

**BEHAVIORAL HEALTH & SERVICE
INTEGRATION ADMINISTRATION
1115 Statewide Medicaid Project**



2016 SUPPLEMENTAL BUDGET

Request	FY16	FY17	15-17
FTE			
GF-State	Placeholder	Placeholder	Placeholder
Total			

DECISION PACKAGE SUMMARY

The Behavioral Health Services Integration Administration (BHSIA) requests a placeholder in federal appropriation authority to implement a demonstration waiver in order to initiate targeted essential community supports, i.e., Supportive Housing (SH)/Supported Employment (SE). By applying social determinants of health interventions such as supportive housing and supported employment services, BHSIA hopes to ensure individuals do not continue the traumatic cycle of homelessness and experience the negative consequences of long-term unemployment. SH and SE are identified in Second Substitute Senate Bill (S2SSB) 6312 (2014) as services intended to improve the quality of behavioral health services and promote the rehabilitation, reintegration, and participation in treatment services. They are an integral part of the community mental health system. The 1115 Medicaid Demonstration Waiver provides the opportunity to transform behavioral health services into a healthier, recovery-oriented system. BHSIA is expected to implement SH and SE under the eligibility determined in the federal Centers for Medicare and Medicaid Services (CMS) waiver application and complete an evaluation of the cost neutrality of the services while increasing the consumer outcomes as identified in House Bill (HB) 1519 (2013).

PROBLEM STATEMENT

Behavioral health problems and homelessness are intertwined. Homelessness interferes with the ability to receive and benefit from services, including services provided for behavioral health conditions. Being homeless jeopardizes the chances for successful recovery. Substantial evidence links long-term unemployment to poor physical and mental health outcomes, even in the absence of pre-existing conditions and makes paying for housing even more challenging. The rates of employment outcomes in Washington for those with mental health and substance use disorders are much lower than the national rate (National Outcomes Measurement System (NOMS), 2011).

PROPOSED SOLUTION

Through the 1115 Healthier Washington Demonstration Waiver, BSHIA will develop criteria to target supportive housing and supported employment services to Medicaid beneficiaries who are most likely to benefit from the services. Supportive Housing services are designed to enhance an individual's ability to prepare for and transition to housing from institutional settings and homelessness. This service helps to support the individual in being a successful tenant in his/her housing arrangement, and thus, better able to sustain their tenancy.



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

There is a deep research base supporting the efficacy of developing employment strategies for people with significant psychiatric disabilities. The supported employment design matches an individual and an employer based on the individual's preferences and the business needs. Ongoing support provides the individual an opportunity to be successful in integrating into the job setting.

Section 1115 of the Social Security Act grants the federal government authority to approve experimental, pilot or demonstration projects, including expenditure authority for designing and implementing improved Medicaid programs, including changes in eligibility, benefits, cost sharing and provider payments. Washington is seeking approval from CMS for an 1115 demonstration waiver to leverage savings achieved from past rebalancing efforts. The funding will be used to implement targeted foundational community support services, i.e., SH and SE.

EXPECTED RESULTS

Preliminary modeling suggests that approximately 7,500 individuals would be eligible for SH services, with about 40 percent, or 3,000, engaged on a monthly basis. We estimate that 40 percent of the engaged population would be Medicaid expansion new adults. As work proceeds to refine the definition of eligibility and benefits, modeling results will be revised.

The employment rate prior to Medicaid expansion hovered around 10 percent, based on quarterly reports generated by DSHS Research and Data Analysis (RDA) (2014). Nationally, SE service penetration is averaged at two percent (Substance Abuse and Mental Health Services Administration [SAMHSA]); in Washington the SE service penetration is 0 percent. Increasing the SE penetration to three percent upon full implementation would average 4-5 hours per user monthly. Based on experience with fidelity reviews of providers in Oregon, we estimate that it will take 48 months to reach full program capacity. As work proceeds to refine the eligibility and benefits, modeling results will be revised.

STAKEHOLDER IMPACT

Governor Inslee's Disability Employment Task Force was created under Executive Order 13-02 and has been engaging stakeholders since 2013 on increasing employment for people with disabilities, including those with behavioral health challenges. Expanding Medicaid to include a SE benefit was identified as a Phase One focus area.

The draft waiver application has been vetted through two 30-day public comment periods, public forums and a number of individual meetings with interested stakeholders. Tribes have also been engaged and are interested in implementing SH and SE services for their members. Interested stakeholders include the Washington State Rehabilitation Council, provider associations, housing authorities, legal advocates, housing providers, foundations and the business community. Advocates are interested in expanding housing and employment services to individuals who are homeless, discharging from institutional settings, at risk of homelessness and in greater demand for services and supports. They are interested in ensuring that eligible individuals are fully informed about the options and choices available as they select how to receive services for which they are eligible.