

State of Alaska FY2013 Governor's Operating Budget

Department of Health and Social Services Behavioral Health Medicaid Services Component Budget Summary

Component: Behavioral Health Medicaid Services

Contribution to Department's Mission

Provide access to integrated behavioral health services for individuals experiencing an emotional disturbance and/or a substance use disorder.

Core Services

- Behavioral Health Clinic Services are provided to children and adults who have been identified through an assessment as experiencing an emotional disturbance. Services include the following: crisis intervention; family, individual or group psychotherapy; intake and psychiatric assessment; psychological testing; and medication management. Clinic services are provided by state-approved outpatient community mental health clinics and mental health physician clinics.
- Rehabilitation Services are provided to children and adults identified through an assessment as experiencing a severe emotional disturbance, a serious mental illness, or a substance use disorder. Services include assessments, therapeutic behavioral services, comprehensive community support, peer support, recipient support services, medication management, day treatment, case management, structured residential programs, medical services directly related to substance use and detoxification.
- Psychiatric services are limited to medically necessary psychological testing to determine the status of a recipient's mental, intellectual, and emotional functioning. Services require a referral and must include administration of psycho diagnostic tests, the interpretation of results, and a written report.
- Inpatient Psychiatric Facility Services are provided to children under 21 years of age who are experiencing a severe emotional disturbance with a documented need for inpatient psychiatric hospital or residential psychiatric treatment center services. Services must be based on: certification of an interdisciplinary team that the treatment needs of the patient cannot be met in a community setting; clinical information that includes diagnostic evaluation and a psychiatric evaluation; and approval.

Key Component Challenges

- With the national focus on program integrity and fraud, waste and abuse detection and prevention programs behavioral health agencies are subjected to increased levels of reviews and audits. In preparation, agencies have had to develop extensive audit management strategies and formal compliance activities. The costly administrative burdens of these efforts often require provider agencies to divert resources from direct services to support these initiatives. Additionally, provider concerns related to the potential financial impacts have resulted in reluctance to adequately bill Medicaid for legitimate services which had been provided. To enhance provider understanding of the program and support compliance with laws, regulations and rules, the division must continue its efforts to provide targeted technical assistance and clear, easily accessible comprehensive training materials including further development of computer-based training modules. The division is engaged in promoting system and business practice improvement through the implementation of behavioral health regulations, which integrate the provision of mental health and substance abuse services. System level highlights include merging the former two provider types (Substance Abuse and Mental Health) into one, allowing all agencies with appropriate staff to provide comprehensive treatment utilizing a single set of reimbursable behavioral health services, using a single rate structure. The division will continue to be fully engaged in providing training and technical assistance to support appropriate utilization of the new service delivery model and adherence to program guidelines.
- Behavioral Health is continuing efforts to develop program initiatives to support integration of primary care medical services to insure patients with behavioral health problems receive efficient and appropriate coordinated care. However, development of program models that align systems that operate under separate administrative, professional and funding requirements remain a challenge.

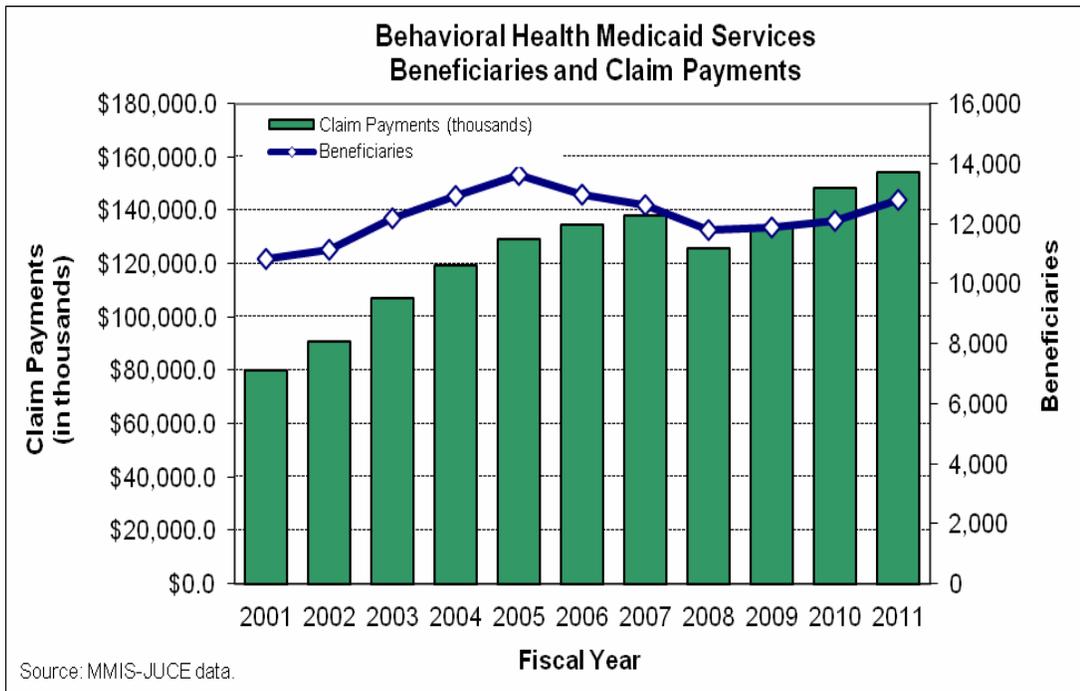
Significant Changes in Results to be Delivered in FY2013

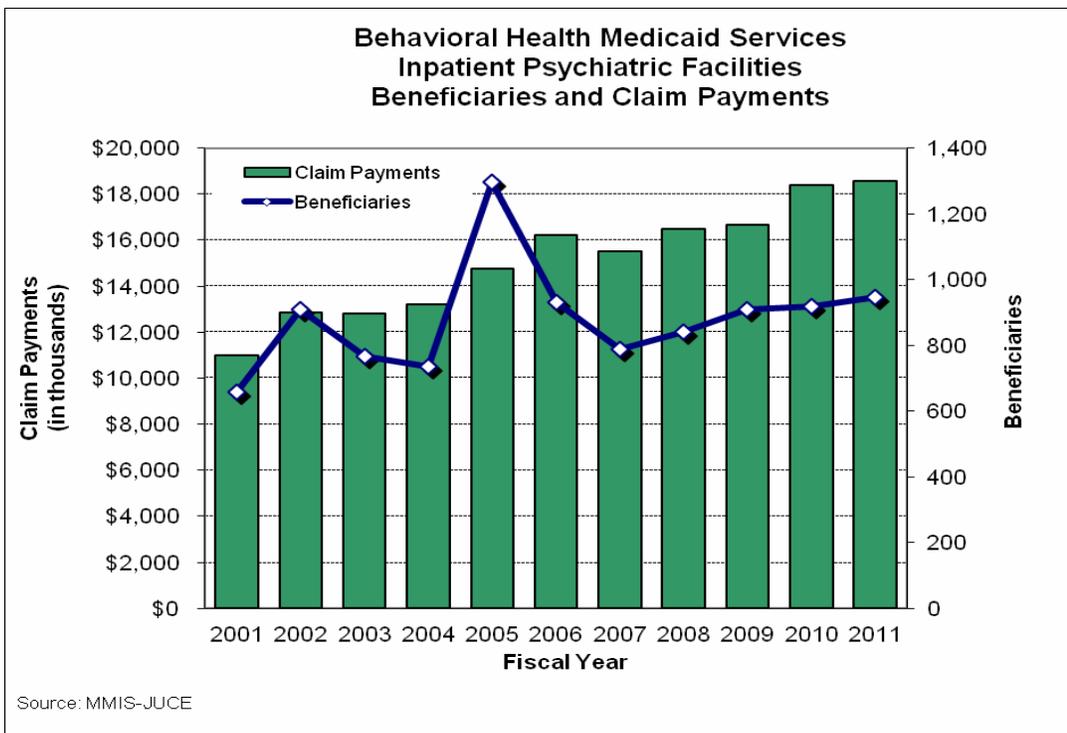
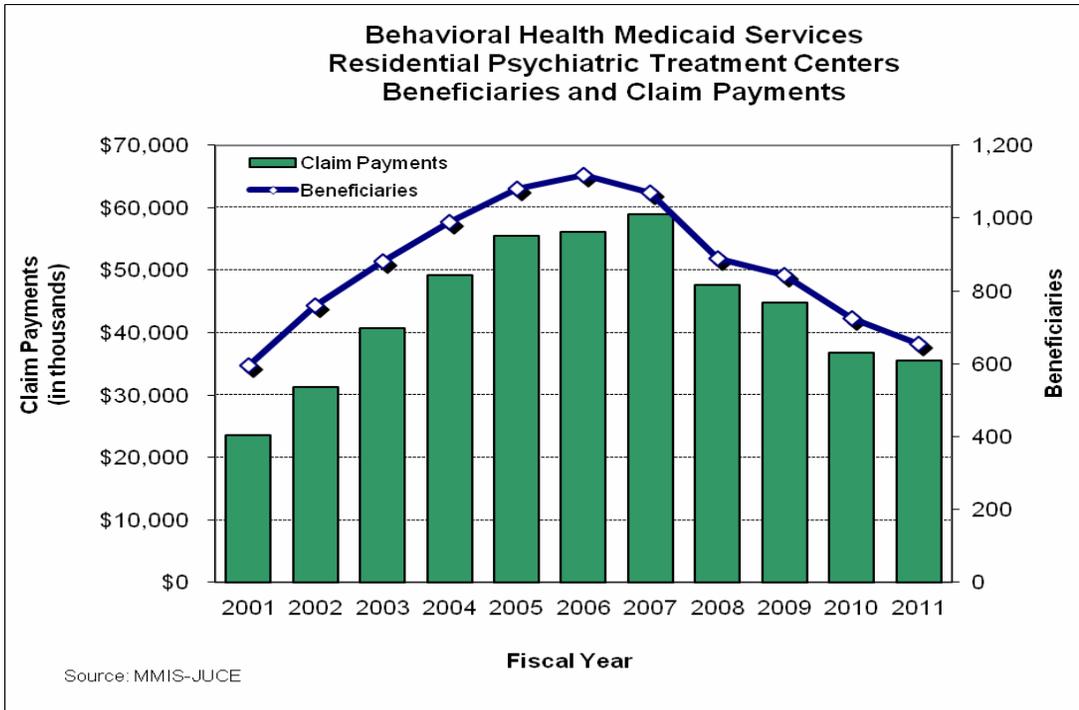
Behavioral Health proposes to revise the contract for Behavioral Health Utilization Review services to include a requirement for a standardized case management system of care provided to children at risk for or receiving services in residential psychiatric treatment centers (RPTC's). The anticipated outcomes include: reduced lengths of stay at hospitals or RPTC's, reduced admissions to psychiatric hospitals or RPTC's, improved access to appropriate quality services, increased use of community services, increase in a client's ability to live independently and succeed in school.

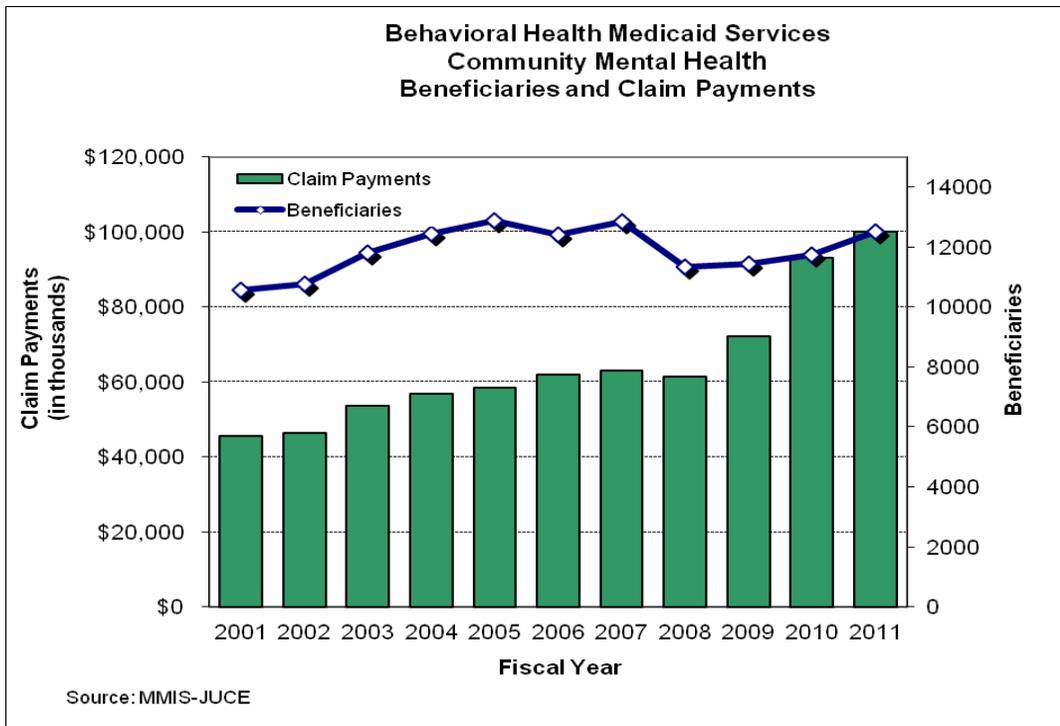
Major Component Accomplishments in 2011

Health Medicaid Services Beneficiaries and Claim Payments

In FY2011 the Behavioral Health Medicaid component provided services to 12,798 persons at an average annual cost of \$12,041 per beneficiary. This represents a 5.9% increase in the number of beneficiaries and a 1.9% decrease in the cost per beneficiary from FY2010 to FY2011.

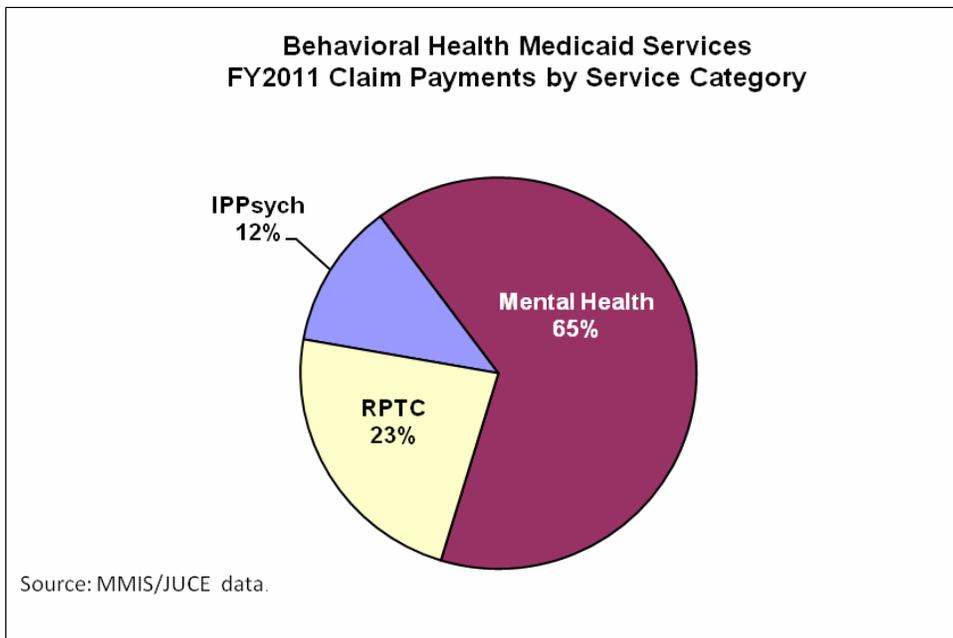




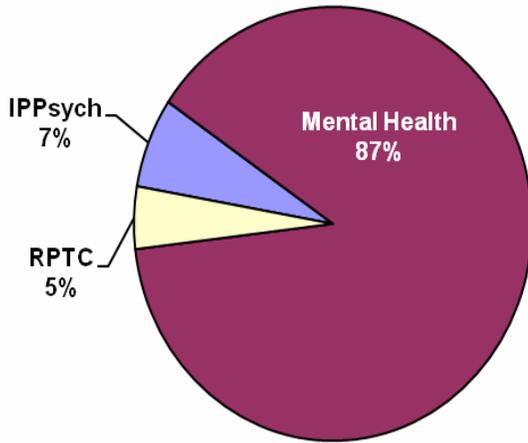


Behavioral Health Medicaid Services FY2011 Claim Payments by Service Category

The Behavioral Health Medicaid Services component funds three types of services: inpatient psychiatric hospital services, residential psychiatric treatment center (RPTC) services, and community behavioral health services. Inpatient psychiatric hospital claims account for 12% of total FY2011 Behavioral Health Medicaid claim payments. The inpatient psychiatric hospital category is comprised of psychiatric services delivered at non-state hospitals, at the Alaska Psychiatric Institute and at Indian Health Service psychiatric hospitals. RPTC claims account for 23% of total Medicaid claim payments in FY2011. The community behavioral health category is comprised of psychologist services, mental health clinic services and substance abuse rehabilitation services. Claims submitted for community behavioral health services account for 65% of claim payments in FY2011.



**Behavioral Health Medicaid Services
FY2011 Beneficiaries by Service Category**



Source: MMIS/JUCE data.

Statutory and Regulatory Authority

AS 47.07 Medical Assistance for Needy Persons
AS 47.25 Public Assistance

Administrative Code:
7 AAC 43 Medicaid
7 AAC 100 Medicaid Assistance Eligibility

Social Security Act:
Title XIX Medicaid
Title XVII Medicare
Title XXI Children's Health Insurance Program

Code of Federal Regulations:
42 CFR Part 400 to End

Contact Information

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**Behavioral Health Medicaid Services
Component Financial Summary**

All dollars shown in thousands

	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	1,551.9	1,551.9
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	203,628.1	175,745.7	203,384.1
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	203,628.1	177,297.6	204,936.0
Funding Sources:			
1002 Federal Receipts	127,485.4	94,000.5	119,076.8
1003 General Fund Match	11,130.8	7,518.8	7,518.8
1004 General Fund Receipts	967.2	0.0	0.0
1037 General Fund / Mental Health	51,106.7	73,560.8	76,122.9
1108 Statutory Designated Program Receipts	105.9	717.5	717.5
1180 Alcohol & Other Drug Abuse Treatment & Prevention Fund	0.0	1,500.0	1,500.0
1212 Federal Stimulus: ARRA 2009	12,832.1	0.0	0.0
Funding Totals	203,628.1	177,297.6	204,936.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	127,485.4	94,000.5	119,076.8
Statutory Designated Program Receipts	51063	105.9	717.5	717.5
Federal Economic Stimulus	51118	12,832.1	0.0	0.0
Restricted Total		140,423.4	94,718.0	119,794.3
Total Estimated Revenues		140,423.4	94,718.0	119,794.3

**Summary of Component Budget Changes
From FY2012 Management Plan to FY2013 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2012 Management Plan	81,079.6	1,500.0	717.5	94,000.5	177,297.6
Adjustments which will continue current level of service:					
-Reverse Medicaid Contingency Language Sec15(b) CH3 FSSLA2011 P73 L22-28 (HB108)	-17,641.9	0.0	0.0	17,641.9	0.0
Proposed budget increases:					
-Medicaid Growth from FY2012 to FY2013	2,562.1	0.0	0.0	25,076.3	27,638.4
-Medicaid GF for Fed in FY2013 due to Federal Medical Assistance Percentage (FMAP) Reduction to 50%	17,641.9	0.0	0.0	-17,641.9	0.0
FY2013 Governor	83,641.7	1,500.0	717.5	119,076.8	204,936.0

Component Detail All Funds
Department of Health and Social Services

Component: Behavioral Health Medicaid Services (2660)
RDU: Medicaid Services (595)

	FY2011 Actuals	FY2012 Conference Committee	FY2012 Authorized	FY2012 Management Plan	FY2013 Governor	FY2012 Management Plan vs FY2013 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	0.0	1,551.9	1,551.9	1,551.9	1,551.9	0.0	0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	203,628.1	175,745.7	175,745.7	175,745.7	203,384.1	27,638.4	15.7%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	203,628.1	177,297.6	177,297.6	177,297.6	204,936.0	27,638.4	15.6%
Fund Sources:							
1002 Fed Rcpts (Other)	127,485.4	111,642.4	94,000.5	94,000.5	119,076.8	25,076.3	26.7%
1003 G/F Match (UGF)	11,130.8	7,518.8	7,518.8	7,518.8	7,518.8	0.0	0.0%
1004 Gen Fund (UGF)	967.2	0.0	0.0	0.0	0.0	0.0	0.0%
1037 GF/MH (UGF)	51,106.7	55,918.9	73,560.8	73,560.8	76,122.9	2,562.1	3.5%
1108 Stat Desig (Other)	105.9	717.5	717.5	717.5	717.5	0.0	0.0%
1180 Alcohol Fd (DGF)	0.0	1,500.0	1,500.0	1,500.0	1,500.0	0.0	0.0%
1212 Fed ARRA (Other)	12,832.1	0.0	0.0	0.0	0.0	0.0	0.0%
Unrestricted General (UGF)	63,204.7	63,437.7	81,079.6	81,079.6	83,641.7	2,562.1	3.2%
Designated General (DGF)	0.0	1,500.0	1,500.0	1,500.0	1,500.0	0.0	0.0%
Other Funds	105.9	717.5	717.5	717.5	717.5	0.0	0.0%
Federal Funds	140,317.5	111,642.4	94,000.5	94,000.5	119,076.8	25,076.3	26.7%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Health and Social Services

Component: Behavioral Health Medicaid Services (2660)

RDU: Medicaid Services (595)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions PFT	Positions PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
FY2012 Conference Committee												
	ConfCom	177,297.6	0.0	0.0	1,551.9	0.0	0.0	175,745.7	0.0	0	0	0
1002 Fed Rcpts		111,642.4										
1003 G/F Match		7,518.8										
1037 GF/MH		55,918.9										
1108 Stat Desig		717.5										
1180 Alcohol Fd		1,500.0										
Medicaid Contingency Language Sec15(b) CH3 FSSLA2011 P73 L22-28 (HB108)												
	Cntngt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-17,641.9										
1037 GF/MH		17,641.9										
To be converted from language to base item in FY2013.												
Subtotal		177,297.6	0.0	0.0	1,551.9	0.0	0.0	175,745.7	0.0	0	0	0
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
ADN 06-1-0272-A Transfer expenditure authority to correct AUTO AB												
	LIT	0.0	0.0	0.0	-1,500.0	0.0	0.0	1,500.0	0.0	0	0	0
Transfer Alcohol Drug Treatment Prevention (ADTP) expenditure authority from services to grants line to correct initial AUTO AB.												
ADN 06-2-0272-B Transfer expenditure authority to correct AUTO AB												
	LIT	0.0	0.0	0.0	1,500.0	0.0	0.0	-1,500.0	0.0	0	0	0
Transfer General Funds expenditure authority from services to grants line to correct initial AUTO AB.												
Subtotal		177,297.6	0.0	0.0	1,551.9	0.0	0.0	175,745.7	0.0	0	0	0
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
Reverse Medicaid Contingency Language Sec15(b) CH3 FSSLA2011 P73 L22-28 (HB108)												
	OTI	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		17,641.9										
1037 GF/MH		-17,641.9										

Removing one-time language item.

Medicaid Growth from FY2012 to FY2013

Change Record Detail - Multiple Scenarios With Descriptions
Department of Health and Social Services

Component: Behavioral Health Medicaid Services (2660)

RDU: Medicaid Services (595)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
	IncM	27,638.4	0.0	0.0	0.0	0.0	0.0	27,638.4	0.0	0	0	0
1002 Fed Rcpts		25,076.3										
1037 GF/MH		2,562.1										
<p>This increment will allow us to maintain services for Behavioral Health Medicaid. Behavioral Health Encounter payments contribute to this increase in spending.</p> <p>Growth from FY2012 to FY2013 is projected to be 13.6%; this is based on the July 2011 projections.</p> <p>2.1% is enrollment growth 3.1% is inflation 3.8% is for the BH encounter payments 4.6% in utilization</p>												
Medicaid GF for Fed in FY2013 due to Federal Medical Assistance Percentage (FMAP) Reduction to 50%												
	IncM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-17,641.9										
1037 GF/MH		17,641.9										
<p>Reflect federal medical assistance percentage (FMAP). Congress did not extend the ARRA FMAP past June 30, 2011, so the base budget should Alaska's 50.0% FMAP in FY2013.</p>												
Totals		204,936.0	0.0	0.0	1,551.9	0.0	0.0	203,384.1	0.0	0	0	0

Line Item Detail
Department of Health and Social Services
Services

Component: Behavioral Health Medicaid Services (2660)
RDU: Medicaid Services (595)

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
73000	Services		0.0	1,551.9	1,551.9
Expenditure Account			FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
	Servicing Agency	Explanation			
73000 Services Detail Totals			0.0	1,551.9	1,551.9
73175	Health Services		0.0	1,551.9	1,551.9

Line Item Detail
Department of Health and Social Services
Grants, Benefits

Component: Behavioral Health Medicaid Services (2660)
RDU: Medicaid Services (595)

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
77000	Grants, Benefits		203,628.1	175,745.7	203,384.1
Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
77000 Grants, Benefits Detail Totals			203,628.1	175,745.7	203,384.1
77670	Benefits		203,628.1	175,745.7	203,384.1

Restricted Revenue Detail
Department of Health and Social Services

Component: Behavioral Health Medicaid Services (2660)
RDU: Medicaid Services (595)

Master Account	Revenue Description	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
51010	Federal Receipts	127,485.4	94,000.5	119,076.8

Detail Information					FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund			
51010	Federal Receipts		06338240	11100	127,485.4	94,000.5	119,076.8
	Medicaid Federal Collections- The bulk of the federal funding for the Medicaid benefits comes from claims reimbursed at the federal medical assistance percentage of FMAP. Additional Medicaid funds sources are IHS (Indian Health Services) at 100% FMAP for specific programs. Actual collections are based on the proportion of the expenditures eligible for each type of federal reimbursement.						

Restricted Revenue Detail
Department of Health and Social Services

Component: Behavioral Health Medicaid Services (2660)
RDU: Medicaid Services (595)

Master Account	Revenue Description	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
51063	Statutory Designated Program Receipts	105.9	717.5	717.5

Detail Information					FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund			
51063	Stat Desig Prog Rec Recovery of Overpayments by Medicaid providers discovered through audit		06338240	11100	105.9	717.5	717.5

Restricted Revenue Detail
Department of Health and Social Services

Component: Behavioral Health Medicaid Services (2660)
RDU: Medicaid Services (595)

Master Account	Revenue Description	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
51118	Federal Economic Stimulus	12,832.1	0.0	0.0

Detail Information					FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund			
51118	Federal Economic Stimulus				12,832.1	0.0	0.0