

**Behavioral Health Administration – Mental Health
030 - PL - CL - TRIBAL BEHAVIORAL HEALTH PROGRAMS**

Agency Submittal: 11-2017-19-YR Agency Req

Budget Period: 2017-19

SUMMARY

Tribal governments, through tribal consultation at the state and federal level, stated there is a lack of access to culturally appropriate and timely behavioral health services for American Indian (AI)/Alaska Native (AN) individuals. Establishment of a Fee-for-Service (FFS) behavioral health system and an Evaluation and Treatment (E&T) Facility that specializes in serving the AI/AN population is responsive to these concerns. The Behavioral Health Administration (BHA) is requesting \$5,412,000 in Total Funds, (\$1,379,000 GF-State) and 3.0 FTEs to maintain an infrastructure for a FFS program and funding for an E&T.

PROBLEM STATEMENT

BHA has insufficient funding to establish the requested, specialized, behavioral health Fee-for-Service (FFS) program for the AI/AN population outside of the Behavioral Health Organizations (BHOs). Tribal governments, through tribal consultation at the state and federal level have stated there is a lack of access to culturally appropriate and timely behavioral health services for AI/AN individuals. The Centers for Medicaid and Medicare Services (CMS) indicated the approval of our Medicaid Waiver for behavioral health, which must be renewed by January 2017, is contingent on the state implementing a plan to address the tribes' concerns.

The specific requests made through consultation are to establish a FFS behavioral health system and open an E&T Facility on Tribal lands. The E&T Facility would be expected to be owned and operated by a Tribal government or entity in the 2017-19 Biennium, specializing in culturally appropriate services for this population, and create overall capacity for E&T services in the state.

The AI/AN FFS program would allow AI/AN individuals to access all Medicaid funded behavioral services without being enrolled in a managed care program. These actions would be responsive to tribal consultation requests.

If this request is not adopted, tribal leaders will continue to make requests to the state and to CMS to be carved out of any managed care programs and the state will be seen as unresponsive to these requests. CMS has indicated that future approvals of Medicaid Waivers for behavioral health services are contingent on an agreed upon plan between the state and tribal leaders about the future of behavioral health services for AI/AN individuals. Specifically, CMS may not approve the extension of our 1915(b) waiver (that expires in January 2017) which would eliminate approximately \$1.2 Billion in Federal Financial Participation to support Washington's behavioral health managed care system.



DSHS VISION

People are healthy • People are safe • People are supported • Taxpayer resources are guarded

DSHS MISSION

To transform lives

DSHS VALUES

Honesty and Integrity • Pursuit of Excellence • Open Communication • Diversity and Inclusion • Commitment to Service

PROPOSED SOLUTION

Effective July 1, 2017, establish a behavioral health fee for service Medicaid program for AI/AN individuals who choose not to enroll in managed care, providing these individuals direct access to services without the need to request services through a BHO or Managed Care Organization (MCO). This is expected to resolve issues tribes have raised to the state and CMS about equitable access based on tribal referrals, identified needs, and their right to not participate in managed care.

Establishment of an E&T Facility on tribal land will create access for AI/AN to a specialized facility when they are involuntarily committed and allow the state to pilot use of tribal courts and processes for involuntary commitment. Tribes have specifically asked for this authority in multiple requests to the state and CMS.

EXPECTED RESULTS

Eligible AI/AN Medicaid individuals will be able to access these critical behavioral services in the community and therefore will:

- Be able to directly access mental health and substance use disorder treatment without participating in a managed care program.
- Have a network of FFS providers that is maintained and recruited by the state to meet their needs.
- Have consistent rates for similar services across Medicaid.
- Have access to an E&T Facility that specializes in providing care specifically for AI/AN individuals.

By funding this request, the state will be taking critical steps toward creating a Tribal Centric Behavioral Health system in partnership with tribal leadership and CMS.

If this request is not adopted, tribal leaders will continue to make a request to the state and CMS to be carved out of any managed care programs and the state will be seen as unresponsive to these requests. CMS has indicated that future approvals of Medicaid Waivers for behavioral health services are contingent on an agreed upon plan between the state and tribal leaders about the future of behavioral health services for AI/AN individuals.

STAKEHOLDER IMPACT

This proposal is expected to have the support from federally recognized Tribal Governments, the Health Care Authority and CMS. A FFS program operated outside of managed care has the potential for additional administrative burdens for behavioral health providers and Behavioral Health Organizations.

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OTHER CONNECTIONS

Performance Outcomes/Important Connections

- 1. Does this DP provide essential support to one or more of the Governor's Results Washington priorities?**
Goal 4: Healthy & Safe Communities - Healthy People - Provide access to good medical care to improve people's lives.
- 2. The decision package meets the following DSHS' strategic objectives:**
2.2: Increase timely access to outpatient mental health services.
3.2: Increase outpatient Substance Use Disorder treatment retention for adults.
- 3. Identify other important connections or impacts below.** (Indicate 'Yes' or 'No'. If 'Yes' identify the connections or impacts related to the proposal.)
 - a) Regional/County impacts? Yes. The BHOs are impacted as they will no longer be receiving the PMPM for these individuals reducing the overall revenue they receive to provide services.
 - b) Other local government impacts? No
 - c) Tribal government impacts? Yes. Tribes will be impacted as AI/AN individuals will be carved out from Managed Care.
 - d) Other state agency impacts? Yes. This has future implications on the Health Care Authority as well as upgrades to Provider One.
 - e) Responds to specific task force, report, mandate or executive order? No
 - f) Does request contain a compensation change or require changes to a Collective Bargaining Agreement? No
 - g) Facility/workplace needs or impacts? Yes. There would need to be additional space for staff who would be supporting the fee-for-service system.
 - h) Capital budget impacts? Yes. Capital Budget funding could be requested by the tribes through the Department of Commerce for the E&T.
 - i) Is change required to existing statutes, rules or contracts? Yes
 - j) Is the request related to litigation? No
 - k) Is the request related to Puget Sound recovery? No
 - l) Other important connections? No

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4. Please provide a detailed discussion of connections/impacts identified above.

In order for BHA to respond to tribal consultation between the state and CMS, it requires BHA to work collaboratively with the Tribal Governments, Health Care Authority, regional/county governments, Behavioral Health Organizations, and other stakeholders to develop and implement a FFS mental health and substance use disorder program. BHA was required by CMS to maintain a FFS substance use disorder program for AI/AN individuals on April 1, 2016, and will be expected to expand that program to mental health services, a program that has not existed since 1989.

This proposal will require a capital expenditure estimated at \$2.0 million to build a new Tribal E&T Facility in addition to operating funds. However, it is estimated that the majority of operating costs could be 100 percent federal funds if the facility is on tribal lands serving tribal members. If non-tribal members access the program, it would require the standard state and federal match for current Medicaid eligibility groups.

BHA expects there may be some regulatory impacts which will need to be analyzed. SB6312 which created BHOs and moved substance use disorders to managed care on April 1, 2016, did not anticipate that BHA would ultimately be required by CMS to develop a carved out FFS program for AI/AN individuals.

Alternatives/Consequences/Other

5. What alternatives were explored by the agency, and why was this alternative chosen?

During tribal consultation between the State and CMS, the State proposed some alternatives which consisted of:

- AI/AN individuals remaining in a fully integrated managed care system.
- Continuing to carve out only AI/AN substance use disorder services.
- Creating an AI/AN carve out for AI/AN mental health and substance use disorders.

During recent tribal consultations, tribes have been supporting the third alternative as the only option that would meet tribal concerns and issues.

6. How has or can the agency address the issue or need within its current appropriation level?

Because BHA does not have sufficient funding for this proposal, BHA would need additional funding or would be required to eliminate current programs and services which would have a negative impact on the lives of those individuals in need of behavioral health treatment services.

7. Does this decision package include funding for any IT-related costs (hardware, software, services, cloud-based services, contracts or IT staff)?

- No
 Yes (Include an IT Addendum)

Fiscal Detail**030 - PL - CL - Tribal Behavioral Health Programs**

Operating Expenditures	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
001-1 General Fund-State	228,000	1,151,000	1,151,000	1,151,000
001-C General Fund-Medicaid	151,000	3,882,000	3,882,000	3,882,000
Total Cost	379,000	5,033,000	5,033,000	5,033,000

Staffing	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
FTEs	3.0	3.0	3.0	3.0

Performance Measure Detail

Activity:	Incremental Changes			
	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Program: 030				
C900 Program Support for Mental Health	0	0	0	0
C018 Mental Health Services - Non-Medicaid	0	0	0	0
No measures submitted for package				

Object Detail

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
A Salaries and Wages	240,000	240,000	240,000	240,000
B Employee Benefits	81,000	81,000	81,000	81,000
E Goods and Other Services	19,000	19,000	19,000	19,000
G Travel	11,000	11,000	11,000	11,000
J Capital Outlays	18,000	0	0	0
N Grants, Benefits, and Client Services	0	4,672,000	4,672,000	4,672,000
P Debt Service	1,000	1,000	1,000	1,000
TZ Intra-agency Reimbursements	9,000	9,000	9,000	9,000
Total Objects	379,000	5,033,000	5,033,000	5,033,000

DSHS Source Detail**Overall Funding**

Operating Expenditures	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
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Fund 001-1, General Fund-State**Sources Title**

0011 General Fund State	228,000	1,151,000	1,151,000	1,151,000
Total for Fund 001-1	228,000	1,151,000	1,151,000	1,151,000

Fund 001-C, General Fund-Medicaid**Sources Title**

19TA Title XIX Assistance (FMAP)	0	3,738,000	3,738,000	3,738,000
19UL Title XIX Admin (50%)	151,000	144,000	144,000	144,000
Total for Fund 001-C	151,000	3,882,000	3,882,000	3,882,000

Total Overall Funding	379,000	5,033,000	5,033,000	5,033,000
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2017-19 Biennial Budget

PL-CK-Tribal Behavioral Health Programs

**Behavioral Health Administration - Mental Health
TRIBAL BEHAVIORAL HEALTH PROGRAMS**

E&T	FY18	FY19	FY20	FY21
Capital Budget				
Construction Costs	\$ 2,000,000			
Operating Budget				
E&T Operating Cost	Beds	Rate	Days	
GF-S (20%)*				\$ 934,000
GF-F (80%)				\$ 3,738,000
Total	16	\$ 800	365	\$ -
Fee-for-Service Staffing (WMS Band 2)				
FTE	3.0	3.0	3.0	3.0
GF-S (60%)	\$ 228,000	\$ 217,000	\$ 217,000	\$ 217,000
GF-S (40%)	\$ 151,000	\$ 144,000	\$ 144,000	\$ 144,000
Total	\$ 379,000	\$ 361,000	\$ 361,000	\$ 361,000
FTE	3.0	3.0	3.0	3.0
GF-S	\$ 228,000	\$ 1,151,000	\$ 1,151,000	\$ 1,151,000
GF-F	\$ 151,000	\$ 3,882,000	\$ 3,882,000	\$ 3,882,000
Total	\$ 379,000	\$ 5,033,000	\$ 5,033,000	\$ 5,033,000
FTE		3.0		3.0
Biennial Total GF-S		\$ 1,379,000		\$ 2,302,000
Biennial Total GF-F		\$ 4,033,000		\$ 7,764,000
Biennial TOTAL		\$ 5,412,000		\$ 10,066,000

*20% GF-S estimated for Non-Medicaid services, and non-natives accessing services.