

Department of Behavioral Healthcare, Developmental Disabilities & Hospitals

Staff Presentation to
House Finance Subcommittee on Human Services
FY 2023 Revised, FY 2024 Recommended & Capital Budgets
March 21, 2023

BHDDH

- *Overview*
 - *EOHHS Agencies*
 - Items of Interest
- *BHDDH*
 - Summary and Budget Issues
 - Programs & Services
 - Divisions

EOHHS – Overview

- Principal agency to manage the 4 health and human service agencies
 - BHDDH, DHS, DCYF & DOH
- Governor appoints the directors of the 4 agencies under the EOHHS umbrella
 - Retain statutory authority
- Responsible for managing, providing strategic leadership & direction to depts.
- Medicaid funded programs in each of the agencies

EOHHS Agencies

	FY 2023 Enacted	FY 2023 Governor	Chg.	FY 2024 Governor	Chg.
EOHHS	\$3,614.4	\$3,551.4	\$(63.0)	\$3,762.6	\$148.2
DHS	902.1	942.3	40.1	794.7	(107.4)
<i>BHDDH</i>	<i>597.1</i>	<i>587.2</i>	<i>(9.8)</i>	<i>619.6</i>	<i>22.5</i>
DOH	373.4	396.9	23.5	319.7	(53.7)
DCYF	314.5	317.3	2.8	342.0	27.5
Total – All Funds	\$5,801.5	\$5,795.1	\$(6.4)	\$5,838.7	\$37.2
% of budget	42.7%	41.0%		42.5%	

\$ in millions

Overview - EOHHS Agencies

	FY 2023 Enacted	FY 2023 Governor	Chg.	FY 2024 Governor	Chg.
<i>EOHHS</i>	<i>\$1,196.9</i>	<i>\$1,121.9</i>	<i>\$(75.0)</i>	<i>\$1,313.1</i>	<i>\$116.2</i>
DHS	152.3	151.7	(0.6)	143.5	(8.8)
BHDDH	303.0	281.0	(22.0)	291.9	(11.1)
DOH	32.9	33.8	0.9	34.4	1.6
DCYF	206.6	204.5	(2.2)	218.4	11.8
Total – Gen. Rev.	\$1,891.7	\$1,792.8	\$(98.9)	\$2,001.3	\$109.6
% of budget	37.5%	34.0%		37.7%	

\$ in millions

Overview – Items of Interest

Programs	EOHHS	BHDDH	DCYF	DHS	DOH	DOC
Opioid Funds	X	X			X	X
HCBS - ARPA	X		X		X	
Behavioral Health System of Care	X		X			
Family Home Visiting Programs	X				X	
FTE Transfers	X			X	X	
CFCM (Article 9)	X	X		X		
CCBHC (Article 9)	X	X	X			

Overview – Items of Interest

Opioid Funds	FY 2023	FY 2024	2-Year Total
Abatement Funds - Settlements	\$20.0	\$10.9	\$30.9
Stewardship Funds	8.0	5.0	13.0
McKinsey Settlement Funds	1.5	0.2	1.7
Total	\$29.5	\$16.2	\$45.6

\$ in millions

Overview – Items of Interest

- 2019 Opioid Stewardship Act
 - Assessment from gross in-state opioid sales
 - Manufacturers/Wholesalers/Distributors
 - \$5.0 million annually
- McKinsey Settlement Funds
 - RI received \$2.6 million
 - Funds to be used for treatment, rescue, recovery, and prevention programs

Overview – Items of Interest

- Statewide Opioid Abatement Account
 - Allows EOHHS to receive & spend funds from settlement agreements with
 - Opioid manufacturers
 - Pharmaceutical distributors, Pharmacies or affiliates
 - Bankruptcy proceeding from these entities
 - Annual reporting to Governor, Speaker, Senate President and Attorney General
 - Uses of funds and amount spent
- Opioid Stewardship Task Force
 - Recommendations to EOHHS on use of funds

Overview – Items of Interest

Opioid Funds – by Agency	FY 2023	FY 2024	2-Year Total
EOHHS	\$10.9	\$4.2	\$15.1
BHDDH	10.1	7.0	17.2
Health	5.6	3.6	9.2
Corrections	2.9	1.3	4.2
Total	\$29.5	\$16.2	\$45.6

\$ in millions

Overview – Items of Interest

- Projects from January annual report submitted for Abatement funds

Examples of Projects	FY 2023	FY 2024
New Treatment Facilities	\$2.0	\$-
Harm Reduction Centers & Treatment Capacity	3.0	1.3
Housing & Recovery Housing Supports	0.8	2.6
Youth Prevention Programming	-	1.2
School & Comm Based Mental Health Investments	1.5	-
Community-Based Mental Health Investments	2.5	-
Expanded Street Outreach	1.5	1.1
Naloxone Distribution Center	-	0.5

\$ in millions

Overview – Items of Interest

- Grants in Dept. of Behavioral Healthcare, Developmental Disabilities & Hospitals budget

Federal Grants	FY 2023	FY 2024
Substance Abuse Block Grant (including ARPA)	\$10.9	\$10.9
Mental Health Block Grant (including ARPA)	6.1	6.1
State Opioid Response Grant	4.3	1.4
Partnership for Success Grant	2.6	0.8
Primary & Behavioral Healthcare Grant	2.1	1.6
Social Services Block Grant	1.1	1.1
Healthy Transitions Grant	0.9	0.9
Transition from Homelessness	0.3	-
Total	\$28.3	\$22.8

\$ in millions

Overview – Items of Interest

Medicaid
BHDDH Grants
Opioid Funds
ARPA-SFRF
HCBS – ARPA

Services

- Crisis Assessment & Stabilization Services
- Crisis Intervention Trainings
- Inpatient & Outpatient Treatment
- Prevention and Screening
- Recovery Centers & Peer Support
- Housing
 - Pay for Success

BHDDH

- *Overview*
 - EOHHS Agencies
 - Items of Interest
- *BHDDH*
 - *Summary and Budget Issues*
 - Programs & Services
 - Divisions

BHDDH Summary

Division	FY 2023 Enacted	FY 2023 Governor	FY 2024 Governor
Developmental Disabilities	\$383.4	\$377.3	\$417.4
Eleanor Slater Hospital	118.9	111.7	113.4
State Psychiatric Hospital	30.7	31.3	34.9
Behavioral Health	54.7	60.6	48.9
Hospital & Community System Support	3.8	2.5	1.8
Central Management	5.5	3.8	3.2
Total	\$597.1	\$587.2	\$619.6

\$ in millions

BHDDH Summary

Source	FY 2023 Enacted	FY 2023 Governor	FY 2024 Governor	Change to Enacted
Gen. Rev.	\$303.0	\$281.0	\$291.9	\$(11.1)
Fed Funds	288.5	290.6	315.0	26.5
Restricted Receipts	5.2	14.8	12.3	7.1
Other	0.4	0.8	0.4	-
Total	\$597.1	\$587.2	\$619.6	\$22.5
FTE	1,200.4	1,200.4	1,202.4	2.0

\$ in millions

BHDDH Summary

Category	FY 2023 Enacted	FY 2023 Governor*	FY 2024 Governor*	Change to Enacted
Salaries/ Benefits	\$147.6	\$140.8	\$135.2	\$(12.4)
Contracted Services	11.7	6.5	10.1	(1.7)
Operating	36.2	47.4	43.8	7.6
Grants	400.5	391.2	428.8	28.3
Capital	1.0	1.4	1.8	0.8
Total	\$597.1	\$587.2	\$619.6	\$22.5

\$ in millions/*categories altered in GBA 7 & 8

Programs & Services

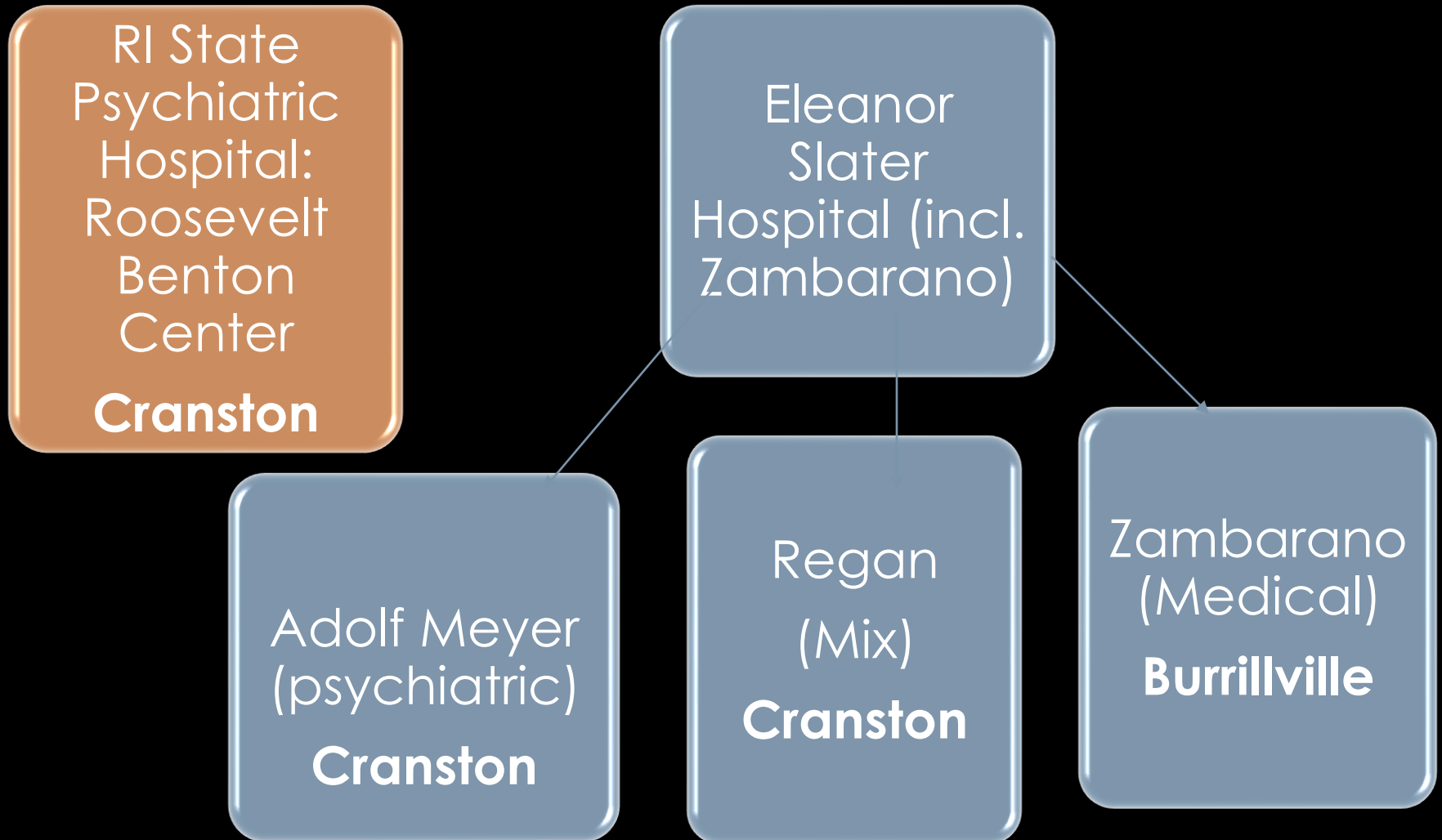
Division	Populations	Services	#	Funding
Developmental Disabilities	Adults with intellectual and/or dev. disability	Residential, community & employment	4,352	Medicaid
Behavioral Healthcare Services	Adults w/ mental health and/or substance abuse issues	Inpatient & outpatient services	40,000	BHDDH – federal funds EOHHS – Medicaid
Central Management	N/A	Administrative Support		General Revenues, Federal Funds

Programs & Services

Division	Populations	Services	#	Funding
Eleanor Slater Hospital (includes Zambarano)	Medical & psychiatric patients	Hospital level of care	156	State/ Medicaid
Rhode Island State Psychiatric Hospital	Court ordered and voluntary placements	Hospital level of care	56	General Revenues
Hospital & Community System Support	N/A	Administrative Support	N/A	General Revenues/Federal Funds/ Restricted Receipts

as of February 2023

Hospital Operations



Budget Issues

- October 2022, BHDDH submitted its request but rescinded it shortly after
 - To address content issues identified by recipients
- A 2nd version was submitted in November
 - Still quality & technical issues like first one
 - Staff analysis hampered by lack of explanations for changes proposed & limited responsiveness to questions for further detail

Budget Issues

- The Governor's recommendation does not correct all the errors
 - Aggregate funding level appears to match intent though further corrections expected
 - Has new errors introduced
 - GBA #7 & #8 requested on March 17
 - Makes technical corrections – FY 2023 & FY 2024
 - Primarily fixes Eleanor Slater Hospital and Division of Developmental Disabilities – RICLAS program

Eleanor Slater Hospital

Governor	Salaries & Benefits	Contracted Services	Grants/ Benefits *	Other	Total
FY 2023 Original	\$72.0	\$(4.7)	\$13.2	\$31.2	\$111.7
GBA #7	(16.9)	10.2	(0.6)	7.4	-
FY 2023 Amended	\$55.1	\$5.5	\$12.5	\$38.6	\$111.7
FY 2024 Original	\$62.1	\$1.3	\$20.9	\$29.1	\$113.4
GBA #8	(7.9)	3.3	(3.1)	7.8	-
FY 2024 Amended	\$54.2	\$4.6	\$17.8	\$36.9	\$113.4

\$ in millions; *primarily contracted medical services

RICLAS

Governor	Salaries & Benefits	Contracted Services	Other	Total
FY 2023 Original	\$28.4	\$(0.2)	\$0.5	\$28.8
GBA #7	(2.4)	0.3	2.1	-
FY 2023 Amended	\$26.0	\$0.1	\$1.9	\$28.8
FY 2024 Original	\$30.5	\$0.5	\$1.3	\$32.4
GBA #8	(2.1)	-	2.1	-
FY 2024 Amended	\$28.4	\$0.5	\$3.4	\$32.4

\$ in millions

Budget Issues

GBA	Expenses	FY 2023	FY 2024
Eleanor Slater Hospital	Salaries & Benefits	\$(16.9)	\$(7.9)
	Operating	7.4	7.8
	Contracted Services & Grants	9.6	0.2
	Total	\$-	\$-
RICLAS	Salaries & Benefits	\$(2.4)	\$(2.1)
	Operating	2.1	2.1
	Contracted Services	0.3	-
	Total	\$-	\$-

\$ in millions

Audit Findings

- Prior Finding – FY 2020
 - BHDDH did not have a federally approved cost allocation plan - used PCG to resolve the issue
- New Finding – FY 2022
 - Results from not completing final adjustment using the most recent cost allocation plan
 - Lack of final plan should not prevent reasonable estimates

Audit Findings

- FY 2021 – Material Audit Finding
 - Audited adjustments required for costs at ESH
- FY 2022 - Final Rate Settlements
 - Not completing cost reports at ESH or RICLAS
 - Even though final rate is not determined until CMS cost reports are done
 - Reasonable estimates can be made
 - Based on financial activity for the fiscal year & related census activity

Audit Findings

Issue	Finding
Fiscal Closing Deficiencies (2022-004) – New Finding of Significant Deficiency*	“Accruals for department expenditures were omitted because BHDDH did not have completed cost reports and cost allocation results at June 30, 2022. Management made no attempt to estimate and record amounts for final settlements and cost allocation results relating to fiscal 2022 as part of the department’s fiscal close.”

*State of Rhode Island Annual Comprehensive Financial Report
Fiscal Year ended June 30, 2022/Issued January 31, 2023 from Office of
Auditor General

Audit Findings

Issue	Corrective Action Plan
Fiscal Closing Deficiencies (2022-004) – New Finding of Significant Deficiency*	“BHDDH concurs with the Auditor General’s finding. BHDDH is presently recruiting additional fiscal staff and cross training existing staff to ensure timely reporting. In collaboration with the 3 rd party vendor providing allocation services, BHDDH is implementing changes in past practices to address this timing issue.”

*State of Rhode Island Annual Comprehensive Financial Report
Fiscal Year ended June 30, 2022/Issued January 31, 2023 from Office of
Auditor General

Budget Issues

- Cost Allocation Plan
 - Developed by Public Consulting Group (PCG) to spread staffing expenses across divisions and fund sources
 - The information is often 9 to 12 months behind
 - Department staff verifies the information to use during the budget process
 - FY 2023 and FY 2024 budgets were based on information from the last quarter of FY 2022
 - EOHHS first contracted with PCG in FY 2017 to use cost allocation plan for its agencies

Budget Issues

- Personnel information submitted by BHDDH for FY 2023 & FY 2024 does not correspond to the cost allocation plan
 - GBAs do not address this
- Makes it difficult to track staffing expenses between divisions
 - Example: employees working only for one division are charged to other divisions
 - Including the 2 state hospitals
 - When will the plan be updated?

By Program – Staffing

Division	FY 2023 Governor	Filled as of 2/25	FY 2024 Governor	Change to Enacted
Developmental Disabilities	306.0	259.0	308.0	(8.0)
Eleanor Slater Hospital	661.0	590.7*	661.0	(6.4)
RI State Psychiatric Hospital	82.8		82.8	(0.2)
Behavioral Health	43.6	37.0	43.6	(1.4)
Hospital & Community System Support	65.0	54.0	65.0	20.0
Central Management	42.0	35.0	42.0	(2.0)
Total	1,200.4	975.7	1,202.4	2.0

*Staff not yet distinguished by hospital in the payroll reports

Staffing

Full-Time Positions	FTEs	Change to Enacted
FY 2022 Final	1,190.4	-
FY 2023 Enacted	1,200.4	-
FY 2023 Gov. Rev.	1,200.4	-
FY 2024 Gov.	1,202.4	2.0
FY 2024 Funded FTE	1,114.2	(88.2)
Filled as of February 25	975.7	(224.7)
FY 2022 Average Filled	952.1	(248.3)

BHDDH

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Division of Developmental Disabilities

Privately Operated Community Based System
State Operated System (RICLAS)

Process

BHDDH Eligibility Committee assesses an individual application



Evaluations include medical information, school records and other relevant information



Assessment is completed and a tier level is assigned.
Person is given annual authorization for services.
Services eligible through Medicaid waiver in both systems



Services provided by community-based agencies who bill for them

Services for the Developmentally Disabled

- Signed agreement with DOJ in 2014
 - Address day & employment activity services
 - Individuals with disability can interact with those who do not to the fullest extent possible
 - Offer the same opportunities for both groups
 - There have been recent court orders filed
 - Make sure the state is in compliance with the consent decree
 - Includes items identified in a November 2020 report from the court monitor

DOJ Consent Decree

- October 2021, court approved action plan to bring the state into compliance – in 3 sections

(1) System Overhaul & Longitudinal		Status
Rate Review	Completed by 12/2022 & recommended changes in the FY 2024 recommended budget	Review Done
Administrative Process Changes	Completed by March 31, 2022	Change Made
Caseload Estimating Conference	Included in the CEC starting November 2021	Change Made

DOJ Consent Decree

(2) Wage & Stability of Workforce		Status
DSP Wages	FY 2023: \$18/hour FY 2024: \$20/hour – Both years: Overnight & supervisor wages will increase proportionally	Included in FY 2024 recommended budget
Statewide Infrastructure & Recruitment	<ul style="list-style-type: none">• Create a statewide workforce initiative focused on recruiting, creating pipelines & credentialing• Plan was submitted by November 15, 2021• A contractor will coordinate & implement the initiative	Completed

DOJ Consent Decree

(3) One Time Transformation Costs		Status
Transformation Fund	<u>\$12.0 million</u> to be used for integrated day activities and supported employment services	Funding has been provided in FY 2022 and included for FY 2023
Technology	<u>\$2.0 million</u> for individuals for technology purchases (ex. iPads)	
Transportation	Work with RIPTA as a Medicaid provider to increase funding available Review rates & options	MOU established to get Medicaid

Rate Review & Revision

- Health Management Associates completed review and proposal
 - Submitted to BHDDH on January 30, 2023
- BHDDH & EOHHS working on next steps
 - Preparing request to CMS for new rates
 - Within the next two weeks
 - Timeline with CMS – potentially taking weeks to a few months for approval
- FY 2024 budget does not assume any additional changes

Rate Review & Revision

- Informal discussions suggest an increase of 20 to 25 percent
 - Equates to \$74-\$92 million from all sources
 - Does not include any new services identified in the proposal or conflict-free case management services
- May need a resolution to make this change in Article 9
 - Assembly authority required to seek federal approval for any changes

Division of Developmental Disabilities

	Enacted	FY 2023 Governor	FY 2024 Governor	Change to Enacted
Gen Rev	\$173.4	\$158.1	\$188.3	\$14.9
Federal Funds	208.7	217.7	227.6	18.9
Restricted Receipts	1.3	1.4	1.4	0.1
RICAP	0.1	0.2	0.1	-
Total	\$383.4	\$377.3	\$417.4	\$34.0
FTE	316.0	306.0	308.0	(8.0)

\$ in millions

Division of Developmental Disabilities

	Private System		RICLAS	
	Gen Rev	All Funds	Gen Rev	All Funds
FY 2023 Enacted	\$159.0	\$352.9	\$14.4	\$30.6
FY 2023 Governor	\$146.7	\$348.5	\$11.4	\$28.8
Change	\$(12.3)	\$(4.4)	\$(3.0)	\$(1.7)
FY 2024 Governor	\$175.3	\$385.0	\$13.0	\$32.4
Change	\$16.3	\$32.2	\$(1.4)	\$1.8

\$ in millions

Division of Developmental Disabilities

RICLAS w/GBA	Enacted	FY 2023 Governor	FY 2024 Governor	Change to Enacted
Salaries	\$27.4	\$26.0	\$28.4	\$1.0
Other Expenses	3.2	2.8	4.0	0.8
Total	\$30.6	\$28.8	\$32.4	\$1.8
\$ in millions				
FTE	316.0	306.0	308.0	(8.0)
Census	107	107	107	-
Annual Cost/ Person	\$285,828	\$269,519	\$302,609	\$16,781

Division of Developmental Disabilities – New Positions

Consent Decree Positions	# of FTE	Budget
Associate Administrator for Community Services	1.0	FY 2023 Revised & FY 2024 Recommended
Coordinator of Community Planning and Development	3.0	
Community Liaison Officers	2.0	
Chief of Staff Development	1.0	
Assistant Administrator	1.0	
Rate Analyst	1.0	FY 2024 Recommended
Administrator	1.0	
Total	10.0	

Caseload Estimating Conference

- House Fiscal, Senate Fiscal and State Budget Office staff estimate
 - Expenditures for medical benefits, cash assistance & programs for individuals with developmental disabilities in EOHHS, DHS & BHDDH
- Estimates based on current law only
- Convenes 2X a year November & May
 - November is starting point for the Governor's revised and recommended budgets
 - Enacted budget reflects May estimates

Caseload Estimating Conference

- BHDDH provides information on caseloads, tier levels and supplemental services
 - September caseload and tier packages suggest potential FY 2023 cost of \$385.8 million if all authorizations are accessed fully
 - Caseload of 3,869 is for those receiving services
 - Does not include 106 individuals in RICLAS
 - Does not include those eligible but receiving case management services only ~ 400

Community Based Services

Tier	Authorization Packages			
	24-hour	Shared Living	Independent Living	With Family
A	\$80,784	\$51,232	\$48,469	\$28,057
B	\$81,573	\$57,803	\$68,956	\$38,695
C	\$119,107	\$81,255	\$100,393	\$70,133
D	\$201,295	\$120,757	\$148,765	\$118,504
E	\$233,924	\$135,542	\$163,550	\$133,289

Community Based Services

Tier	# of Persons by Setting				
	24-hour	Shared Living	Independent Living	With Family	Total
A	7	24	236	334	601
B	59	84	153	563	859
C	385	193	95	587	1,260
D	217	28	36	189	470
E	421	86	36	136	679
Total	1,089	415	556	1,809	3,869

Community Based Services

Tier	Total Expenses				
	24 – hour	Shared Living	Independent Living	With Family	Total
A	\$0.6	\$1.2	\$11.4	\$9.4	\$22.6
B	4.8	4.9	10.6	21.8	42.0
C	45.9	15.7	9.5	41.2	112.2
D	43.7	3.4	5.4	22.4	74.8
E	98.5	11.7	5.9	18.1	134.2
Total	\$193.4	\$36.8	\$42.8	\$112.8	\$385.8

\$ in millions

Caseload Estimating Conference

- Estimate is separated by category
 - Items included in tier package
 - Residential
 - Day Programs
 - Employment
 - Transportation
 - Case Management & Other Services
 - Not included in tier package
 - L-9 Supplemental
 - Non-Medicaid (Out-of-State Placement & Family Subsidies)

November CEC

Services/Expenses	FY 2023 Enacted	FY 2023 Nov CEC/Governor	FY 2024 Governor
Residential	\$195.8	\$192.2	\$204.3
Day Program - Comm Based	82.0	76.3	81.0
Day Program - Shared Living	4.3	5.1	5.1
Employment	8.2	7.3	7.3
Transportation	12.4	7.6	8.3
Case Mgt. & Other Services	12.4	12.3	12.3
L-9 Supplemental	17.0	22.8	20.0
Non-Medicaid	0.3	0.3	0.3
DPS Wage - \$20/hour*	-	-	30.8
Total	\$332.4	\$323.9	\$369.4

\$ in millions/*only change to Nov CEC

November CEC

- FY 2023 estimate equates to 78% use of tier packages
 - \$300.1 million out of total of \$385.8 million
 - L-9 expenses are higher than enacted
- FY 2024 estimate equates to 80% of tier packages
 - \$318.3 million out of a total of \$397.4 million
 - Decreases L-9 supplement funding compared to revised estimate

November CEC

- Article 9 establishes a conflict-free case management system statewide by January 1, 2024
 - For individuals receiving home & community based services through the Medicaid waiver
 - Case management services to be separate from the agency providing the direct service
 - To avoid a conflict of interest
 - Includes DD population
- Case Management & Other Services
 - \$12.3 million for FY 2024 CEC

Conflict-Free Case Management

- Governor assumes workaround for CFCM initiative for the I/DD population
 - Responsive to consent decree activity and requirement for July 1 start for that group
- Budget does not shift \$5.5 million from BHDDH for centralized system
 - Results in net add for case mgt. services for adults with developmental disabilities
 - Appears to assume non-conflict free case management expenses will continue
 - Unclear if this poses Medicaid compliance issue

Capital Projects – Group Homes & Community Facilities

FY 2024-FY 2028 Capital Plan	
Group Homes – Asset Protection	\$6.8
Group Home Replacement (new)	5.0
DD & Regional Facilities	6.2
DD & Community Facilities - Asset Protection	4.8
DD & Community Facilities - Fire Protection	1.6
Community Facilities	0.4
DOA - Subtotal	\$24.8
BHDDH Residential Support	\$0.5
Grand Total	\$25.3

\$ in millions

Hospital Operations

Eleanor Slater Hospital

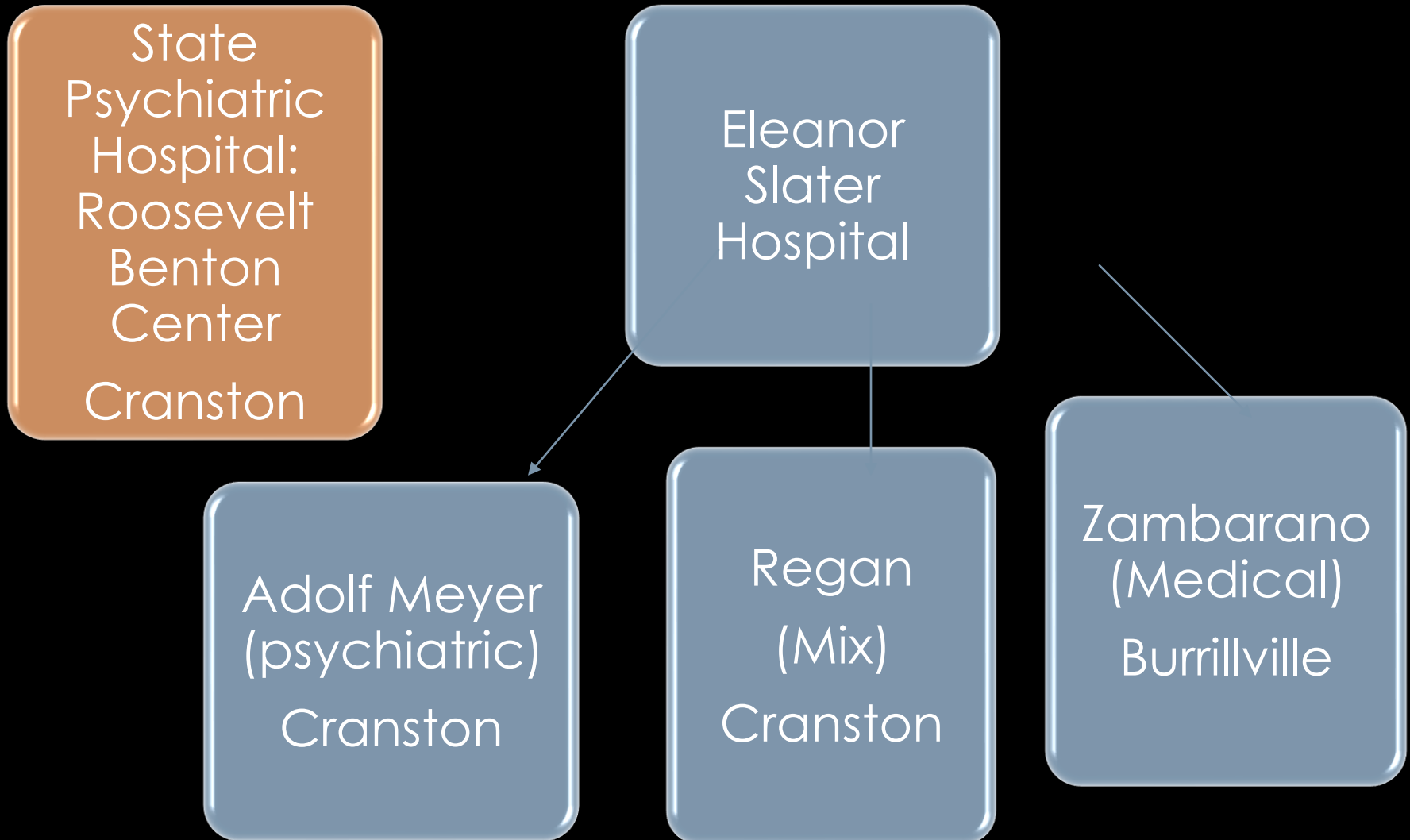
- Cranston & Burrillville Campuses

Rhode Island State Psychiatric Hospital

Hospital Operations

- FY 2023 budget created stand-alone Rhode Island State Psychiatric Hospital
 - Separated facility from Eleanor Slater Hospital
- Address patient mix to avoid IMD label
 - More medical patients than psychiatric
 - ESH out of compliance FY 2020 thru FY 2022
 - Not able to claim Medicaid
 - General revenues required in its place
- Enacted budget assumes compliance by December – successful

Hospital Operations



Hospital Operations

Eleanor Slater Hospital	FY 2023 Enacted	FY 2023 Governor	Change	FY 2024 Governor	Change
General Revenues	\$88.3	\$80.6	\$(7.7)	\$60.7	\$(27.6)
Federal Funds	30.2	28.3	(1.9)	49.3	19.0
Restricted Receipts	0.0	2.2	2.2	3.2	3.1
RICAP	0.3	0.6	0.3	0.3	-
Total	\$118.9	\$111.7	\$(7.1)	\$113.4	\$(5.5)
FTE	667.4	661.0	(6.4)	661.0	(6.4)

\$ in millions

Hospital Operations

- FY 2023 revised & FY 2024 budgets include revenue from Medicare patients and other 3rd party payers – offset state expenses
 - Allowable now that back in compliance w/IMD mix

Restricted Receipts	FY 2023 Enacted	FY 2023 Governor	FY 2024 Governor
Medicare Part D	\$-	\$1.4	\$1.8
Non-Medicaid Funds	-	0.9	1.4
Total	\$-	\$2.2	\$3.2

\$ in millions

Hospital Operations

ESH	Enacted	FY 2023 GBA#7	FY 2024 GBA #8
Salaries & Benefits	\$78.9	\$55.1	\$54.1
Operating	21.7	37.5	35.9
Contracted Services	3.3	5.5	4.6
Grants/Benefits	14.2	12.5	17.8
Capital	0.7	1.1	1.0
Total	\$118.9	\$111.7	\$113.4
<i>\$ in millions</i>			
FTE	667.4	661.0	661.0
Average # patients	172	174	150
<i>Annual cost per patient</i>	<i>\$691,076</i>	<i>\$642,113</i>	<i>\$755,839</i>
<i>Daily cost per patient</i>	<i>\$1,893</i>	<i>\$1,759</i>	<i>\$2,071</i>

Hospital Operations

ESH	Enacted	Governor	Change
Certified Nursing Assistant	119.7	100.0	(19.7)
Registered Nurses	111.4	103.6	(7.8)
Administrator I	1.0	2.0	1.0
Administrator III	3.0	6.0	3.0
Assistant Administrative Officer	-	1.0	1.0
Associate Administrator I	2.0	4.0	2.0
Chief of Staff Dev. & Training	-	1.0	1.0
Medical Records Clerk	5.0	10.0	5.0
Supervisor of Pharmacy Services	3.0	4.0	1.0
Other Direct Care	321.3	329.4	8.1
All Other Positions	101.0	100.0	(1.0)
Total	667.4	661.0	(6.4)

Hospital Operations

- Enacted budget includes funding for one-time expenses for FY 2023
 - Primarily from general revenues

FY 2023 Item Only		Total
Recruitment and Retention Incentives	Education Pathways Training	\$0.6
	Recruitment Incentives	0.5
	Clothing Allowances	0.4
	<i>Subtotal</i>	<i>\$1.5</i>
CMS Compliance	Extend contract to assist with CMS compliance issues	0.6
Total		\$2.1

\$ in millions

Outpatient Clinics

- ESH operates a forensic clinic
 - Patients referred for evaluation from courts
 - Determine competency to stand trial
 - FY 2023 includes \$0.6 million from general revenues
- FY 2023 budget funds an outpatient clinic
 - \$0.8 million for FY 2023
 - \$0.3 million from general revenues
 - \$1.1 million from BHDDH-specific grants via ARPA
 - For patients evaluated through forensic clinic to receive treatment
 - Future funding is unclear

Hospital Operations

RI State Psychiatric Hospital	Enacted	FY 2023	FY 2024
Salaries & Benefits	\$20.3	\$20.3	\$21.2
Operating	4.8	5.4	7.0
Contracted Services	5.6	5.6	6.8
Total	\$30.7	\$31.3	\$34.9
<i>\$ in millions</i>			
FTE	83.0	82.8	82.8
Average # patients	39	37	52
Annual cost per patient	\$786,228	\$844,612	\$672,083

Hospital Operations

RISPH – Contracted Services	FY 2023 Enacted	FY 2023	FY 2024
Medical Staff	1.5	1.5	1.9
Wellpath Recovery Solutions*	1.5	1.5	1.5
Security Services	1.6	1.6	2.0

\$ in millions/*no expenses to date

Hospital Operations

- Hospital License Fee
 - FY 2023 budget includes \$2.8 million
 - 5.42% based on 2021 revenues
- Article 9 - 5.42% license fee for FY 2024
 - Based on 2022 revenues but BHDDH budget still includes \$2.8 million
 - Not clear what the amount should be when base year is updated
- Governor recommendation includes \$3.8 million – GBA #7/#8 fixes it to \$2.8 million

Capital Projects

FY 2024-FY 2028 Capital Plan

Project	Total
Zambarano – New Facility	\$108.2
Hospital Reorganization	47.2
Zambarano – Building & Campus	37.2
Electronic Medical Records System	22.4
Pastore Hospital Buildings	14.1
Subtotal – DOA	\$229.1
Hospital Equipment - BHDDH	1.5
Total	\$230.6

\$ in millions

Capital Projects – *Zambarano Long-Term Care*

- \$108.2 million from RI Capital Plan funds
 - To be used from FY 2023 through FY 2028
 - Consistent with approved plan
 - Construct 108-patient long term care facility
Zambarano Campus
 - Replacing Beazley building

Capital Projects – *Zambarano Long-Term Care*

- Long-term Care Study - 8/2022 – 9/2023
 - Provide more accurate project cost
 - Identify building(s) to be demolished
- Design Phase
 - August 2023 – September 2025
- Construction Phase
 - Demolish old bldgs. & infrastructure work
 - Begin in 2024 and complete in 2028
- Medical patients continue to receive care in Beazley through completion

Hospital Medical Records – *Approved*

- Approved plan includes \$22.4 million for new medical records system
 - ESH does not have an EMR system
 - Impacts federal compliance and billing issues
- EMR system
 - Maximize federal & 3rd party reimbursements
 - Develop treatment and residential options for psychiatric patients and individuals w/ developmental disabilities
- Hearing on February 28

Hospital Medical Records – Approved

- Governor recommends \$22.4 million
 - Total same as approved plan
 - Funding shifted to later years

EMR	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Approved	\$10.4	\$4.0	\$3.0	\$2.5	\$2.5	\$22.4
Governor	\$1.4	\$10.0	\$6.0	\$3.0	\$2.0	\$22.4
Change	\$(9.0)	\$6.0	\$3.0	\$0.5	\$(0.5)	\$-

\$ in millions

Behavioral Healthcare Services

Behavioral Healthcare Services

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

Behavioral Healthcare Services

	Enacted	FY 2023 Governor	FY 2024 Governor	Change to Enacted
Salaries & Benefits	\$6.0	\$7.4	\$7.7	\$1.7
Contracted Services	3.1	4.9	3.2	0.1
Operating	3.3	6.0	3.0	(0.3)
Grants	42.3	42.3	35.0	(7.2)
Total	\$54.7	\$60.6	\$48.9	\$(5.8)
FTE	45.0	43.6	43.6	(1.4)

\$ in millions

Behavioral Healthcare Services

- BHDDH has federal grants supporting community based programs & agencies
 - FY 2023: \$34.3 million/FY 2024: \$28.9 million
 - Services include:
 - Opioid crisis intervention
 - Prevention
 - Residential treatment
 - Outpatient services
 - Recovery services & peer support
- EOHHS budget also has funding for these services

Behavioral Healthcare Services

- Federal Grants
 - Mental Health Block Grant
 - Substance Abuse Block Grant
 - State Opioid Response
 - Primary & Behavioral Health Care
 - Partnership for Success
 - Homelessness Transition (PATH)
 - Healthy Transitions
 - Social Services Block Grant

Federal Grants

Uses	FY 2023	FY 2024
Recovery Community Centers	\$3.1	\$3.1
Recovery Housing & Certification	1.2	1.2
Recovery Friendly Workplaces	0.2	0.2
SUD Residential/Detox	2.0	2.0
Regional Task Forces	4.3	4.3
Student Assistance Programs	4.7	4.7
Telehealth Services	1.9	-
Community Mental Health Centers	2.2	2.2
Primary & Behavioral Healthcare	1.8	0.9
Naloxone	1.2	-

\$ in millions

Federal Grants

Uses	FY 2023	FY 2024
Rhode Island Outreach (RIO)	\$3.2	\$3.2
BH Link	3.0	3.0
Crisis Intervention Training	0.4	0.4
First Episode Psychosis	1.8	1.8
IMANI Project	0.8	0.8
Medication Assisted Treatment for Uninsured	0.6	0.6
Total*	\$32.4	\$25.4

\$ in millions *List is not exhaustive

Rhode Island Outreach

- Operated by Horizon Healthcare Partners
 - In partnership with Newport Mental Health
 - \$3.2 million over FY 2023 and FY 2024
 - One-time federal stimulus funds
 - Receive referrals/dispatch from 988
 - De-escalation, respond to non-life threatening behavioral health crises
 - Collaborate with community partners in the Newport and East Bay areas to provide crisis response and street outreach

Certified Community Behavioral Health Clinics

- FY 2023 budget required federal model implementation by July 1, 2023
 - Included interim benchmarks
 - April 1 and Dec 1, 2022 & Jan. 15, 2023
- Assembly also added \$30.0 million - ARPA
 - Support establishment
- Section 4 of Article 9 eliminates deadlines & delays model to February 1, 2024
 - Governor includes \$21.7 million (\$6.9M GR)
 - Covers 5 months of FY 2024

ARPA Projects – CCBHC

- Clinics must provide specific services under federal legislation
 - Not every service is Medicaid eligible
 - Example, 24 hr emergency services crisis response
- CMHC reimbursed by:
 - Medicaid program
 - Managed care plans
 - Fee-for-service
 - Accountable Entities
 - BHDDH federal grants

ARPA Projects – 988 Hotline

- FY 2023 includes \$1.9 million & Governor recommends \$1.6 million for FY 2024
 - Until can find permanent funding sources
- National system went live on July 16, 2022
 - Similar to 911
 - Referral to coordinated crisis continuum
 - Crisis Center/Mobile Crisis Team Response & Crisis Stabilization Services

ARPA Projects – Crisis Intervention Trainings

- Assembly included \$550,000 annually
 - FY 2023 through FY 2026 - totaling \$2.2 million
- FY 2024 budget includes \$1.6 million
 - FY 2025 & FY 2026 allocations
 - Ensure timely obligation of funds
 - Primarily for law enforcement
 - Identifies & diverts people with behavioral health issues to treatment & recovery
 - Increase mental health literacy
 - Develop more appropriate levels & locations of behavioral health care

Capital Projects

DOA 2024 -FY 2028 Capital Plan	
Project	5-Year Plan
BH – Substance Abuse Community Facilities	\$3.0
Total	\$3.0

\$ in millions

Other Divisions

Administrative Programs:

Hospital & Community System Supports

Central Management

Hospital & Community System Support

	Enacted	FY 2023 Governor	FY 2024 Governor	Change to Enacted
Salaries & Benefits	\$3.4	\$1.1	\$0.9	\$(2.5)
Contracted Services	-	0.1	0.2	0.2
Operating	0.5	1.3	0.7	0.2
Total	\$3.8	\$2.5	\$1.8	\$(2.1)
FTE	45.0	65.0	65.0	20.0

\$ in millions

Hospital & Community System Support

- Governor's recommendation shifts 20 positions from all divisions
 - Includes \$1.1 million for FY 2023 and \$0.9 million for FY 2023
 - Funding per position is \$17,000 in the revised and \$14,000 in the recommendation
 - Costs are spread throughout the other divisions
 - Impact of the cost allocation plan

Central Management

	Enacted	FY 2023 Governor	FY 2024 Governor	Change to Enacted
Salaries & Benefits	\$4.6	\$1.5	\$1.3	\$(3.3)
Contracted Services	0.3	0.6	0.5	0.2
Other Operations	0.6	1.8	1.4	0.8
Total	\$5.5	\$3.8	\$3.2	\$(2.3)
FTE	44.0	42.0	42.0	(2.0)

\$ in millions

Capital Projects

- Department requested several capital projects that were not recommended
 - Most appear more appropriate for operating budget

BHDDH 2024 -FY 2028 Request/Not Recommended		
Hospital Projects	5-Year Plan	Total
Hospital Workforce Mgt. System	\$0.3	\$0.3
Hospital Risk Mgt. System	0.3	0.3
Zambarano Campus Redundant Line	0.0	0.2
Total	\$0.6	\$0.8

Capital Projects

BHDDH 2024 -FY 2028 Request/Not Recommended

Other Projects	5-Year Plan/Total
BH – RIBHOLD	\$4.2
DD Case Management	3.1
Data Analytics Warehouse	0.6
Document Management System	0.5
PASSR System	0.4
Licensing System	0.3
Prevention Collection & Reporting System	0.2
Total	\$9.4

\$ in millions

Department of Behavioral Healthcare, Developmental Disabilities & Hospitals

Staff Presentation to
House Finance Subcommittee on Human Services
FY 2023 Revised, FY 2024 Recommended & Capital Budgets
March 21, 2023
