



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

July 1, 2013

To: ABH Members
From: Mandy Gilman, Director of Public Policy and Research
Re: Preliminary Analysis of the FY14 Conference Committee Budget

On July 12, 2013, Governor Patrick signed the Fiscal Year 2014 budget, which the Legislature passed July 1, 2013. He agreed to most of the Legislature's \$33.6 billion budget plan, while vetoing \$240 million in transportation funding and \$177 million in local aid funding. The vetoes are not unexpected and connected to an ongoing disagreement between the Governor and the Legislature over a tax bill passed earlier this year. In addition to relying on new gas and cigarette taxes, the Fiscal Year 2014 budget draws \$350 million from the stabilization account.

Department of Mental Health:

The budget includes an increase in overall funding for DMH above projected FY13 spending. DMH has indicated though that it is unclear if the funding is sufficient to maintain all existing services.

- \$240,000 in new funding for the DMH operations account.
- An approximate \$10.3 million increase in the Child and Adolescent account. We expect this funding to be used as part of the new Caring Together procurement, including Chapter 257 rate increases.
- An approximately \$10 million increase in funding for the Adult Community Services account. It is unclear, however, if this funding is sufficient to maintain all existing services.
- The budget includes an approximately \$9 million increase for DMH inpatient services, including a mandate that DMH maintain 45 beds at Taunton State Hospital.



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

Department of Public Health/Bureau of Substance Abuse Services:

The budget proposes to increase funding in the main BSAS line item by approximately \$7 million above projected FY13 spending to maintain existing service levels. This includes some funding earmarked for specific programs and funding for Chapter 257 rate increases.

- The budget includes level funding for step-down services at \$4.8 million.
- The budget also proposes to level fund line items for secure treatment facilities for opiate addiction and intervention, care management and young adult treatment programs.
- The budget appears to extend the Section 35 trust fund so that \$6 million in unexpended funds will be available in FY14.
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MassHealth:

- There appear to be no significant cuts pertaining to behavioral health, or other services in the MassHealth budget.

Chapter 257 Implementation/Salary Reserve:

- The budget includes a one-time salary reserve payment of \$11.5 million contingent on the state ending FY13 with a surplus.

Next Steps:

The House must now decide if it chooses to override the Governor's vetoes, followed by the Senate.

Note: We have highlighted the Final 2014 appropriations in orange for easy reference. Items that were vetoed by the Governor are indicated by a ~~strikethrough~~ and the amount vetoed is in red font. The new funding amount is in red font.



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

Department of Mental Health (DMH)

Line item/program	FY'12 Spending	Final FY'13 Approved	FY'13 Post 9C	Governor's FY'14	House Final FY'14	Senate Final FY'14	Conference Committee FY'14
5011-0100 Operations Account	\$26,748,859	\$27,373,198	(\$338,057) \$27,035,141	\$28,075,844	\$27,532,107	\$27,275,844	\$27,275,844
5042-5000 Child/Adolescent Services	\$71,805,352	\$76,816,757	(\$1,890,000) \$74,926,757	\$86,284,967	\$84,622,740	\$85,222,740	\$85,222,740
5046-0000 Adult Community Services	\$332,466,264**	\$344,027,150	(\$1,962,186) \$344,064,965	\$354,162,452	\$348,868,606	\$353,921,665	\$353,868,606
5046-2000 Statewide Homelessness Initiative	\$20,134,424	\$20,134,424	\$20,134,424	\$20,134,424	\$20,134,424	\$20,134,589	\$20,134,589
5047-0001 Emergency Services/Acute Inpatient	\$35,134,207	\$35,242,254	(\$500,000) \$34,742,257	\$36,742,254	\$34,910,632	\$36,142,254	\$35,526,443
5055-0000 Forensic services for the mentally ill	\$8,104,964	\$8,321,818	\$8,321,818	\$8,321,818	\$8,297,163	\$8,321,818	\$8,497,163
5046-4000 CHOICE program RR	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
5095-0015 State psychiatric hospitals	\$146,803,087	\$159,313,321	(\$2,723,359) \$164,589,962*	\$162,625,002	\$172,216,512	\$173,395,002	\$173,116,512
5095-0017 Trust Fund Contributions	\$10,000,000						
TOTAL	\$651,327,157**	\$671,353,922	\$673,940,324	\$696,471,761	\$696,707,184	\$704,538,912	\$703,766,897

* includes transfers ** includes Supplemental funding



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

Overview:

The Department of Mental Health is funded at \$703,766,897. This represents an increase of approximately \$30 million over FY13 projected spending.

5011-0100 Operations. Funding in this line item was increased by \$240,000 over FY13 projected spending. The line item requires that \$100,000 be expended for the Stephanie Moulton Safety Symposium.

5042-5000 Child/Adolescent Mental Health Services. This funding was increased by approximately \$10.3 million over FY13 projected spending. DMH has previously noted that this line item will partially fund the DMH/DCF Caring Together joint procurement. The account retains past language enabling the DMH Commissioner to allocate funds from this account to other EOHHS departments in order to support services for children and adolescents "stuck" in inappropriately restrictive settings due to lack of more appropriate placements.

The line item requires that at least \$3.1 million is expended for the Massachusetts Child Psychiatry Access Project (MCPAP) and allows DMH to assess commercial payers whose members use MCPAP services. This is a new source of income for the MCPAP program.

5046-0000 Adult Mental Health Community Services. This account has an approximately \$10 million increase in funding over FY13. It is unclear at this time if the funding is sufficient to maintain current service levels. It contains previously included language requiring DMH to allocate up to \$5 million from the inpatient account (5095-0015) as necessary for "community services" for consumers formerly receiving care at DMH facilities. It contains language requiring DMH to spend at least as much funding on clubhouses as they did in FY13, and also to spend as much funding for programming for early detection, assessment and response to risk for psychotic illness as it did in FY13. The line item also includes an earmark of \$275,000 to be allocated to Heywood Hospital to expand suicide prevention services in north central Massachusetts. Lastly, it requires that DMH spend the same level as the prior fiscal year for jail diversion programs in municipalities.

5046-2000 Homelessness Services. This account is level-funded.

5047-0001 Emergency Services/Acute Inpatient. This account is funded at \$25,526,443, an increase of approximately \$800,000.

5055-0000 Forensic Services. This account includes a slight increase from FY13 projected spending.



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

5046-4000 CHOICE program Retained Revenue. This line item is level-funded at \$125,000. This account allows DMH to retain up to \$125,000 of the revenue they collect from occupancy fees charged to participants in the CHOICE housing program. The fees must then be used for the routine maintenance and repair of CHOICE facilities.

5095-0015 State Psychiatric Hospitals. This line item includes an approximate \$8.8 million increase over projected FY13 spending and requires DMH to continue to operate 626 inpatient beds in its system for FY14. Forty-five of these beds must remain at Taunton State Hospital until the Mental Health Study Committee, established in last year's budget, releases its final report June 30, 2014. The section includes language requiring the state to meet with municipal officials prior to the closing of an inpatient mental health facility and produce a plan for the timely demolition of buildings, remediation of hazardous materials and future use of the property. It includes a \$100,000 earmark to fund the consultants' continued work through the submission of their final report no later than March 1, 2014. The line item includes additional charges for the consultants requiring them to make recommendations for the potential use of the Cain building at Taunton State Hospital; these might include state-operated pilot crisis stabilization units, a pilot program for nonviolent offenders, or a Section 35 location for females. Lastly, it requires that Taunton State Hospital shall not become a Department of Corrections facility.

In addition, this account contains language mirroring that in the adult community account (5046-0000) which permits the transfer of up to \$5 million from this account to the adult community account for "community services" for consumers formerly receiving inpatient care.



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

Department of Public Health/Bureau of Substance Abuse Services (BSAS)

Line item/program	FY '12 Spending	Final FY'13 Approved	Final FY'13 – Post 9C	Governor's FY'14	House Final FY'14	Senate Final FY'14	Conference Committee FY'14
4512-0200 BSAS Programming & Operations	\$74,810,802	\$77,164,595	(\$135,417) \$77,029,178	\$83,858,094	\$84,633,094	\$81,300,683	\$83,958,094 (\$475K veto) \$83,483,094
4512-0201 Step-Down Services	\$4,800,000	\$4,800,000	\$4,800,000	\$4,800,000	\$4,800,000	\$4,800,000	\$4,800,000
4512-0202 Secure Treatment Facilities for Opiate Addiction/ Jail Diversion	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$1,000,000	\$2,000,000	\$2,000,000
4512-0203 Intervention, Care Management, and Young Adult Treatment Program	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000
Substance Abuse Service Fund			\$6,750,000***	\$3,250,000***	\$3,250,000***	\$6,000,000***	\$6,000,000***
TOTAL	\$83,110,802	\$85,464,595	\$92,079,179	\$95,408,094	\$95,183,094	\$95,600,683	\$98,258,094

**Includes supplemental funding

***This is carryover trust fund money from the FY12 allocation of \$10m. Original estimates said \$6.75m of this funding of the funding would be used in FY13 for the Section 35 expansion programs, and \$3.25 of the funding will carry forward past the current July 1, 2013 expiration. Senate Ways and Means had an updated estimate that only \$4 million would be expended in FY13 and that \$6m would carry over to FY14.

Overview:

The Senate Ways and Means budget funds the Bureau of Substance Abuse Services at \$98,258,095 to maintain existing service levels, including recent expansion of programs due to additional Section 35 funding.

4512-0200 BSAS Programming and Operations. This account is funded at approximately ~~\$84~~ **\$83.5** million, an increase of \$7 million over FY13. The line item includes similar language to FY13 which requires BSAS to fund a program to reimburse driver alcohol education programs for services provided for court-adjudicated indigent clients and it includes language requiring BSAS to fund programs in FY14 with the same level of funding as FY13. The line item includes the following earmarks: ~~\$250,000 to be spent~~



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

on the Gavin Foundation, \$250,000 for a pilot program for young adults aged 17 to 25 to address substance abuse issues, \$100,000 for Self-Esteem Boston, \$100,000 for the New Beginnings program, \$25,000 for the Charlestown Against Drugs program, . **(4 earmarks vetoed)** and \$300,000 for integrated treatment and stabilization services for individuals and families living with co-occurring substance use and mental health disorders

4512-0201 Step-Down Services. This account is level-funded at \$4.8 million. The language states that the account will fund “substance abuse step-down recovery services, otherwise known as level-B beds and services, and other critical recovery services with severely reduced capacity.”

4512-0202 Pilot Jail Diversion Program. This account is level-funded at \$2 million and preserves the language outlining the program.

The account appropriates funding for pilot jail diversion programs primarily for nonviolent offenders with OxyContin or heroin addiction. The programs will be procured by the Department of Public Health, shall have at least 60 beds, and shall provide clinical assessment services to the respective courts, inpatient treatment for up to 90 days and ongoing case management services for up to 1 year. Programs shall be established in separate counties in locations deemed suitable by the Department of Public Health. However, “not more than \$500,000 shall be used to support the ongoing treatment needs of clients after 90 days for which there is no other payer.” The Department of Public Health must coordinate operations with Sheriffs, the District Attorneys, the Office of the Commissioner of Probation and the Department of Corrections.

4512-0203 Family Intervention, Care Management, and Young Adult Treatment Pilot Program. This account is level-funded at \$1.5 million. The language states that this appropriation is “for family intervention and care management services programs, a young adult treatment program, and early intervention services for individuals who are dependent on or addicted to alcohol or controlled substances or both alcohol and controlled substances.”

Substance Abuse Services Fund. \$10 million was included in a supplemental budget (Ch. 142 of the Acts of 2011) for the purpose of expanding inpatient treatment facilities and ongoing case management services for persons who are civilly-committed under Section 35. BSAS now expects that \$4 million of this fund will be expended in FY13 for the expansion. The Conference Committee budget extends the deadline to allow the additional \$6 million to be used before the end of Fiscal Year 2014 **(Outside Section 154)**.



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

Executive Office of Health & Human Services (EOHHS)/Office of MassHealth

Line item/program	FY '12 Spending	Final FY'13	Final FY'13 Post 9C	Governor's FY14	House Final FY'14	Senate Final FY'14	Conference Committee FY'14
4000-0300 EOHHS Admin. Account	\$86,557,878**	\$87,224,888	\$87,244,888	\$90,598,693	\$88,785,816	\$88,247,730	\$91,785,813 (\$2.42M veto) \$89,365,813
4000-0500 Managed Care Plans	\$3,980,487,347	\$4,167,478,376	(\$86,130,000) \$4,257,117,147**	\$4,552,960,913	\$4,500,411,804	\$4,538,960,913	\$4,500,411,804
4000-0700 MassHealth Fee for Service Payments	\$1,809,829,381	\$1,957,480,126	(\$26,800,000) \$1,819,111,138**	\$2,247,826,061	\$2,159,099,061	\$2,145,226,061	\$2,196,315,039
4000-0870 MassHealth Basic	\$170,608,370	\$178,759,689	\$172,080,738**	\$180,437,109	\$180,437,109	\$180,437,109	\$180,437,109
4000-0940 ACA Expansion Populations	-	-	-	\$460,907,878	\$449,177,060	\$453,877,324	\$448,000,379
4000-0950 Children's Behavioral Health Initiative	\$214,743,708	\$221,549,097	\$179,743,708**	\$203,237,576	\$203,200,101	\$203,200,101	\$203,200,101
4000-1405 MassHealth Essential	\$493,458,055	\$505,998,456	\$466,755,623**	\$489,878,244	\$489,878,244	\$489,878,244	\$489,878,244
4000-0114 Human Service Pilot	\$1,000,000**	\$1,000,000	\$1,000,000	\$1,500,000	\$0	\$1,000,000	\$0

**Includes supplemental appropriations



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

4000-0300 Administrative. The Conference Committee budget funds the EOHHS & MassHealth Administration line item at \$91,785,813, an approximately \$4.5 million increase over projected FY13 spending.

The account retains recurring language forbidding EOHHS/Center for Health Information and Analysis from implementing provider rate increases in the absence of "all measures possible" under the federal Social Security Act (which includes Medicaid) *"to ensure that rates of payment to providers do not exceed such rates as are necessary to meet only those costs which must be incurred by efficiently and economically operated providers in order to provide services of adequate quality."* The line item also retains language forbidding expenditures on programs that are not federally reimbursable (including those related to Medicaid, SCHIP, the Section 1115 Waiver or the Community First Section 1115 demonstration waiver) except as for administration of the Executive Office for the equivalent of MassHealth Standard benefits for children under 21 who are in the care/custody of DYS or DCF, for dental benefits provided to clients of DDS who are age 21 or older, or cost containment efforts for which the purposes and amounts have been submitted to Executive Office of Administration and Finance and to the House and Senate Committees on Ways & Means thirty days before making such expenditures.

Language is also retained that permits EOHHS to recover provider overpayments made in the current and prior fiscal years and that permits EOHHS to collect directly from a liable third party any amounts paid to providers, if no other course of recoupment is possible. The account retains language requiring the DMH Commissioner to approve prior authorization and other restrictions on medication used to treat mental illness "in accordance with written policies, procedures and regulations" of DMH.

The line item does include new language and requirements for MassHealth relative to the system transformation initiatives that are ongoing. It requires EOHHS to report to the Legislature by December 16, 2013 on the number of members that received case management services and the spending impact on those services in both the PCC and MCO populations. It also requires EOHHS to report to the Legislature by mid-January 2014 on the number of members served in the dual eligible initiative, and detailed information about the expenditures and service types they access. Lastly, the line item includes new language requiring a report to the Legislature on the Health Safety Net Trust Fund. **(2 earmarks were eliminated in the Governor's veto totaling \$2.42 million)**

4000-0500 Managed Care Plans. This account is funded at \$4,500,411,804. This is an increase of approximately \$243 million over FY13 projected spending.



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

The line item states that funds shall be used for health care services provided to medical assistance recipients under the Executive Office's Primary Care Clinician Program, mental health and substance abuse plan or through a health maintenance organization under contract with the Executive Office and for MassHealth Benefits provided to children, adolescents and adults under clauses (a.) to (d.) and clause (h.) sub-section (2) of the Medicaid law.

The language also directs that no funds shall be expended for children and adolescents under clause (c.) subsection (2) of the Medicaid law whose family incomes exceed 150% of the federal poverty level.

4000-0700 MassHealth Fee-for-Service Payments. This account is funded at \$2,196,315,039. This represents an increase of approximately \$377 million over FY13 spending.

The line item includes language stating that children who have aged out of the custody of the Department of Children and Families shall be eligible for MassHealth benefits until they reach age 21 and states that funds may be used for individuals who qualify for early intervention. The line item includes an earmark of \$23 million to be expended to enhance the ability of hospitals and community health centers to more efficiently and effectively serve populations in need. The line item includes language permitting EOHHS to reduce premiums and/or co-pays or to offer other incentives to encourage MassHealth members to comply with wellness goals. The budget also retains language permitting the use of funds for disability determination activities, utilization management and review, and patient screenings and evaluations. The line item also requires that \$17.2 million is spent on dental fillings for all MassHealth members.

4000-0870 MassHealth Basic. This account is funded at \$180,437,100 which represents a little over \$8 million increase from FY13 projected spending.

4000-0940 ACA Expansion Populations. This is a new line item to fund the ACA expansion population with the goal of "streamlining current programs to promote alignment, access and administration simplification". It is funded at \$448,000,379.

4000-0950 Children's Behavioral Health Initiative. Funding for this account was increased by \$23.5 million over projected FY13 spending. While the proposed appropriation is a decrease from FY13 appropriations, it actually represents an increase over the projected funding needed in FY13. This line item replaced the Rosie D. Reserve (1599-7050) in the FY10 budget and funding is appropriated for "administrative and program expenses associated with the children's behavioral health initiative...to provide



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

comprehensive community-based behavioral health services to children suffering from severe emotional disturbances.” The line item requires the Secretary of EOHHS to report biannually to the House and Senate on the implementation of the initiative.

4000-1405 MassHealth Essential. Funding for this account increases by approximately \$23 million over projected FY13 spending. The budget adopts language similar to that included in past budgets which directs that MassHealth Essential be operated to provide “preventive and primary care for chronically unemployed persons who are not receiving unemployment insurance benefits and who are not eligible for medical assistance but who are determined by EOHHS to be long-term unemployed...” and who have incomes up to 100% of the federal poverty level. Consistent with past budgets, account language also permits the restriction of the program to “certain providers” when taking into account capacity, continuity of care and geographic considerations.



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

Department of Children and Families

Line item/program	FY 2012** Spending	Final FY'13	Final FY'13 – Post 9C	Governor's FY'14	House Final FY'14	Senate Final FY'14	Conference Committee FY'14
4800-0015 Operations account	\$65,257,818**	\$67,351,557	(\$275,00) \$67,251,557*	\$69,346,589	\$67,910,267	\$68,828,808	\$68,828,898
4800-0016 Transitional Employment Program	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
4800-0025 Foster care review	\$2,839,006**	\$2,943,098	\$2,943,098	\$3,001,961	\$2,995,812	\$3,018,990	\$2,995,812
4800-0030 Service Coordination/Admin.	\$10,215,181	\$6,000,000	\$6,000,000	\$6,000,000	\$0	\$6,000,000	\$6,000,000
4800-0036 Sexual abuse intervention	\$697,508	\$697,508	\$697,508	\$698,740	\$699,379	\$698,740	\$698,740
4800-0038 Children and Families	\$238,142,461**	\$248,083,481	\$248,083,481	\$252,275,269	\$250,589,828	\$249,286,051	\$249,436,051 (\$125 K veto) \$249,311,051
4800-0040 Family Support & Stab.	\$43,317,551**	\$44,573,551	(\$558,000) \$44,015,551	\$45,410,551	\$44,610,551	\$45,510,551	\$44,610,551
4800-0041 Group care	\$196,697,573**	\$196,935,991	(\$5,207,000) \$193,128,991	\$212,967,991	\$207,967,991	\$206,488,950	\$206,488,950
4800-0091 Social worker development	\$2,058,735	\$2,077,119	\$2,077,119	\$2,007,119	\$2,007,119	\$2,077,110	\$2,077,119
4800-0151 Overnight placements	\$270,919	\$1,004,678	\$1,004,678	\$1,024,772	\$1,034,178	\$1,028,388	\$1,028,388



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

Line item/program	FY 2012** Spending	Final FY'13	Final FY'13 – Post 9C	Governor's FY'14	House Final FY'14	Senate Final FY'14	Conference Committee FY'14
4800-1100 Social worker for case mgmt.	\$162,697,463**	\$166,188,468	(\$470,000) \$165,718,468	\$172,833,758	\$172,501,659	\$171,921,284	\$171,921,284
4800-1400 Domestic Violence services	\$20,727,114	\$21,455,430	(\$433,000) \$21,022,430	\$21,607,946	\$21,530,430	\$22,830,532	\$22,905,532 (\$150K vetoed) \$22,755,532
TOTAL	\$744,921,329	\$759,310,881	\$753,942,881	\$789,174,696	\$773,847,214	\$779,689,404	\$778,991,325

* includes transfers **includes supplemental funding

Overview: The FY14 Conference Committee DCF budget is an approximately \$25 million increase over projected FY13 spending.

4800-0015 Operations Account. This account is funded at \$68,828,808 which is an increase of approximately \$1.5 million.

4800-0016 Transitional Employment Program. This account was level-funded at \$2 million. Account language states that DCF may enter into a contract with Roca, Inc. to manage the transitional employment program and “to provide services to participants from the aging-out population, parolees, probationers, youth service releases, or other community residents considered to have employment needs.”

4800-0030 Service Coordination/Administration. This account, which funds “lead agencies”, was level-funded at \$6 million.

4800-0038 Services for Children and Families. This account is funded at approximately \$249 million, an increase of approximately \$1 million over FY13 projected spending. Funding is for “guardianship, foster care, adoption, family preservation and kinship services.” **(2 earmarks were vetoed totaling \$125,000)**

4800-0040 Family Support and Stabilization. This account, which funds “family prevention and unification services”, is funded at \$600,000 above projected FY13 spending.



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

4800-0041 Group Care. The Conference Committee budget funds this account at \$206,488,950. This is an increase of approximately \$13 million. The language in the account permits the use of funds “to provide intensive community-based services, including intensive in-home support and stabilization services, to children who would otherwise be placed in residential settings.”

4800-0151 Placement for Juvenile Offenders. The Conference Committee budget funds this line item at \$1,028,388, a small increase over FY13 spending. This account funds “alternative overnight non-secure placements for status offenders and nonviolent delinquent youths to prevent the inappropriate use of juvenile cells in police stations for such offenders”.

4800-1100 Social Worker Case Management. This account is funded at approximately \$172 million which is an increase of \$6 million over FY13 spending.

4800-1400 Domestic Violence Services. This account is funded at approximately \$22.8 million. This account funds shelter and support services for people at risk for domestic violence as well as for the operation of the New Chardon Street Homeless Shelter. **(earmark supporting the Portal to Hope program for \$150,000 was vetoed)**



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

Human Services Salary Reserve

Line item/program	Final FY '12	Final FY'13	Final FY'13 – Post 9C	Governor's FY'14	House Final FY'14	Senate Final FY'14	Conference Committee FY'14
Human Services Salary Reserve	\$10,000,000 (one-time payment)	\$20,000,000 (annualized)	\$20,000,000 (annualized)	\$0	\$7,500,000*	\$11,500,000*	\$11,500,000*

SECTION 145. Surplus FY13 Funding. The outside section of the budget includes a one-time salary reserve payment of \$11.5 million contingent on the state ending FY13 with a surplus.



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

Other Line Items of Interest

Line item/program	FY 2012** Spending	Final FY'13	Final FY'13 – Post 9C	Governor's FY'14	House Final FY'14	Senate Ways & Means FY'14	Conference Committee FY'14
3000-6075 Department of Early Education & Care Early Childhood Mental Health Consultations	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000
4512-0225 DPH Compulsive Gamblers Treatment Program	\$1,270,000	\$1,830,000	(\$560,000) \$1,270,000	\$1,270,000	\$1,500,000	\$1,270,000	\$1,500,000
4512-0103 DPH HIV/AIDS Program	\$32,097,810	\$32,101,023	\$32,101,023	\$32,108,849	\$32,101,023	\$32,108,793	\$32,108,793
4512-0106 DPH HIV/AIDS Drug Assistance Program	\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000
4513-1026 DPH Statewide Suicide Prevention Program	\$3,569,443	\$3,820,455	\$3,839,455	\$3,857,550	\$3,863,305	\$3,856,126	\$3,863,305
7004-9033 Department of Housing & Community Development Rental Subsidies for DMH consumers	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,250,000	\$4,125,000	\$4,125,000



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

3000-6075 Department of Early Education and Care Early Childhood Mental Health Consultations. \$750,000 is appropriated for the line item (3000-6075) that funds early childhood mental health consultation services.

4512-0225 Compulsive Gamblers Treatment Program. The Conference Committee budget appropriates \$1,500,000 to the compulsive gamblers treatment program. This will be an area to monitor as casino proposals move forward because under the casino law, funding must be dedicated to treatment.

4513-1026 Statewide Suicide Prevention and Intervention Program. The budget also includes \$3,863,305 for the Department of Public Health's Statewide Suicide Prevention & Intervention Program. This is an increase of approximately \$16,000 over projected FY13 spending.

4512-0103 DPH HIV/AIDS Program. The Department of Public Health's HIV/AIDS Program is funded at approximately \$32.1 million, which is a slight increase from FY13 projected spending.

4512-0106 HIV/AIDS Drug Assistance Program. The HIV/AIDS drug assistance program at DPH (4512-0106) is level-funded at \$7,500,000.

7004-9033 Department of Housing and Community Development Rental Subsidies for DMH Consumers. This account is funded at \$4.125 million.



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

Outside Sections

SECTION 18. Standing Commission to Study the Commonwealth's Criminal Justice System. This section establishes a standing committee to study the state's criminal justice system. The diverse group of stakeholders must include one individual with experience in mental health and substance abuse. The commission would examine a range of subjects pertaining to criminal justice.

SECTION 19. Market Impact Reviews. ~~This section amends Chapter 224 and the requirements that health care providers give notice before making structural changes to their organizations by requiring that the Health Policy Commission's market impact reviews be completed within 150 days of receipt.~~ **Governor Patrick vetoed this section and asked the Legislature to adopt an amendment that gives the Health Policy Commission 120 days from when they received the completed data requested for the release of the preliminary report. The Legislature will have to vote to accept this amendment if they agree.**

SECTION 33. Interagency Agreements between DDS and Medicaid or DMH. This section expands the authority of the Department of Developmental Services to enter into interagency service agreements from its current statutory ability with the Department of Mental Health to now include the office of Medicaid.

SECTION 94. Medicaid Statute Duals Update. This section amends the definition of "managed care organization" in the chapter on Division of Medical Assistance to include integrated care organizations.

SECTION 145. FY13 Consolidated Net Surplus. This section distributes funding for the consolidated net surplus at the end of FY13. It includes \$11.5 million in a one-time salary reserve payment.

SECTION 154. Extend Substance Abuse Services Fund. This section allows the funding left in the substance abuse services fund established in 2012 to carry forward until the end of Fiscal Year 2014. BSAS's updated estimate is that \$6 million will remain in this fund for use in the next fiscal year.

SECTION 159. MassHealth Dental. This section allows EOHHS to determine the extent to which they will include dental coverage in its state plan or demonstration. They must file a report with the Executive Office of Administration and Finance and with House and Senate Ways and Means detailing the proposed changes at least 45 days in advance.



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ABH Preliminary Analysis of Final FY'14 Budget with Governor's Vetoes

July 12, 2103

SECTION 160. MassHealth Study by Inspector General. This section requires the Inspector General to conduct a study and review of the MassHealth program looking at the programs eligibility requirements, utilization, claims administration and compliance with federal mandates. The report must also look at the costs associated with maintaining a pool audit unit within the office.

SECTION 167. MassHealth Savings Report. This section requires MassHealth to file a report with EOHHS and House & Senate Ways and Means by October 1, 2013 identifying savings initiatives and cash management strategies that they will pursue in FY14. It requires MassHealth to notify House & Senate Ways and Means 45 days in advance of implementing any proposed rate cuts to providers or service cuts to members.

SECTION 177. UMass/Health and Human Services Interagency Service Agreements. This section reauthorizes EOHHS to enter into interdepartmental services agreements with the UMass Medical School to perform administrative activities relative to Medicaid and other federal programs. Activities include administrative services, utilization management activities, determining eligibility, supporting case management activities, consulting services related to quality assurance, program evaluation and development, etc. and services pursuing FFP or cost-avoidance. Federal reimbursement for any expenditure made by the medical school for services under ISA or contract to EOHHS will go directly to the school. EOHHS would be permitted to negotiate contingency fees up to \$40 million per year for up to three years for the pursuit of federal reimbursement or cost-avoidance. EOHHS would be required to make quarterly reports on the projects and activities taking place under this authorization.

SECTION 190. Mental Health Parity. This section requires the Division of Insurance and MassHealth to clarify their state and federal mental health parity regulations to comply with Chapter 224.

SECTION 211. Funding for Payments to Certain Health Providers. This section transfers up to approximately \$32.3 million in available funding from the Healthcare Payment Reform Trust Fund for use by the health policy commission and EOHHS in payments and programs outlined in the payment reform legislation.