

Planning for the Future: Responding to Budget Cuts in Arizona's Behavioral Health System

*A presentation for providers and
other stakeholders*

April 2010

Arizona Department of Health Services
Division of Behavioral Health Services

Leadership for a Healthy Arizona



Objectives

- Review the Fiscal Year 2011 budget, including the specified service categories that are covered
- Describe ADHS/DBHS approach to address budget cuts
- Discuss decision points pertaining to 2011 benefit changes

Our Commitment

- Respond to budget cuts in a way that:
 - Maintains dignity
 - Promotes recovery principles
 - Ensures high quality care is consistently provided
 - Serves the greatest number of individuals as possible
- Use an approach that is:
 - Transparent,
 - Collaborative and interactive,
 - Able to offer ongoing input from the community, including peers, family members, and advocates

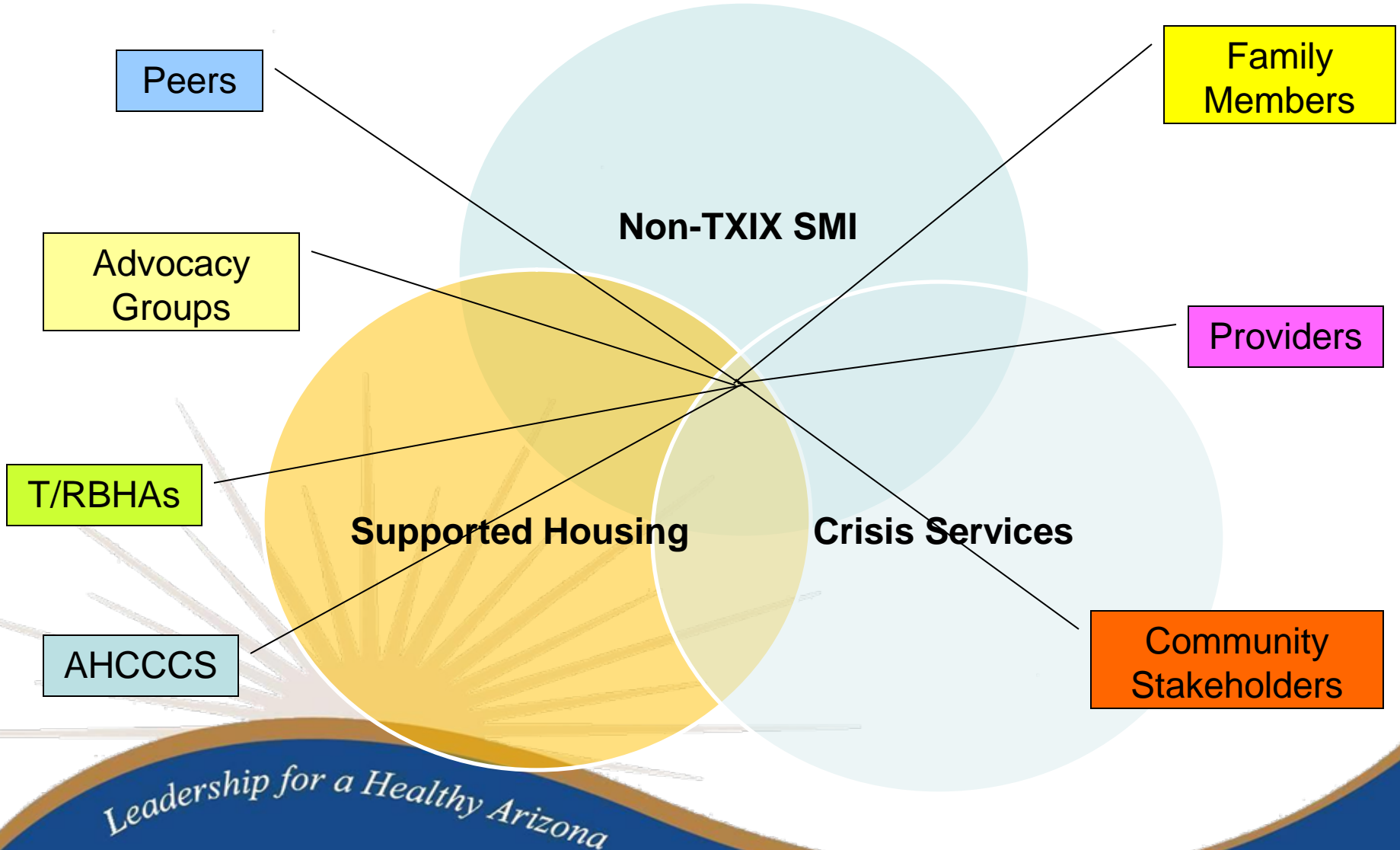
The Budget: Then and Now

- Fiscal Year 2010
 - Over \$127 million in Non-Title 19 funding to serve individuals
 - ~\$90 million was for individuals with serious mental illness (SMI)
- Fiscal Year 2011
 - Reduced by >50%
 - \$61 million available and targeted for:
 - Medication benefit for non-TXIX SMI (\$40.2 million)
 - Crisis Services (\$16.4 million)
 - Supported Housing for TXIX SMI (\$5.3 million)

The ADHS/DBHS Approach

- Establish special project teams
 - **Non-title 19 SMI**
 - **Crisis Services**
 - **Supported Housing**
 - Includes peers, family members and agency representatives
 - Researching options, financial modeling
- Communication Plan and website: <http://www.azdhs.gov/bhs/>
- Meet with stakeholders statewide during April to
 - **address questions**
 - **hear feedback and ideas**
- Make needed decisions by May 1, 2010

The ADHS/DBHS Approach



Non-Title 19 SMI...the facts

- \$40.2 million
 - May not be increased in future years
 - Costs will go up over time (inflation)
 - RBHAs/Providers under no obligation to exceed allocated funding, but can not earn a profit
 - Currently ~14,000 non-TXIX SMI statewide
- Must be used to pay for medications and associated services (physicians, nurses, labs)
- Will not cover inpatient, residential, case managers, and other support services

Non-Title 19 SMI Decision Points

- Generic only vs. brand-name coverage
- Reduction of paperwork demands (assessments, progress notes, service plans)
- Administrative support for medical staff
- Coverage for increases in enrollment numbers
- Identification of and access to other community supports

Crisis Services...the facts

- \$16.4 million
 - May not be increased in future years
 - Costs will go up over time (inflation)
- For crisis services for anyone who presents:
 - Expect need for and use of crisis services will go up
 - ~40% of people who use the crisis system do not have any insurance
- Must address both mental health and substance abuse needs (detox)

Crisis Services Decision Points

- Included services...what can we afford?
 - Crisis phone lines 24/7
 - Mobile teams 24/7
 - Role of peers? (warm transfers? part of 2-person mobile teams?)
 - Short-term stabilization
 - 24 hour? 48 hour? 72 hour?
 - Can this change mid-year based on funding balance?
- Are regional differences acceptable?

Supported Housing...the facts

- \$5.3 million
 - May not be increased in future years
 - Costs will go up over time (inflation)
- Supported housing is not TXIX reimbursable
- Beginning July 1, 2010, supported housing funds will be only for TXIX SMI
- There are several hundred non-TXIX SMI currently in supported housing

Supported Housing Decision Points

- Continuing to support the Non-TXIX SMI currently in housing
 - How would we transition them safely?
 - How can we continue to support these individuals?
- Increase rent contribution from 30% vs. 40%?
- Increase tenant contribution for utilities?
- Tenant responsibility for phones and phone bills?
- Coverage for room and board costs in residential treatment settings (align with ALTCS program)

Questions? Feedback?

<http://www.azdhs.gov/bhs/>



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