



# FY2020 Legislative Budget Presentation

Commissioner Lynn T. Beshear

January 29, 2019

The ADMH Mission:

Serve • Empower • Support

The ADMH Vision:

Promoting the health and well-being of  
Alabamians with mental illness,  
developmental disabilities and substance  
use disorders

# My Connection to Mental Health



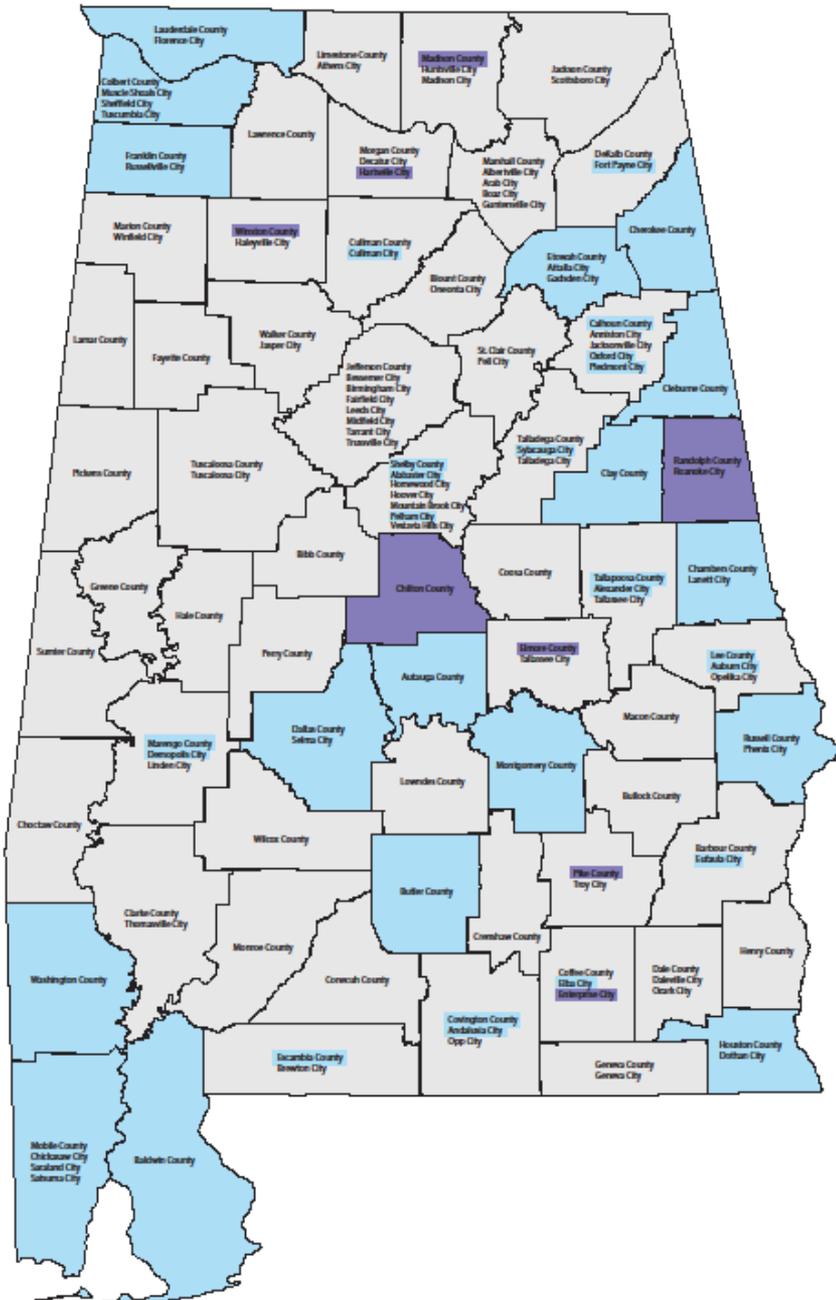
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# Thank you for the increases to our Fiscal Year 2019 appropriation:

- Early Periodic Screening Diagnosis and Treatment (EPSDT)
- Forensic Lawsuit Settlement
- Governor's SAFE Council: School Based Mental Health Collaborative





Nine mental health centers were added with the \$500,000 appropriation in FY19. The MHCs work with the following school systems:

- North Central Mental Health – Hartselle City Schools
- AltaPointe – Randolph County Schools and Roanoke City Schools
- Wellstone – Madison County Schools
- Northwest – Winston County Schools
- South Central – Enterprise City Schools
- Chilton-Shelby – Chilton County Schools
- Indian Rivers – School system not finalized
- East Central – Pike County Schools
- MAMHA – Elmore County Schools

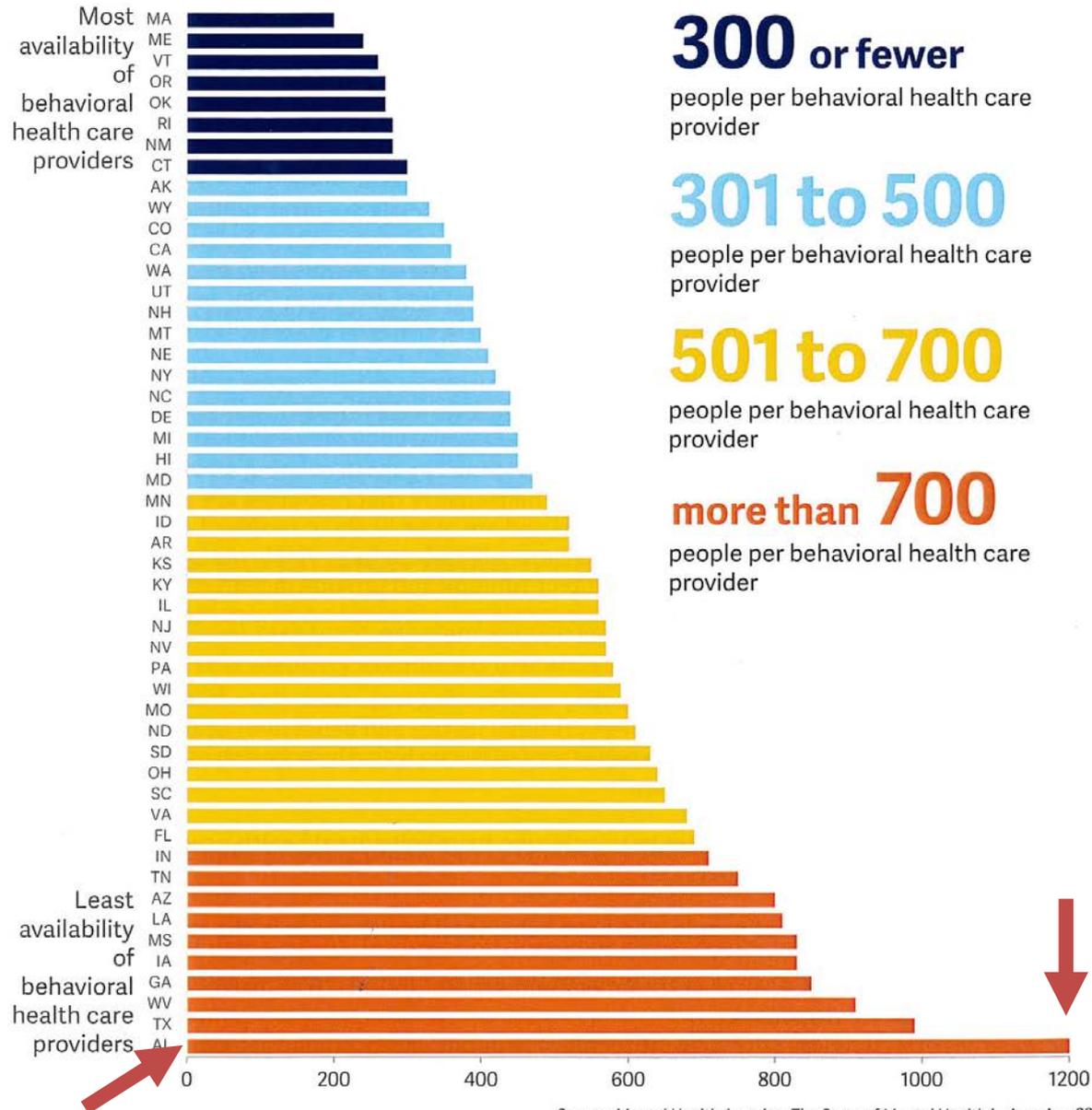
Widely Important Goal (WIG):  
Do everything we can to be a  
**Gateway to Care**



The biggest barrier to ADMH becoming a  
“Gateway to Care” is the lack of a qualified,  
well-trained workforce.

# Availability of behavioral health care providers varies from state to state.

Number of Residents per Behavioral Health Care Provider, by State, 2017

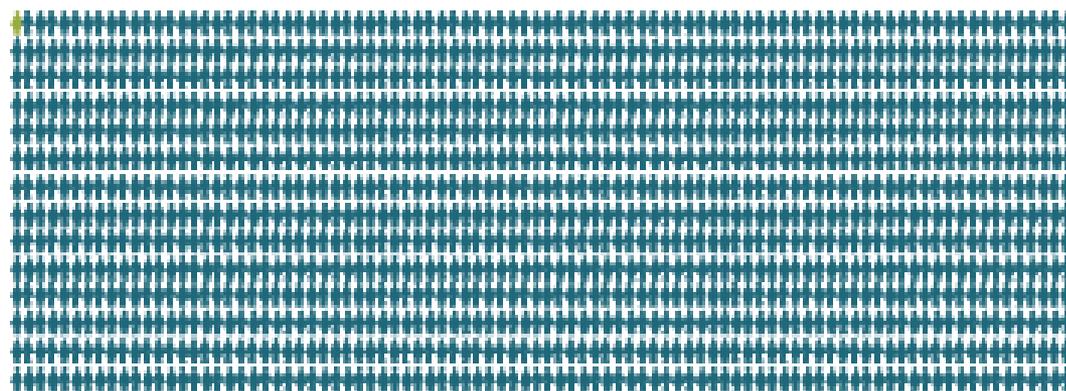


Source: Mental Health America, *The State of Mental Health in America, 2017*.

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# THERE IS A SHORTAGE OF PROVIDERS

IN ALABAMA,  
THERE'S ONLY  
**ONE MENTAL  
HEALTH  
PROFESSIONAL  
PER 1,260 PEOPLE**



TO MEET THE NEED FOR MENTAL HEALTH CARE, PROVIDERS IN THE LOWEST RANKED STATES WOULD HAVE TO TREAT **SIX TIMES AS MANY PEOPLE** THAN PROVIDERS IN THE HIGHEST RANKED STATES

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# Direct Service Professionals (DSPs)

- People with an intellectual disability (ID) rely on DSPs for daily support that enables them to live in our communities
- Families rely on the DSP workforce to provide reliable quality support so they can work and have respite from the day-to-day stressors of caregiving
- Unfortunately, finding, keeping and training this workforce has reached crisis levels:
  - Average annual DSP turnover rates of 45 percent (range 18-76 percent)
  - Average DSP wages are below the federal poverty level for a family of four
  - Half of DSPs rely on government-funded benefits
  - Most DSPs work two or three jobs





DMH is requesting **\$5,885,261 (GF)** to establish a Residential Habilitation Rate that enables providers to pay DSPs at least a liveable wage. This is a first step to address the lack of qualified workforce and reduce the turnover rate.

# Nurse Retention Plan

- Last week, the Alabama Department of Labor announced registered nurses are some of the most sought after employees in the state
- Requesting **\$1,164,014 (GF)** to bring DMH nursing salaries in line with merit system salaries



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# Increasing Patient Acuity and Costs of Operation

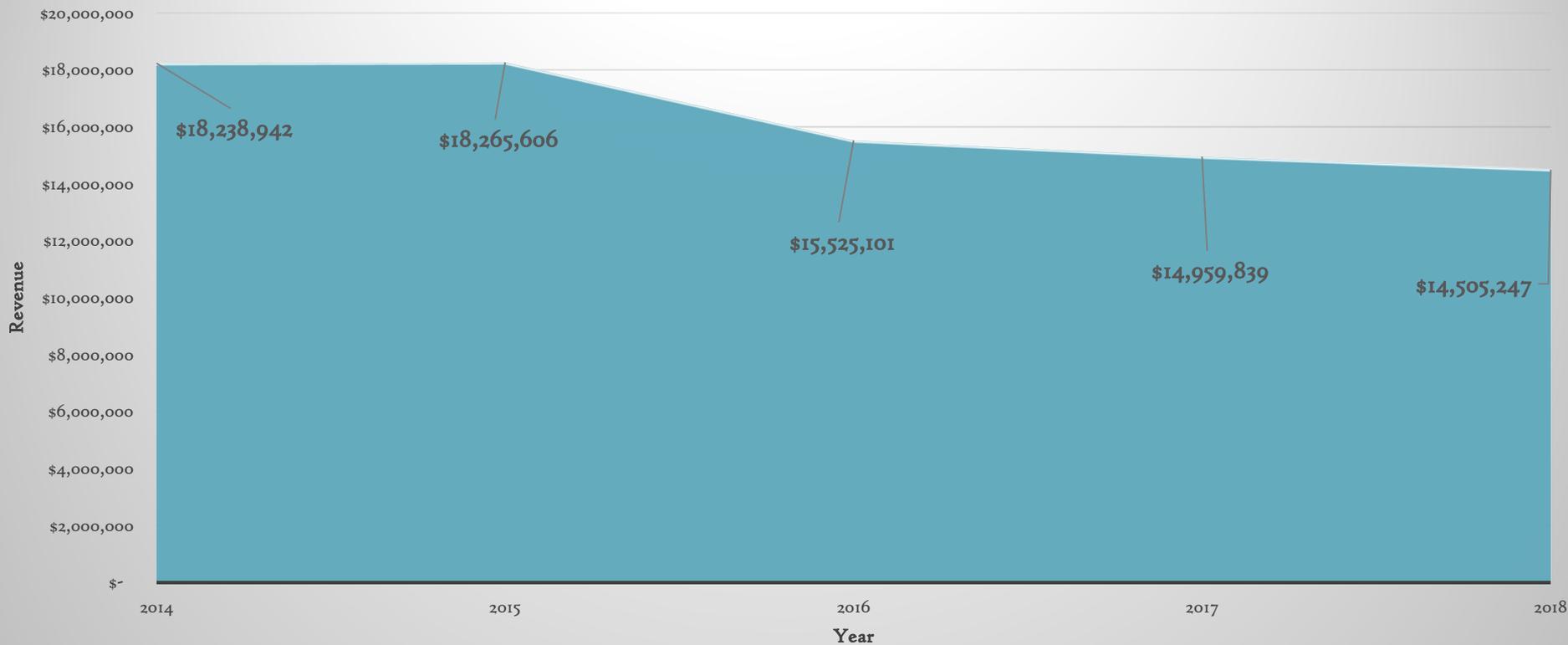
- Patient acuity: the severity of the mental and physical illnesses of patients in our hospitals is increasing
- Increasing costs to operate facilities:
  - Medical costs: average ER visit is \$1250
  - Maintenance
  - Medication
  - Food Service

## Request:

- **\$2,548,769 (GF)** for the increase in operational costs
- **\$636,141 (GF)** for the increase in medication costs



# Medicaid - Medicare Revenue for ADMH State Psychiatric Hospitals



**Lost Revenue over 5 years = \$3,733,695**  
**Requesting \$5,336,387 (GF) to stabilize the downward trend**

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# Mental Illness Community Providers: Residential Rate Increase



- A majority of residential rates have not been updated in **10 years**
- This year's request of **\$4,998,561 (GF)** will go directly to the community and is the first step in bringing rates to accurate cost models

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# Home and Community Based Settings Rule Transformation

- March 2014, CMS issued new Home and Community Based Settings (HCBS) regulations
- New regulations require:
  - Residential and day services must be community integrated
  - Individual Service Plans must be person centered
  - Service goals promote fully integrated and competitive employment for individuals



States have until **March 2022** to be in full compliance with the new regulations or lose the federal funding.

For Alabama,

**\$386,834,471**

is at risk!

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# A Proud Foundation



Table AT. Percentage of Long-Term Services and Supports for HCBS: Services for People with Developmental Disabilities

State	Rank 2016	Rank 2015	FY 2013	FY 2014	FY 2015	FY 2016
Michigan	1	1	100.0%	100.0%	100.0%	100.0%
Oregon	2	2	100.0%	100.0%	100.0%	100.0%
Alabama	3	3	99.4%	99.5%	99.4%	99.4%
Vermont	4	4	99.2%	99.2%	99.2%	99.4%
Alaska	5	5	98.0%	98.0%	98.5%	98.5%
New Hampshire	6	9	99.0%	99.7%	96.1%	98.4%
Maryland	7	6	100.0%	98.7%	97.7%	97.8%
Arizona	8	7	96.4%	96.3%	96.6%	96.5%
Rhode Island	9	8	95.5%	96.0%	96.6%	95.8%
New Mexico	10	10	91.9%	92.1%	92.4%	92.8%
Georgia	11	12	89.6%	93.9%	91.7%	92.7%
Hawaii	12	11	92.8%	92.4%	92.1%	92.0%
Montana	13	14	90.1%	89.2%	91.2%	91.9%
Colorado	14	13	87.9%	89.2%	91.2%	91.2%
Wisconsin <sup>a</sup>	15	17	83.6%	84.6%	87.1%	89.1%
Minnesota	16	15	86.2%	86.5%	87.4%	88.0%



For Aging and Physical Disabilities:

On same measure, Alabama is ranked 48<sup>th</sup> in the country.

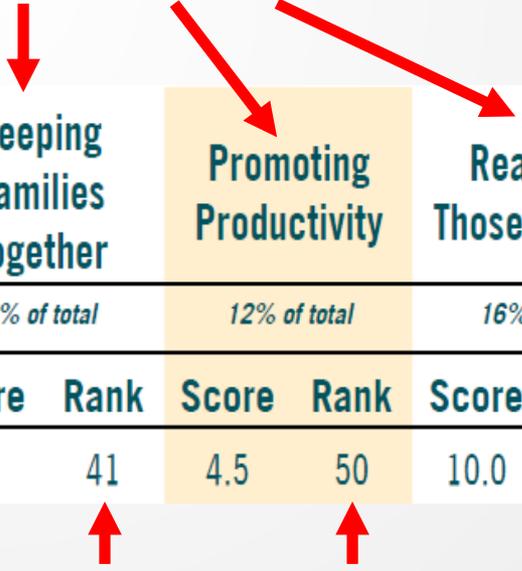


# Some of the Challenges

Why Isn't Alabama ranked near the top?



	Promoting Independence		Tracking Health, Safety & Quality of Life		Keeping Families Together		Promoting Productivity		Reaching Those in Need		Overall	
	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank
	50% of total		14% of total		8% of total		12% of total		16% of total		100%	
Alabama	43.9	13	11.5	3	1.7	41	4.5	50	10.0	40	71.6	22



# Our Progress Towards HCBS Compliance

- ADMH/DD has been working closely with Medicaid Agency to develop a State Transition Plan for CMS approval
- Diverse group of statewide stakeholders has been established, including: individuals served, their families, providers and advocates to advise in the transition work
- Nationally recognized expert has been retained to guide in transforming business models and rate structures needed



# HCBS Settings Rule Compliance for Day Habilitation and Prevocational Services

Request of **\$5,960,645** (**\$3,139,623 ETF/\$2,821,013 GF**)

to establish new rates with lower staffing ratios that promote community access and integration

## DAY HABILITATION:

From: 60% Facility and 40% Community

To: 48% Facility and 52% Community

## PREVOCATIONAL:

From: 67% Facility and 33% Community

To: 40% Facility and 60% Community

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# Deconfliction and Case Management

- Conflict free case management means the agency coordinating services and facilitating choice **cannot** be the provider of the service
- The Settings rule mandates a more extensive planning process which requires an increase in the number of case management hours
- Budget request of **\$2,089,438 (ETF)** will fund:
  - Increase from 36 hours/year to 56 hours/year per person
  - Hiring of more case managers due to reduced case load



# 1115 Demonstration Waiver

## Current ID waiver requires:

- Institutional level of care which results in Alabama spending per person **34% above national average**
- People on the waiting list to reach a state of crisis to receive services

## WHAT IF Alabama could establish one waiver program with tiered levels of support that:

- Could serve people before they are in crisis,
- Has the flexibility to change the number of slots,
- Preserves family arrangements,
- Allows a range of cost effective residential models, and
- Promotes value-based purchasing strategies.



# 1115 Demonstration Waiver

- The goal is to enroll 500 people off the waiting list from 4/1/2020 to 9/30/2020
- Requesting **\$3,722,599 (GF)** to provide funding for:
  - Cost to enroll 500 people
  - Fund provider training and technical assistance
  - Hire additional staff to administer the new waiver
  - Implement an IT system change

**This new waiver is ESSENTIAL for Alabama to come into compliance with the HCBS Rule.**



# A Community-based Crisis Behavioral Continuum of Care

**Post  
Commitment  
to ADMH**

**Preventing  
Commitment  
to ADMH**

SERVICE	AVAILABILITY IN AL
ADMH State Psychiatric Hospital	Available statewide
Acute Psychiatric Inpatient Unit	Available statewide
Crisis Residential Unit (CRU)	DMHFs provide statewide on a regional basis
Crisis Service Center (CSC)--includes Temporary Observation and Crisis Diversion Units (CDU)	Does not exist
Hospital Emergency Department	Depends on availability of psychiatrists and/or psych beds
Urgent Care Programs (less than 24 hrs)	Available in one county (Jefferson)
Peer crisis services	Does not exist
Crisis Mobile Teams	Less than ten exist
Crisis intervention teams (CIT)	Training exists but formalized teams do not exist
Pre-Hospitalization screening	CMHCs provide on a regional basis
Telephone crisis hotlines	CMHCs provide on a regional basis
Warm Line	Available statewide

↑  
Cost

# Establishing Crisis Centers

- Based on similar centers in Georgia, each Crisis Center costs \$7 million
- ADMH is requesting **\$3 million (GF)** to combine with existing ADMH funds to establish the first crisis center in our state
- An RFP will be issued and local communities must put up some funds for match



# THE STEPPING UP INITIATIVE

## A Multi-System Problem



**Law enforcement**  
lacking alternatives to arrest  
and options for crisis  
responses



**Courts** lack diversion  
options and information to  
inform pretrial release

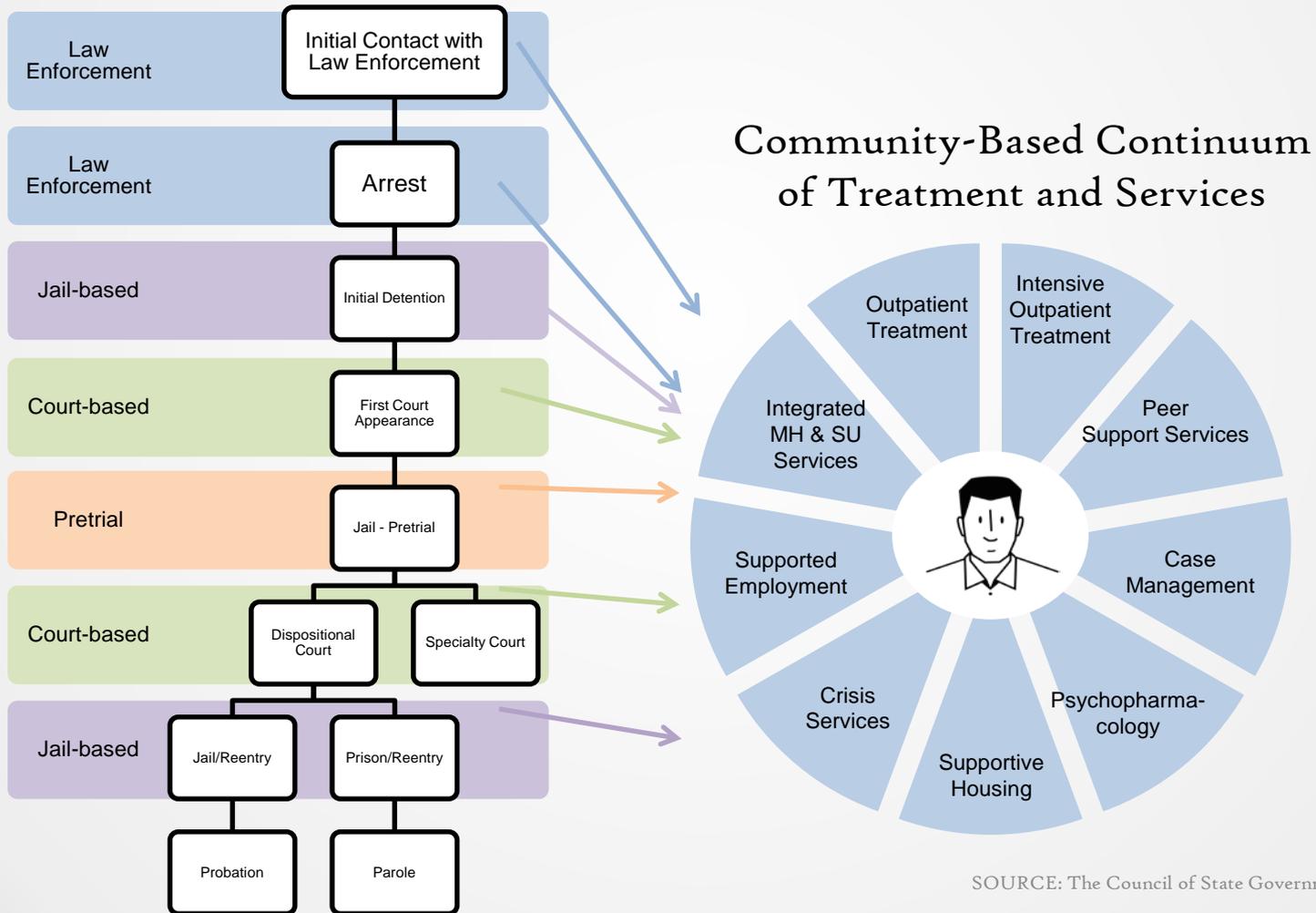


**Behavioral health**  
service capacity is scarce,  
and may not necessarily  
align with what works to help  
reduce recidivism



**Probation** approaches are  
not always effective for people  
who have mental illnesses (e.g.,  
high rates of technical  
violations)

# It's Time to Transform to a System of Diversion and Care, While Keeping Public Safety in the Community



# Proactive Efforts: Project LAUNCH

- Project LAUNCH is an evidence-based, collaborative designed to serve the mental health needs of children age 6 and younger
- Implements a core set of five prevention and promotion strategies drawn from current research
- In addition to providing direct services, Project LAUNCH increases a community's knowledge about healthy child development through public education campaigns and cross-disciplinary workforce development
- Request **\$500,000 (ETF)** to sustain and expand Project LAUNCH and replace the loss of federal funding due to the grant ending



# Proactive Efforts: Telehealth

ADMH is working collaboratively with the Alabama Department of Public Health and Medicaid to implement telehealth as a viable solution to minimize the impact of:

- The workforce shortage
- Access to behavioral healthcare
- Access to specialty services such as child and adolescent psychiatrists and forensic evaluators
- Access to care to individuals with mental health and substance abuse seen in emergency rooms and jails



# Proactive Efforts: Demonstration Waivers

- The Division of Mental Health and Substance Abuse is identifying:
  - Gaps in coverage areas
  - Deficiencies in services
  - Effectiveness of services
  - Ability to meet demand for care
- Based on the above, we are exploring options for possible 1115 and/or 1915 waivers with Medicaid to analyze our continuum of care and develop new evidence-based services



# Proactive Efforts: The Opioid Crisis

- In FY2018, ADMH provided substance abuse treatment to 34,706 clients in the community
- This is an increase of 23% from FY2017 and is attributed to
  - The opioid crisis
  - The influx of federal grant funds allowing more treatment for this population.
- The unintended consequence is an increase in the number of Medicaid eligible individuals seeking treatment for opioid addiction
- We are requesting **\$524,000 (GF)** to maximize \$1.7 million federal dollars available to serve individuals with Medicaid coverage



# Total ADMH FY2020 Budget Request Increases:

<b>General Fund:</b>	<b>\$32.4 million</b>
<b>Education Trust Fund:</b>	<b>\$7.2 million</b>





**Thank you**