

FY 2018-2019 GOVERNOR'S PROPOSED BUDGET STAKEHOLDER BRIEFING

LYNN KOVICH, DEPUTY SECRETARY
OFFICE OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES

March 12, 2018



Community Mental Health Services: \$628.099 million

- Base Funds for Community Programs; Children’s programs; Projects for Assistance in Transition from Homelessness (PATH)
- Community/Hospital Integration Projects Program (CHIPPs)
- Southeast Integration Projects Program (SIPPs)
- Behavioral Health Special Initiative (BHSI) - Mental Health
- Mental Health (MH) Block Grant, Social Services Block Grant (SSBG), Other Federal (PATH, etc.)

State-Operated Facilities: \$436.759 million

DHS Administered BHSI/Drug & Alcohol & Act 152: \$53.156 million

Medicaid: \$3.991 billion

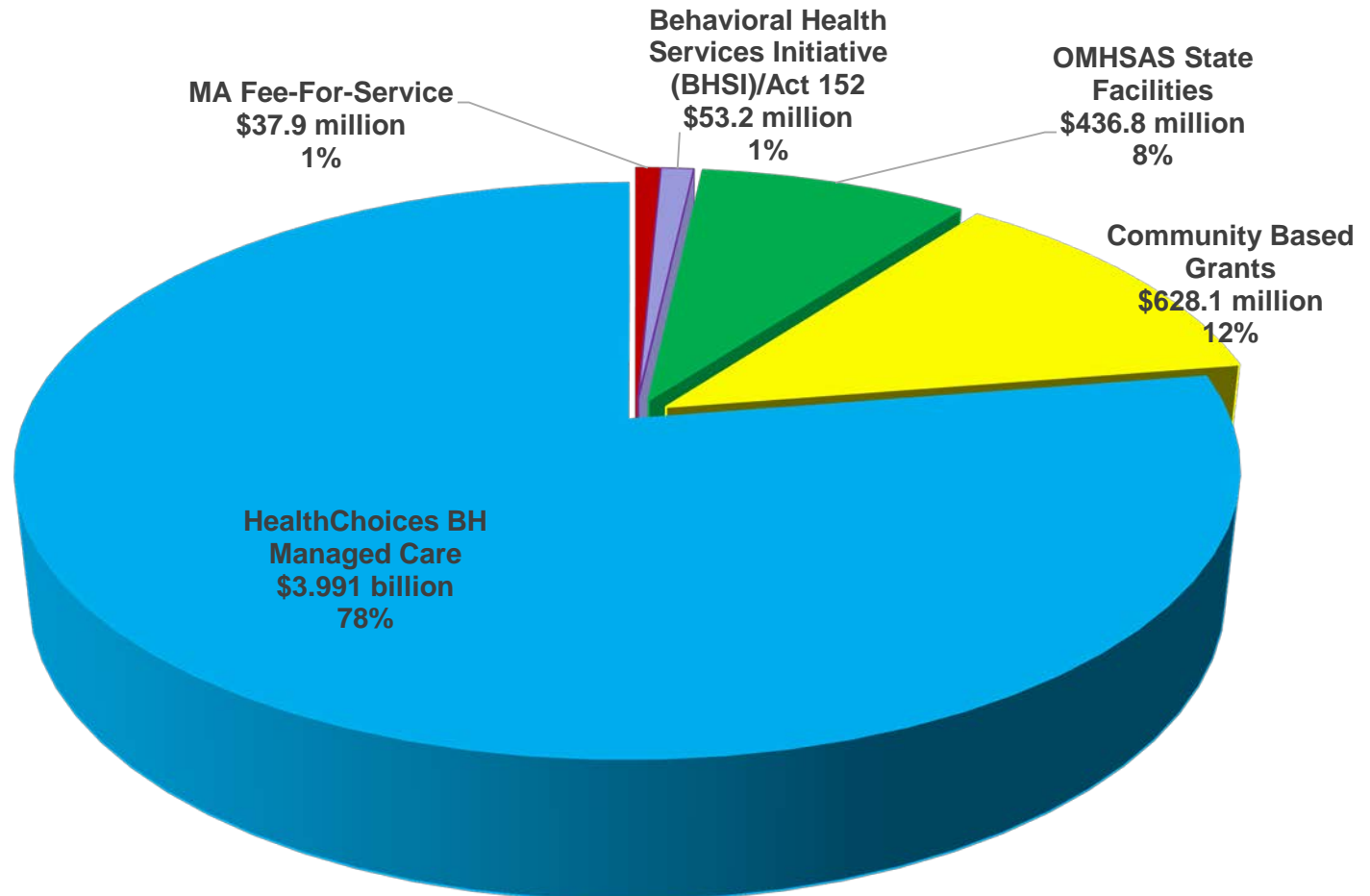
- Behavioral Health Fee-For-Service (BH FFS)
- HealthChoices Behavioral Health

Special Pharmaceutical Benefits Program (SPBP): \$ 1.008 million

The FY 2018-19 Governor's Executive Budget includes:

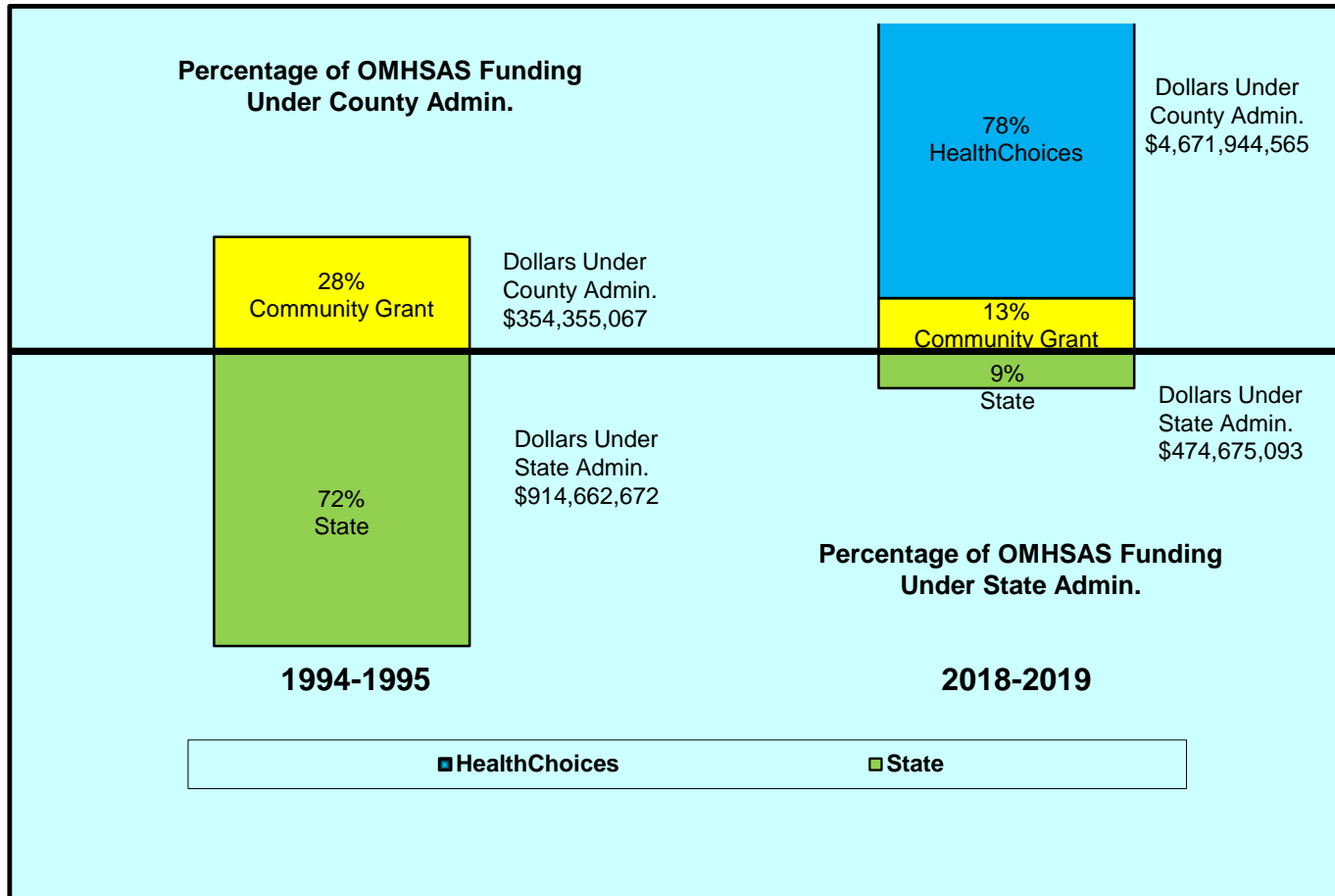
- \$4.885 million in CHIPPs funding to annualize FY 2017-18, six-month funding;
- Maintenance of BHSI D&A funding at \$29,902,200 for drug and alcohol treatment service costs;
- Maintenance of BHSI funding for Centers of Excellence at \$10 million for 20 COEs;
- As of February 9, 2018, there were 721,896 newly-eligible individuals in HealthChoices receiving the new-adult benefit package;
- As of January 2018, 2.6 million people were enrolled in HealthChoices Behavioral Health; *and*
- A projected \$3.9 billion in HealthChoices Behavioral Health Managed Care funding.

FY 2018-19 Requested OMHSAS Funding (cont.)



Total Funding = \$5.147 billion

Movement of Funding from State Administration to County Administration



OMHSAS FY 2018-19 Budget Summary



pennsylvania
DEPARTMENT OF HUMAN SERVICES

APPROPRIATION	SOURCE	Fiscal Year 2016-17 Actual	Fiscal Year 2017-18 Available	Fiscal Year 2018-19 Recommended
MH Services	State	\$806,273,800	\$779,053,800	\$793,519,800
BHSI MH	Federal	\$225,614,000	\$245,528,000	\$233,899,000
	Augmentations	\$9,588,000	\$37,439,000	\$37,439,000
	TOTAL	\$1,041,475,800	\$1,062,020,800	\$1,064,857,800
BHSI D&A/Act 152	BHSI (State)	\$35,870,200	\$39,902,200	\$39,902,200
	MAOP/Act 152 (State)	\$13,254,000	\$13,254,000	\$13,254,000
	TOTAL	\$49,124,200	\$53,156,200	\$53,156,200

OMHSAS FY 2018-19 Budget Summary (cont.)



APPROPRIATION	SOURCE	Fiscal Year 2016-17 Actual	Fiscal Year 2017-18 Available	Fiscal Year 2018-19 Recommended
MH/D&A MA Capitation	State	\$1,328,106,391	\$1,415,898,986	\$1,506,166,149
	Federal	<u>\$2,427,080,397</u>	<u>\$2,389,519,298</u>	<u>\$2,484,523,416</u>
	TOTAL	\$3,755,186,788	\$3,805,418,284	\$3,990,689,565
MH/D&A MA Fee-For-Service	State	\$16,448,989	\$17,353,461	\$18,604,477
	Federal	<u>\$17,771,239</u>	<u>\$17,558,461</u>	<u>\$19,311,616</u>
	TOTAL	\$34,220,228	\$34,911,922	\$37,916,093

OMHSAS FY 2018-19 Budget Summary (cont.)



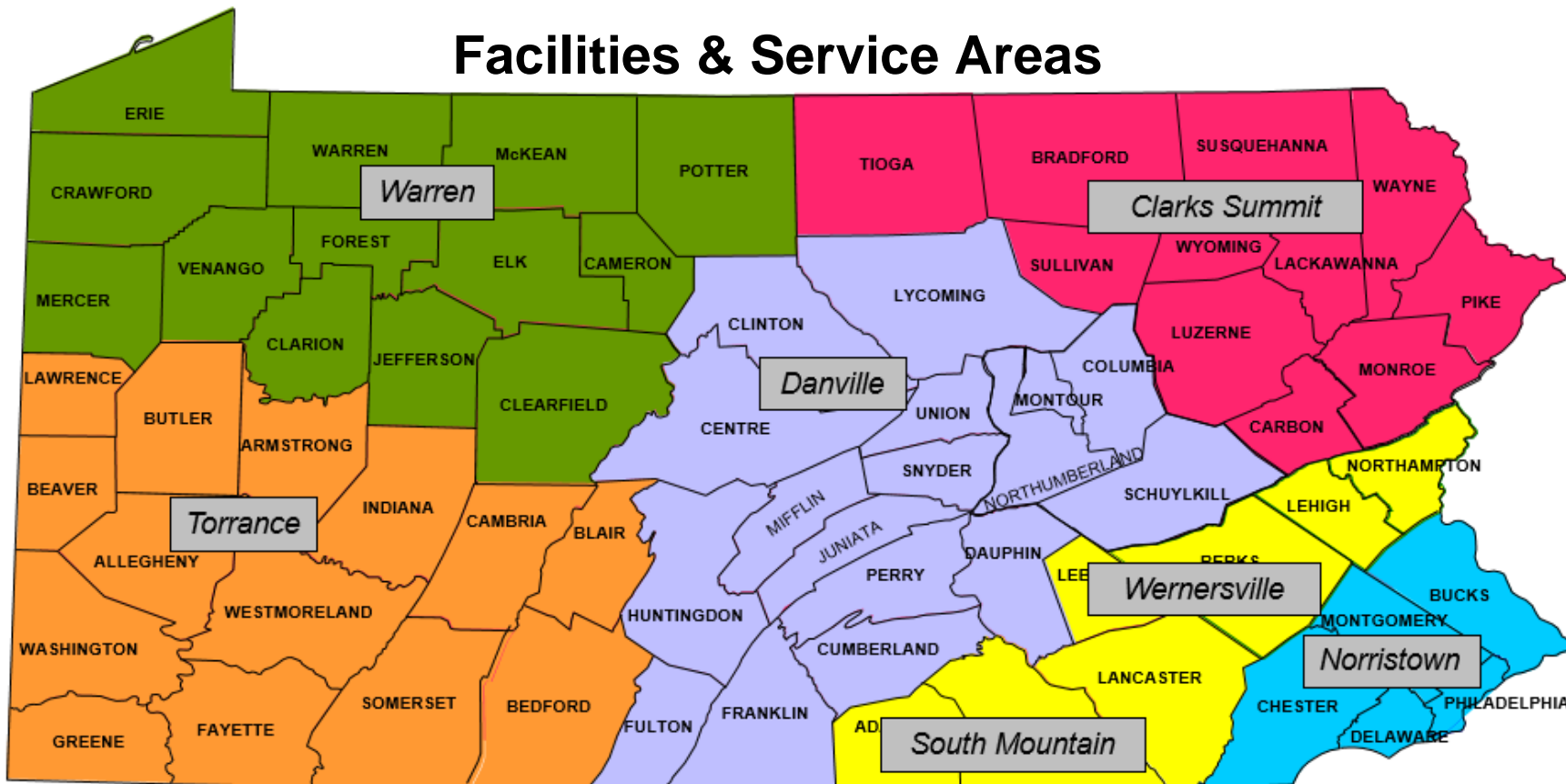
APPROPRIATION	SOURCE	Fiscal Year 2016-17 Actual	Fiscal Year 2017-18 Available	Fiscal Year 2018-19 Recommended
Grand Total	State	\$2,199,953,380	\$2,265,462,447	\$2,371,446,626
	Federal	\$2,670,465,636	\$2,652,605,759	\$2,737,734,032
	Augmentation	\$9,588,000	\$37,439,000	\$37,439,000
	TOTAL	\$4,880,007,016	\$4,955,507,206	\$5,146,619,658



- 6 state hospitals and 1 long-term nursing care facility.
- **On 02/19/18, the census within these state-managed facilities was:**
 - 1,032 (Civil)
 - 143 (Long-Term Care)
 - 227 (Forensic)
 - 59 (Sexual Responsibility and Treatment Program (SRTP))
- **FY 2018-19 funding requested for these seven State Mental Health Facilities amounts to \$436.759 million, comprised of:**
 - \$357.418 million (Personnel)
 - \$78.081 million (Operating)
 - \$1.260 million (Fixed Assets)
- Authorized complement cap for FY 2018-19 is 3,449 positions funded for 26.2 pay periods.



Facilities & Service Areas



<p>Warren Staff 383 Patients 151</p> <p>Torrance Staff 664 Patients 313</p>	<p>Danville Staff 362 Patients 158</p> <p>Clarks Summit Staff 375 Patients 175</p>	<p>Norristown Staff 566 Patients 268</p> <p>Wernersville Staff 564 Patients 253</p>	<p>South Mountain serving all counties Staff 261 Patients 143</p>
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The FY 2018-19 Governor's Executive Budget includes:

- \$4.885 million to annualize 90 FY 2017-18 CHIPPs.

In FY 1991-92 (inception):

- CHIPP funding FY 1991-92 = \$6.5 million
- Total Beds = 170

As of FY 2017-18:

- Total Cumulative CHIPP funding: \$289.2 million
- Total Cumulative CHIPPs = 3,551

- Chapter 5200 and 1153 – Psychiatric Outpatient Clinic Services Licensing and Payment, respectively
- Chapters 5240 and 1155 – Intensive Behavioral Health Services Licensing and Payment, respectively
- Chapter 5230 – Psychiatric Rehabilitation Services
- Chapter XXXX – Mental Health Targeted Case Management (MH-TCM)
- Chapters 5300 and 1151 – Inpatient Psychiatric Licensing and Payment to include the following inpatient settings:
 - Free-standing psychiatric hospitals and psychiatric units in general hospitals
 - Extended Acute Care (EAC)
 - Psychiatric Residential Treatment Facility (PRTF) for under 21
 - Residential Treatment Facility for Adults (RTF-A)

- **Collaborative Documentation**
 - In Executive Review
- **Continuity of Care**
 - Undergoing OMHSAS revisions, based on public comments
- **Patient's Rights (for State Hospitals)**
 - Undergoing OMHSAS revisions
- **Tele-behavioral Health (rewrite of Tele-psych Bulletin)**
 - In development by OMHSAS

1115 SUD Demonstration – Why?

- Final Medicaid Managed Care rule, issued by CMS in May 2016, included a provision that:
 - A state shall not receive Federal Financial Participation (FFP) for enrollees ages 21-64 who receive treatment in an Institution for Mental Disease (IMD), if the length of stay is greater than 15 days during the month.
- Residential Substance Use Disorder (SUD) services (*detox, non-hospital D&A, and halfway houses*) are considered IMDs, if they have more than 16 beds.

Impact of the Federal Managed Care Rule

- PA has been providing these services as medically-necessary and cost-effective alternatives (in lieu of services) to State Plan Services, under Behavioral Health Managed Care, for two decades – without any arbitrary limitations on length of stay.
- This CMS rule change would impact:
 - nearly 160 SUD IMD providers
 - about 12,240 individuals statewide

Purpose of 1115 Demonstration Waiver

To afford continued access to high-quality, medically-necessary treatment for opioid use disorder (OUD), as well as for other SUDs.

- This Demonstration is the only way to continue the federal funding needed to support the continuation of medically-necessary services and SUD treatment in residential facilities that meet the definition of IMDs.

Construction of the Waiver Application

- The Waiver application was drafted in collaboration with the Department of Health and the Department of Drug & Alcohol Programs.
- The application was drafted in accordance with the requirements stipulated by CMS.

Public Notice & Hearings

- The public notice and process done per 42 CFR 431.412(a)(1)(viii) and 42 CFR 431.408
- Four public hearings throughout the state to accept testimony (Scranton, Norristown, Mechanicsburg, New Castle)
- Individuals had the option to submit written testimonies at the public hearings or to email their comments to OMHSAS.
- OMHSAS provided an overview and solicited comments at the Medical Assistance Advisory Committee.

Final SUD 1115 Final Application

- Input from public comments were reviewed and considered in the construction of the final application. Additionally, OMHSAS consulted with CMS staff.
- While Medicaid expenditures and enrollment are *not* expected to materially change as a result of the Demonstration, they *are* expected to have normal trend.
- The Demonstration application will be submitted to CMS as soon as all of the signoffs are received.

CHC: as it relates to Behavioral Health

- **Community HealthChoices (CHC)** is a Medicaid managed care program that will include physical health benefits and long-term services and supports (LTSS).
- Those who are eligible for CHC include:
 - Individuals who are 21 years of age or older *and* are dually-eligible for Medicare and Medicaid; **and**
 - Individuals who are 21 years of age or older *and* are eligible for Medicaid (LTSS) because they need the level-of-care provided by a nursing facility.
- All participants will receive behavioral health services through the existing HealthChoices-Behavioral Health MCOs.
- This is new for Aging Waiver participants, as well as for nursing facility residents, who receive BH services through fee-for-service, while dual-eligible individuals have always received BH services through HealthChoices-Behavioral Health MCOs.

Phase 1 – Southwest 2018

Timeline: Phase 2 – January 2019

Phase 3 – January 2020



QUESTIONS?

To ensure that you receive invitations to future public meetings and presentations, visit www.parecovery.org and join the OMHSAS listserv.