

ABH Analysis of the Final FY'13 State Budget

July 30, 2012

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To: ABH Members
From: Mandy Johnson, Director of Public Policy and Research
Re: Analysis of the Final FY'13 State Budget

Governor Patrick signed the FY 2012 on July 8th. He vetoed \$32.1 million from the \$30.6 billion spending plan and also vetoed a number of outside sections. The Legislature then took action and overrode some of those vetoes. This document outlines the final fiscal year 2013 appropriations in areas of interest to ABH members.

As a result, the final FY 2013 budget contains:

- **\$5 million increase** in funding for DMH child and adolescent community services
- **\$11.5 million increase** in funding for DMH adult community services
- Approval of a **\$2.35 million increase** in funding for the main BSAS line item and approval of level funding for all other BSAS line items
- **\$20 million annualized appropriation** for the Human Services Salary Reserve
- **\$4 million** for increased rates for MassHealth outpatient behavioral health providers
- Creation of a Mental Health Inpatient Advisory Committee & funding **for an independent report on the mental health system in Massachusetts**
- **Legislative language and funding to maintain 45 beds** at DMH's Taunton State Hospital throughout Fiscal Year 2013
- Creation of, and funding for an annual forum, **the Stephanie Moulton Safety Symposium**

Note: We have highlighted the Final 2013 budget appropriations in **orange** for easy reference.

If the line item was vetoed by the Governor, but then overridden by the Legislature, that is noted in the narrative sections of the summary.



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Line item/program	Final FY 10 (post 9C cuts)	Final FY '11	FY12 Spending	Governor's FY '13	House Final FY'13	Senate Final FY'13	Final FY'13
5011-0100 Operations Account	\$28,672,819	\$26,401,636	\$26,748,859	\$27,565,416	\$27,093,862	\$27,373,198	\$27,373,198
5042-5000 Child/Adolescent Services	\$72,184,407	\$71,773,509	\$71,805,352	\$77,878,882	\$77,571,631	\$76,816,757	\$76,816,757
5046-0000 Adult Community Services	\$302,913,735	\$326,755,801**	\$332,466,264**	\$342,427,150	\$343,168,578	\$343,927,150	\$344,027,150
5046-2000 Statewide Homelessness Initiative	\$20,134,424	\$20,134,424	\$20,134,424	\$20,134,424	\$20,134,424	\$20,134,424	\$20,134,424
5047-0001 Emergency Services/Acute Inpatient	\$34,704,390	\$34,122,197	\$35,134,207	\$35,202,850	\$35,249,301	\$35,242,254	\$35,242,254
5055-0000 Forensic services for the mentally ill	\$8,146,363	\$8,081,928	\$8,104,964	\$9,153,872	\$8,297,163	\$8,634,856	\$8,321,818
5046-4000 CHOICE program RR	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
5095-0015 State psychiatric hospitals/Community-Based Mental Health Services	\$167,133,711	\$143,900,803	\$146,803,087	\$153,488,321	\$161,488,321	\$160,138,321	\$159,313,321
5095-0017 Trust Fund Contributions			\$10,000,000				
TOTAL	\$634,014,849	\$631,295,298**	\$651,327,157**	\$665,975,915	\$673,128,280	\$672,391,960	\$671,353,922

** includes Supplemental funding

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Department of Mental Health

Overview:

The Department of Mental Health is funded at \$671,353,922. This represents an increase of approximately \$20m over FY'12 projected spending.

5011-0100 Operations. Funding in this line item was increased by \$624,339 over FY'12 projected spending. The line item also includes an earmark of \$100,000 for the Stephanie Moulton Safety Symposium.

5042-5000 Child/Adolescent Mental Health Services. This funding was increased by approximately \$5m over FY'12 projected spending.

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. In addition, DMH may not discharge a child or adolescent to the Department of Children and Families until it forwards an assessment and recommendation as to whether the child should be placed in foster care or group care. Also includes language that funds are to be used for the Child Psychiatry Access Project (MCPAP).

5046-0000 Adult Mental Health Community Services. This account has an \$11.5m increase in funding over FY'12. Accounted in this funding is the annualization of \$70.4m to support over 80 inpatient planned discharges from DMH hospitals.

This account 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 also specifies that clubhouses must receive \$1m more than was allocated for their services in FY'12.**

DMH is required to submit a report to the Ways & Means Committees on the distribution of funds per adult and child planning population and the types of services received in each region during FY 2012 by February 1, 2012. Finally, language states that jail diversion programs that received funding in FY 2012 from DMH shall continue to receive funding in FY 2013.

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

5047-0001 Emergency Services/Acute Inpatient. This account is funded at \$35,252,254; an increase of approximately \$108k over FY 2012 projected spending. Similar to last year's final language, the Final FY'13 budget requires DMH to continue its

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interagency service agreement (ISA) with EOHHS for the purchase of services. It also contains language requiring emergency service programs to “take all reasonable steps to identify and invoice the third party insurer of all persons serviced by the programs” as well as language requiring DMH to develop a “performance specification...for safe aftercare options for adults upon release from acute inpatient mental health care services”.

5095-0015 State Psychiatric Hospitals/CMHCs. This line item includes a \$12.5m increase over FY'12. *(The Governor vetoed \$5.1m of this increase, arguing that closing Taunton allowed DMH to spend less money on inpatient care. The Legislature overrode this veto).* At least 180 days prior to the closing of an inpatient facility, the secretary of housing and economic development and the commissioner of capital asset management must meet with affected municipal officials to produce a plan for redevelopment of the facility.

The final FY'13 budget requires the preservation of 626 DMH continuing care inpatient beds in its system for fiscal year 2013 and requires that 45 of those beds must be maintained at Taunton State Hospital until an independent analysis of the public and private behavioral health care services available to the residents of the Commonwealth is completed. The line item earmarks \$100,000 for hiring a consultant to complete the study. *(The Governor vetoed the language preserving the beds at Taunton, as well as the funding earmark for the study, but the Legislature overrode the veto unanimously).*

The account contains similar language to previous budgets directing DMH to discharge clients in inpatient facilities to “residential services in the community when the following criteria are met: a) the client is deemed clinically suited for a more integrated setting; b) community residential service capacity and resources available are sufficient to provide each client with an equal or improved level of service; and c) the cost to the commonwealth of serving the client in the community is less than or equal to the cost of serving the client in inpatient care.” Any consumer transferred to a different inpatient facility due to facility closure is required to “receive a level of care that is equal to or better than the care that had been received at the closed facility.”

In addition, this account contains language mirroring that in the adult community account (5046-0000) which permits the transfer of up to \$5m from this account to the adult community account for “community services” for consumers formerly receiving inpatient care. However, DMH must submit allocation plans to the House and Senate Committees on Ways and Means 30 days before “any transfer for residential and day services for clients formerly receiving inpatient care at the centers and facilities.

5095-0017 Trust Fund Contributions No additional funding was included from trust fund contributions for FY'13. As \$10m was included in FY'12 from this source, that funding was annualized in line item appropriations in this budget cycle.



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Department of Public Health/Bureau of Substance Abuse Services

Line item/program	Final FY '10 (Post-9C Cuts)**	Final FY'11**	FY '12 Spending	Governor's FY '13	Final House FY '13	Final Senate FY '13	Final FY'13
4512-0200 BSAS Programming & Operations	\$75,924,448	\$75,185,802	\$74,810,802	\$76,539,595	\$77,539,595	\$76,539,595	\$77,164,595
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	0	\$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			\$10,000,000**				
TOTAL	\$84,224,448	\$83,485,802	\$93,110,802	\$84,839,595	\$83,839,595	\$84,839,595	\$85,464,595

**Includes supplemental funding

Overview:

The final FY'13 budget funds the Bureau of Substance Abuse Services at \$85.4m. This represents an increase of \$2.3m over FY12 spending (excluding the \$10m supplemental appropriation for the Substance Abuse Services Funding that was included in Ch.142 of the Acts of 2011).

4512-0200 BSAS Programming and Operations. This account is funded at \$77.1 million; an increase of \$2.3m (over FY12 projected spending). Accounted in this funding are rate increases for existing services in accordance with Chapter 257, primarily ATS. It also includes earmarks of \$125,000 for Self Esteem Boston's substance abuse direct service prevention and provider

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training programs, \$200,000 for the Gavin Foundation's Speakers for Hope program, and \$300,000 to be expended for integrated treatment and stabilization services for individuals living with co-occurring substance use and mental health disorders.

4512-0201 Step-Down Services. This account is level-funded at \$4.8m. 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 \$2m.

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.

Language also states that an individual may be diverted to this or other programs by a district attorney (in conjunction with the Commissioner of Probation) if:

- a.) there is reason to believe that the individual being diverted suffers from an addiction to OxyContin or heroin, or other substance use disorder; and
- b.) the diversion of an individual is clinically appropriate and consistent with established clinical and public safety criteria;

4512-0203 Family Intervention, Care Management, and Young Adult Treatment Pilot Program. This account is level-funded at \$1.5m. 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. \$10m 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. This funding will be available through the end of FY13. The Commissioner of Public Health will serve as the fund's trustee. The administration must release a plan on using the funds before they will be distributed.



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

Line item/program	Final FY 2010 (Post-9C Cuts)**	Final FY '11**	FY '12 Spending	Governor's FY '13	Final House FY '13	Senate Ways and Means FY '13	Final FY'13
4000-0300 EOHHS Admin. Account	\$91,326,742	\$89,970,271**	\$86,557,878**	\$86,291,466	\$87,222,963	\$86,171,094	\$87,224,888
4000-0500 Managed Care Plans	\$3,600,131,677	\$3,772,835,669	\$3,980,487,347	\$4,164,475,376	\$4,164,475,376	\$4,158,475,376	\$4,167,478,376
4000-0700 TPL Plans/Indemnity/Fee- for-Service	\$1,719,399,286	\$2,009,447,966	\$1,809,829,381	\$1,939,680,126	\$1,954,480,126	\$1,927,680,126	\$1,957,480,126
4000-0870 MassHealth Basic*	\$155,139,729	\$165,351,318	\$170,608,370	\$179,909,689	\$179,909,689	\$178,759,689	\$178,759,689
4000-1405 MassHealth Essential	\$324,450,150	\$389,757,408	\$493,458,055	\$505,998,457	\$505,998,456	\$504,848,457	\$505,998,456
4000-0950 Children's Behavioral Health Initiative	\$65,688,963	\$214,743,708	\$214,743,708	\$221,705,516	\$221,549,097	\$221,705,516	\$221,549,097
4000-0309 MassHealth Auditing	----	----	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
4000-0114 Human Service Pilot	----		\$1,000,000**				

**Includes supplemental appropriations

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4000-0300 Administrative. The final FY'13 funds this line item at \$87,224,888, a \$667k increase over FY'12.

The account also 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 the Department of Mental Health.

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 the purposes and amounts which 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.

The account retains recurring language forbidding EOHHS/Division of Health Care Finance and Policy 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."*

Language is also retained that permits EOHHS to recover provider overpayments made in the current and prior fiscal years and that EOHHS may collect directly from a liable third party any amounts paid to providers, if no other course of recoupment is possible.

Finally, language authorizes MassHealth to use funds for the program known as "Improving the Performance of State Government by implementing a Comprehensive Strategic Planning and Performance Management Framework in the Executive Departments

4000-0500 Managed Care Plans. This account is funded at \$4,167,478,376. This is an increase of approximately \$187m over FY 2012 projected spending.

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

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(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 \$1,957,480,126. This represents an increase of \$147,650,745 over FY12 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 account retains language permitting use of funds to purchase third party insurance for MassHealth members. The Conference report 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.

4000-0870 MassHealth Basic. This account is funded at \$178,759,689; which represents a little over \$8m increase from FY'12.

4000-1405 MassHealth Essential. Funding for this account increased by \$12.5m (over FY 2012 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 the executive office of health and human services 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. EOHHS is authorized to limit or close enrollment to ensure that expenditures do not exceed the appropriation, but the Secretary of EOHHS must notify the House and Senate Committees on Ways and Means and the Joint Committee on Health Care Financing 90 days before limiting or closing enrollment.

4000-0950 Children’s Behavioral Health Initiative. Funding for this account was increased by \$6.8m over FY'12 spending. This line item replaced the Rosie D. Reserve (1599-7050) in the FY 2010 budget and funding is appropriated for “administrative and program expenses associated with the children’s behavioral health initiative...to provide comprehensive community-based behavioral health services to children suffering from severe emotional disturbances.”



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4000-0309 MassHealth Field Auditing Taskforce. This line item was level-funded at \$1m. The line item provides for the expansion of auditing activities in MassHealth, including audits of high-risk services. It also directs the state Medicaid office to employ strategies to improve systems for detection of fraud.



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Department of Children and Families - ** includes supplemental funding

Line item/program	Final FY 2010 (Post-9C Cuts)**	Final FY 2011**	FY 2012** Spending	Governor's FY'13	Final House FY'13	Final Senate FY'13	Final FY'13
4800-0015 Operations account	\$68,088,577	\$65,671,716**	\$65,257,818**	\$69,322,448	\$65,651,557	\$69,474,448	\$67,351,557
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	\$2,677,181	\$2,671,274	\$2,839,006**	\$3,005,350	\$2,943,098	\$3,005,350	\$2,943,098
4800-0030 Service Coordination/Admin.	\$7,000,000	\$6,000,000	\$10,215,181	\$10,215,181		\$9,300,000	\$6,000,000
4800-0036 Sexual abuse intervention	\$697,508	\$697,508	\$697,508	\$697,508	\$697,508	\$697,508	\$697,508
4800-0038 Services for Children and Families	\$293,440,713	\$247,433,594	\$238,142,461**	\$248,173,891	\$248,142,130	\$246,638,481	\$248,083,481
4800-0040 Family Support & Stabilization	----	\$40,950,000	\$43,317,551**	\$44,573,551	\$44,573,551	\$44,573,551	\$44,573,551
4800-0041 Group care	\$219,854,417	\$201,586,480	\$196,697,573**	\$200,209,988	\$197,709,889	\$195,298,990	\$196,935,991
4800-0091 Social worker development	\$2,133,535	\$2,058,735	\$2,058,735	\$2,077,119	\$2,077,119	\$2,077,119	\$2,077,119
4800-0151 Overnight non-secure placements	\$270,919	\$270,919	\$270,919	\$230,780	\$230,780	\$1,004,678	\$1,004,678
4800-1100 Social workers for case mgmt.	\$155,091,220	\$155,782,354**	\$162,697,463**	\$168,917,450	\$166,188,468	\$166,917,450	\$166,188,468
4800-1400 Domestic Violence services	\$21,422,460	\$20,094,458	\$20,727,114	\$21,451,537	\$21,451,538	\$21,468,994	\$21,455,430
TOTAL	\$775,676,358	\$742,217,038	\$744,921,329	\$770,874,803	\$751,665,638	\$762,174,569	\$759,310,881

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Overview:

The FY'13 budget is an approximately \$14m increase over FY'12 spending for the Department of Children and Families

4800-0015 Operations Account. This account is funded at \$67,351,557; this is an increase of approximately \$2m (over FY 2012 spending).

4800-0016 Transitional Employment Program. This account is level-funded at \$2m. 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 was cut this year by \$4m, and is funded for FY'13 at \$6m. The account appropriates funds for the DCF lead agencies, and references the continuation of “local and regional administration and coordination of services” and states that “flex services provided by the department” may be funded from the account.

4800-0038 Services for Children and Families. This account is funded at \$248m; an increase of approximately \$10m (over FY12 spending). Funding is appropriated “for services to children and families, including but not limited to permanency, placement and stabilization.” This line item also included earmarks of \$75,000 for Julie’s Family Learning Program in South Boston, \$200,000 for the Children’s Advocacy Center of Bristol, \$100,000 for the Plymouth County Children’s Advocacy Center and \$100,000 for the Children’s Cove Cape and Islands Child Advocacy Center.

4800-0040 Family Support and Stabilization. This account, which funds “family prevention and unification services”, is funded at \$1.2m above projected FY 2012 funding.

4800-0041 Group Care. The Conference report of the FY2013 budget proposal funds this account at \$196m; this is a minor increase over the FY 2012 spending, which reflects consistency with predicted caseloads.

The language in the account permits the use of funds “to provide community-based services, including in-home support and stabilization services, to children who would otherwise be placed in congregate settings.”

4800-0151 Placement for Juvenile Offenders. This account funds, “alternative overnight nonsecure placements for status offenders and nonviolent delinquent youths to prevent the inappropriate use of juvenile cells in police stations for such offenders”.



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The budget consolidates funding for the Alternative Lockup Program from two line items (4800-0151 and 4800-0041) to one (4800-0151). This is not an increase to the program's funding, rather a transfer of funds from the 4800-0041 to the 4800-0151. Overall funding level is consistent with the Governor's House 2 request.

4800-1100 Social Worker Case Management. This account is funded at \$166m; this is an increase of approximately \$3.4m (over FY 2012 spending).

4800-1400 Domestic Violence Services. This account is funded at \$21.4m; an increase of approximately \$728,000 (over FY2012 spending). 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.



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Department of Housing & Community Development

Line item/program	Final FY '10 (Post-9C Cut)	Final FY '11	Final FY '12	Governor's FY'13	Final House FY'13	Final Senate FY'13	Final FY'13
7004-9033 Rental Subsidies for DMH consumers	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,500,000	\$4,000,000	\$4,000,000

Human Services Salaries Reserve

Line item/program	Final FY '10	Final FY '11	Final FY '12	Governor's FY'13	Final House FY'13	Final Senate FY'13	Final FY'13
1599-6901	\$0	\$0	\$10,000,000	\$0	\$0	\$20,000,000	\$20,000,000

SALARY RESERVE (1599-6901) - The final FY'13 budget funds \$20 million for an annualized salary reserve. (The Governor vetoed \$10m of the reserve, but the Legislature unanimously overrode his veto and restored the annualized funding.)

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OTHER ITEMS OF INTEREST

The budget appropriates \$1,830,000 to the **compulsive gamblers treatment program** (line item 4512-0225), which is partially funded with unclaimed lottery monies. This represents level-funding previously received from multiple line items.

The final appropriation also includes \$3,839,455 for the **Department of Public Health's Statewide Suicide Prevention & Intervention Program (4513-1026)**. This is an increase of approximately \$300,000 (over FY12 spending).

The **Department of Public Health's HIV/AIDS Program (4512-0103)** is funded at \$32 million; this is an increase of approximately \$503,000 (over FY 2012 spending).

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

\$750,000 is appropriated for a **Department of Early Education and Care line item (3000-6075)** to early childhood mental health consultation services. Preference is to be given to services designed to limit the number of expulsions and suspensions.

A new \$125,000 line item was created for a competitive grant program known as the **jail diversion community safety initiative**. Funded through the executive office of public safety, the goal is to reduce arrests of people in mental health crisis by improving police responses and fostering access to emergency service programs. Proposals will come from law enforcement collaborating with other community agencies.

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Outside Sections

Section 21. Victims of Drunk Driving Trust Fund. This section modifies the language currently governing this fund, to expand the use of grants administered by the fund to include, “the allocation of funds for the purposes of impaired driving prevention, education and training services.”

Section 55. Department of Mental Health Worker-Safety Symposium. This section directs the Department of Mental Health to hold a yearly safety symposium to discuss best safety practices and policies and risk management for community-based services. The symposium will be known as the Stephanie Moulton Safety Symposium. \$100,000 is included in line item 5011-0100 (DMH Operations Account) for the symposium.

Section 98 -100. Driving under the Influence Loophole. These sections make changes to the Driving Under the Influence statute, to address the recent Supreme Judicial Court ruling invalidating some of the Registry of Motor Vehicles interpretations of the law.

Section 111-114. Restaurant/Pharmaceutical Company Rules Relaxed. This section allows pharmaceutical companies to buy modest meals for health care personnel, and requires the disclosure of these practices to be posted on a public website.

Section 115. Public Information from Board of Registration of Medicine. Revises the statute outlining the information that must be available to the public about criminal complaints against physicians.

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.

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Section 178. Initial Gross Payments to Qualifying Acute Care Hospitals. The section authorizes the transfer of \$45 million or 1/12 of the total expenditures to hospitals and community health centers required by the FY '13 budget (whichever is greater) from the General Fund to the Health Safety Net Trust Fund in order to make initial gross payments to qualifying acute care hospitals.

Section 183. MassHealth and Commonwealth Care Dental Services. This section gives MassHealth and Commonwealth Care discretion to limit adult dental services as needed. It also provides that the Commonwealth Health Insurance Connector Authority include preventative procedures to any resident with a household income below 100% of the federal poverty limit. EOHHS must submit a report to the Secretary of Administration and Finance and House and Senate Committees on Ways and Means 90 days before any MassHealth benefit changes are made. Said report must include the proposed changes and the anticipated fiscal impact.

Section 185. MassHealth Savings Reports. This section requires MassHealth to file a report with the Executive Office for Administration and Finance and the House and Senate Committees on Ways and Means by August 1, 2012. The report must identify savings initiatives and cash management strategies for FY '13 in order to operate the MassHealth program within the amounts allocated in the budget. MassHealth must notify the Executive Office for Administration and Finance and the House and Senate Committees on Ways and Means 15 days prior to any deviation from the savings initiatives and cash management strategies included in the report and 90 days before implementing any rate or service cuts.

Section 186. Inpatient and Community Mental Health Advisory Committee and Study. This section creates an independent commission to study the state's inpatient and community mental health system.

The Commission is to consist of the following members:

- One appointed by the Speaker of the House (co-chair)
- One appointed by the President of the Senate (co-chair)
- Chairs of Senate and House Committees on Ways and Means (2)
- Chairs of Joint Committee on Health Care Financing (2)
- Chairs of the Committee on Mental Health and Substance Abuse (2)
- One appointed by the Senate Minority Leader
- One appointed by the House Minority Leader
- Secretary of Health and Human Services
- Commissioner of Mental Health

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- Commissioner of Insurance
- Director of Medicaid
- One Representative from each of these organizations
 - **Association for Behavioral Healthcare**
 - Massachusetts Association of Behavioral Health Systems
 - Massachusetts College of Emergency Physicians
 - Massachusetts Hospital Association
 - Massachusetts League of Community Health Centers
 - Massachusetts Medical Society
 - Massachusetts Psychiatric Society
 - Massachusetts Nurses Association
 - Service Employees International Union
 - American Federal of State, County and Municipal Employees, Council 93
 - Blue Cross Blue Shield of Massachusetts
 - Massachusetts Association of Health Plans
 - Health Law Advocates
 - National Alliance on Mental Illness - Massachusetts
 - Massachusetts Society for the Prevention of Cruelty to Children

The commission shall:

- Convene upon the call of the co-chairs to commission an independent consultant to evaluate and analyze the public and private behavioral health care services available in Massachusetts. The advisory committee shall advise, direct and consult with said consultant on the execution and completion of the analysis.

The analysis shall include an account of the following:

- Availability of inpatient and outpatient services, including community-based supports
- Inpatient capacity, including overall bed availability for co-morbid and difficult-to-place patients, average length of stay and geographic location
- Connection between public and private services
- Reimbursement of behavioral health care services
- Implementation of state and federal parity laws

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- Prior authorization for behavioral health care
- Boarding of patients in Emergency Rooms
- A review of the Massachusetts Emergency Services Program

Final Report to the Legislature shall contain

- An assessment of the state's inpatient services through DMH
- An estimate of the appropriate number of inpatient beds given the current number of community placements
- The impact which the closure of Taunton State Hospital would have on the mental health needs of the southeastern region of the state

The independent analysis shall file a preliminary report with the Legislature by April 30, 2013, and the final report by November 15, 2013. The advisory committee shall file its recommendations based on the final report with the Clerk of the House and the Senate by December 28, 2013. **(The Governor vetoed the inpatient commission study and funding included in the conference report, but the Legislature overrode those vetoes.)**

Section 208. Commission on Unaccompanied Homeless Youth – Establishes a special commission “for the purpose of studying and making recommendations relative to services for unaccompanied homeless youth age 22 and younger, with the goal of ensuring a comprehensive and effective response to the unique needs of this population.”

Section 210. Masshealth Children with Complex Needs Procurement- EOHHS shall conduct a procurement to select an entity to conduct an analysis of children with complex care needs in the MassHealth program.

The goal of the procurement shall be to: 1.) identify a suitable vendor to partner with the executive office to identify all children with complex care needs in the MassHealth program, understand the services, service providers and medical resources utilized and current costs of serving these children; 2.) to analyze the suitability of the children's current primary or majority care settings relative to the goals of the Patient-Centered Medical Home Initiative and the goal of providing the highest quality care most efficiently by managing care and utilization of services.



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The request for proposals shall be released by October 1, 2012 and the vendor shall be selected by November 30, 2012. The report would be submitted for public availability not later than August 31, 2013.

The report shall include: (a) recommendations for how children with complex care needs could be served in keeping with the goals of the Patient-Centered Medical Home Initiative; (b) recommendations for appropriate quality benchmarks for the care of such children or recommendations regarding the development of such metrics; (c) an analysis of potential federal and external funding sources; and (d) an analysis of care models and financial arrangements used for children with complex care needs in other states.