



COLORADO
Department of Human Services



Joint Budget Committee:

Office of Behavioral Health

Community Mental Health Centers

Colorado Department of Human Services

September 21, 2015

Projected FY 2015-16 Underspend

The Department projects to underspend the Services for Indigent Mentally Ill Clients appropriation in FY 2015-16:

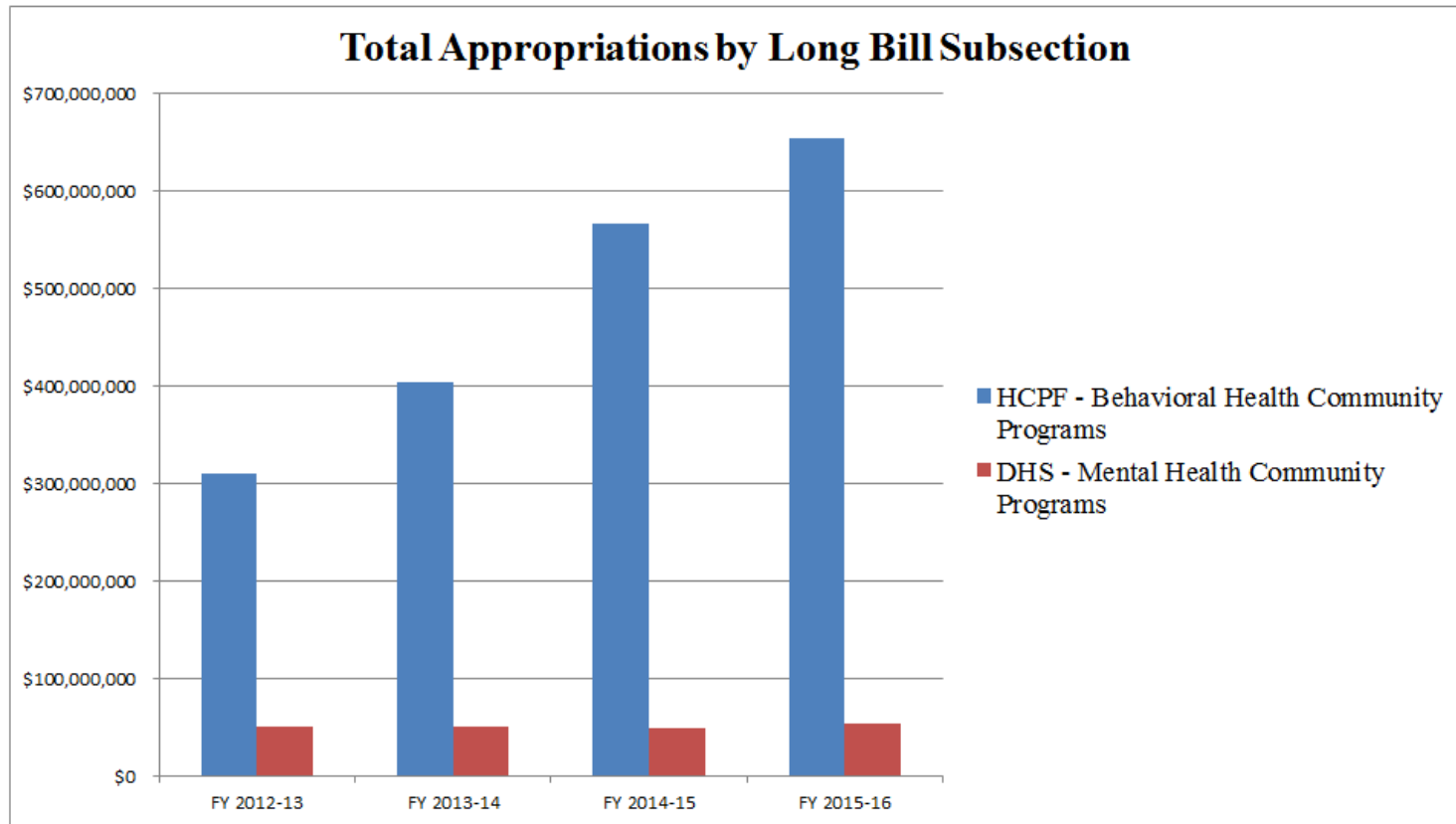
\$4.5 million total funds / \$3.8 million General Fund

The Department seeks advice and direction from the Joint Budget Committee on how to proceed.

Community Mental Health Programs

- The Department/OBH contracts with Community Mental Health Centers to provide treatment to:
 - Indigent Individuals
 - Severity level of >5
- Case rate methodology
 - Consistent since the late 1980's
- Medicaid also provides mental health and substance abuse services for Medicaid enrolled individuals
 - Serves a broader population than CDHS
 - Does not provide funding for non-direct services
 - Does not fund some services that OBH provides (e.g. transportation, housing assistance and employment supports)

State Funding for Behavioral Health Community Programs

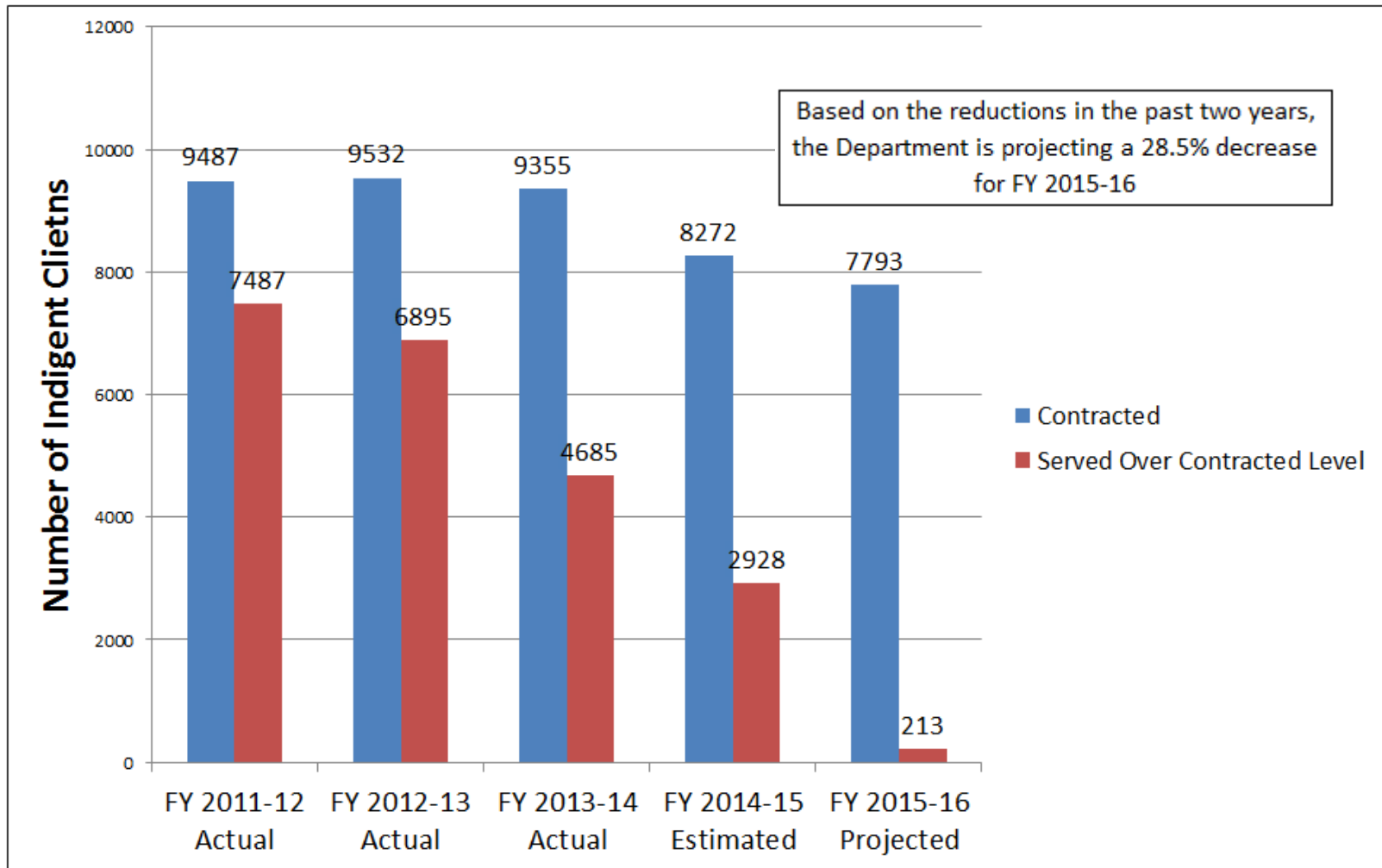


*DHS – Mental Health Community Programs does not include funds for the Crisis Response System, CORE Services, TAN-F Contracts, or Mental Health First Aid

Trends Driving the Underspending in Community Behavioral Health

- Impact of the Affordable Care Act and S.B. 13-200
 - Medicaid Expansion
 - Private Insurance
- Decrease in the number of individuals who are uninsured
 - Recent data from the Colorado Health Access Survey indicates that only 6.7% of Coloradans are uninsured in 2015 as compared with 15.8% in 2011
- Decrease in the case rate based on lower service utilization

Caseload History



Case Rate Adjustment

- The Department and CBHC mutually* calculated
 - The average FY 2015-16 per client/per year case rate to be \$2,644
 - \$542 less than the FY 2014-15 case rate of \$3,186

*pending finalization of FY14-15 expenditures and contract negotiations for FY15-16

Options

CBHC Proposal

- Expand definition of medically indigent to include:
 - Adults with any mental health disorder covered by Medicaid
 - Children without a serious emotional disturbance
- Expand services to include such things as capacity costs related to disaster readiness

DHS Request

- Maintain current severity level and indigent eligibility requirements
- One-time flexible funds to cover systemic and capacity needs for the CMHCs
- Behavioral health system study
- Return unused balance to General Fund



Behavioral Health System Study

- OSPB to lead study coordinated with HCPF and DHS to examine:
 - Impact of Medicaid “churn”
 - Impact of State-level financing changes related to the ACA implementation, Crisis Response System and other recent investments into the Behavioral Health System
 - Impact of insured, uninsured and underinsured populations on behavioral health providers
 - State-level operational controls among and across Departments
 - Substance abuse treatment procurement/contracts
- Identify strategies and best practices for maximizing funding sources



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