

**State of Alaska**  
**FY2008 Governor's Operating Budget**

**Department of Health and Social Services**  
**Services for Severely Emotionally Disturbed Youth**  
**Component Budget Summary**

**Component: Services for Severely Emotionally Disturbed Youth**

**Contribution to Department's Mission**

To protect and improve the quality of life for consumers impacted by mental disorders or illness.

**Core Services**

The Services for Severely Emotionally Disturbed Youth component provides competitive grant funding to community mental health agencies for a range of services for severely emotionally disturbed youth and their families, and for those youth who are at risk of becoming severely emotionally disturbed. The core services provided are assessment, psychotherapy, chemotherapy, case management and rehabilitation. Specialized services include individual skill building, day treatment, home-based therapy and residential services.

**FY2008 Resources Allocated to Achieve Results**

<b>FY2008 Component Budget: \$11,104,900</b>	<b>Personnel:</b>	
	Full time	0
	Part time	0
	<b>Total</b>	<b>0</b>

**Key Component Challenges**

The number of children placed in out-of-state residential psychiatric centers presents a significant challenge for the state. While system stakeholders are aligned in their desire to reverse this trend, it will take a sizable financial investment to expand services in the state to meet the uniquely complex needs of these children. As a part of the Bring the Kids Home initiative (BTKH), the Department has been and will continue to initiate a number of actions. Some of these include collaborative stakeholder work groups which include planning board staff, state staff, agency staff and parent advocates. Funded projects include: improving existing gate keeping processes and incorporating new gate keeping and care coordination structures focused on non-custody children; working with partners to develop additional capacity at each level of service in order to serve more children in-state; stepping children down to less intensive services as quickly as it is appropriate; and developing the entire continuum of care to meet long-term system needs.

In the children's mental health system, there is an increasing focus on infant and young children's needs. An on-going challenge is to identify funding support for early intervention and prevention activities. The integration of substance abuse and mental health provides an opportunity to leverage prevention activities by pooling resources.

**Significant Changes in Results to be Delivered in FY2008**

The state is beginning to see tangible improvements in the system of care for children as a result of the major redesign caused by the Bring the Kids Home (BTKH) initiative. Such results are already measured by a reduction of out of state placements by 7% between FY04 and FY05. Through this initiative, federal grant funding, state funding, and Alaska Mental Health Trust Authority funding will provide the bridge funding needed to start new programs. Funding that in the past covered the cost of out-of-state care will be reinvested into the in-state service delivery system, allowing it to expand to meet the needs of our children in Alaska.

The division is requesting \$3,584.0 in general funds in the FY08 Governor's budget to continue the Bring The Kids Home initiative. Bring The Kids Home (BTKH) is an initiative to return children with severe emotional disturbances from behavioral health care in out-of-state residential facilities to in-state residential or community-based care. It will reinvest funding that currently provides expensive distant care to in-state services and capacity development to serve children

closer to home, keep families more involved and intact, and more effectively carry out transitions and discharges. Proposed projects with requested funding for FY08 include:

**- Community Behavioral Health Centers Outpatient Grants and Training for Special Populations**

Community Behavioral Health Center (CBHC) grants to enhance outpatient services with innovative programs/training to reduce the need for residential level services. This will emphasize special populations such as Fetal Alcohol Spectrum Disorder, 0-6 aged children, etc. Services must show good client outcomes. The plan is for programs to utilize the Trust's funds initially and taper to GF/MH support.

**- Youth Intensive Outpatient, Residential and Continuing Care Services**

These funds will provide intensive outpatient treatment and continuing care and support, including emergency residential placement for youth which may live at home, be homeless, or living on the street, who experience a mental illness, a substance abuse disorder and/or a co-occurring disorder. Anticipated outcomes would be that these early interventions would successfully contribute to the use of lower levels of care that are more appropriate and more cost-effective.

**- Individualized Service Funds**

The Division has initiated a planning initiative to define and implement Individualized Service Agreements. Funded in partnership with the Mental Health Trust Authority, the purpose of Individualized Service Agreements (ISA) is to ensure that severely emotionally disturbed (SED) youth are being served as close to their community as possible, and are provided clinically necessary services to prevent institutional care. ISA's provide services to youth that cannot be reimbursed through Medicaid fee-for-service or Behavioral Rehabilitation Services (BRS) financing. Anticipated outcomes would include successful diversion of children and youth from higher levels of care, greater flexibility of services to provide individualized wraparound services in the home and community of origin, and successful diversion of children from inappropriate out of state placements.

**- Home and Community-Based Start-up**

The Trust has funded this effort through FY06 and FY07 at \$1.1 million. As group homes are established at the initial proposed in-state capacity, the plan is to continue Home and Community-Based start up grants, but at a lower funding level for FY08. Funding to date has assisted in establishing approximately 22 foster and group homes and outpatient programs with an estimated 230 youth receiving services.

**- Anchorage Crisis Stabilization**

This funding is proposed to provide operating expenses for a 15-bed facility to assist in keeping youth-in-crisis in as low a level of care as diagnostically appropriate. These beds would be appropriate for custody and non-custody youth coming from acute care, Division of Juvenile Justice, Office of Children's Services or from families in crisis. Anticipated outcomes include an increase of needed in-state bed capacity, and would further divert inappropriate placements at higher-level, costlier, and out-of-state facilities. Based on FY06 accomplishments, with parallel efforts, the Division was successful with new Bring the Kid Home operational start-up grant programs that resulted in 10 new grantees who served approximately 110 children, of which 35 of these children were stepped down from out of state agencies and 53 of these children were stepped down from more restrictive in-state care.

**- Expansion of School-Based Services**

This will support use of Evidenced-Based Practices (EBP) in schools and collaborations between community Behavioral Health Centers (CHBC) and schools. These grants would be available to schools wishing to implement EBP (from a list provided by DBH) or to CBHCs and schools in partnership to expand school behavioral health services. EBP could be targeted towards children at risk of a Serious Emotional Disturbance (SED Youth). Expected outcomes would include successful diversion from higher levels of care.

**Peer Navigators Funding to Non-Profits (Parent and Youth):** Peer Navigator funding would allow both parents and youth to be hired to assist their peers who are trying to navigate the service delivery system to help better utilize the behavioral health and community-based system and their family's resources. Youth volunteers would be recruited to develop a youth advisory group, with travel and stipends that would educate various groups about issues from their perspective. Anticipated outcomes would include an increased ability of consumers to use the behavioral health system effectively, decrease the need for higher levels of care because of early intervention, increased parental effectiveness in dealing with a child with behavioral health needs, increased consumer knowledge of community supports, and increased system responsiveness to the needs of its clients.

**- BTKH Training Academy and BTKH Residential Aides Training**

These are linked efforts through the University of Alaska, to address workforce development needs in order to build the

capacity and core competencies of in-state providers to provide services that meet the needs of children and youth with severe behavioral health disorders. Anticipated outcomes include an increased number of people to comprise a trained and effective workforce, increased ability to meet the needs of children and youth closer to the community and family and a decrease in out of state placements.

#### **- Level of Care Licensing**

A level of care instrument has been implemented in the Bring the Kid Home initiative at the acute care level of the services system to divert all inappropriate referrals to out of state Residential Psychiatric Treatment Centers back to more appropriate levels of care in-state. This project will provide funding for multiple pilot sites to test the appropriateness of applying this level of care instrument to lower levels of care (i.e., community based services to residential treatment). The funding will provide assistance in covering the expense of licensing, training, and implementing the instrument in multiple pilot sites located at community behavioral health centers. Anticipated outcomes would include recommendations on the feasibility of expanding a Level of Care instrument to lower levels of care.

#### **- Regulation Planning for Therapeutic Foster (Group) homes**

This project will provide additional funding to develop regulations for a comprehensive and continuous integrated behavioral health children's system of care. The fragmented nature of regulations to manage the system of care for children has become more apparent and problematic. The current children's behavioral health system of care is managed through a series of regulations held jointly between the Division of Behavioral Health and Office of Children's Services that have parallel levels of services, using inconsistent standards and admission criteria, and differing reimbursement schedules and mechanisms. In addition, as the BTKH initiative has developed an increase in bed capacity through programs such as therapeutic foster homes and group homes, there is no consistent regulation that guides the definition, oversight and management of these new programs. This project is broad in scope and requires substantial and strategic planning in overhauling the children's behavioral health system of care. Anticipated outcomes would include developed regulations that exercise appropriate levels of oversight and management through consistent standards for the entire continuum of care for children's services. Further, with consistent standards, the administrative burden on providers will be decreased, and greater efficiencies will allow for additional resources to be directed to service delivery.

### **Major Component Accomplishments in 2006**

The Division launched into a major redesign of the children's service delivery system with intense participation by stakeholder groups. This redesign is currently underway and will require a multi-year timeframe for implementation. The following represent Bring the Kid Home (BTKH) accomplishments for FY06:

The BTKH initiative has made considerable progress in establishing in-state Residential Psychiatric Treatment Center (RPTC) programs: Juneau Youth Services/SEARHC has established a 15 bed facility, North Star in Anchorage has opened a new RPTC with 60 beds (20 secure), a proposed Family Centered Services of Alaska (FCSA) in Fairbanks will provide an additional 44 beds (7 secure), and the conceptualized Southcentral Foundation at Eklutna RPTC will provide 48 beds.

Service capacity was a principle focus for FY06. During this period, a new BTKH operational start-up grant program resulted in 10 new Home and Community Based Capacity Enhancement grantees. These new grantees served approximately 110 children: 35 of these children were stepped down from out-of-state RPTC care, and 53 of these children were stepped down from more restrictive in-state care. In addition this effort created approximately 39 new beds targeting difficult sub-populations of children experiencing Severe Emotional Disturbance. An emphasis was placed on implementing best and promising practices:

- Two projects created new capacity for in-home services and supports to help stabilize children in their homes after discharge from a Residential Psychiatric Treatment Center (RPTC) or as a diversion from an RPTC.
- Two projects created new capacity for teaching independent living skills to older adolescents.
- One project implemented the best practice "Early Childhood Mental Health Consultation" and kept 26 young children from being expelled from child care or early learning settings.
- One project implemented the evidence based practice "Multi-dimensional Treatment Foster Care."
- One project developed a new model for adapting the "Teaching Family Home" model to incorporate cultural elements appropriate for Alaska Native children and families.
- One project implemented the best practice "Assertive Continuing Care" for children with co-occurring MH and SA issues.

DBH initiated a planning initiative to define and implement Individualized Service Agreements. Funded through the Mental Health Trust Authority, the purpose of Individualized Service Agreements (ISA) is to ensure that Severely Emotionally Disturbed youth are being served as close to their community as possible, and are provided clinically necessary services to prevent institutional care. ISA's are the mechanisms through which funds are allocated to provide services to youth that cannot be reimbursed through Medicaid fee-for-service or Behavioral Rehabilitation Services (BRS) financing. The ISA planning process was completed in FY06, and will be implemented in FY07.

The DBH, working with the Office of Rate Review, initiated and completed two cost and rate reviews. The facilities included the Office of Children's Services Behavioral Rehabilitation Services (often referred to as "Level II- IV"), Residential Psychiatric Treatment Centers (RPTC), and the development of a specific rate for secure beds.

In collaboration with the Division of Health Care Services, DBH has contracted with McKesson Corporation in the use of a Level of Care Instrument, referenced as "InterQual." The range of application extends from outpatient services to acute care settings. The population includes adults, adolescents, and children for chemical dependency, mental health, and co-occurring disorders. The level of care instrument will be implemented by the Division's utilization review staff and target acute care facilities that represent 95% of all out of state RPTC referrals.

The Division's Utilization Review Staff have contributed to ongoing successful implementation of diversion activities, resulting in the following:

- Service providers have a greater awareness of the need to keep youth as close to home as possible; this has produced fewer referrals to out of state providers.
- Plan for reviewing all out of state placements of youth
- Training on the InterQual tool for Level of Care Assessments
- Increased collaborations with outpatient service providers to develop diversion plans to help youth stay in the community or provide better discharge plans to shorten the length of stay for youth
- Utilizing "Trial-Home" passes for clients at lower levels of care to better assess ability to maintain placement in home and community before actual discharge
- Collaboration with outpatient providers about possible discharge plans for clients and helping to facilitate their return from out of state with very difficult cases

### Statutory and Regulatory Authority

AS 47.30.520 - 620	Community Mental Health Services Act
AS 47.30.655 - 915	State Mental Health Policy
AS 47.30.011 - 061	Mental Health Trust Authority
7 AAC 78	Grant Programs
7 AAC 72	Civil Commitment
7 AAC 71	Community Mental Health Services

### Contact Information

**Contact:** Janet Clarke, Assistant Commissioner  
**Phone:** (907) 465-1630  
**Fax:** (907) 465-2499  
**E-mail:** Janet\_Clarke@health.state.ak.us

**Services for Severely Emotionally Disturbed Youth  
Component Financial Summary**

*All dollars shown in thousands*

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	56.9	55.0	55.0
72000 Travel	6.4	0.0	0.0
73000 Services	0.4	814.2	814.2
74000 Commodities	7.5	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	4,171.2	6,661.7	10,235.7
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>4,242.4</b>	<b>7,530.9</b>	<b>11,104.9</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	184.3	317.7	317.7
1004 General Fund Receipts	705.4	687.0	687.0
1037 General Fund / Mental Health	2,243.2	4,666.2	8,250.2
1092 Mental Health Trust Authority Authorized Receipts	1,109.5	1,860.0	1,850.0
1156 Receipt Supported Services	0.0	0.0	0.0
<b>Funding Totals</b>	<b>4,242.4</b>	<b>7,530.9</b>	<b>11,104.9</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
<b>Unrestricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	184.3	317.7	317.7
<b>Restricted Total</b>		<b>184.3</b>	<b>317.7</b>	<b>317.7</b>
<b>Total Estimated Revenues</b>		<b>184.3</b>	<b>317.7</b>	<b>317.7</b>

**Summary of Component Budget Changes  
From FY2007 Management Plan to FY2008 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2007 Management Plan</b>	<b>5,353.2</b>	<b>317.7</b>	<b>1,860.0</b>	<b>7,530.9</b>
<b>Proposed budget decreases:</b>				
-Decrease in MHTAAR Funding for BTKH data collection	0.0	0.0	-50.0	-50.0
<b>Proposed budget increases:</b>				
-BTKH Community Behavioral Health Centers Outpatient Grants and Training for Special Populations	1,000.0	0.0	500.0	1,500.0
-BTKH Youth Intensive Outpatient, Residential and Continuing Care Services	1,000.0	0.0	0.0	1,000.0
-BTKH Individualized Services/Home and Community Based Start up Grants	950.0	0.0	-910.0	40.0
-BTKH Anchorage Crisis Stabilization	184.0	0.0	100.0	284.0
-BTKH Expansion of School-Based Services	250.0	0.0	200.0	450.0
-BTKH Peer Navigators Funding to Non-Profits/Parent and Youth Navigators	200.0	0.0	150.0	350.0
<b>FY2008 Governor</b>	<b>8,937.2</b>	<b>317.7</b>	<b>1,850.0</b>	<b>11,104.9</b>