

HB 843 REGIONAL PLANNING COUNCILS' PRIORITY RECOMMENDATIONS – 9/05

Presented to HB 843 Statewide Commission
January 9 & 10, 2006

Priority on reaffirming the commitment of the HB 843 Statewide Commission to move Kentucky from its current national ranking of 44th in General Fund per capita spending on Mental Health & Substance Abuse (MH/SA) services to the upper half of states – a ranking of 25th nationally. In order to accomplish this progress and to assure the viability of our community-based mental health system, the Commission in June of 2001 called for increased funding (new GF dollars) of \$25M annually over the next ten years for MH/SA services through the Department of MH/MR Services.

Priority on adequate funding for each region to restore the fraying “safety net” assuring the capacity to maintain and deliver essential core services to meet the needs of individuals with mental illness, substance abuse disorders and dual diagnoses. At a minimum, continuation funding should include an adjustment to cover inflation and other mandated costs such as KERS increases.

- Inflation @ 2.91% = \$10.18 Million for the 14 Regional MH/MR Boards
- Employees' retirement (KERS) expense: If mandated increase of 4% in contribution = additional \$8.96 Million; 6.5% = \$14.56 Million; 17.8% (requested by KERS) = \$26 Million

Priority on funding streams having maximum flexibility, rather than categorical constraints, in order to be most effectively utilized, fully responding to the needs identified at the regional level and assuring a seamless continuum of care.

- Assure the adequacy of the Emergency Services programs in each region.
- Reduce repeated institutionalizations by increasing community-based services, crisis stabilization, proactive case management and wrap-around services.
- Initial Crisis Stabilization Units (CSUs) were funded in 1996/98 @ \$275,000; additional units to complete array of 28 (1 for children and 1 for adults in each of the 14 regions) were funded in 2002 @ \$330,000. To bring all 28 CSUs to an operational funding level of \$400,000 each = \$2.2 Million
- Adding additional CSUs in the three largest population areas (2 in Seven Counties Region; 2 in Bluegrass Region; 1 in NorthKey Region) @ \$400,000 = \$2 Million
- Assure the availability in all regions of trained professionals to address mental illness, substance abuse disorders and dual diagnoses.
- Establish an array of suitable housing options and housing supports for consumers with mental illness, substance abuse and dual diagnoses.
- Improve access to MH/SA treatment by increasing available transportation for all persons in need of services.
- Increase the availability of medical and non-medical detoxification services (including social model detox) for consumers with substance abuse disorders.
- Assure availability and appropriate use of all effective medications.
- Develop an accessible continuum of care for children and youth with substance abuse diagnoses, including transitional planning and services for those “aging out”.
- Strengthen the collaboration with the criminal justice system in more appropriately and effectively meeting the needs of individuals with MH/SA diagnoses.

The goal is for Kentucky to again be a national leader in a modernized, recovery-oriented, community-based system of care for persons with mental illness, substance abuse disorders and dual diagnoses which is based on best practices, accountability, regional planning, coordination of services and appropriate levels of funding regularly adjusted to meet rising costs and increasing demand for services.

HB 843 Regional Planning Council 9-05 Reports: Recommendations

<p>Region 1 Four Rivers</p>	<p>A. Funding, particularly in light of the projected Medicaid shortfall and the impact on the Behavioral Health Safety Net:</p> <ul style="list-style-type: none"> • All individuals who need behavioral health services should receive necessary treatment regardless of severity. • Reimbursement systems providing incentives to providers to reduce the use of high cost services must not link financial rewards to a consumer’s treatment decisions. • Allow providers to have the capacity to retain and reinvest revenue to support organizational and system improvement, and thereby direct care. Expect providers to reinvest the maximum amount of resources received from reimbursement and other sources in services to consumers and/or the community. • Allow providers to blend funding streams to provide integrated treatment for co-occurring disorders. <p>B. Public policy changes, particularly in moving toward statewide “modernization” of the system of care:</p> <ul style="list-style-type: none"> • Responsibility for the sustainability of a system of behavioral health care is shared by federal, state and local authorities. Providers are responsible for the design and provision of an accessible, community-based service continuum. KY has a long history of commitment from a network of organizations and advocates that promote valued services. • Review the current system to laud its strengths and take a critical look at the needs for improvement. • The availability and accessibility of behavioral health services to all individuals, especially vulnerable populations, should be considered in terms of service array, facility location, public transportation, and timeliness of service. • Behavioral health organizations, regardless of tax status, should be accountable for the receipt and expenditure of funds. • Behavioral health services should be provided in the most cost-effective manner possible, and should avoid encouraging over-utilization or under-utilization of services based strictly on financial considerations. • The overarching principle of delivering proactive, innovative, locally-responsive services in community-based settings must be supported by public policy that shares this vision and secures adequate resources to create and sustain healthy and secure communities. This can only be achieved through a system that holds the needs of consumers’ paramount.
<p>Region 2 Pennyroyal</p>	<p>A. Funding, particularly in light of the projected Medicaid shortfall and the impact on the Behavioral Health Safety Net:</p> <ul style="list-style-type: none"> • Increasing the community care dollars for each region • Set a per capita rate of \$20 as a minimum for each CMHC effective with the coming fiscal year. • Increase the investment of the Commonwealth in line with the expectations of the HB843 Commission – at a minimum, to be rated as 25th in the US in per capita spending for MH and SA services, • Medicaid services must be maintained at reasonable levels and funding must also keep pace with demand. • Support constant review of utilization of services and ensuring that Medicaid payments are used wisely. Artificially restricting care on the front end brings greater costs when persons who are mentally ill must be served either in the prison system or in state hospitals. <p>B. Public policy changes, particularly in moving toward statewide “modernization” of the system of care:</p> <ul style="list-style-type: none"> • Support the concept of moving away from the over-utilization of state hospitals to more community-based services. • Increase outlay to develop and strengthen the crisis stabilization programs and support community-based hospitals to designate beds for psychiatric use in order for this “modernization” to materialize.

<p>Region 3 River Valley</p>	<p>A. Funding:</p> <p>With the continual decline in funding for behavioral health services, and the increase in need/usage, several problems become apparent. In rural areas it is not only difficult, but is also not cost effective to duplicate specialized services in each region throughout the state. As has been identified in Region 3's report since the inception of HB843, flexibility in funding is imperative. Individuals should be allowed to receive specialized services irrespective of whether it is in the individual's home region. Not all rural regions can recruit and retain specialists in substance abuse, brain injury services, etc. However, a specialized, state of the art program serving more than one region could accommodate the need for such services without the duplication and increased costs. Aside from this recommendation which has been presented in all of our reports, the following funding suggestions are taken from the responses to the surveys submitted:</p> <ol style="list-style-type: none">1. Use lottery proceeds to fund gambling treatment2. Increase alcohol tax to fund Substance Abuse treatment3. Continue to integrate services within agencies/service providers4. City and County government should contribute a portion of their revenue to mental health5. Assess the actual need for state inpatient hospital beds, and divert some of this money to community's to subsidize local inpatient care.6. Increase funding to support best practices <p>B. Public Policy Changes: Modernization of the system of care:</p> <p>As has been addressed in the previous section on funding, the creation of Centers of Excellence focusing on a particular treatment area is a major step in the modernization of the system. Funding should also be allocated to acknowledge that the provision of state of the art services is costly.</p> <p>Added emphasis to a holistic treatment approach is rapidly becoming the only effective treatment methodology. Individuals must have access to all forms of health care and, in turn, treatment options should be chosen based on the results of all health and mental health needs. This approach must also encompass integrating treatment approaches for individuals with co-occurring disorders.</p> <p>As individualization is the key to a modernized system of care, funding must become more flexible, and the reimbursement must increase to support these efforts. Key to the success of a system which supports a system of care for each individual is the advanced use of technology to insure a seamless delivery system.</p>
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<p>Region 4 Lifeskills</p>	<p>A. Funding, particularly in light of the projected Medicaid shortfall and the impact on the Behavioral Health Safety Net:</p> <ul style="list-style-type: none"> • Review Certificates of Need after a specified time of non-use. • Stop using Impact Plus funds to duplicate existing Medicaid services; use those funds to fill gaps in Medicaid services such as Therapeutic Child Support, Therapeutic Foster Care, transition to adult services, residential, psycho-education, after-school and Intensive Outpatient Programs, etc. <p>B. Public policy changes, particularly in moving toward statewide “modernization” of the system of care:</p> <ul style="list-style-type: none"> • Endorsed the KY Medicaid Consortium principles of quality, affordable, accessible health care for all Kentuckians. • Reviewed and accepted the KARP Grid of Essential Services.
<p>Region 5 Communicare</p>	<p>A. Funding, particularly in light of the projected Medicaid shortfall and the impact on the Behavioral Health Safety Net:</p> <ul style="list-style-type: none"> • Support for mental health treatment beyond current State General Fund funding levels. • The promise of “moving Kentucky from 48th to 25th” in spending on behavioral health be given appropriate emphasis. • That behavioral health and human services be acknowledged as having well-documented hidden and often delayed consequences to it’s under-funding. <p>B. Public policy changes, particularly in moving toward statewide “modernization” of the system of care:</p> <ul style="list-style-type: none"> • Support for the Communicare/Hardin Memorial partnership for local treatment of 202A consumers. • Support for a potential pilot for “volunteer” transportation for consumers to include mileage and insurance coverage. • That institutions of higher learning (graduate programs in behavior health) place specific emphasis in their core curricula on the “medical necessity”/ best practices interaction and of co-occurring Axis I disorders in the treatment of MR/DD and SA consumers.
<p>Region 6 Seven Counties Services</p>	<p>The recommendations of this council continue to be the same ones put forth in its initial December 2000 report:</p> <ul style="list-style-type: none"> • Increase supported housing for persons with MH and SA problems by 50% by 2006. • Increase the availability of support services that facilitate coordination of MH and SA treatment. • Transition people with MH and/or SA from institutional care to community care in a seamless, coordinated system. • Increase the ability of community workers (health, school, clergy, law enforcement) to identify MH and SA problems. • Improve the quality of care by increasing access and choice for the public. • Increase diversion of defendants with MH and/or SA problems by 50% by 2010. • Require all providers statewide to participate in a standardized outcome measurement system. • Provide consumers/families statewide a process for registering questions, complaints, grievances and appeals. • By 2003, increase by 25% the current capacity of therapeutic programs for children and adolescents. • Reduce barriers to accessing MH and SA services. • Establish 5 permanent and 5 mobile comprehensive health care service units in the region by 2010. • Make the most appropriate medications available to those in need. • By 2010, require licensure and/or accreditation of providers by licensure/accrediting bodies.

<p>Region 7 NorthKey</p>	<p>A. Funding, particularly in light of the projected Medicaid shortfall and the impact on the Behavioral Health Safety Net:</p> <ul style="list-style-type: none"> • A Medicaid shortfall that results in a global broad-based tightening of eligibility or services will have a serious negative impact on service access. This will require more services to receive support from State General Funds. • Community demand for services will grow in our region, with fewer consumers having Medicaid as a payment option. • Flexible funding for community-based services must be increased to respond to this increased service demand. • The payment mechanism and funding structure need to be modified to adequately support the development and sustainability of evidence-based treatments. They do not easily fit within traditional funding and service designs. <p>B. Public policy changes, particularly in moving toward statewide “modernization” of the system of care:</p> <ul style="list-style-type: none"> • “Modernizing the system of care” requires vision and planning including short-term targeted steps to achieve that plan. • Define effective “modernization” as necessary services being delivered as effectively and efficiently as possible. This requires viewing appropriate MH and SA treatment services as valuable and beneficial to the whole community and as broad State and community basic requirements. • Funding and evaluation mechanisms must be flexible and broad to avoid focusing on narrowly defined costs as an indication of success. This is short sighted and results in shifting costs from one community system to another. • Modernizing the system will also require the development of complete systems of care, which is most efficiently done from the financial perspective by leveraging dollars from other sources to minimize State cost. • Support the use of Medicaid as payer for services needed to fill gaps in the current care continuum, particularly advocating, the addition of SA services into the State Medicaid plan for adults and youth. • Require flexible financial and resource investment to enable development and support of missing components of effective community-based treatment • “Modernization” must promote cross-system processes to continue intervention and treatment where needed and must track effectiveness through overall community impact, avoiding evaluating results with a narrow, silo viewpoint. • The view from the State must be broader than the individual Cabinet level, and the local view must be broader than the individual provider level, the individual city level and the individual county level.
<p>Region 8 Comprehend</p>	<p>A. Funding, particularly in light of the projected Medicaid shortfall and the impact on the Behavioral Health Safety Net:</p> <ul style="list-style-type: none"> • Increase the flexible base funding to address locally identified needs and best practices. If Medicaid funding is reduced through rate reductions and/or eligibility changes, maintaining the safety net will be more difficult than ever. • Significant general fund dollars could be leveraged if Medicaid included crisis services in its funding stream. • The goal of moving Kentucky from 44th in per capita spending to 25th over a 10-year period is admirable, but unfulfilled. Modest increases received (early childhood MH initiative, jail training, crisis services) have been categorical in nature. • The overarching concern remains the assurance of adequate funding for behavioral healthcare services in our region. <p>B. Public policy changes, particularly in moving toward statewide “modernization” of the system of care:</p> <ul style="list-style-type: none"> • “Un-restricting” general fund dollars that currently flow to the mental health centers in response to locally identified needs could reduce the “hardening of the categories” syndrome that this Council has previously identified. • Increase regionally-based residential treatment options, with less dependence on the state psychiatric hospital system.

<p>Region 8 Comprehend</p>	<ul style="list-style-type: none"> • Establish on the mental health side the gathering of outcome data as is done with SA through KTOS. • Expand the use of the telehealth network for professional development and clinical applications. • Implement a state-of-the-art electronic medical record system at the CMHCs
<p>Region 9/10 Pathways</p>	<p>A. Funding, particularly in light of the projected Medicaid shortfall and the impact on the Behavioral Health Safety Net:</p> <ul style="list-style-type: none"> • With negligible State general fund increases since the early 1990’s and in light of impending changes in the Medicaid program, (payment for provided services only and an open marketplace), it is imperative that the CMHCs receive additional State General Fund dollars in order to provide the required safety net services. <p>B. Public policy changes, particularly in moving toward statewide “modernization” of the system of care:</p> <ul style="list-style-type: none"> • A major goal is to support obtaining a CON for a children’s PRTF in Ashland. • Council members advocated for goals regarding the geriatric population: <ul style="list-style-type: none"> • liaison with nursing homes • service for caregivers to alleviate their stress, such as day cares • ECT [electroconvulsive therapy] for depression in the elderly • inpatient treatment programming • medication resources • tie-ins to senior citizens centers • OP services for psychiatric elderly patients who are difficult to manage in a senior center setting • aging SMI and MR/DD individuals will be a chronic need
<p>Region 11 Mountain</p>	<p>A. Funding, particularly in light of the projected Medicaid shortfall and the impact on the Behavioral Health Safety Net:</p> <ul style="list-style-type: none"> • In view of the problems associated with the ARH Psychiatric Center, there is needed funding for developing inpatient care possibly by shifting funding from inpatient care if the Centers truly become the gatekeepers for psychiatric admissions to the Hospitals. • To reduce expenditures for inpatient care, create funding for a tiered level of care between hospitalization and CSU. • Increase the funding levels of all CSUs to the level of recently-funded CSUs. • Provide funding for training, staffing and resources at the community level for implementing best practices. • Fund the development of a statewide compatible electronic medical records system. • Kentucky currently rates among the five lowest funded states in the nation relative to mental health funding. Upgrade funding of CMHC contracts statewide as a priority to bring KY to a minimum ranking of 25th in the nation. <p>B. Public policy changes, particularly in moving toward statewide “modernization” of the system of care:</p> <ul style="list-style-type: none"> • The community Mental Health system of Kentucky is one of Kentucky’s greatest assets as a licensed, monitored and audited system of care as a vital part of the Commonwealth’s safety net. This system should be funded adequately to fulfill all obligations to our communities and to all regulatory entities. • We need not look any further than West Virginia, Tennessee, and many other states to see the devastation of attempting to “fix something that isn’t broken” when we rank the lowest five (5) states in the country in mental health funding.

<p>Region 12 Ky River</p>	<p>A. Funding, particularly in light of the projected Medicaid shortfall and the impact on the Behavioral Health Safety Net:</p> <ul style="list-style-type: none"> • Kentucky is last in the nation in many categories of health and education. The solution to this funding crisis is not to balance the budget of the poorest and sickest among us. • There are over 60 industries exempt from the state sales tax. Eliminating protection to many sacred cow industries would generate much additional revenue. • This 1115b Waiver would address the Medicaid shortfall through increasing the technology that supports Medicaid and improved Managed Care practices. While the state has a budget crisis when it comes to health care and Medicaid funding, the state continues to find ways to fund its other priorities. Kentucky must recognize that the health of its citizens is paramount and that other state priorities must be secondary to a healthy citizenry. <p>B. Public policy changes, particularly in moving toward statewide “modernization” of the system of care:</p> <ul style="list-style-type: none"> • Reduce micro-management thru regulation reform • Divert from expensive hospitalization to community-based services • Increase privatization of state hospital services • Reduction in overhead at state level • Costs related to redundancy in reporting. • Overhead cost in maintaining massive medical records. • Support integration of Physical Health and Behavioral Health
<p>Region 13 Cumberland River</p>	<p>A. Funding, particularly in light of the projected Medicaid shortfall and the impact on the Behavioral Health Safety Net:</p> <ul style="list-style-type: none"> • Kentucky is one of only six states that spend more on inpatient care than community based service <p>Recommendation: Reduce inpatient beds to fund community based supports and services.</p> <p>B. Public policy changes, particularly in moving toward statewide “modernization” of the system of care:</p> <ul style="list-style-type: none"> • Adopt recovery models, evidence-based practices, and best practices that can be adapted to region. • Increase community supports, education and prevention. • Develop services targeting family unit. • Increase use of algorithms for medication treatment. • Assure diagnosis and level of care is appropriate by identifying and using consistent screening assessment tools. • Level of Care: Best practices, algorithms, and assessment tools to assure dollars are used most effectively.
<p>Region 14 ADANTA</p>	<p>A. Funding, particularly in light of the projected Medicaid shortfall and the impact on the Behavioral Health Safety Net:</p> <ul style="list-style-type: none"> • Increase in flexible funding to meet the needs of the community as established by the Regional Planning Council • Use lottery funds to help support mental health, substance abuse and mental retardation <p>B. Public policy changes, particularly in moving toward statewide “modernization” of the system of care:</p> <ul style="list-style-type: none"> • Prevention and maintenance of care; tracking system • Have a tracking system to maintain the existing system of care

<p>Region 15 Bluegrass</p>	<p>A. Funding, particularly in light of the projected Medicaid shortfall and the impact on the Behavioral Health Safety Net:</p> <ul style="list-style-type: none">• Increase funding for mental health and substance abuse services to a level that would move the state of Kentucky from 44th to 25th in state per capita funding. Notwithstanding the projected Medicaid shortfall, we would still make this a primary recommendation. While Medicaid has helped support community mental health services over the past several years, state funding levels have remained constant or declined. We would recommend that adequate state revenues be allocated to mental health services to begin to address some of the needs/gaps that have been mentioned.• We would recommend pursuing the proposed replacement of the Eastern State Hospital with a state of the art campus of integrated services and programs as soon as possible. This is a much needed and long overdue project which would greatly improve services, encourage innovation, and improve efficiencies. It is also an opportunity for the state of Kentucky to pioneer a new model for the provision of services to a very vulnerable population.• We recommend that transportation services receive special consideration and funding. Lack of adequate transportation continues to be a major barrier to those seeking mental health and substance abuse services. Until something is done to improve their transportation options (especially in rural areas), large numbers of citizens will be unable to access the services they need• We recommend that efforts to integrate physical health and mental health care be made so that mental health consumers can better access the physical health care so many of them need. We also recommend that efforts be made to improve the number and types of housing options which are available to those with Serious Mental Illness. A full range of supported housing, transitional housing and independent living arrangements should be available. <p>B. Public policy changes, particularly in moving toward statewide “modernization” of the system of care:</p> <ul style="list-style-type: none">• Outpatient Commitment Laws – Need to be able to compel follow through with outpatient treatment in certain conditions. This would help limit the “revolving door” problem for State Hospitals and conserve resources which are consumed with repeat inpatient admissions. In addition to the policy change, this would require an enhanced service system to meet the demand.• A significant barrier to housing and employment for some consumers is the fact that they may have a criminal record resulting from behaviors they exhibit when symptomatic. A change in policy which would allow, under certain circumstances, expunging their records of non-violent felony charges would help eliminate such barriers.
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