Mental Illness 16 Times More Likely to Be Killed By Law Enforcement. Treatment Advocacy Center. <https://www.treatmentadvocacycenter.org/key-issues/criminalization-of-mental-illness/2976-people-with-untreated-mental-illness-16-times-more-likely-to-be-killed-by-law-enforcement->
20. Community leaders discuss future of mental health services in Morgan County. (n.d.). Reporter-Times. Retrieved August 29, 2023, from <https://www.reporter-times.com/story/news/local/2022/10/26/sen-rodric-bray-other-community-leaders-discuss-future-of-mental-health-services-in-morgan-county/69586311007/>
21. Indiana General Assembly. (n.d.). Iga.in.gov. Retrieved August 29, 2023, from <https://iga.in.gov/legislative/2023/bills/house/1001/details>
22. Policy, M. (2021, May 7). Medicaid Monthly Enrollment Reports. Medicaid Policy. <https://www.in.gov/fssa/ompp/forms-documents-and-tools2/medicaid-monthly-enrollment-reports/>
23. (2023, June 1). <https://files.kff.org/attachment/fact-sheet-medicaid-state-IN>
24. Saunders, H., & 2022. (2022, June 6). Demographics and Health Insurance Coverage of Nonelderly Adults With Mental Illness and Substance Use Disorders in 2020. KFF. <https://www.kff.org/medicaid/issue-brief/demographics-and-health-insurance-coverage-of-nonelderly-adults-with-mental-illness-and-substance-use-disorders-in-2020/>
25. INDIANA BEHAVIORAL HEALTH COMMISSION FINAL REPORT. (2022). <https://www.in.gov/fssa/dmha/files/INBHC-Report.pdf>
26. Federal and State Share of Medicaid Spending. (2022, August 22). KFF. <https://www.kff.org/medicaid/state-indicator/federalstate-share-of-spending/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Total%22>
27. 2023. (2023, June 16). Fiscal Implications for Medicaid of Enhanced Federal Funding and Continuous Enrollment. KFF. <https://www.kff.org/medicaid/issue-brief/fiscal-implications-for-medicaid-of-enhanced-federal-funding-and-continuous-enrollment/>
28. Members. (2023, August 1). How a return to normal will impact some Indiana Medicaid members. Members. <https://www.in.gov/medicaid/members/member-resources/How-a-return-to-normal-will-impact-some-Indiana-Medicaid-members/>



## References

29. April 2023 Medicaid Forecast update. <https://www.in.gov/sba/files/09-April-2023-Medicaid-Forecast-04192023-Final.pdf>
30. Jun 20, P., & 2023. (2023, June 20). Medicaid Enrollment and Unwinding Tracker. KFF. <https://www.kff.org/medicaid/issue-brief/medicaid-enrollment-and-unwinding-tracker/>
31. Medicaid - Hoosier Action. (2023, February 9). <https://hoosieraction.org/medicaid/>
32. Medicaid Advisory Committee. (n.d.). [Www.youtube.com](https://www.youtube.com/watch?v=KKhbAWLln7s). Retrieved August 29, 2023, from <https://www.youtube.com/watch?v=KKhbAWLln7s>
33. State Sen. Ryan Mishler to participate in key study committees. (n.d.). Indiana Senate Republicans. Retrieved August 29, 2023, from <https://www.indianasenateRepublicans.com/state-sen-ryan-mishler-to-participate-in-key-study-committees>
34. Lange, K. (2023, May 23). Thousands of Hoosiers will soon lose Medicaid access, but the cost of the program is still increasing. State Affairs. <https://www.google.com/url?q=https://stateaffairs.com/indiana/healthcare/indiana-medicaid-enrollment-increasing/&sa=D&source=docs&ust=1693348005167039&usg=AOvVaw3mkyNYgdftTdmJEFcmp9xh>
35. Healthy Indiana Plan Summative Evaluation Report Final for CMS Review HEALTH CARE AND HUMAN SERVICES POLICY, RESEARCH, AND ANALYTICS-WITH REAL-WORLD PERSPECTIVE. Prepared for: Indiana Family and Social Services Administration. (n.d.). Retrieved August 29, 2023, from [https://www.in.gov/fssa/hip/files/IN\\_HIP\\_Summative\\_Evaluation\\_Report\\_A-June\\_2022.pdf](https://www.in.gov/fssa/hip/files/IN_HIP_Summative_Evaluation_Report_A-June_2022.pdf)
36. Corallo, B., Garfield, R., Tolbert, J., & 2021. (2021, December 14). Medicaid Enrollment Churn and Implications for Continuous Coverage Policies. KFF. <https://www.kff.org/medicaid/issue-brief/medicaid-enrollment-churn-and-implications-for-continuous-coverage-policies/>
37. Muñiz, L. B., October 28, I. C. C., & 2022. (2022, October 28). Task force recommends state cash, bad landlord crackdown, to ease housing crisis. Indiana Capital Chronicle. <https://indianacapitalchronicle.com/2022/10/28/task-force-recommends-state-cash-bad-landlord-crackdown-to-ease-housing-crisis/>
38. Indiana bill to protect tenants who lose water, heat dies in the Senate. (2023). Wthr.com. <https://www.wthr.com/article/news/politics/indiana-bill-to-protect-tenants-who-lose-essential-services-dies-in-senate-committee/531-a4caa326-fbce-424d-9534-5149b19844ce>
39. Indiana Campaign Finance - Committee Detail. (n.d.). Campaignfinance.in.gov. <https://campaignfinance.in.gov/PublicSite/SearchPages/CommitteeDetail.aspx?OrgID=776>

## References

40. Hoosier Housing Needs Coalition. (n.d.). Housing4Hoosiers.  
<https://housing4hoosiers.org/hoosier-housing-needs-coalition/>
41. This landlord did not pay \$1.7M in water bills. Residents at 1,400 homes may lose water. (n.d.). The Indianapolis Star. Retrieved August 29, 2023, from  
<https://www.indystar.com/story/news/local/marion-county/2022/07/20/indianapolis-landlord-jpc-apartments-get-water-disconnection-notices-affordable-housing/65376402007/>
42. Ph.D, J. P. G. (n.d.). What's Behind the Recent Surge in School-Choice Victories. The Heritage Foundation. <https://www.heritage.org/education/commentary/whats-behind-the-recent-surge-school-choice-victories>
43. Smith, C., April 27, I. C. C., & 2023. (2023, April 27). Indiana nears universal “school choice” in new budget. Indiana Capital Chronicle.  
<https://indianacapitalchronicle.com/2023/04/27/indiana-nears-universal-school-choice-in-new-budget/>
44. Chapman, L. (2023, April 5). Holcomb signs gender-affirming care ban for trans youth into law. WFYI Public Media. <https://www.wfyi.org/news/articles/holcomb-signs-gender-affirming-care-ban-for-trans-youth-into-law>
45. Indiana school pronoun bill signed into law amid worries it'll “out” transgender kids. (n.d.). The Indianapolis Star.  
<https://www.indystar.com/story/news/politics/2023/05/04/indiana-governor-eric-holcomb-signs-transgender-school-pronoun-bill/70175812007/>
46. Gaines, L. V. (2023, April 27). Behind closed doors, Indiana lawmakers finalize bill to ban books from school libraries. WFYI Public Media.  
<https://www.wfyi.org/news/articles/behind-closed-doors-indiana-bill-ban-books-schools>
47. Opinion | In Indiana, the culture wars aim at Kinsey — the heart of sex research. (2023, May 11). Washington Post.  
<https://www.washingtonpost.com/opinions/2023/05/10/kinsey-institute-indiana-legislature-state-funds/>
48. <https://indianacapitalchronicle.com/2023/04/26/union-busting-bill-opposed-by-indiana-teachers-heads-to-governors-desk/>
49. Indiana Campaign Finance - Committee Detail. (n.d.). Campaignfinance.in.gov.  
<https://campaignfinance.in.gov/PublicSite/SearchPages/CommitteeDetail.aspx?OrgID=5620>
50. Indiana General Assembly. (n.d.). <https://iga.in.gov/legislative/2022/bills/house/1002/details>

## References

51. The Indianapolis Star. (n.d.). Wwww.indystar.com.  
<https://www.indystar.com/restricted/?return=https%3A%2F%2Fwww.indystar.com%2Fstory%2Fnews%2Fpolitics%2F2023%2F04%2F26%2Ftakeaways-indiana-state-budget-voucher-expansion-tax-cuts-mental-health-funding-dcs-lawyrs%2F70151920007%2F>
52. DOR. (2020, June 22). Corporate Tax and Sales Tax History. DOR.  
<https://www.in.gov/dor/business-tax/tax-rates-fees-and-penalties/corporate-tax-and-sales-tax-history/>
53. (2023, April 19). General Fund Revenue Forecast. <https://www.in.gov/sba/files/2.-Presentation-to-the-State-Budget-Committee-April-19,-2023.pdf>
54. Indiana General Assembly. (n.d.). Iga.in.gov. Retrieved August 29, 2023, from <https://iga.in.gov/legislative/2023/bills/senate/3/details>