

Department of Behavioral Healthcare, Developmental Disabilities & Hospitals

FY 2017 Revised, FY 2018 Recommended & Capital Budgets
House Finance Committee
April 11, 2017

Executive Office of Health and Human Services

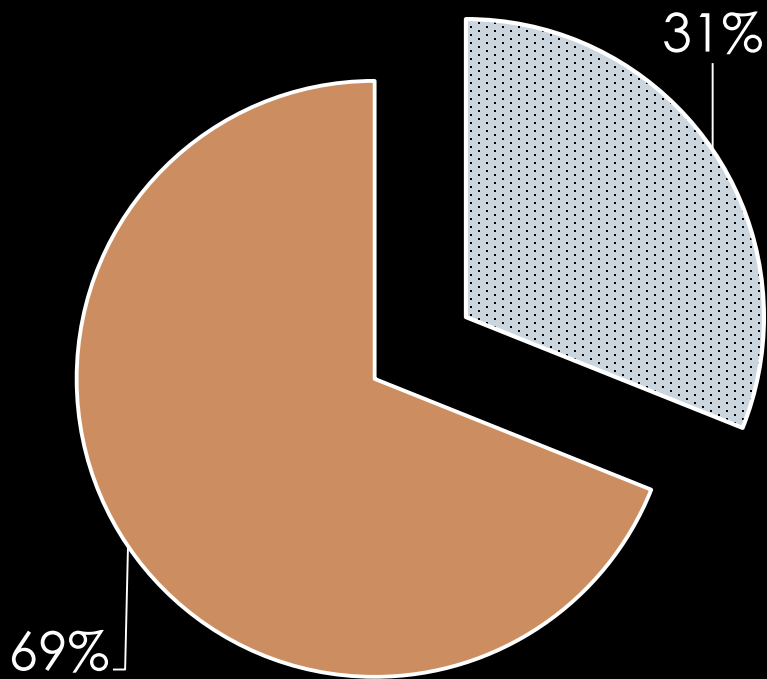
- BHDDH is 1 of 4 health and human service agencies under the umbrella of EOHHS along with:
 - Human Services
 - Division of Elderly Affairs
 - Children, Youth and Families
 - Health

Executive Office of Health and Human Services

- Governor appoints the directors of the 4 agencies under the EOHHS umbrella
- EOHHS is responsible for managing and providing strategic leadership and direction to the 4 departments
 - Centralized financial management & legal
- Directors retain statutory authority
- State Medicaid Agency
 - Other Medicaid programs – BHDDH, DCYF & DHS

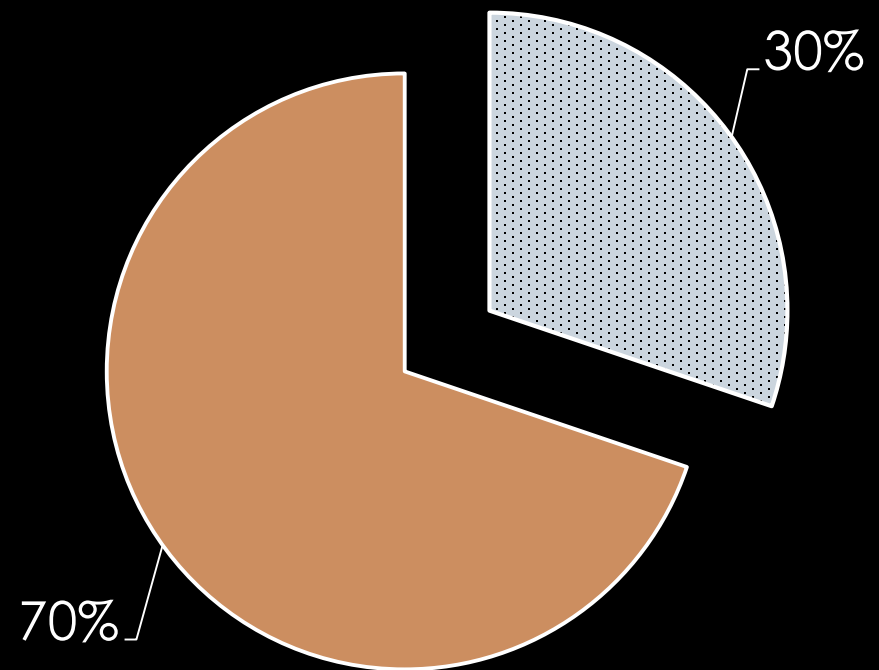
Medicaid - % of Total Budget

All Funds



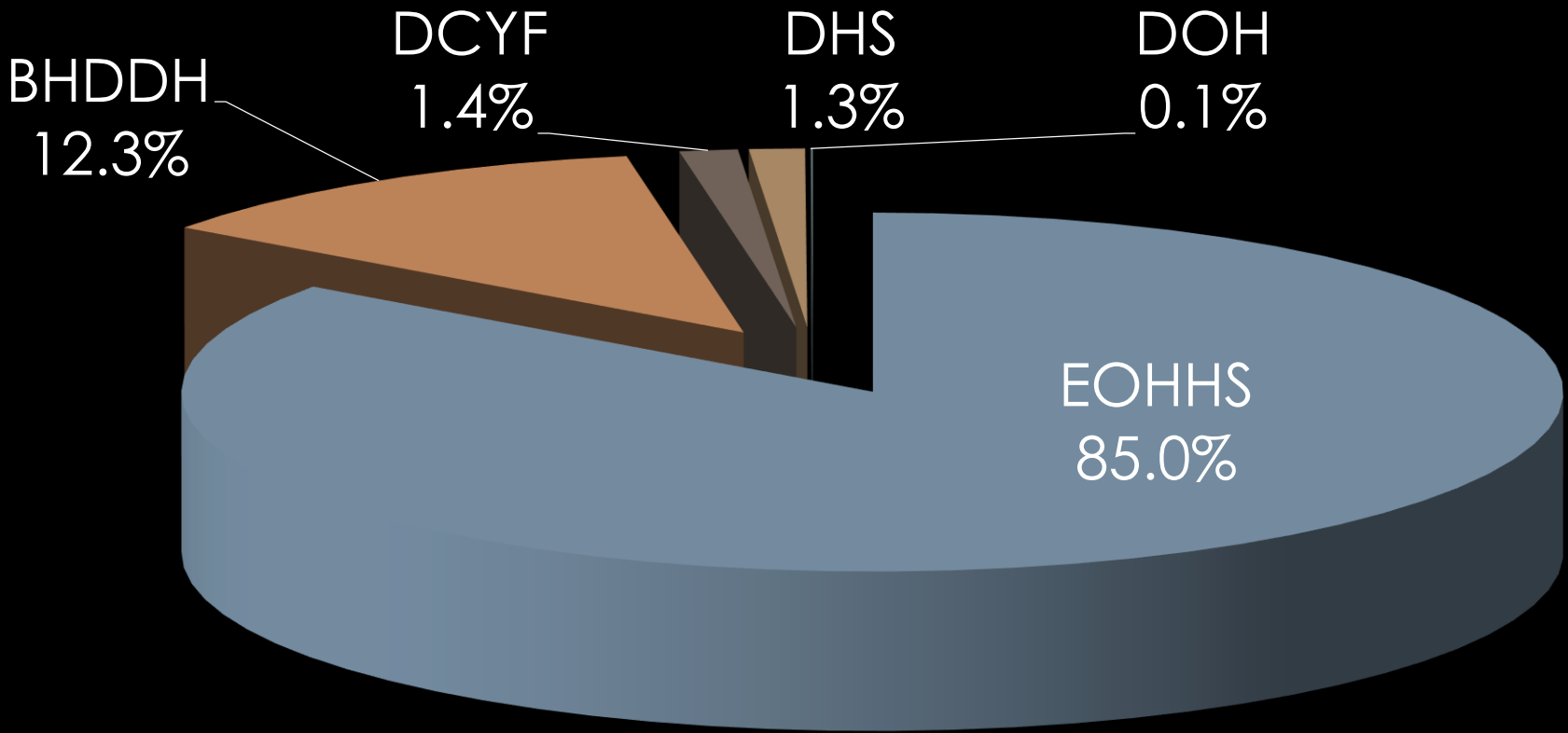
■ Medicaid
■ All Other Spending

General Revenues



■ Medicaid
■ All Other Spending

Medicaid Spending by Department



Medicaid Beneficiaries

Expansion & Disabled	EOHHS	BHDDH
Acute Care	X	
Mental Health Treatment	X	X
Substance Abuse Treatment	X	X
Long Term Care	X	
Other Community Supports	X	X
Other Residential	X	X

Programs & Services

Division	Populations	Services	#	Funding
Developmental Disabilities	Developmentally Disabled Adults	Residential, day & employment	4,263	Medicaid/ State Funds
Hospital Rehabilitation Services (ESH)	Medical, forensic & psychiatric patients	Hospital level of care	245	Medicaid
Behavioral Healthcare Services	Individuals w/ mental health and/or substance abuse issues	Residential, inpatient & outpatient services	48,000	BHDDH – federal funds EOHHS – Medicaid

**FY 2017 Revised/FY 2018
Recommended Budgets:
Funding**

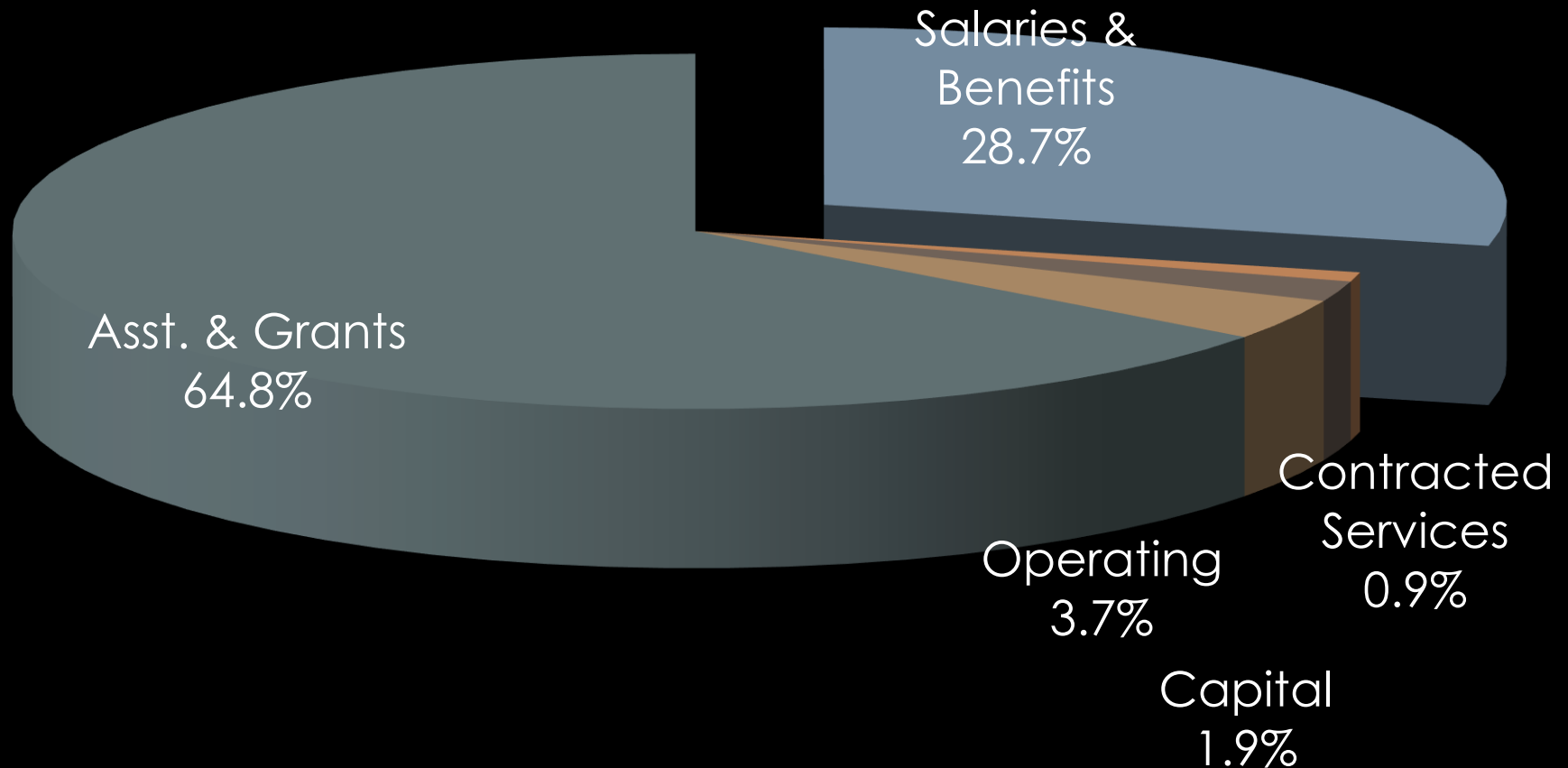
Governor's Recommendation

Source	Enacted	Rev.	Chg.	Rec.	Chg.
Gen. Rev.	\$173.2	\$181.7	\$8.5	\$179.6	\$6.5
Fed Funds	193.0	198.8	5.8	\$200.7	7.7
Rest Rec	8.4	6.9	(1.5)	6.9	(1.5)
Other	11.0	13.6	2.6	7.1	(3.9)
Total	\$385.6	\$401.1	\$15.5	\$394.4	\$8.7
\$ in millions					

Governor's Recommendation

Category	Enacted	Rev.	Rec.	Chg.
Sal/ Ben	\$118.0	\$120.9	\$113.3	(\$4.7)
Cont. Serv.	3.5	4.0	3.3	(0.3)
Operating	14.6	15.0	14.7	0.1
Grants & Ben.	238.3	247.2	255.8	17.5
Capital	11.2	13.9	7.3	(3.9)
Total	\$385.6	\$401.1	\$394.4	\$8.7
FTE	1,352.4	1,352.4	1,319.4	(33.0)
\$ in millions				

Governor's FY 2018: By Category



Target Budget

- Budget Office provided a general revenue target of \$161.6 million
 - Current service adjustments of \$2.1 million
 - 8.0% reduction of \$13.8 million
- Department's constrained request is \$7.5 million above target
- Governor's recommendation is \$18.1 million above

Staffing

Full-Time Equivalent Positions

Full-Time Positions	FTEs	Chg. To Enact
Enacted Authorized	1,352.4	-
FY 2017 Gov. Rev	1,352.4	-
FY 2018 Request	1,352.4	-
FY 2018 Governor	1,319.4	(33.0)
FY 2016 Average Filled	1,217.7	(135.0)
Filled as of April 1 st	1,174.4	(178.0)
Filled to FY 2016 Avg	(43.3)	

**FY 2017 Revised/FY 2018
Recommended Budgets:
Programs**

Statewide Savings

- Assessment to salaries that funds workers' comp., unemployment & unused leave
 - Lowered from enacted based on experience
 - Savings of \$1.2 million in FY 2017
 - Savings of \$1.5 million in FY 2018
- Medical benefit cost growth
 - Lower than initial estimates
 - Savings of \$2.6 million in FY 2018
- Total impact to BHDDH
 - \$80,204 in FY 2017; \$282,524 in FY 2018

FY 2017 Summary By Program

	Enacted	Gov. Rev.	Chg.
Developmental Dis.	\$246.2	\$250.6	\$4.4
Hospital & Community Rehabilitation	114.3	119.4	5.1
Behavioral Health	20.5	26.6	6.2
Hosp & Comm Suppt	2.9	2.7	(0.2)
Central Mgmt.	1.7	1.6	(0.1)
Total	\$385.6	\$401.1	\$15.5

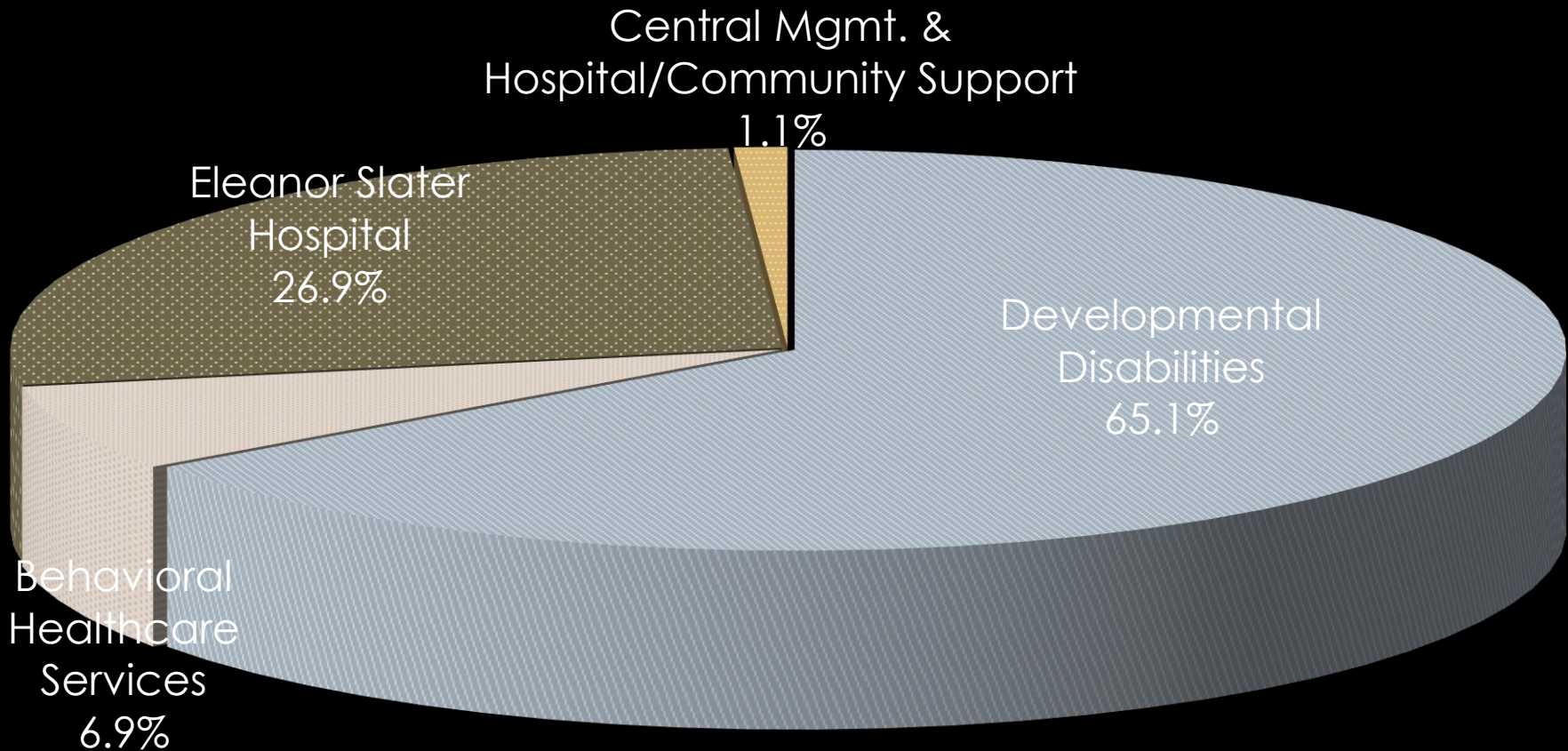
\$ in millions

FY 2018 Summary: By Program

	Enacted	Gov.	Chg.
Developmental Disabilities	\$246.2	\$256.7	\$10.5
Hospital & Comm Rehabilitation	114.3	105.9	(8.5)
Behavioral Health	20.5	27.4	6.9
Hosp & Comm Support	2.9	2.7	(0.2)
Central Mgmt.	1.7	1.7	-
Total	\$385.6	\$394.4	\$8.7

\$ in millions

Governor's FY 2018 By Program



Programs – Items of Interest

- Division of Developmental Disabilities
 - Prior Years Claims
 - Professional Supports & SIS Tiers
 - Additional Resource Allocations
 - Funding for consent decree
- Eleanor Slater Hospital
 - Reorganization
- Behavioral Healthcare Services
 - Cooperation with EOHHS for services

Services for the Developmentally Disabled

Private System
State System

Services for the Developmentally Disabled

- RI provides services under its Medicaid Waiver:
 - Residential/Community Supports
 - Day Programs/Supported Employment
 - Community Supports
- RI uses the broadest federal definition
- Waiver did not change services or eligibility
 - State lost revenue from group home tax

Services for the Developmentally Disabled

- Services also provided in an intermediate care facility
 - Meeting level of care
 - Need of active health and rehabilitative services for those with disabilities
 - Adults with developmental disabilities
 - RI has 3 licensed ICF/DD facilities
 - 2 Zambarano group homes (2 closed)
 - Tavares Pediatric Center

Services for the Developmentally Disabled

- Special Care Facilities
 - Smithfield Commons – Smithfield
 - Capacity for 15 individuals
 - University Fields – South Kingstown
 - Capacity 15 individuals
 - College Park – Providence
 - Closed

Services for the Developmentally Disabled

Benefit	Options	Eligibility/Services Determination
Residential	24-hour group home	BHDDH
	Shared living arrangement	
	Independent Living	
	Home with Family	
Community	Day Program	
	Supported Employment	
	Respite	
Medical	Rhody Health Partners or Rhody Health Options	EOHHS: eligibility through long term care unit and benefits through Medical Assistance program

Resource Levels

Tier	Description	# - Feb 2017 report
A	Low Support	596
B	Low to Moderate Support	876
C	Moderate Support	1,381
D	High Support with Medical	462
E	High Support with Behavioral	335
Not had SIS		5
Total		3,655

Program Recipients

February	Authorized & Receiving Services	Case Mgmt. Only	Total
FY 2017	3,654	609	4,263
FY 2016	3,638	451	4,089
FY 2015	3,654	362	4,016
FY 2014	3,648	297	3,945
FY 2013	3,635	596	4,231
FY 2012	3,672	552	4,224
FY 2011	3,607	625	4,232

Developmental Disabilities Program: Historical Spending

FY	Total (Millions)	Change	Caseload	Change	Per Person
2016	\$241.9	1.0%	4,089	1.8%	\$59,148
2015	\$239.5	4.4%	4,018	(1.5%)	\$59,609
2014	\$229.4	1.7%	4,074	(0.4%)	\$54,206
2013	\$225.5	4.1%	4,232	(0.5%)	\$53,276
2012	\$216.5	(10.7%)	4,254	(0.5%)	\$50,897
2011	\$242.6	(1.0%)	4,232	(2.9%)	\$57,137
2010*	\$244.0	(1.7%)	4,358	(0.9%)	\$55,995
2009	\$248.2	(4.6%)	4,398	0.4%	\$55,921

*no 6% provider tax levied starting in FY 2010

State Operated Program: Historical Spending

FY	Total (Millions)	Change	Caseload	Change	Per Person
2014	\$36.7	5.8%	199	(7.2%)	\$184,890
2013	\$34.8	5.1%	214	(1.4%)	\$153,848
2012	\$34.1	2.4%	217	(1.8%)	\$159,921
2011	\$33.8	(2.7%)	221	(4.3%)	\$153,250
2010	\$34.8	(11.7%)	231	(5.7%)	\$150,544
2009	\$39.4	(10.0%)	245	(9.2%)	\$160,695
2008	\$43.8	(1.4%)	270	(5.9%)	\$162,061

State Operated Program Recommendation

FY	Total	Chg.	Persons	Chg.	Per Person
2018 Rec	\$28.8	8.0%	146	(2.7)	\$197,314
2017 Rev	\$30.9	12.0%	150	(16.7%)	\$205,945
2017 Enact	\$28.0	(20.1%)	180	(14.3%)	\$155,390
2016	\$35.0	(4.9%)	210	(2.3%)	\$166,758
2015	\$36.8	-	215	-	\$171,283

(total in millions)

Note: February 2017 report shows 146 individuals in RICLAS

Community Based Services: Historical Spending w/o Group Home Tax*

FY	Total	Chg.	Persons	Chg.	Per Person
2013	\$181.4	6.3%	3,604	0.6%	\$50,332
2012	\$170.6	(14.4%)	3,627	0.5%	\$47,615
2011	\$198.4	(0.5%)	3,607	0.5%	\$55,142
2010*	\$199.9	1.5%	3,589	0.8%	\$55,697
2009	\$196.9	4.7%	3,562	0.7%	\$55,278
2008	\$188.1	4.2%	3,539	0.6%	\$51,144

*no 6% provider tax levied starting in FY 2010

\$ in millions

Community Based Program: Governor's Recommendation

FY	Total	Chg.	Persons	Per person
2018 Gov. Rec.	\$217.4	3.7%		
2017 Gov. Rev.	\$209.6	0.7%	3,654	\$53,366
2017 Enacted	\$208.1	5.3%	3,640	\$51,257
2016	\$197.6	2.2%	3,638	\$54,311
2015	\$193.4	5.0%	3,661	\$52,820
2014	\$184.1	1.7%	3,648	\$50,470

(total in millions)

Services for the Developmentally Disabled

FY 2017 Revised	Enacted	Dept. Rev.	Gov. Rev.	Gov. to Enacted
General Rev	\$119.7	\$120.6	\$122.0	\$2.4
Federal Funds	124.1	124.1	125.1	0.9
Rest Rec.	1.8	2.5	1.9	0.1
RICAP	0.7	0.7	1.7	1.0
Total	\$246.2	\$247.9	\$250.6	\$4.4
\$ in millions				

Services for the Developmentally Disabled

Div. of Dev. Disabilities	Private System		RICLAS	
	Gen Rev	All Funds	Gen Rev	All Funds
Enacted	\$107.2	\$218.3	\$12.5	\$28.0
Gov. Rev.	\$107.8	\$219.7	\$14.2	\$30.9
Chg. to Enact	\$0.6	\$1.5	\$1.7	\$2.9
FY 2018 Rec.	\$110.7	\$227.9	\$13.1	\$28.8
Chg. to Enact	\$3.5	\$9.6	\$0.6	\$0.8
Chg. to Rev	\$2.9	\$8.2	(\$1.2)	(\$2.1)

\$ in millions

Services for the Developmentally Disabled

- BHDDH 1st quarter report included overspending of \$0.9 million from general revenues – submitted October 28th
 - Shift of home health aide services back to BHDDH
 - Offsetting savings in EOHHS
- Request & 2nd quarter report include a \$1.5 million deficit
 - Excluding home health aide transfer

Services for the Developmentally Disabled

- Governor adds \$1.5 million
 - \$0.6 million from general revenues
 - Includes BHDDH administrative expenses
- For direct services, Governor adds \$10.8 million
 - \$5.9 million from general revenues
- Offset those costs from several savings initiatives
 - Total \$6.9 million, \$3.4 million from gen rev

Governor's Revised Budget

Recommended Changes	Gen. Rev.	Total
Prior Year Claims	\$1.1	\$2.2
Current Services	2.2	3.2
Additional Resources	1.8	3.6
Home Health Aides	0.9	1.8
Total	\$5.9	\$10.8

\$ in millions

Governor's Revised Budget

Recommendation – Savings	Gen. Rev.	Total
Additional Resources – Review Process	(\$0.8)	(\$1.5)
Supported Employment Srv.	(0.2)	(0.4)
Appropriate Resource Levels	(0.8)	(1.7)
Residential Conversion	(1.2)	(2.4)
Professional Services Approvals & Rates	(0.4)	(0.8)
Total (in millions)	(\$3.4)	(\$6.9)

Services for the Developmentally Disabled

- Prior Year Claims
 - Paid outstanding claims from FY 2015 & FY 2016
 - If an assessment changed and there are newly authorized services that were being provided but not authorized the provider is able to bill back 12 months for those services
- Current Services
 - Adjustment in current year to reflect services authorized and being provided

Services for the Developmentally Disabled

Additional Resources (L9's)

- Appears that \$18.0 million is in the enacted budget, \$8.9 million from general revenues
 - Not a separate item in the budget
- Governor adds another \$3.5 million
 - \$1.8 million from general revenues
- Savings offset of \$1.5 million
 - \$0.8 million from general revenues
 - From a new review process

Services for the Developmentally Disabled

Additional Resources (L9's)

- As part of monthly report, BHDDH is required to submit:
 - (1) Amount of the funding allocated above the assigned resource levels
 - (2) Number of individuals and assigned levels
 - (3) Reason for the approved additional resources
- BHDDH reports 1 & 2 but not 3
 - Through 3rd quarter – authorization total \$21.1 million

Services for the Developmentally Disabled

- Revert to assessed level of care (SIS)
 - Individuals assessed at lower tier were kept at higher, more expensive tier when reassessments were done
- Also included in FY 2017 enacted budget
- Savings of \$1.4 million
 - \$0.7 million from general revenues

Services for the Developmentally Disabled

- Professional Supports
 - Includes physical, speech & occupational therapy and also nursing services
- FY 2017 enacted budget includes \$4.0 million
 - \$2.0 million from general revenues
- Providers billing BHDDH for supports that managed care plans are not paying for
- Services should first be billed to the plans

Services for the Developmentally Disabled

Residential Conversion

- Governor includes savings of \$2.4 million
 - \$1.2 million from general revenues
- Transferring 66 individuals from a 24-hour group home placement to a lesser setting
- Savings in both private and RICLAS system
- Plan also included in FY 2017 enacted

Services for the Developmentally Disabled

- Governor includes savings of \$0.8 million from reviewing process
 - \$0.4 million from general revenues
- Currently \$4.0 million is distributed to individuals who may or may not use the services
- New process to be implemented

Services for the Developmentally Disabled

FY 2018	Enacted	Dept. Req.	Gov. Rec	Gov. to Enacted
General Rev	\$119.7	\$126.9	\$123.8	\$4.1
Federal Funds	124.1	130.4	129.9	5.8
Rest Rec	1.8	1.9	1.9	0.1
RICAP	0.7	0.7	1.1	0.4
Total	\$246.2	\$259.9	\$256.7	\$10.5
\$ in millions				

Services for the Developmentally Disabled

- Governor adds \$10.5 million for Division expenses
 - \$4.1 million from general revenues
- Governor includes \$9.6 million for privately operated system
 - \$3.5 million from general revenues
- Includes \$0.8 million for RICLAS
 - \$0.6 million from general revenues

Services for the Developmentally Disabled

- For services through community based system, Governor adds \$9.8 million
 - \$4.1 million from general revenues
- Includes \$20.5 million more for services
 - \$9.3 million general revenues
- Offset by savings of \$10.7 million
 - \$5.2 million from general revenues

Governor's FY 2018 Budget

Recommendation	Gen. Rev.	Total
Current Services	\$3.6	\$8.8
Wage Increase	3.0	6.2
Additional Resources	1.8	3.6
Home Health Aides	0.9	1.8
Total	\$9.3	\$20.5

\$ in millions

Governor's FY 2018 Budget

Recommendation – Savings	Gen. Rev.	Total
Additional Resources – Review Process	(\$1.5)	(\$3.1)
Appropriate Resource Levels	(0.8)	(1.7)
Residential Conversion	(2.1)	(4.2)
Professional Services Approvals & Rates	(0.8)	(1.6)
Total (in millions)	(\$5.2)	(\$10.7)

Services for the Developmentally Disabled

Rate Adjustments

- FY 2013 - increase direct care labor rate from to \$11.30
- FY 2014 – increase direct care labor rate from \$11.30 to \$11.55
- FY 2017 budget increased rates to \$11.91

Department of Justice Settlement

- Finding against the City of Providence and the State of Rhode Island
 - Operating a “sheltered workshop”- Training Thru Placement (TTP)
 - 90 individuals receiving services through TTP
 - State hired an outside consultant to assist with transition to employment activities

Department of Justice Consent Decree

- State signed agreement with DOJ
- Convert services provided in the sheltered workshops to employment supported activities
- Contracted with Fed Cap prior to the signing of the consent decree
 - Ended 12/31/2013
- Center for Excellence and Advocacy
 - Ended 12/31/2014

DOJ Consent Decree

Activity	FY 2015	FY 2016	FY 2017 & FY 2018
Trust Fund	\$400,000	\$400,000	\$ -
Monitor & Settlement Agreement	475,000	450,000	450,000
Sherlock Workshop Institute	125,000	250,000	400,000
Total	\$1,000,000	\$1,100,000	\$850,000

DOJ Consent Decree

- Four separate populations:
 - RI Sheltered Workshop Target Population
 - Those who received services in sheltered workshop setting – state had 9
 - Training Thru Placement – closed
 - Community Works Services are primary employment services provider for those who attended TTP

DOJ Consent Decree

- Four populations (continued):
 - RI Day Target Population
 - Receive or have received day services in a facility based setting in the previous year
 - RI Youth Transition Target Population
 - Transition-age according to RIGL & attend high school
 - RI Youth Exit Target Population
 - Transition youth who have exited or will exit high school during: the 2014/2015 and 2016 school year (SY)

Supported Employment Placements

Minimum # added to comply with consent decree

Date	Youth Exit	Sheltered Workshop	Day Programs
1/1/2015	50 - SY 2014	-	-
6/1/2015	Remaining SY - 2014 & 2015	-	-
1/1/2016	1/1/2016	50	25
6/1/2016	SY 2016	-	-
1/1/2017	-	50	25
1/1/2018	-	50	50
1/1/2019	-	50	50

Supported Employment Placements

Date	Youth Exit	Sheltered Workshop	Day Programs
Minimum # added to comply with consent decree			
1/1/2020	-	100	75
1/1/2021	-	100	100
1/1/2022	-	100	200
6/1/2023	-	100	200
1/1/2024	-	100	225

Supportive Employment Services

- Vocational & Related Services
 - Job development, job coaching, job shadowing, benefits counseling & transportation
 - Environmental modifications, behavioral skills training and supports, self exploration, career exploration, career planning, job customization, soft skill development and time management training & personal care services

Supportive Employment Services

- Allow individuals with disabilities to interact with those who do not in an employment setting to the fullest extent possible
- Offers the same opportunities for both groups
- Decree indicates that the state will reallocate resources – funding “follow the person”

DOJ Consent Decree: State Obligations

Actions	Timeline by:	Progress
Create Employment 1 st Task Force	May 1, 2014	CPNRI, RI Disability Law, RIPIN, parent and family reps on the task force
Charles Moseley as the court monitor		Hired as court monitor
Contract with a technical assistance provider	July 1, 2014	Centers for Excellence & Advocacy
Establish and implement pre-qualification requirements for all supported & integrated day service providers	Sept 1, 2014	Complete
Establish Sheltered Workshop Conversion Institute	Oct 1, 2014	Paul V. Sherlock Center selected
Establish an MOU w/ BHDDH, RIDE & ORS		Signed January 2016

DOJ Consent Decree: State Obligations

Actions	Timeline by:	Progress
Develop & implement statewide quality improvement initiative	Nov 1, 2014	Complete
Establish detailed program standards for planning & services		Complete
Enter into performance based contracts linking funding to provider achievements	Jan 1, 2015	Complete
Develop procedures to require provider staff to assist in the transition to supported services	July 1, 2015	Paul V. Sherlock Center selected

Services for the Developmentally Disabled

- Consent Decree – Person Centered Supported Employment Services Program
 - FY 2017 Assembly added \$6.8 million for employment related programs to be in compliance with the consent decree
- Governor recommends savings of \$0.4 million based on current spending from this pool
 - \$0.2 million from general revenues

Services for the Developmentally Disabled

Person Centered Supported Employment Services Program

Payment to Provider	Description	Gen. Rev.	All Funds	Providers	Participants
Certification	Reimbursement for training	\$0.05	\$0.1	22 providers	500 individuals
Supplemental	Additional approved services	2.1	4.2		
Benchmark	Payment for Individuals retaining job	0.7	1.3		
Total		\$3.4	\$6.8		

Supportive Employment Services

Placements	2016	2017
Pre-vocational training	448	??
Job Coaching	787	??
Job Retention	135	??
Job Development	422	??
Employment**	700	??
Community Based Day Activities	??	??

***only for those within consent decree population*

DHS/Office of Rehabilitation Services

- Part of Department of Justice Consent Decree to address integrated community services for adults with developmental disabilities
 - With BHDDH
- Pilot program started with six community based providers
 - 49 participants

Supportive Employment Services

- Also as part of monthly report, BHDDH is required to submit:
 - (1) any and all information for the consent decree that has been submitted to the federal court
 - (2) # of unduplicated individuals employed, the place of employment & hours working
- BHDDH provides #1 but not #2
 - Reports that place of employment is not tracked & hours are available through a Sherlock survey

Reporting Requirements

March 2017 Report	
Individuals	Included Information
Total # receiving services	Yes
In 24-hour residential & in shared living arrangement	Yes
Who have a cost of care & amount owed	Yes but not the amount collected
Receiving additional services & reason	Partial
Consent decree information	Yes
Employed/where employed & hours worked	No

Ombudsman Program

- FY 2017 enacted budget assumed \$170,000 would be used to support Developmental Disabilities Ombudsman program
 - \$83,251 from general revenues
- Requested by the Governor in an amendment and accepted by the Assembly
- Currently there is no program

Demographic Issues – Aging Population

- Is it still an appropriate placement?
- Should an individual be placed in a nursing home?
 - Annual cost is approximately \$70,000
- Under Project Sustainability
 - Up to \$100,000 to support medically fragile individual in a residential setting
- 2011 Auditor General's finding highlights this issue

Demographic Issues – Younger Populations

- Potential caseload increase resulting from those on the autism spectrum
 - Residential Services
 - Community Supports
 - Day programs and family supports
- Requirements under the consent decree

Caseload as of March 1, 2017

Age	# of Individuals	Percent of Total
29 or younger	951	26.1%
Age 30-39	790	21.7%
Age 40-49	592	16.2%
Age 50-64	928	25.6%
Age 65 & Older	385	10.6%
Total	3,646	100%

RICLAS Caseload as of March 1, 2017

Age	# of Individuals	Percent of Total
29 or younger	8	5.5%
Age 30-39	12	8.2%
Age 40-49	7	4.8%
Age 50-64	65	44.5%
Age 65-101	54	37.0%
Total	146	100%

Other Services – All Sources

Program	FY 2017 Rev	FY 2018 Rec
Rehab Option	\$1.2	\$1.2
Day Services - CNOM	\$0.1	\$0.1

\$ in millions

Hospital and Community Rehabilitative Services

Eleanor Slater Hospital System
Cranston & Zambarano Campuses

Hospital Operations

Building	Unit	Admission Criteria
Cranston:		
<i>Regan</i>	2 units with medical & psychiatric patients	Hospital level of care
<i>Adolph Meyer</i>	Adult Psychiatric	Court ordered and voluntary placements
<i>Philippe Pinel</i>	Forensic Unit	Court ordered
Burrillville: Zambarano	Medical	Hospital level of care

Hospital Operations

Meyer

Pinel

Regan

Youth Assessment
Center

Medical to
Zambarano

Hospital & Community Rehabilitative Services

	Enacted	Gov. Rev.	Gov. Rec.	Change
Salaries & Benefits	\$79.8	\$79.3	\$72.9	(\$6.9)
Operating	11.5	12.0	11.6	0.1
Contracted Services	1.4	2.1	1.0	(0.3)
Grants	12.9	15.7	15.9	3.0
Capital	8.8	10.4	4.4	(4.4)
Total	\$114.3	\$119.4	\$105.9	(\$8.4)
FTE	874.8	870.7	862.7	(12.1)

\$ in millions

Hospital Administration

- FY 2017 enacted budget includes savings of \$8.4 million
 - \$3.8 million from general revenues
- Governor restores \$5.2 million in FY 2017
 - \$2.9 million general revenues
- FY 2018 includes another \$4.2 million
 - \$2.1 million from general revenues
- Total savings of \$10.6 million for FY 2018
 - \$6.3 million from general revenues

Hospital Administration

- Plan to consolidate
 - Timeframe to move YDC
 - DCYF timeframe to move to Youth Development Center
- Some initiatives already under way
 - Impact to FY 2017 & savings being fully realized in FY 2018
- BHDDH has hired:
 - Chief Executive Officer

Hospital Administration

- Administrative Postings for:
 - Chief of Operations & Financial Management
 - Chief Nursing Officer
 - Chief of Quality Assurance
 - Administrator of Hospital Accreditation Standard & Hospital Control and Quality Improvement

FY 2017 Reorganization

Changes	Gen. Rev.	Total	Action/Impact
Enacted Savings	(\$3.8)	(\$8.7)	FY 2017 enacted budget
Regan 6 consolidation	(\$0.7)	(\$1.5)	Unit closed 9/2/2016
Eliminate Lab Services for Dept. of Corrections	-	-	Still retain staff & new cost for DOC to use private lab
Contracted Medical Services	(0.1)	(0.2)	Reduce rehab, x-ray and behavioral therapists
Downsize Physicians	(0.1)	(0.2)	Effective 1/1/2017
Downsize Radiology	(0.01)	(0.03)	Start 4/1/ 2017
Total – changes	(\$0.9)	(\$1.9)	
<i>Difference to Enacted</i>	\$2.9	\$6.8	Restored in Gov revised

FY 2018 Budget Proposals

Reorganization	Gen. Rev.	Total
FY 2017 Enacted Savings	(\$3.8)	(\$8.7)
Reorganization	(2.4)	(4.9)
Privatizing Lab	(0.5)	(1.0)
Sex Offenders to Less Restrictive Setting	(0.5)	(1.0)
FY 2018 Recommended Savings	(\$7.2)	(\$15.6)

FY 2018 Budget Proposals

Reorganization	Gen. Rev.	Total
Savings	(\$7.2)	(\$15.6)
Regan 6 consolidation	(0.9)	(1.8)
Reconfigure Staffing Offices	(0.5)	(1.0)
Medical Records Staff	(0.05)	(0.1)
Contracted Medical Services	(0.2)	(0.3)
Radiology Services	(0.05)	(0.1)
Downsize Physicians	(0.1)	(0.2)
Use of Physician Assistants & Other Medical Professionals	(0.02)	(0.05)
Total (millions)	(\$1.7)	(\$3.5)
<i>Savings to be achieved</i>	<i>(\$5.5)</i>	<i>(\$12.1)</i>

FY 2018 Budget Proposals

Reorganization – Staffing Changes	Proposal
Reconfigure Staffing Management	Hire new staffing manager to report to nursing management & manage 4 existing staff. Centralize & manage staffing needs & overtime
Medical Records Staff	Eliminate excessive staff to reflect decreasing patient census

Hospital Operations

Article 16 – Section 2 – IT projects

- Including for Hospital System
 - Electronic medical records
 - Patient/case management tracking
 - Discharge /transfer information
 - Multiple agencies – DOC & Veterans Home
 - Eleanor Slater Hospital assumed about \$7.4 million
 - Estimate appears to be changing

Hospital Operations

Eleanor Slater Hospital – Electronic Medical Records System	Cost*
Initial Software & Fees	\$0.8
Professional Services	2.2
Equipment & Hardware	0.2
Implementation Training	0.3
Contingency	0.3
Total	\$3.7
*in millions	

Hospital Administration

- State entered into a 1-year, \$2.3 million contract with AMS
- \$8.4 million in savings in FY 2017
 - \$3.9 million from general revenues
- 4 separate tasks in the contract
 - 1 – Executive Management – 10 activities
 - 2 – Analytics/Metrics – 5 activities
 - 3 – Finance/Budget – 4 activities
 - 4 – Special Projects/Enhancement Activities

Hospital Administration

- January 28, 2016 report: Engagement of Labor Relationships in Securing the Hospital's Future
- Issues under consideration:
 - Organizational restructuring
 - Best configuration of billing under Medicaid
 - IMD status considerations (federal approval)
 - Services (in house vs. outsourced)
 - Labor training, job development, skill building

Hospital Administration

- Renovations:
 - Gloria McDonald or Mathias: 50-bed forensic facility
 - Zambarano: expand medical capacity
 - Regan: psychiatry & low acuity res. treatment
- Program Development:
 - Outpatient Ctr. for Excellence for Opioid Use Disorder
 - Develop RICLAS, MH & DD specialized care residential treatment

Hospital Administration

- Education:
 - Brown Univ. Forensic Psychiatry Fellowship: Summer 2016
 - Brown Univ. Psychiatry Residents: Summer 2017
 - URI APRN training site: Fall 2016/Spring 2017
 - URI pharmacy student rotations: F 2016/Spr 2017
 - CCRI social work interns: Fall 2016/Spring 2017
 - Medical student rotation: no timeframe
 - Psychology interns: Fall 2016

Hospital Administration

- Activities include:
 - Develop standard processes, tool & templates based on best-practices
 - Provide planning expertise for reorganization
 - Assist w/conducting an evaluation of hospital organizational structure
 - Forecasting budget expenditures for specific services & patient types
 - Department has been asked to update the progress for all contract activities

Hospital Reorganization

- FY 2017 enacted budget includes \$1.0 million from RICAP funds for a feasibility study to determine hospital needs
 - Study will not be done
- Revised budget proposed using RICAP for repairs to Regan building and Youth Assessment Center
 - Governor includes \$2.5 million for FY 2017
 - It appears this plan may change

Behavioral Healthcare Services

Behavioral Healthcare Services

- Monitoring & development of mental health & substance abuse services:
 - Community support and recovery programs
 - General outpatient & residential programs
 - Housing and vocational programs
 - Prevention activities
 - Detoxification programs

Behavioral Healthcare Services

- Governor includes Article 23 to designate BHDDH as agency responsible for coordinating, planning managing, implementing & reporting on state's substance abuse policy
 - Same as last year – clarify activities
 - New language has received SAMSHA approval
- Co-designates with Executive Office to administer federal funds & calculate state's maintenance of effort for Substance Abuse block grant

Behavioral Healthcare Services

- BHDDH has a \$15.1 million requirement for \$7.6 million Substance Abuse Block Grant
 - Does not count Medicaid
 - Reason for Article 23
- Governor reallocates \$2.0 million from general revenues from the Department of Corrections to use for maintenance of effort requirement

Behavioral Healthcare Services

	Enacted	Gov. Rev.	Gov. Rec	Change
Salaries & Benefits	\$3.6	\$4.4	\$4.5	\$0.9
Cont. Services	0.1	0.2	0.2	0.1
Operating	0.2	0.2	0.2	-
Grants	15.5	20.8	21.3	5.8
Capital	1.1	1.1	1.2	0.1
Total	\$20.5	\$26.6	\$27.4	\$6.9
FTE	33.0	39.0	35.0	2.0

\$ in millions

Behavioral Healthcare Services

- Truven Analytics Report
 - EOHHS contracted for report, Rhode Island Behavioral Health Project: Final Report
 - Reported: RI spent more on direct and indirect behavioral healthcare than most other states in FY 2013
 - But public finance for behavioral health care for adults and adolescents has dropped from \$110.0 million to \$97.0 million in FY 2014
 - State funding went from \$60.0 million to \$28.0 million

Behavioral Healthcare Services

FY	BHDDH Total	YTY Chge	Transfer to OHHS	Adjusted Chg.	Assembly Action
2015	\$16.3	(\$82.3)	\$70.6	(\$11.7)	Transferred Medicaid & savings from expansion for uninsured/underinsured
2014	\$98.7	(\$1.6)			Savings 1/2014 ACA start
2013	\$100.3	0.5			
2012	\$99.8	(\$2.2)			
2011	\$102.1	(\$9.4)			
2010	\$111.5	\$2.5			
2009	\$108.9	(\$1.0)			
2008	\$109.9	(\$0.8)			
2007	\$110.7	\$2.9			

\$ in millions

Behavioral Healthcare Services

- Rhody Health Partners & Expansion services for disabled & non-disabled adults
- Reinventing Medicaid includes savings from moving SPMI services in-plan
- Integrated Health Homes

OHHS Budget	FY 2017 Gov. Rev.	FY 2018 Gov. Rec.
Rhody Health Partners*	\$240.4	\$242.9
Expansion	450.0	497.0
Total (millions)	\$690.4	\$739.9

**Opioid Task Force Initiatives funding of \$1.5 million in Rhody Health Partners*

Behavioral Healthcare Services

- Governor's Overdose Prevention & Intervention Task Force
 - EOHHS budget includes \$1.5 million from all sources
 - \$0.8 million from general revenues
 - Peer support & recovery houses
- BHDDH entered into an agreement with EOHHS to use for recovery centers
- Task Force report also includes Centers of Excellence

Behavioral Healthcare Services

- Legislation passed for BHDDH to certify recovery housing facilities & programs for residential substance abuse treatment
- After July 1, 2017, only certified recovery housing are eligible to receive funding to deliver recovery housing services
- Governor includes \$200,000 for recovery centers as part of Justice Reinvestment Initiative

Behavioral Healthcare Services

- Governor includes legislation to allow EOHHS to seek Medicaid funding for Centers of Excellence for Opioid Use Disorders
- It appears that EOHHS has already applied for and received this approval
 - State filed notice with CMS in October, 2016 for November 1 start

Behavioral Healthcare Services

- FY 2017 enacted budget includes \$1.5 million assuming Medicaid match to fund Overdose Taskforce initiatives
- FY 2018 Budget retains that funding
- Governor's requested amendment
 - EOHHS/BHDDH reassessing cost projections and intend to structure the program to remain within "available appropriations"
 - How would Centers of Excellence be funded?

Behavioral Healthcare Services

- BHDDH funding from Overdose Task Force funding:
 - \$90,000 for certification of recovery housing
 - For RICARES to do certification training
 - \$250,000 for start up support for a recovery center in Southern RI
 - Recently issued a Request for Proposals

Behavioral Healthcare Services

Centers of Excellence

- Licensed through BHDDH
 - \$1.0 million federal Medication Assistance Treatment grant provided start up funding
 - Approved one for CODAC
 - Recently licensed a unit in ESH, Regan building in Cranston
- Costs for service would appear in EOHHS' Medicaid budget

Behavioral Healthcare Services

- EOHHS entered into a contract with Fatima hospital for 20 beds for psychiatric patients
 - \$6.7 million from all sources
- Initiative to move some state hospital psychiatric patients to the community hospital & then to a less intensive setting
 - Few moved from Eleanor Slater/rest from community hospitals

Behavioral Healthcare Services

- BHDDH has 15 federal grants that it uses to support community based programs and agencies
 - \$20 million
 - Services include:
 - Prevention
 - Residential treatment
 - Inpatient & outpatient services
 - Recovery services & peer support
 - Housing Assistance

Behavioral Healthcare Services

FY 2018 Recommendation	Federal Funds
Substance Abuse Block Grant	\$7.6 million
State Incentive Grant	\$2.2 million
Mental Health Block Grant	\$1.9 million
CABHI (Homelessness Prevention)	\$1.8 million
SBIRT (Screening, Brief Intervention & Referral to Treatment)	\$1.7 million
Social Services Block Grant	\$1.1 million

Behavioral Healthcare Services

FY 2018 Recommendation	Federal Funds
Medication Assistance Treatment	\$1.0 million
Healthy Transitions Grant	\$1.0 million
Behavioral Healthcare Clinics	\$1.0 million
Mental Health Services for the Homeless	\$0.3 million
State Innovation Model Grant	\$0.2 million

Federal Grants

- Comprehensive Agreements to Benefit Homeless Individuals (CABHI)
 - 3-year/\$5.4 million federal grant
 - For a community mental health center & its homeless services partners
 - For outreach, treatment, recovery supports & benefit connections to chronically homeless – incl. veterans
 - Partnered w/ RI Housing for 50 housing vouchers
 - Services to another 50 individuals in housing who need support

Federal Grants

- Screening, Brief Intervention, and Referral to Treatment (SBIRT) Grant
 - 5-year \$8.2 million; \$1.7 million annually
 - To pre-screen 250,000 Rlers over 5 years for use of tobacco, alcohol, marijuana & other drugs with treatment delivered in primary care and other health settings
 - Includes those at the Department of Corrections
 - Impact to EOHHS Medicaid & DOC budgets?

Federal Grants

Residential Treatment

- Substance Abuse Block Grant
- EOHHS Medicaid – Rhody Health Partners

Inpatient & Outpatient Treatment

- Substance Abuse Block Grant
- Mental Health Block Grant
- EOHHS Medicaid – Rhody Health Partners

Prevention/ Screening

- Substance Abuse Block Grant – Municipal Task Forces
- School Prevention
- SBIRT grant
- State Innovation Grant – underage drinking & prescription drug misuse & abuse those age 12 -25

Federal Grants

Recovery Housing/Peer Supports

- Governor's Overdose Task Force – EOHHS Medicaid
- Mental Health Block Grant
- EOHHS Medicaid – Rhody Health Partners
- General Revenues

Centers of Excellence

- Medication Assistance Treatment Grant
 - Fund 6 centers
- EOHHS Medicaid – Rhody Health Partners
 - Pay for treatment

Housing

- CABHI (Cooperative Agreement to Benefit Homeless Individuals)
- Mental Health Services for the Homeless
- PATH (Projects & Assistance in Transition from Homelessness)

Federal Grants

Planning

- State Innovation Model (SIM) grant
- Behavioral Healthcare Clinics grants
- Youth Treatment Planning Grant
- Healthy Transitions Grant

Issues

- Impact of Federal Changes
 - Services for opioid disorder treatment, mental health and other substance abuse disorders
- Impact on EOHHS from programs that started using federal grants
 - Centers of Excellence
 - SBIRT grant

Other Department Programs

Hospital & Community System Supports
Central Management

Hospitals & Community System Support

- Operational support to both the hospital & community patient care system
- Financial Management
- Facilities and Maintenance
- Human Resource Management

Hospital & Community System Supports

	Enacted	Gov. Rev.	Gov. Rec.	Change
Salaries & Benefits	\$2,175,934	\$1,965,402	\$1,979,954	(\$195,980)
All Other Operating	87,156	83,783	86,900	(256)
Capital	651,100	695,254	651,100	-
Total	\$2,914,190	\$2,744,439	\$2,717,954	(\$196,236)
FTE	19.0	15.7	4.7	(14.3)

Central Management

- Department administration
- Constituent affairs
- Policy administration
- Strategic planning

Central Management

	Enacted	Gov. Rev.	Gov. Rec.	Rec to Enacted
Salaries & Benefits	\$1,592,157	\$1,529,861	\$1,545,546	(\$46,611)
Contract Services	12,100	12,850	12,100	-
Operating	91,171	100,312	97,660	6,489
Total	\$1,695,428	\$1,643,023	\$1,655,306	(\$40,122)
FTE	11.6	13.0	13.0	1.4

Capital Plan

- 13 Projects totaling \$76.7 million
- Mixed Funding
 - RICAP Funds: \$73.5 million
 - Federal Funds: \$3.2 million
- \$25.6 million in FY 2018 through FY 2022
 - RICAP Funds: \$25.4 million
 - Federal Funds: \$0.2 million

Pastore Center/Hospital Projects

Project	Status	Cost	Funds
Reorganization	Revised	\$5.7	RICP
Pastore – AP	Revised	\$6.1	RICP
Administrative Buildings	Ongoing	\$12.9	RICP
Zambarano – AP	Ongoing	\$2.8	RICP
Equipment	Ongoing	\$2.1	RICP

\$ in millions

Developmental Disabilities Projects

Project	Status	Cost	Funds
Res Fire Code	Revised	\$5.2	RICP/FF
Group Homes	Ongoing	\$10.3	RICP
Res Support	Ongoing	\$7.5	RICP
Reg Centers-AP*	Ongoing	\$5.7	RICP

\$ in millions

*no funding in FY 2017 through FY 2021 – consent decree requirement for more inclusive services/less need for regional centers/Funding restored

Behavioral Health - Projects

Project	Status	Cost	Funds
Comm Fac Fire Code Upgrades	Revised	\$3.5	RICP
Residences	Ongoing	\$9.9	RICP
MH Asset Protection	Ongoing	\$3.3	RICP
Substance AP	Ongoing	\$1.7	RICP

\$ in millions

Annual Reporting Requirements

- 2013 Assembly enacted legislation requiring OMB to prepare, review and inventory all reports filed with Assembly
 - Report to be presented to Assembly as part of budget submission annually
- BHDDH is required to submit 4 reports
- Currently submitting all
 - Not all in compliance

Annual Reporting Requirements

- Article 28 – caseload information for those applying for and receiving services through the Division of Developmental Disabilities
 - Reports had been submitted
 - Department has not included the additional data required by the 2016 Assembly
 - Employment data
 - Patient liability collections

Department of Behavioral Healthcare, Developmental Disabilities & Hospitals

FY 2017 Revised, FY 2018 Recommended & Capital Budgets
House Finance Committee
April 11, 2017
