

Financing Structures and Strategies to Support Effective Systems of Care

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Introduction

This 5 year study aims to:


- Identify a set of critical financing structures and strategies to support effective systems of care.
- Investigate and describe how these factors operate separately, collectively, and in the context of their community to create effective financing policies for systems of care.



Study Assumptions

This study hypothesizes that effective cross-system financing structures:

- Identify types and amounts of behavioral health expenditures across systems;
- Maximize Medicaid and Title IV-E (child welfare) entitlement dollars (Johnson et al., 2002; Koyanagi et al., 2003);
- Take into account and rationalize behavioral health expenditures across the major child-serving systems by blending, braiding or coordinating spending across payers (Pires, 2002c);
- Utilize diverse funding streams to support a broad, flexible array of services and supports that allow for the provision of individualized care (Pires, 2002a; Stroul, Pires, & Armstrong, 2004).
- Maximize the flexibility of state and/or local funding streams and budget structures.




Critical Financing Areas

- Identification of current spending and utilization patterns across agencies
- Realignment of funding streams and structures
- Financing of appropriate services and supports
- Financing to support family and youth partnerships
- Financing to improve cultural/linguistic competence and reduce disparities in care
- Financing to improve the workforce and provide networks for behavioral health services for children and families
- Financing for accountability



Sample Financing Strategies

- Financing mechanisms that utilize diverse funding streams from across the major child-serving systems
- Financing strategies to redirect service dollars from deep-end restrictive placements to home and community-based services and supports
- Financing mechanisms to support services to uninsured and underinsured children
- Policies and mechanisms to ensure effective and appropriate financing strategies for tribal systems of care
- Financing mechanisms that support family/youth involvement in policy making and system management



Methods

Participatory Action Research

The team utilizes a panel of national financing experts provide ongoing feedback and input to the study. They review and provide feedback on different components of the study.


The Multiple Case Study Design

The financing implementation processes at the selected sites constitute the embedded units of analysis. Each selected site is the subject of an individual case study and a set of critical financing components serve as the embedded units of study within each site.



Site Visits

- Last year the team begun site visits. The panel of experts nominated potential sites for the study .
- Five sites were visited and telephone interviews were conducted with three others.
- All selected sites have demonstrated commitment to system of care values and principles .
- The site visits involved document reviews and key informant interviews.



Site Visits

- The study team developed a semi-structure interview protocol that was reviewed and modified with the help of the expert panel.

The protocol questions and probes relate to the critical financing components identified by the study, as well as current challenges, priorities and system expectations.

- The team has compiled site visit reports that are under review by the sites.
- A second round of site visits is planned for the coming year.



Site Selection

- Sites visited or interviewed were
 - Maricopa County, Arizona
 - Vermont
 - Bethel, Alaska
 - Hawaii
 - Central Nebraska
 - DAWN Project
 - New Jersey
 - Wraparound, Milwaukee



Products

- A *Self-Assessment and Planning Guide: Developing a Comprehensive Financing Plan* for use by state and community policymakers and planners
- Final stages of completing a conglomerated report from the site visits titled: *Effective Financing Strategies for Systems of Care*
- In the near future there will be Financing TA briefs with "how-to" information and examples from the site visits
- All study materials will be disseminated through mailings and the Center's website throughout the 5-year period of the study



Anticipated Study Findings

- A theory of change and set of critical financing structures and strategies was developed during the first year of the study. These will be revised and finalized as a result of the site visit findings.
- The expected outcome is heightened attention to and knowledge about critical financing strategies on the part of key stakeholders involved in building systems of care.



Financing To Support Family and Youth Voice

Sheila A. Pires and Ginny M. Wool



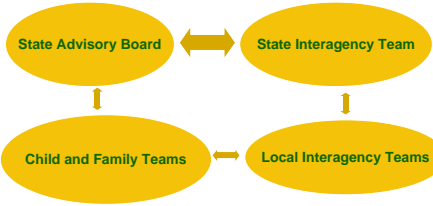
Financing to Support Family and Youth Voice

- Family and youth partnership in service planning
- Family and youth peer advocates
- Choice of services and/or providers
- Training of providers in how to partner with families and youth
- Payments and supports for family and youth participation at the policy level
- Training and leadership development for families and youth
- Services and support for families/caregivers
- Family organizations as service providers
- Support for development and growth of family and youth organizations




Vermont

State legislation (Act 264) mandates financing for family participation at all levels.



Financed by State general revenue (mental health), federal discretionary grants and foundation grants




Vermont

Vermont Federation Of Families → \$90,000/year (w/inflation adjustments)

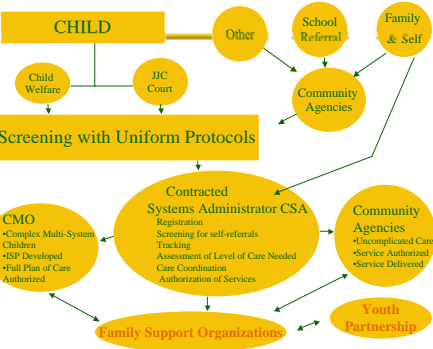

- Support participation on state and local interagency teams
- Leadership development and training
- Family advocacy

- Financed by state general revenue and federal discretionary SAMHSA grants

- Also, Peer Navigators – supported by federal ACF grant




New Jersey System of Care Initiative

New Jersey Family/Youth Voice

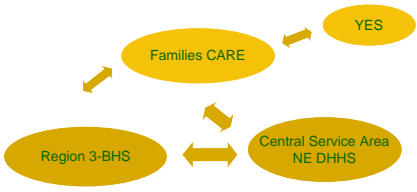

Financed by:

- State general revenue (mental health and child welfare)
- Medicaid (administrative case management)
- Federal discretionary grants



Central Nebraska (22 Counties in Region 3)

Integrated Care Coordination Initiative


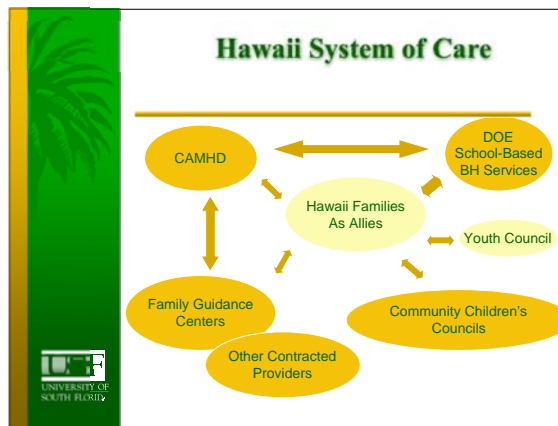



Families CARE Functions

- Parent Partners
- Child Care
- Food
- Transportation
- Family Education and Support
- Youth Peer Support

\$472,000

Financed initially by federal discretionary grant; now financed through blended case rate comprised of MH and child welfare dollars; 8% of case rate goes to Families CARE (e.g., "reinvestment dollars")

Hawaii Families as Allies Contract - \$600,000

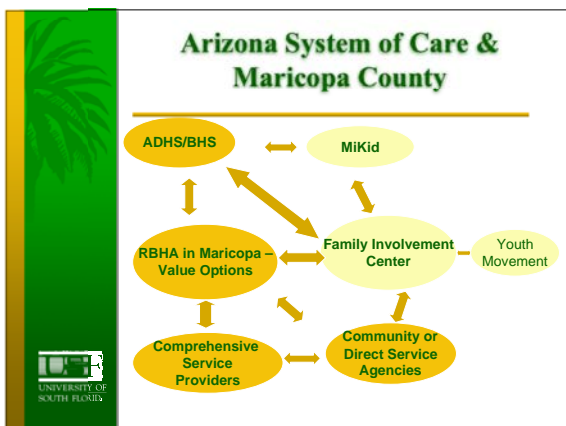
- Policy and system management involvement
- Develop a "program on a broad range of topics...to enhance attitudes, skills and knowledge of youth and families"
- Training on broad range of topics
- Information dissemination (e.g., website)
- Newsletter
- Workshops and at least one annual conference
- Organize and support a Youth Council
- Operate a statewide phone line for information and help to families
- Employ Consumer/Family Relations Specialists to be available via phone line to assist families



Hawaii Families as Allies Contract - \$600,000

- Develop and maintain two resource manuals – one on community resources and one on recreational, leisure and educational resources
- Peer support through recruitment, training and supervision of Parent Partners (stationed at Family Guidance Centers) - CAMHD contracts with providers require submission of youth and family engagement policies at all levels
- Social marketing to reduce stigma

Financed by State general revenue (mental health), Federal MH block grant, and federal discretion

Family Involvement Center Contracts

- Contract with ADHS/BHS (State MH)
- Value Options "administrative functions" contract
- Value Options contract as provider in network
- Contract with State child welfare agency

Financed initially by State legislative appropriation; now financed by State general revenue (MH), tobacco settlement, federal MH block grant, federal discretionary grant, Medicaid billable services, and child welfare (GR and IV-E waiver)



Family Involvement Center Functions

State MH Contract

- Policy and system management involvement
- Payment of stipends to support family partnership at policy/system level, also transportation, child care
- Training of providers, families, etc.
- Development of a Latino family organization (in partnership with MiKid)
- Build family and youth movement

State MH also paid first year dues for FIC and MiKid to belong to AZ Council of Providers



Family Involvement Center Functions

Value Options Contract - \$1m.

- Staff and participate on Children's Advisory Council
- Family recruitment and training
- Organizing open education opportunities
- Information and referral
- Co-facilitation of administrative meetings
- Recruitment and training of family mentors (peer mentors)
- Training and technical assistance for providers on family and youth partnership

Value Options also has full-time family members staff.



Family Involvement Center Functions

Service Provider Contract with Value Option

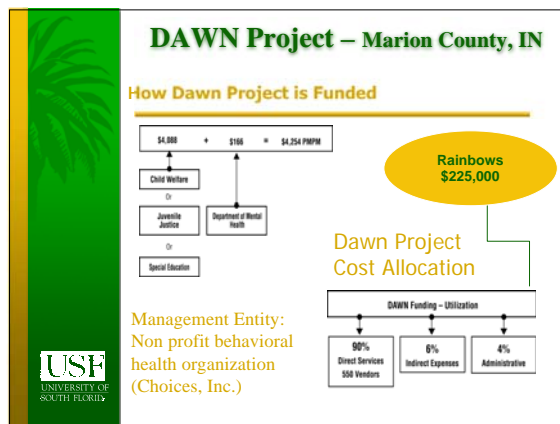
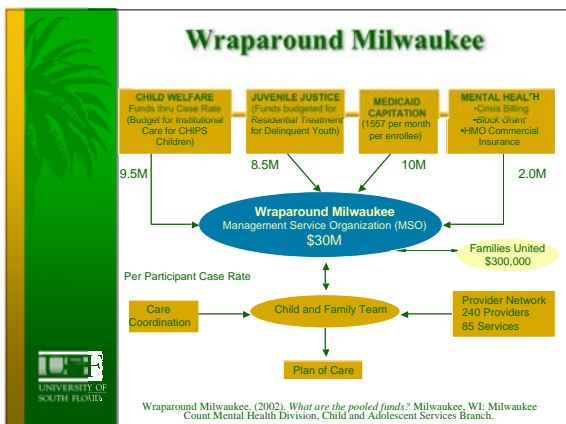
- Peer mentors
- Respite
- Behavioral coaching
- Skills training
- Health promotion
- Family support and education
- Personal aide services



Family Involvement Center Functions

State child welfare contract

Support for families at risk of child welfare involvement ("Family-to-Family" approach)

Rainbows Functions


- Employ Family Advocates (Choices reimburses on a FFS basis)
- Operate a hotline
- Run monthly family support groups
- Produce a newsletter
- Conduct training
- Engage in system level advocacy

Choices, Inc. provides office space at minimal rent, technology support, and benefits to Rainbow employees.



Cross-Cutting Observations

- SOC embrace principle that family and youth voice is a core element of the system
- SOC treat costs associated with building, growing and integrating family and youth voice as a fundamental "cost of doing business"
- SOC draw on financing to support family and youth voice from multiple sources



Financing a Broad Array of Services and Supports

Beth A. Stroul



Financing Strategies for a Broad Array of Services and Supports

- Covering extensive array of services and supports
- Financing from multiple systems
- Maximizing Medicaid coverage
- Utilizing diverse funding streams
- Redirecting resources from deep-end services to home and community-based
- Blending funds
- Investing in service capacity development
- Financing individualized, flexible services
- Financing evidence-based and promising practices
- Financing early childhood mental health services



Cover an Extensive Array of Services and Supports

- Study assessed coverage of an extensive list of services and supports
- States (AZ, NJ, HI, VT) and Communities (Central NE, Choices, Wraparound Milwaukee cover virtually all of the services with few exceptions (e.g., therapeutic nursery)



Nonresidential Services	Residential Services
<ul style="list-style-type: none"> Assessment and diagnostic evaluation Outpatient therapy – individual, family, group Medication management Home-based services School-based services Day treatment/partial hospitalization Crisis services Mobile crisis response Behavioral aide services Behavior management skills training Therapeutic nursery/preschool 	<ul style="list-style-type: none"> Therapeutic foster care Therapeutic group home RTC services Inpatient hospital services <p>Supportive Services</p> <ul style="list-style-type: none"> Care management Respite services Wraparound process Family support/education Transportation Mental health consultation



Additional Covered Services

<p>Arizona</p> <ul style="list-style-type: none"> ■ Supported employment ■ Peer support ■ Traditional healing ■ Flexible funds <p>Wraparound Milwaukee</p> <ul style="list-style-type: none"> ■ Peer support ■ Supported employment ■ Flexible funds 	<p>Hawaii</p> <ul style="list-style-type: none"> ■ Respite homes ■ Respite therapeutic foster care ■ Independent living services ■ Intensive outpatient co-occurring MH/SA disorders ■ Treatment/service planning ■ Parent skills training ■ Ancillary support services
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Additional Covered Services

<p>Central Nebraska</p> <ul style="list-style-type: none"> ■ After school and summer programs ■ Substance abuse prevention ■ Youth development ■ Supported independent living 	<p>Choices</p> <ul style="list-style-type: none"> ■ Mentors – community aide, clinical, education coach, parent and family recreational/social, support work, tutor ■ Supported independent living ■ Team meeting ■ Camp ■ Discretionary (flex funds)
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Choices' Service Array

<p>Behavioral Health</p> <ul style="list-style-type: none"> ✓ Behavior management ✓ Crisis intervention ✓ Day treatment ✓ Evaluation ✓ Family assessment ✓ Family preservation ✓ Family therapy ✓ Group therapy ✓ Individual therapy ✓ Parenting/family skills training ✓ Substance abuse therapy (individual and group) 	<p>Psychiatric</p> <ul style="list-style-type: none"> ✓ Assessment ✓ Medication follow up /psychiatric review ✓ Nursing services 	<p>Mentor</p> <ul style="list-style-type: none"> ✓ Community case management/case aide ✓ Clinical mentor ✓ Educational mentor ✓ Life coach /independent living skills mentor ✓ Parent and family mentor ✓ Recreational/social mentor ✓ Support work environment ✓ Tutor ✓ Community supervision ✓ Intensive supervision 	<p>Placement</p> <ul style="list-style-type: none"> ✓ Acute psychiatric hospitalization ✓ Foster care - non therapeutic ✓ Therapeutic foster care ✓ Group home care ✓ Relative placement ✓ Residential treatment ✓ Shelter care ✓ Crisis respite ✓ Supported independent living
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Choices' Service Array, Cont.

<p>Respite</p> <ul style="list-style-type: none"> ➢ Crisis respite (daily or hourly) ➢ Planned respite (daily or hourly) ➢ Residential respite 	<p>Service Coordination</p> <ul style="list-style-type: none"> ➢ Case management ➢ Service coordination ➢ Intensive case management 	<p>Discretionary Activities</p> <ul style="list-style-type: none"> ➢ Auto repair ➢ Childcare/supervision ➢ Clothing ➢ Education ➢ Furnishings/appliances ➢ Housing (rent, security) ➢ Medical ➢ Monitoring equipment ➢ Paid roommate ➢ Supplies/groceries ➢ Utilities ➢ Incentives 	<p>Other</p> <ul style="list-style-type: none"> ➢ Camp ➢ Team meeting ➢ Consultation ➢ Guardian ad litem ➢ Transportation ➢ Interpreter
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Include Multiple System Resources

Source	AZ	HI	VT	Central NE	Choices	Wraparound Milwaukee
MH	X	X	X	X	X	X
Medicaid	X	X	X	X	X	X
CW	X	X	X	X	X	X
JJ	X	X	X	X	X	X
ED	X	X	X	X	X	X
SA	X			X		
DD	X	X			X	X
Health			X			



Maximize Medicaid – Expand Coverage

Arizona

- Medicaid carve out, all services covered

Hawaii


- Modified Medicaid plan to cover broad array

New Jersey

- Expanded Medicaid coverage to include more services and create new capacity


Vermont

- Expanded Medicaid coverage, first and principle funding stream




Hawaii's Medicaid Rehab Benefit

Covered Services	Approval Pending
<ul style="list-style-type: none"> ■ Crisis management ■ Crisis residential services ■ Biopsychosocial rehabilitative programs ■ Intensive family intervention ■ Therapeutic living supports ■ Therapeutic foster care supports ■ Intensive outpatient hospital services (partial hospitalization) ■ Assertive community treatment 	<ul style="list-style-type: none"> ■ Peer supports ■ Parent skills training ■ Intensive outpatient independent living (co-occurring) ■ Community hospital crisis stabilization ■ MST ■ Multidimensional treatment foster care (MTFC) ■ Functional family therapy (FFT) ■ Community-based clinical detox



Maximize Medicaid – Use Multiple Medicaid Options

	AZ	HI	VT	NI
Clinic Option		X	X	X
Rehab Option	X	X	X	X
Targeted CM		X	X	X
Psych Under 21	X	X	X	X
EPSDT	X	X	X	X
Katie Becket (TEFRA)			X	X
H&CB Waiver (1915c)		DD	X	DD
1915b Waiver			X	
1115 Waiver	X	X	X	
Family of One	X			




Maximize Medicaid – Use Multiple Medicaid Options

Choices

- Care coordinators employed by CMHCs in IN, Medicaid billed under Rehab Option
- Choices is Medicaid provider in OH and bills for case management
- 90% youth Medicaid eligible. Medicaid billed for covered services, case rate funds others

Wraparound Milwaukee

- Medicaid capitation of \$1589 per member, per month



Use Diverse Funding Streams in Addition to Medicaid

Services/supports not covered by Medicaid:

- Behavioral health general revenue
- Mental health/substance abuse block grant

Specific services (e.g., TFC, group home, school-based services, etc.) or case rate contribution:

- Child welfare (Title IV-E)
- Juvenile justice
- Education



Redirect Resources to Home and Community-Based Services

Arizona

- Purpose of 1115 waiver to build community-based capacity
- Reduced % of budget for RTC and IP from 39% to 29%
- 40% placements now TFC

Hawaii

- Training approach and procurement to build capacity
- Initiative reduced out-of-state placements from 89 in 1999 to 6
- Increased use of TFC

Vermont

- Implemented gatekeeping process for RTC and IP care
- Developed community-based capacity in each region
- Home and community-based waiver for children with SED
- Passed SOC legislation



Redirect Resources to Home and Community-Based Services

Central Nebraska

- Developed SOC for children in state custody
- Reduced out-of-home placements from 36% in group or RTC care at enrollment to 5.4% at discharge
- Cost savings redirected to expand capacity

Choices

- System designed to serve youth in or at risk for residential placement
- Case rate used to redirect to H & CB services

Wraparound Milwaukee

- Wraparound approach and mobile crisis team are key in reducing deep-end services and redirecting
- Reduced IP ALOS from 70 to 1.7 days, RTC average daily population from 375 to 50, juvenile justice placements
- Redirected resources to H & CB services with improved outcomes



Blend Funds

Central Nebraska


- MH, CW, JJ funds blended in case rate
- Case rate used for non-Medicaid services for high-need youth
- Covers broad range of flexible services

Choices

- Case rate paid by referring agency (CW, JJ, ED) in Indiana and blended with MH resources
- Negotiated amount paid by participating agencies in OH; "shareholder group makes referral decisions"
- Medicaid for covered services, case rate for non-Medicaid services

Wraparound Milwaukee

- CW and JJ pay case rate, Medicaid pays capitation
- Funds blended with MH/SA block grant funds
- Blended funds cover broad, flexible service array



Finance Individualized, Flexible Services – Flex Funds

Arizona

- \$850,000 in discrete flexible funding to RHBAs
- General revenue and grant dollars

Hawaii

- Available for "ancillary" services and supports not covered
- General revenue

Vermont

- Cover services not billable under Medicaid
- General revenue and grant dollars



Finance Individualized, Flexible Services – Flex Funds

Central Nebraska

- Case rates allow for flexible funds

Choices

- Case rates allow for flexible funds
- 11 categories of flex funds covered

Wraparound Milwaukee

- Managed care approach and blended funding allow flexible funds



Finance Individualized, Flexible Services – Child & Family Team

Arizona

- Bill as case management
- Elements billed as assessment, transportation, family support, interpretation

Hawaii

- Mental health care coordinators state employees
- Contract providers bill under code for "treatment planning"
- Parent Partners paid by contract with family org (HFAA)

Vermont

- Bill Medicaid as case management
- SOC legislation requires "coordinated service plan"



Finance Individualized, Flexible Services – Child & Family Team

Central Nebraska

- Case rate resources fund wraparound process

Choices

- Bill Medicaid as case management
- Providers add extra hours to care authorizations to financial participation

Wraparound Milwaukee

- Care coordinators employed by Wraparound Milwaukee
- Blended resource pool pays therapists and other staff to participate



Finance Individualized, Flexible Services – Care Authorization

- Child and family team determines medical necessity, creates individualized service plan, determines medical necessity
- Care plan drives service delivery process
- Any service/support included in plan is authorized
- AZ, HI, NJ?, VT, Central NE, Choices, Wraparound Milwaukee



Invest in Service Capacity Development

Arizona

- Value Options (Maricopa) invested in TFC and support services with \$12m capitation increase

Hawaii

- State MH general revenue used to invest in MST, MTFC, groups homes as alternatives to residential treatment

Wraparound Milwaukee

- Savings generated reinvested to serve more youth and build more service capacity



Finance Evidence-Based and Promising Practices

Arizona

- Wraparound, MST, FFT, MTFC, Behavior therapy
- Grant, block grant, JJ funds used to develop
- State BH funds trainers

Hawaii

- Practice components
- Medicaid coverage pending for MST, FFT, MTFC, Parent skills training
- State practice development specialists
- State MH funds start-up, training, supervision, fidelity monitoring

Central Nebraska

- Wraparound, MST
- SOC grant used to develop
- Case rate (BH, CW, JJ, ED) used to maintain
- Families CARE collects Wraparound Fidelity Index data

Choices

- MST, FFT
- Medicaid billable in



Finance Early Childhood Mental Health Services

Vermont

- Broad array of ECMH services covered
- ✓ Interventions – crisis outreach, case management, home-based services, respite
- ✓ Cross agency training
- ✓ Consultation
- ✓ Parent peer support
- ✓ Info and referral
- Financed by IDEA (Parts B & C), Medicaid, SCHIP, block grant, MCH Title V, HRSA, Head Start, Child Care Development Fund, TANF

Arizona

- Broad array of ECMH services covered
- Includes ECMH consultation to child care, Head Start, etc.
- Cross walk of 0-3 services with Medicaid-covered services to provide guidance to providers on how to bill Medicaid for 0-3 services

