



Overview of Mental Health Budget and Policy Initiatives

2006 Legislative Session

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Mental Health Policies Established in 2005

- Focus Services on Resilience and Recovery
- Utilize Evidence-based, Research-based, and Consensus-based practices
- Designate RSNs Through a Procurement Process
- Medicaid Eligibility for Incarcerated Persons
- Mental Health Task Force Continuation



Policy Direction

- Services will be Focused on Recovery and Resilience
- Consumer and advocate participation in services will be supported
- Competition between public and private entities is permitted
- Evidence-based, research-based, and consensus-based services will be utilized



RSN Contracting Process (Step 1)

- Eight RSNs Substantially Complied with RFQ
 - Cost-effective
 - Adequate residential and service capabilities
 - Collaboration with Criminal justice and CD services
 - Provide all services included in the MH state plan
 - Meet all Federal & State regulations and standards



RSN Contracting Process (Step 2)

- March 1, 2006 DSHS issued RFP to provide MH services in areas where Five RSNs didn't substantially meet the RFQ
- RSNs or other Entities may respond to the RFP
- There may be between 8 and 14 RSNs, and one Entity cannot control more than 3 RSNs



Mental Health Task Force Continuation

- Task Force will Oversee:
 - MHD reorganization
 - Establishment of RSNs through Procurement
 - Funding Distribution Methodology
 - Serving Non-Medicaid Consumers
 - Inpatient Psychiatric hospital and community residential beds
- Task Force Expires June 30, 2007



Four Mental Health Issues Going Into the 2006 Session

- Pierce County Lawsuit
- Funding Distribution Formula for Medicaid and Non-Medicaid
- RSN Procurement Process
- Children's Mental Health



Pierce County Lawsuit SB 6793/HB3081

- Legal Liability Protection for DSHS
- State Hospital Bed Allocation
- Discharge From State Hospitals
- Short Term Commitments



Funding Distribution Formula for Medicaid and Non-Medicaid

- Study of Actuarial Rates for Medicaid Managed Care was Released after the 2005 Session
- After the 2005 Session, State Funds Appropriated to serve the Non-Medicaid Population Were Reallocated Among RSNs
- The Reallocation Caused Several Unanticipated Problems Across all 14 RSNs



RSN Procurement Process

- RFP provides a scoring factor for applicants including additional financial resources
- RFP provides additional opportunities to clarify submittal
- RSNs bidding on open areas will be evaluated in the new area only
- Private For-Profit entities are Excluded



Children's Mental Health

- \$450,000 provided to establish an evidence-based mental health program for children
- Established Through RFP and Operational 12/06
- Joint with Mental Health, Juvenile Justice and Child Welfare systems



Mental Health Budget Initiatives

- \$33 Million to Transform Community Mental Health Treatment
 - 5 Temporary Wards at Eastern and Western State Hospitals
 - Expand Community Services and Treatment
 - Expand Community Housing
 - Utilization Review Program
 - Review of the ITA statute and system
 - Study of Medicaid managed care rates



Mental Health Budget Initiatives

- \$22 Million to Increase Medicaid Managed Care Payments
- RSNs With Rates Above the Statewide Average Receive a 3.5% rate increase
- RSNs With Rates Below the Statewide Average Receive and Increase to the Statewide Average



Mental Health Budget Initiatives

- \$2 Million to Satisfy the Judgment in the Pierce County Lawsuit
- \$1.8 Million to Increase Staffing in the Criminal Offender Unit at Eastern State Hospital



Questions??