

State of Alaska FY2018 Governor's Operating Budget

Department of Health and Social Services Designated Evaluation and Treatment Component Budget Summary

Component: Designated Evaluation and Treatment

Contribution to Department's Mission

Hospital-based designated evaluation and treatment services are provided to Alaskans experiencing mental health crises when the needs of those individuals in crisis exceed the treatment capacities of their local communities, including the service options of their grant-funded comprehensive behavioral health center staff, and when, as a result, these individuals are court-ordered to a designated evaluation and treatment facility for involuntary evaluation and/or treatment. Designated evaluation and treatment services are generally provided as close to each individual's home as possible, as promptly as possible, in a manner that informs the individual of his/her rights, and allows him/her to participate, to the extent possible, in their own treatment.

Core Services

- The Designated Evaluation and Treatment component provides fee-for-service funding on a payer-of-last resort basis to designated local community hospitals. These designated hospitals provide involuntary evaluation and treatment services to people court-ordered under Alaska Statute 47.30.655 – 47.30.915, and to people who meet commitment criteria but have agreed to voluntary services in lieu of commitment under Alaska Statute 47.31.010(b)(1)(B).
- A Designated Evaluation and Treatment facility may provide up to 72 hours of inpatient psychiatric evaluation; seven to ten days of crisis stabilization and treatment services; and 30 to 40 days of inpatient psychiatric hospital services as close to the consumer's home, family, and support systems as possible. Component funding also supports consumer and escort travel to the designated hospitals and back to their discharge placement.
- Designated Evaluation and Stabilization / Designated Evaluation and Treatment psychiatric emergency services are a costly component within the division's continuum of behavioral health services and are essential to controlling admissions to Alaska Psychiatric Institute, Alaska's only public psychiatric hospital.
- There are Designated Evaluation and Stabilization hospitals located in Bethel and Ketchikan (Yukon Kuskokwim Delta Regional Hospital and PeaceHealth Ketchikan Medical Center) and Designated Evaluation and Treatment hospitals located in the Northern Interior and Southeast Alaska regions (Fairbanks Memorial Hospital and Bartlett Regional Hospital). DET hospitals feature self-contained behavioral health units within each of their hospitals including full psychiatric care.

Major Component Accomplishments in 2016

- The processes now in place, resulting from close cooperation and coordination between the Attorney General's Office and the Division of Behavioral Health, ensure that within the first few hours of an issued Title 47 court order, the state is aware of any person sitting in jail awaiting transfer on that 72-hour hold for a mental health evaluation. Significant, immediate efforts are made to arrange transport of that person in jail on the earliest possible flight to the nearest appropriate evaluation hospital.

Key Component Challenges

While, as stated above, DES and DET services are a significant aspect of the division's continuum of behavioral health services, these services are subject to significant and enduring challenges:

- **Funding:** The Affordable Care Act took full effect in 2014, the current and primary funding source for Alaska's Designated Evaluation and Treatment (*not* stabilization) services – Medicaid Disproportionate Share Hospital (DSH) funds – will be reduced, as the DSH funds are scheduled to decline under the Affordable Care Act between 2016 and 2020.
- **Facilities:** Communities often lack adequate facilities or the professional staff necessary to safely stabilize persons experiencing local behavioral health emergencies. Local responders have sometimes detained people in local jails pending transport.

- **Workforce:** Designated Evaluation and Stabilization and Designated Evaluation and Treatment facilities and local community behavioral health centers will continue to struggle with workforce issues including shortages and turnover. There is a need for ongoing training in the management of psychiatric emergencies and the short-term stabilization and treatment process.
- **Functioning Partnerships:** Maintaining functioning partnerships between local hospitals and community behavioral health providers and other key social service agencies, in order to facilitate efficient and effective shared responses to local behavioral health emergencies, is a significant, continuing challenge.
- **Response Time:** With the adoption of revised Alaska Court System forms relative to the emergency detention and involuntary commitment of persons experiencing a behavioral health crisis, the Division of Behavioral Health now faces significant pressure (both monetary and legal) to arrange transport of those persons subject to court-ordered involuntary 72-hour evaluation holds within 24 hours of the time and date of the court order.
- **Expansion of Designated Hospitals:** Over 80 percent of the Alaska Psychiatric Institute's annual admissions come from the Mat-Su Valley and Anchorage Bowl. The inability to successfully attract and fund new hospitals to provide Designated Evaluation and Stabilization and Designated Evaluation and Treatment services in these areas creates a backlog of court-ordered patients awaiting transfer to the Alaska Psychiatric Institute from hospital emergency rooms statewide.

Significant Changes in Results to be Delivered in FY2018

- For the first time in many years, the Division is aware that there is interest by local hospitals both in MatSu (MatSu Regional Medical Center) and Anchorage (Alaska Regional Hospital) to provide an as yet undefined level Designated Evaluation and Treatment beds at these two facilities. Either addition would greatly assist in the admissions pressures on Alaska Psychiatric Institute (API).

Statutory and Regulatory Authority

AS 47.07.030	Medical Services to be Provided
AS 47.07.040	State Plan for Provision of Medical Assistance
AS 47.07.073	Uniform Accounting, Budgeting, and Reporting
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 43.687	Disproportionate Share Hospital
7 AAC 150.170(8)	Allowable Reasonable Operating Costs
7 AAC 150.180	Methodology and Criteria for Additional Payments as a Disproportionate Share Hospital
7 AAC 78	Grant Programs
7 AAC 71	Community Mental Health Services
7 AAC 72	Civil Commitment
13 AAC 60.010 – 900	Licensing of Security Guards and Security Guard Agencies
AS 18.65.400 – 490	Police Protection

Contact Information
Contact: Melissa M. Ordner, Budget Manager Phone: (907) 465-1629 Fax: (907) 465-8262 E-mail: melissa.ordner@alaska.gov

Component Detail All Funds
Department of Health and Social Services

Component: Designated Evaluation and Treatment (1014)
RDU: Behavioral Health (483)

Non-Formula Component

	FY2016 Actuals	FY2017 Conference Committee	FY2017 Authorized	FY2017 Management Plan	FY2018 Governor	FY2017 Management Plan vs FY2018 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	3,892.1	3,957.7	3,957.7	4,657.7	3,794.8	-862.9	-18.5%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	3,892.1	3,957.7	3,957.7	4,657.7	3,794.8	-862.9	-18.5%
Fund Sources:							
1037GF/MH (UGF)	3,892.1	3,957.7	3,957.7	4,657.7	3,794.8	-862.9	-18.5%
Unrestricted General (UGF)	3,892.1	3,957.7	3,957.7	4,657.7	3,794.8	-862.9	-18.5%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Health and Social Services

Component: Designated Evaluation and Treatment (1014)
RDU: Behavioral Health (483)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2017 Conference Committee To FY2017 Authorized *****												
FY2017 Conference Committee												
	ConfCom	3,957.7	0.0	0.0	0.0	0.0	0.0	3,957.7	0.0	0	0	0
1037 GF/MH		3,957.7										
Subtotal		3,957.7	0.0	0.0	0.0	0.0	0.0	3,957.7	0.0	0	0	0
***** Changes From FY2017 Authorized To FY2017 Management Plan *****												
Transfer from Residential Child Care for Transport Rate Increase												
	Trin	700.0	0.0	0.0	0.0	0.0	0.0	700.0	0.0	0	0	0
1037 GF/MH		700.0										
Transfer from Residential Child Care to Designated Evaluation and Treatment to support an increase in the rates for Designated Evaluation and Treatment transport services, as provided for in the new provider agreement, effective June 30, 2016. It is statutorily required that these services be provided to Alaskans in need of psychiatric crisis stabilization and treatment.												
There is unallocated Residential Care for Children and Youth authority available to transfer because grantees have dropped Residential Care for Children and Youth beds that have a capitated rate, for fee-for-service billing which is un-capped. Residential Care for Children and Youth rates in the grants and in Medicaid have not kept up with the cost of providing services.												
Grant payments have been \$40 per bed per day since the program's inception in 2000. The payment covers non-treatment, non-Medicaid reimbursable costs such as room and board and supervision. According to the U.S. government Bureau of Labor Statics, the inflation rate from the year 2000 to present is 37.6 percent nationwide, representing a decrease in value of the grants. The Medicaid rate has not increased for 10 years and has a drop in value of approximately 20 percent over time. This grant payment is a smaller component of the total residential care reimbursement, for Residential Care for Children and Youth grantees, who receive a larger Medicaid payment for treatment services.												
In FY2007, the Residential Care for Children and Youth program had 200 beds, in FY2017 there are 152. This drop in bed capacity has resulted in unexpended grant authority at the end of the last several years, resulting in unencumbered authority lapsing each year in the Residential Child Care grants line.												
Subtotal		4,657.7	0.0	0.0	0.0	0.0	0.0	4,657.7	0.0	0	0	0
***** Changes From FY2017 Management Plan To FY2018 Governor *****												
Reduced Rates for Designated Evaluation and Treatment Transport Service												
	Dec	-862.9	0.0	0.0	0.0	0.0	0.0	-862.9	0.0	0	0	0
1037 GF/MH		-862.9										
Totals		3,794.8	0.0	0.0	0.0	0.0	0.0	3,794.8	0.0	0	0	0

Line Item Detail (1676)
Department of Health and Social Services
Grants, Benefits

Component: Designated Evaluation and Treatment (1014)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
7000	Grants, Benefits		3,892.1	4,657.7	3,794.8
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
		7000 Grants, Benefits Detail Totals	3,892.1	4,657.7	3,794.8
7002	Benefits	Travel, Physician, and Hospital services	3,892.1	4,657.7	3,794.8

Revenue Detail (1681)
Department of Health and Social Services

Component: Designated Evaluation and Treatment (1014)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
6037 GF/MH (1037 GF/MH)			7.8	0.0	0.0
6122 General Fund Mental Health - Prior Year Reimbursement Recvry			7.8	0.0	0.0