Coverage of Behavioral Health Services for Children, Youth, and Young Adults with Significant Mental Health Conditions

Jim Wolting  Gary Macbeth
Sherry Peters  Kathryn O’Grady
National Technical Assistance Center For Children’s Mental Health, Georgetown University

Three Learning Objectives

• Understand finance reform as a strategic process involving numerous partners across multiple systems
• Gain a deeper understanding of the various federal, state, and local funding streams
• Understand how specific funding options can be applied to expanding system of care service approaches

Poll

How do you rate your experience in financing children’s mental health services?

a. Low
b. Medium
c. High

Poll

The 10% of children in Medicaid who receive mental health and substance use services account for what % of all Medicaid expenditures for children?

a. 20%
b. 38%
c. 52%

Funding Vehicles We Will Talk About

Medicaid and CHIP
Cross-system funding sources
State and local dedicated mechanisms
Federal grant and foundation resources

Why A Partnership Approach

• What do we know about children and youth with behavioral health needs?
  ✓ Multisystem involvement
  ✓ Complex service needs
  ✓ Are disproportionately served in high cost treatment settings
  ✓ Can benefit from best service delivery practices to reach positive outcomes
  ✓ Suffer from disparities in access to appropriate services
Poll

Where does the money go?
What three children’s behavioral health services account for the bulk of these Medicaid expenditures?

Top Three Highest Expenditure Services

- **Residential treatment and therapeutic group homes** account for largest percentage of total expenditures – 19.2% of all expenditures for 3.6% of children using behavioral health services.
- **Outpatient treatment** is second highest – 16.5% of all expenditures for 53.1% of children using behavioral health services.
- **Psychotropic medications** is third highest – 13.5% of all expenditures for 43.8% of children using behavioral health services.

  - *Total Medicaid expense for child and adolescent psychotropic medication use in 2005 was $1.6b, with 42% of expense represented by anti-psychotic use.*

Why A Partnership Approach

- It’s in every agency’s interest to improve outcomes and reduce costs.
- Agencies working alone have not been particularly effective with this population of children and youth.
- We know from outcome data that systems of care work.
- We know there are huge cost benefits or “Return on Investment” in a system of care approach.

Return On Investment for Child Welfare

- **Fewer children removed from family homes**
  - Wraparound > 90% of youth at risk of entering foster care remained with families. Reduced placement cost to Nebraska CW nearly $7 million (Baxter, 2013).
  - Colorado Kid Connects MH consultation estimated 40% reduction in avoided foster care placements in Boulder County (Heilbrunn, 2010).
- **Increased stability for children in placement** (Manteuffel & Lichtenstein, 2011).
- **Reduced behavioral & emotional problems in children in CW services** (ICF Macro Evaluation Brief, 2012).

Return On Investment for Education

- **Less likely to repeat grade in school after 12 months of BH support in systems of care**
  - Only 6.3% of children repeated a grade, compared with 9.6% of American students in general, resulting in a 35% lower cost per child (ICF International, 2013).
- **Reduction in high school dropout rate**
  - 8.6% of youth had dropped out of school, compared with an average of 20% of high school students with mental health challenges nationwide. Economic gains in average annual and lifetime earnings equivalent to estimated cost savings of 57% per youth (ICF International, 2013).

http://gucchdtacenter.georgetown.edu/publications/RSOCs.pdf


Return On Investment for Juvenile Justice & Law Enforcement

- Fewer detentions, lower recidivism, and reduced facility costs
  - Clark County, WA reported 58% fewer days of detention, 57% fewer days served, and lower recidivism rates than comparison group receiving conventional MH services (Pullman et al., 2006)
  - In Wraparound Milwaukee, average # of youth in detention facilities declined from 250 in 2007 to 142 in 2012. County costs declined by 37%, closed two of three juvenile correction facilities, and reinvested in community-based services (Kamradt, 2013)
  - Average cost per child for juvenile arrests decreased by 38% (ICF International, 2013)

Return On Investment for America’s Healthcare System

- Reduced reliance on psychiatric in-patient
  - Average cost of in-patient services per child decreased by 42%; average cost of emergency room services per child decreased by 57% (ICF International, 2013)
  - 32% reduction in MA of # of youth hospitalized & 30% reduction in hospital days by providing all health care services through community-based alternatives, at 32% of PRTF cost (MA Attorney General, 2012-13)

Taking A Strategic Approach to Financing

Leading Effective Change

- Change takes a long time
- Involves numerous steps
- Skipping any of the steps only creates the illusion of speed... and never produces a satisfying result.
- Recognize the importance of the learning process

Financing Strategies

- Maximize enrollment of eligible children
- Redeploy existing resources
- Refinance to maximize public funds
- Raise new revenues to expand services & supports or expand provider types
- Work across systems to braid or blend funding
- Improve reimbursement methods

Adapted - Pires, S.A. (Second edition, 2010), Building Systems of Care: A Primer, and Bazelon Center, (2012), Take Advantage of New Opportunities to Expand Medicaid Under the Affordable Care Act
Financial Mapping - Getting Started

- Identify policy leaders
- Prioritize financing
- Identify data management team
- Establish parameters
  - Population
  - Services
  - Funding sources
- Assess capacity to undertake process
  - Data and billing mechanisms
- Develop scope of project and workplan.

How is Financial Mapping Done?

Identify Potential Funding Sources:
- Services for youth may be supported by a number of Federal, State and even county/local funding sources.
- Address core funding sources first. Note if/how the use of those funds differs by eligibility group or other factors.
- Then examine funding sources that may be used to provide services.

Tip: It is helpful to group funding sources by policy domain (e.g. child welfare, health care, juvenile justice, education, housing, labor...)

Federal Funding Sources

Child Welfare

Medicaid

CHIP

MHBG

SABG

Juvenile Justice

Housing

Labor

Education

TANF

Federal Funding for Substance Use Disorders: FY ______

Some Fine Points about Financial Mapping

Working with some funding sources may be more challenging than with others:
- Some federal funding sources require reporting by service and by age group. In those cases, expenditures will be readily available.
- In cases where such reporting details are not required, mappers may need to:
  - Rely on back-up data.
  - Approximate the amount spent for the adolescent population.

Don’t let the perfect be the enemy of the good.
### Joint CMS and SAMHSA Informational Bulletin

Purpose is to assist states to design a benefit that will meet the needs of children, youth, and young adults with significant mental health conditions


### Background for Development of Informational Bulletin

Substance Abuse and Mental Health Services Administration’s (SAMHSA) Children’s Mental Health Initiative (CMHI)

Centers for Medicare and Medicaid (CMS) Psychiatric Residential Treatment Facility (PRTF) Waiver Demonstration Program

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### Treatment/Support

**FY06 Expenditures by Service Type**

- **Psychiatric Evaluations** 0.48%
- **Detoxification** 0.19%
- **Re-entry Case Management** 0.22%
- **Community Intervention** 0.88%
- **Behavioral Health Assessments** 0.45%
- **Recovery Homes** 0.02%
- **Childcare Residential** 0.39%
- **Substance Exposed** 0.01%
- **Intensive Outpatient** 1.54%
- **Halfway House** 0.02%
- **Recovery Home** 1.37%
- **Community Intervention** 0.39%
- **Case Management** 2.15%
- **Behavioral Health Assessments** 0.45%
- **Early Intervention** 4.12%
- **Residential Rehab-Youth** 70.47%
- **Residential Rehabilitation** 4.10%
- **Criminal Justice Ind/Group** 1.33%

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### Medicaid

Poll

Have you read the May 2013 joint SAMHSA and CMCS Bulletin and have you used it?

- a. Not Read
- b. Read, but not used it
- c. Am familiar and used it
Components of Informational Bulletin

- Background
- Benefit Design
- Medicaid Authorities and Demonstrations
- Quality Measures

Benefit Design

- Intensive Care Coordination: Wraparound Approach
- Parent and Youth Support Services
- Intensive In-Home Services
- Respite
- Mobile Crisis Response and Stabilization
- Flex Funds
- Trauma Informed Systems and Evidence-Based Treatments Addressing Trauma

Significance

Result of successes by states and communities to implement a system of care approach to services and data measuring positive outcomes

First time that CMS has explicitly endorsed a system of care approach

Gives permission to states to use Medicaid funding options to make it work

Services and payment mechanisms clearly stated and encouraged for adoption by states

Impact and Importance for Constituencies

- For State Medicaid Agencies
- For Family Advocates
- For State and Local Mental Health and Substance Abuse Agencies
- For Providers
- For Youth & Young Adults
- For Providers

CMS: Partnering with States to Achieve a High Performing Medicaid Program

Ensuring better care, better health, and lower costs

Moving from a safety net program

“Vehicles” - Medicaid Rehabilitation and Case Management Options

Medicaid State Plan:

- Rehabilitation Option
- Targeted Case Management Option
**Medicaid “Vehicles” - EPSDT**

Early and Periodic Screening, Diagnostic and Treatment Services provides:

- Preventive and comprehensive health services for Medicaid eligible individuals under age 21
- All medically necessary treatment whether or not such services are covered under a State’s Medicaid plan

**EPSDT Is Extremely Broad!**

- Must provide all potential services to children (even those that are optional for adults)
- May impose no arbitrary limits on EPSDT services
- States may only deny an EPSDT benefit when it is not medically necessary
- Heavily interpreted statute (at least 15 states with EPSDT court decisions)

*Source: Florida Agency for Healthcare Administration*

**Medicaid Authorities and Demonstration Programs**

- 1915(a) Waiver Authority
- 1915(b) Waiver Authority
- 1915(c) Waiver Authority
- 1115 Waiver Authority
- 1915(i) State Plan Amendment
- Section 2703 Health Homes
- Money Follows the Person Rebalancing Demonstration (MFP)
- 1115 Demonstrations: enables States to demonstrate different approaches to promoting the objectives of the Medicaid program through waivers of certain 1902 provisions

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**Poll**

Which of these Medicaid “vehicles” is your state currently using for children with behavioral health needs?

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**Poll**

Which of these Medicaid “vehicles” is your state actively considering using for children with behavioral health needs?
Alternative Benefit Plan (ABP) Service Delivery Options

- Managed Care
  - May include any of the existing Medicaid managed care options (MCO, PIHP, PAHP, PCCM)
  - May build from an existing Medicaid managed care program

- Fee-for-Service
  - Traditional Medicaid delivery system

- Other
  - States may propose combinations of service delivery options

1915(j) State Plan Amendment

- Home and Community-Based Services only available through Medicaid Waivers can now be provided as benefits through amendments to the State Medicaid Plan
- Services may include respite care, case management, personal care, behavioral interventions, skills training, supported employment, mentoring, parent and youth support partners
- Income eligibility is up to 150% of federal poverty level or 300% of the maximum SSI payment
- May be phased in over a five-year period

“Vehicles” - Money Follows the Person

- Allows states to focus on individualized, home and community based care options rather than inpatient/facility based services
- Eligible children must have been in a Psychiatric Residential Treatment Facility (PRTF), inpatient psychiatric unit, or state psychiatric hospital for at least 90 consecutive days

Money Follows the Person Examples

- Let’s go to our Georgetown website to view some state models in operation
  - http://gucchdtacenter.georgetown.edu/TATopics/HealthReform.html

Money Follows the Person

- Can be used to transition youth out of placement and back to a home and community based setting and into a waiver program or state plan services
- Gives states the option of building a comprehensive, individualized, culturally responsive service and support package for children and youth with the most severe disabilities
- Enhanced federal match rate for 365 days

- Let’s go to our Georgetown website to view some state models in operation
  - http://gucchdtacenter.georgetown.edu/TATopics/HealthReform.html
Medicaid Health Homes

• Integrated healthcare approach - primary and disability specific care in one location
• States can enroll Medicaid beneficiaries with chronic conditions
• No Wrong Door - care management and coordination
• Health Homes must serve all ages
• Enhanced Federal match rate

Health Home Services

• Comprehensive care management
• Care coordination and health promotion
• Comprehensive transitional care from inpatient to other settings
• Individual and family support
• Referral to community and social support services
• Use of information technology

Health Home Examples

• Let’s go to our Georgetown website to view some state models in operation
  – http://gucchdtacenter.georgetown.edu/TATopics/HealthReform.html

Accountable Care Organizations

• States can develop Accountable Care Organizations (ACOs) to innovate with provider networks to better identify and address health, behavioral health and disability service needs
• An ACO is a non-profit with a network of providers who agree to be responsible for the overall care of patients

• Oregon and Colorado are leading the way. Let’s look at their models
  – http://gucchdtacenter.georgetown.edu/TATopics/HealthReform.html
• Opportunity: To demonstrate approaches to better identify and address behavioral health and disability service needs by primary care practitioners

Accountable Care Organizations

• Allows states to innovate with service delivery, payment models for ACO network providers, risk adjustment strategies, and service models
• Offers fiscal incentives for reducing costs of care
Quality Measurement for Better Health at Lower Costs

- CHIPRA
- HITECH
- Affordable Care Act

Quality Measurements

The Children’s Health Insurance Program Reauthorization Act of 2009 (CHIPRA), the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH) and the Affordable Care Act promoted new:

- Clinical quality reporting programs adding to existing Medicare quality reporting programs
- Measure sets that may be used by state Medicaid programs and private plans
- Core measure sets which include measures related to hospital readmission rates for children and youth with mental health and substance use conditions

Cross System Funding Sources

Funding Silos

Examples Of Behavioral Health Funding To Purchase Mental Health Services For Children And Their Families

- Multi-systemic therapy
- Wraparound process:
  - Facilitation
  - Team member participation
- Intensive in-home services
- Family psycho-educational services
- Integrated MH-SA treatment
- Assertive Community Treatment (ACT) teams
- Flexible funds
- Therapeutic foster care
- Respite care
- Family peer support
- Youth peer support
- Illness/disability self-management
- Telemedicine-delivered services
- Traditional healing modalities
- Day programs

Coordinate and Redirect Current Funding to Support Comprehensive Community Services

Examples Of Behavioral Health Funding To Purchase Mental Health Services For Children And Their Families

<table>
<thead>
<tr>
<th>MENTAL HEALTH AND SUBSTANCE USE</th>
<th>CHILD WELFARE</th>
<th>HEALTH</th>
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<tbody>
<tr>
<td>State General Fund</td>
<td>State General Fund</td>
<td>State General Fund</td>
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<tr>
<td>County General Fund</td>
<td>Federal Title IV-E (Foster care, adoption, guardianship, youth services)</td>
<td>County General Fund</td>
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<td>Federal Title IV-B (CMR services)</td>
<td>Federal Title IV-B (CMR services)</td>
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<td>Federal Family Preservation</td>
<td>Federal Title IV-E Demonstrations</td>
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<tr>
<td>County General Fund</td>
<td>Title V Mental and Child Health</td>
<td>Title V Mental and Child Health</td>
</tr>
</tbody>
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Source: Sheila Peers, Adapted
Federal Cross System Funding Sources

- Combined MH, SA Block Grants
  - Creates new opportunities for non-traditional services provided by non-traditional providers (mental health and substance abuse should have representatives at the planning and decision-making tables)
  - Adolescents now a priority population (no dollars attached or mandates for spending)
  - Family voice – Inclusion of mental health and substance use consumer voices

Child Welfare Expenditures

NEARLY $29.4 BILLION SPENT ON CHILD WELFARE SERVICES IN UNITED STATES IN SFY 2010

- $13.6 billion from federal funds (46%)
- $12.5 billion from state funds (43%)
- $3.3 billion from local funds (11%)

Total Expenditures Include

- Services for Children and Families to Prevent Abuse and Neglect
- Family Preservation Services
- Child Protective Services (intake, family assessment, investigation, and case management)
- In-Home Services
- Out of Home Placements
- Adoption and Guardianship Services and Supports
- Transitioning Youth Services

Major Sources of Federal Child Welfare Funding

- Title IV-E of the Social Security Act
- Title IV-B of the Social Security Act
- Temporary Assistance to Needy Families (TANF)
- Title XX Social Services Block Grant (SSBG)
- CAPTA Grants

Title IV-E of the Social Security Act

DEDICATED FUNDING SOURCE FOR:

- Foster Care
- Adoption Assistance
- Guardianship Assistance
- Chafee Foster Care Independence Program
**TITLE-IVE FUNDING AVAILABLE FOR**

- Foster Care, Guardianship, and Adoption placement, administrative, and training costs
- Training and independent living skills for former and current qualified foster youth
- Recruitment of foster parents
- Costs related to design, implementation, and operation of a state-wide data collection system

**Title IV-E Waiver Demonstration Projects**

- Allow State child welfare agencies to use funding more flexibly to improve outcomes
- Top priorities are promoting social and emotional well-being and addressing traumas
- Most States' applicants are partnering with Medicaid and implementing evidence-informed practices

**Title IV-B Subpart 2 Social Security Act**

- Family Preservation Services
- Family Support Services
- Time-limited Reunification Services
- Adoption Promotion and Support Services

**Temporary Assistance to Needy Families TANF**

- Time Limited Block Grant can be spent on other non-welfare programs if reasonably calculated to be in support of one of the goals:
  - Assist needy families to care for children in own or relatives home
  - Promote job preparation, work, and marriage to reduce need for government benefits
  - Prevent/reduce out of wedlock pregnancies
  - Encourage two parent families

**Title XX Social Services Block Grant**

- Prevent or remedy neglect, abuse or exploitation of children and adults unable to protect own interests
- Preserve, rehabilitate, and reunite families
- Prevent or reduce inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care

**Child Abuse and Prevention Act Grants**

- Funds for states to improve child protective services systems
- Emphasis on promoting parent leadership and participation
- Supported programs include voluntary home-visiting programs, parenting programs, family resource centers, and respite and crisis care
- Emphasis on promoting increased use and high quality implementation of evidence-based and evidence informed programs and practices

**CAPTA**

- Prevention or remedy neglect, abuse or exploitation of children and adults unable to protect own interests
- Preserve, rehabilitate, and reunite families
- Prevent or reduce inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care

**Permanency Planning for Children in Foster Care**

- Continue to use the Child Welfare Information Gateway (CWIG) to assist States in meeting the new biennial data requirement in accordance with the CAPTA reauthorization
- Additional details on how States can access the CWIG can be found on the CWIG website.
Michigan Community Based 1915 (c) waiver and SED/GF benefit

- $1.76 million GF from child welfare created eight county pilot with almost $6 million Medicaid draw down
- Mental health services provided in the community for child in CW system with significant mental health needs, who would otherwise be in high end residential
- SED/GF benefit provided mental health services for children in foster care, who did not qualify for waiver, but were in need of specialty mental health services. Wraparound was required.

Child Welfare Funding Resources

- Partnering with Child Welfare – Tip Sheet
  http://www.acf.hhs.gov/sites/default/files/ob/m1204.pdf
- Child Welfare Financing in the United States

Federal Education Funding Streams

- Elementary and Secondary Education Act (ESEA)
  a.k.a. No Child Left Behind (NCLB)
- Individuals with Disabilities Education Act (IDEA)
- Race to the Top State Grants
- Federal 0-3 and 3-5 State Grants

State and Local Dedicated Mechanisms

- State Trust Funds for Child and Family Services
  - Special taxes:
    - California - Proposition 63
    - Missouri, Illinois - County Tax Leves

Federal Grant and Foundation Resources

Using Federal and Foundation Resources to Expand Systems of Care

Federal grants and Foundation funding can:
- Be useful in developing pilots to demonstrate effective and replicable approaches
- Underwrite projects like putting in place uniform child screening across agencies or starting statewide youth organizations
- Bring the national spotlight to the state to reinforce efforts
- Give momentum to tackle hard issues

Mental Health

- System of Care Planning and Expansion
- Circles of Care/Tribal Systems of Care
- Healthy Transitions Initiative
- Statewide Family Networks

Substance Use

- Cooperative Agreements for State Adolescent Treatment Enhancement and Dissemination (Short title: SAT-ED)
- Cooperative Agreements for State Adolescent and Transitional Aged Youth Treatment Enhancement and Dissemination (Short Title: State Youth Treatment)
- Program Supplement for MAI-TCE Program: Enhancement of HIV Care and Outcomes through Screening for Substance Use and Mental Disorders
- AI-TCE Behavioral Health Screening Supplement

Education

- State Personnel Development Grants (SPDG)
- Safe Supportive Schools
- Safe Schools Healthy Students
- Early Learning Challenge Grants
- District Grants

Juvenile Justice

- Second Chance Act
- Byrne Criminal Justice Innovation Program (BCJI)
- Byrne Competitive Grants
• MacArthur Foundation
  www.macfound.org
• Annie E. Casey Foundation
  www.aecf.org
• Robert Wood Johnson Foundation
  www.rwjf.org
• Casey Family Programs
  www.casey.org
• Public Welfare Foundation
  www.publicwelfare.org

• **Never Overlook the Obvious**: Federal grants and cooperative agreements
• **Think Outside the Box**: New Federal/State opportunities like Medicaid, HRSA/workforce development, IV-E Waivers
• **Go Where the Action Is**: Psychotropic medications use, Building Bridges, MH parity
• **Coming Home at Last**: Redeploy funds into more cost-effective services

• **Leverage Hope!** Invest in supports that build client capacities and buy-in
• **Box? What Box?** Private-public partnerships with United Way/community organizations, private foundations, corporations, and higher education
• **Transcend the Slice, and Grow the Pie!** Leverage individual and family strengths and assets, and other informal supports to build momentum for change

**Contact Information**

Jim Wotring
jw9@georgetown.edu
Gary Macbeth
gfm5@georgetown.edu
Sherry Peters
slp45@georgetown.edu
Kathryne O’Grady
ko417@georgetown.edu

National Technical Assistance Center
For Children’s Mental Health,
Georgetown University