

Budget Initiative Fact Sheet

Office: Office of Child & Family Services

Date: 12/13/2011

Initiative: 7486 – Children’s Behavioral Services

Account: 0731, 0147

I. Budget Proposal Description:

This proposal cuts funds available to meet the daily room and board costs for children in residential treatment. Room and board supports the facilities, administration and some supervision of children in residential settings.

II. Program Description:

- Children’s Residential Treatment provides intensive treatment to children and youth who cannot otherwise be safely maintained and treated in the community and who do not meet hospital level of care.
- This service is provided in programs throughout the state by 14 providers at 84 program sites.
- Service is provided as close as possible to the child’s home community to children in both state and parental custody.
- This budget initiative is specific to youth in parental custody, by way of the accounts cited; 0136 room and board for \$1,250,000.
- This budget initiative applies only to the room and board for children’s residential treatment and not the treatment portion.

III. Relevant Legislative History:

The legislature ordered standardization of the daily room and board rates for children’s residential treatment in the most recent biennial budget. OCFS initiated a work group to address the standardization process in December 2011.

IV. Financial Information:

| | SFY’08 | SFY’09 | SFY’10 | SFY’11 | SFY’12 | SFY’13 |
|------------------------------|--------------|--------------|--------------|--|--------------------------------|--------------------------------------|
| General Fund | 3,845,305.55 | 4,267,571.55 | 4,405,881.21 | 3,342,578.31* low due to conversion to MIHMS- resulted in payments made in FY12 | 2,227,515.57 As of 12/12/11 | Est. 4,200,000 to 4,450,000 |
| Other Special Revenue | | | | | | |
| Federal | | | | | | |

| | | | | | | |
|--------------|--|--|--|--|--|--|
| Funds | | | | | | |
| | | | | | | |
| Total | | | | | | |

Other sources of funding for program, i.e. FHM? Yes No

V. Total Individuals Served: Approximately 650 children annually

VI. Program Eligibility Criteria:

Children with serious mental health /emotional disorders, intellectual disabilities and autism spectrum disorders who cannot be safely maintained in the community and do not meet hospital level of care. This service requires prior authorization to assure medical necessity and utilization management to confirm ongoing need and clinical progress in the service.

VII. Current Budget Proposal:

1) Appropriation Increase: -0-

2) Appropriation Decrease: \$ 1,250,000

3) Description of Budget Proposal:

This proposal cuts funds available to meet the daily room and board costs for children in residential treatment.

4) Percent of the reduction vs. total funding for the program: 30 percent

5) Savings/Reduction Plan:

a) What are the Administrative Savings? None

b) Members Impacted: Approximately 195 children with serious mental health /emotional disorders, intellectual disabilities and autism spectrum disorders and their families.

c) Services: Residential treatment includes clinical care, case management, medication management, family treatment and other habilitative and rehabilitative services in an out-of-home, least restrictive setting. This budget initiative addresses the funding for the "out-of-home" portion of the service, which is an essential component.

d) Rates: Currently the residential room and board rates vary from \$7.10-\$175.57 per bed day. A newly formed OCFS work group is developing a methodology to determine a standardized rate structure.

6) Any contracts impacted? Yes No

If yes, which ones? Due to a lack of a standard rate, it is difficult to compute total reductions. The reduction will come with restricting access to service, but it is unclear which provider the family/guardian would chose.

| Contract/Vendor | | Total Contract \$ | Reduction | % of Total |
|-----------------|---------------------------------|---|--|------------|
| CFS-11-6005 A | Youth Alternatives Ingraham | All contracts unencumbered; fee for service | Depends on utilization reduction and consumer choice | N/A |
| CFS-11-6007 A | United Cerebral Palsy | | | |
| CFS-11-6008 A | Sweetser | | | |
| CFS-11-6010 A | Spurwink | | | |
| CFS-11-6011 A | Port Resources | | | |
| CFS-11-6012 A | Northern Light House | | | |
| CFS-11-6014 A | North American Family Institute | | | |
| CFS-11-6015 A | KidsPeace Northern New England | | | |
| CFS-11-6016 A | Harbor Family Services | | | |
| CFS-11-6019 A | Catholic Charities Maine | | | |
| CFS-11-6020 A | Becket | | | |
| CFS-11-6021 A | Aroostook Mental Health | | | |
| CFS-11-6022 A | Community Health and Counseling | | | |

VIII. Legal Requirements:

Currently Children’s Residential Treatment Services (Section 97- PNMI) is an optional service in the Medicaid State Plan. Revisions to the MaineCare policy would need to occur and alternatives to residential treatment to meet the needs of at-risk children would need to be considered.

IX. Maintenance of Effort Requirements? Yes No

General Funds utilized for residential room and board costs are part of the total Children’s Behavioral Health Services expenditures that are utilized to attain our MOE for the Mental Health Federal Block Grant. This Federal funding totals \$961,199.00 annually just for the children’s portion.

Waivers have been accepted by SAMHSA in the past few years and we are in the process of requesting one across Children’s Behavioral Health and Adult Mental Health since we split this federal funding equitably at 50 percent each.

X. Q & A follow-up after committee session held on _____
Date