



ASSOCIATION
FOR BEHAVIORAL
HEALTHCARE

ABH Preliminary Analysis of the FY 2013 House Ways and Means Budget

April 11, 2012

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To: ABH Members
From: Vic DiGravio, President/CEO
Re: Preliminary Analysis of House Ways and Means FY 2013 Budget

Today, the House Ways and Means Committee released its FY 2013 budget.

Of interest to ABH members, the House Ways and Means Committee budget:

- Appropriates \$32.3 billion in overall spending; a 5.5% increase over FY12
- Does **not** include \$260 in new revenue initiatives proposed by Governor Patrick
- Draws \$400 million from Rainy Day Fund
- Funds MassHealth at \$10.9 billion for a projected 2.8% increase in enrollment
- Increases overall funding for DMH by approximately \$12.5 million above FY12
- Decreases overall funding for DPH/BSAS by \$3.77 million from projected FY12 spending
- Increases overall funding for DCF by approximately \$6.5 million above FY12

Amendments to the budget are required to be filed by Friday, April 13 and the House is expected to debate the budget during the week of April 25. The full House will then vote on the amended budget. The Senate will follow in the same manner in May. After each chamber has approved its version of the budget, the Senate President and House Speaker will make appointments to a conference committee to resolve differences between the House and Senate spending bills and produce a final legislative budget known as a conference committee report. The conference committee report will be voted either up or down (no amendments are permitted) by each chamber, and if approved, sent to the Governor who will have ten days to review the budget and return his vetoes and recommendations for amendment.

ABH will hold an all member **Community Conversation** to discuss the House Ways and Means budget on
Friday, April 13 at 9:00 a.m.
Call in number: 1-800-714-9583
Pass code: 973472



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Department of Mental Health

Line item/program	Final FY 10 (post 9C cuts)	Final FY '11	FY12 Spending	Governor's FY '13	House Ways and Means FY '13
5011-0100 Operations Account	\$28,672,819	\$26,401,636	\$26,748,859	\$27,565,416	\$27,093,862
5042-5000 Child/Adolescent Services	\$72,184,407	\$71,773,509	\$71,805,352	\$77,878,882	\$77,571,631
5046-0000 Adult Community Services	\$302,913,735	\$326,755,801**	\$332,466,264**	\$342,427,150	\$342,668,578
5046-2000 Statewide Homelessness Initiative	\$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
5047-0002 Emergency Svs/Acute Inpatient RR					
5055-0000 Forensic services for the mentally ill	\$8,146,363	\$8,081,928	\$8,104,964	\$9,153,872	\$8,097,163
5046-4000 CHOICE program RR	\$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	\$152,988,321
5095-0017 Trust Fund Contributions			\$10,000,000		
TOTAL	\$634,014,849	\$631,295,298**	\$651,327,157	\$665,975,915	\$663,928,280

**Includes supplemental funding



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The Department of Mental Health is funded at \$663,928,280. This is approximately \$2 million less than the Governor's budget proposal, but represents an increase of \$12 million over FY 2012 projected spending. Upon initial review, there does not appear to be any language which would prevent the closure of Taunton State Hospital.

5011-0100 Operations. This account is funded at \$27,093,682. This is approximately \$300,000 more than projected FY '12 spending but \$450,000 less than proposed by Governor Patrick.

5042-5000 Child/Adolescent Mental Health Services. The House Ways and Means budget funds this account at \$300,000 less than the Governor's budget proposal but \$5.7 million over FY '12 spending projections.

The account retains 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.

5046-0000 Adult Mental Health Community Services. This account is funded at approximately \$342 million. This is approximately \$241,000 more than was appropriated in the Governor's budget proposal and \$10 million above projected FY '12 spending. The additional monies over the Governor's proposal would allow for the creation of additional 3-4 community placements for individuals currently living in DMH inpatient units.

Similar to past language, the account includes 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.

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

5047-0001 Emergency Services/Acute Inpatient. This account is funded at \$35,249,301; this is an increase of approximately \$115,000 over FY 2012 projected spending.



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As in past years, the budget requires DMH to continue its interagency service agreement (ISA) with EOHHS for the purchase of services. It also includes language from the FY '09 budget requiring DMH to develop a “performance specification...for safe aftercare options for adults upon release from acute inpatient mental health care services”. Lastly, the account retains language included in past budgets requiring emergency service programs to “take all reasonable steps to identify and invoice the third party insurer of all persons serviced by the programs.”

5095-0015 State Psychiatric Hospitals/CMHCs. The House Ways and Means budget funds this account at \$152,988,321. This is an increase of \$6 million over FY 2012 projected spending and approximately \$500,000 less than the Governor’s budget proposal.

As has been the case in several past budgets, the account contains language stating that “in order to comply with the Olmstead decision and to enhance care within available resources to clients” DMH is to “discharge clients residing in the inpatient facilities to residential services in the community when the criteria below 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, the account contains language mirroring that in the adult community account (5046-0000) permitting the transfer of up to \$5 million from this account to the adult community account for “residential and day services” for consumers formerly receiving inpatient care.



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	House Ways and Means FY '13
4512-0200 BSAS Programming & Operations	\$75,924,448	\$75,185,802	\$74,810,802	\$76,539,595	\$76,539,595
4512-0201 Step-Down Services	\$4,800,000	\$4,800,000	\$4,800,000	\$4,800,000	\$2,800,000
4512-0202 Secure Treatment Facilities for Opiate Addiction/Pilot Jail Diversion	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	
4512-0203 Intervention, Care Management, and Young Adult Treatment Pilot Program	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	
Substance Abuse Service Fund			\$10,000,000**	See below	
TOTAL	\$84,224,448	\$83,485,802	\$93,110,802	\$84,839,595	\$79,339,595

**Includes supplemental funding

Overview:

Funding for the Bureau of Substance Abuse Services has been reduced by \$5 million compared to the Governor's FY 2013 budget proposal. The main BSAS line item (4512-0200) includes the same level of funding proposed by Governor Patrick, which includes approximately \$1.7 million in new funding to maintain current service levels.

Funding for step-down services has been reduced by \$2 million and the House Ways and Means budget does not include funding for Secure Treatment Facilities for Opiate Addiction/Pilot Jail Diversion of the Intervention, Care Management, and Young Adult Treatment Pilot Program line items. The House Ways and Means budget for FY '12 included similar cuts.

4512-0200 BSAS Programming and Operations. This account is funded at \$76.5 million. This is an increase of \$1.7 million over FY '12 projected spending in order to maintain current service levels. Language states that programs are to receive the same percentage of funding in FY 2013 as they received in FY 2012.



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4512-0201 Step-Down Services. This account is funded at \$2.8 million. This is \$2 million less than the Governor's budget and the projected FY 2012 spending. The House Ways and Means budget for FY 2012 included similar cuts. 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."



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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	House Ways and Means FY '13
4000-0300 EOHHS Admin. Account	\$91,326,742	\$89,970,271**	\$86,557,878**	\$86,291,466	\$87,222,963
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
4000-0700 TPL Plans/Indemnity/Fee- for-Service	\$1,719,399,286	\$2,009,447,966	\$1,809,829,381	\$1,939,680,126	\$1,939,680,126
4000-0870 MassHealth Basic*	\$155,139,729	\$165,351,318	\$170,608,370	\$179,909,689	\$179,909,689
4000-1405 MassHealth Essential	\$324,450,150	\$389,757,408	\$493,458,055	\$505,998,457	\$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
4000-0309 MassHealth Auditing	-----	-----	\$1,000,000	\$1,000,000	\$1,000,000
4000-0114 Human Service Pilot Increased training/pay increases	----		\$1,000,000**		

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Overview:

4000-0300 Administrative. The House Ways and Means budget proposal funds this account at \$87,222,963. This is almost \$1 million above the Governor's FY 2013 budget proposal and approximately \$600,000 over FY '12 projected spending.

Budget language internal to the EOHHS administrative account requires it to provide technical and administrative assistance to agencies under its purview that receive federal funds to monitor the expenditures and timetables for systems development projects undertaken by all its agencies "to ensure that all measures are taken to make such systems compatible with one another for enhanced interagency interaction," and to continue to develop and implement the common client identifier.

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 and it retains language requiring EOHHS to ensure that collaborative assessments for children receiving services from multiple agencies be performed within existing resources.

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 specifically authorized in the account or those made for cost containment purposes. Language in the account requires 30-days advance notice to Executive Office of Administration and Finance and the House and Senate Committees on Ways & Means 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 EOHHS may collect directly from a liable third party any amounts paid to providers.

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.*" It also retains language permitting 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.



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Account language requires the Director of MassHealth to apply for any Medicaid-related grants or demonstration projects beginning in FY 2011 pursuant to the Patient Protection and Affordability Act of 2011.

EOHHS is directed to report to the House and Senate Committees on Ways and Means relative to the methodology used to project MassHealth enrollment and utilization for FY 2011 and FY 2012. This report must also evaluate the accuracy of the methodologies used in FY 2012 and FY 2013.

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.

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 \$4,164,475,376. This is an increase of \$183,988,029 over FY 2012 projected spending.

This line item does NOT include consumer protection language that has been included in prior budgets. The language that was included in prior budgets prohibited the unilateral reassignment of MassHealth members to a different managed care plan without the member’s written or verbal consent to the reassignment.

4000-0700 MassHealth Fee-for-Service Payments. This account is funded at \$1,939,680,126. This represents an increase of \$129,850,745 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 Governor’s budget renews 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. Language also allows for the expenditure of \$23 million from this line item or line item 4000-0500 “if necessary to achieve maximum federal financial participation, to enhance the ability of hospitals and community health centers to serve populations in need more efficiently and effectively.”



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4000-0870 MassHealth Basic. This account is funded at \$179,909,689; which represents a \$9 million increase over FY 2012 spending.

4000-0950 Children's Behavioral Health Initiative. Funding for this account was increased by \$6.8 million over FY 2012 spending. The appropriation is \$150,000 less than the Governor's budget proposal.

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." Funding may be expended for services provided in prior fiscal years. In addition, the Secretary of Health and Human Services must report quarterly to the House and Senate Committees on Ways and Means on implementation. These reports must include "details of the implementation plan, results of the scheduled plan to date, including a schedule detailing commencement of services and associated costs by service type, an analysis of compliance with the terms of the settlement agreement to date, a detailed itemization of services and service utilization by service type, geographical location and the age of the member receiving the service, data detailing the time that elapses between a member's request for services and commencement of an initial assessment for services, the time to complete the initial assessment and the time that elapses between initial assessment for services and commencement of services and a quarterly update of whether projected expenditures are likely to exceed the amount appropriated."

Language also states that any unexpended balance will be transferred back to the General Fund on June 30, 2013 provided that the House and Senate Committees on Ways and Means are notified 30 days prior to any transfer of funds.

4000-1405 MassHealth Essential. Funding for this account increased by \$12.5 million over FY 2012 spending. This account is funded at the same level as the FY 2011 budget as well as the Governor's budget proposal. The budget adopts account 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.



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4000-0309 MassHealth Field Auditing Taskforce. This line item was level funded at \$1 million.

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

Line item/program	Final FY 2010 (Post-9C Cuts)**	Final FY 2011**	FY 2012** Spending	Governor's FY '13	House Ways and Means FY '13
4800-0015 Operations account	\$68,088,577	\$65,671,716**	\$65,257,818**	\$69,322,448	\$65,651,557
4800-0025 Foster care review	\$2,677,181	\$2,671,274	\$2,839,006**	\$3,005,350	\$2,943,098
4800-0030 Service Coordination/Admin.	\$7,000,000	\$6,000,000	\$10,215,181	\$10,215,181	
4800-1100 Social workers for case mgmt.	\$155,091,220	\$155,782,354**	\$162,697,463**	\$168,917,450	\$166,188,468
4800-0016 Transitional Employment Program	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
4800-0021 Comprehensive social service prog.	----	----	----		
4800-0038 Services for Children and Families	\$293,440,713	\$247,433,594	\$238,142,461**	\$248,173,891	\$248,142,130
4800-0036 Sexual abuse intervention	\$697,508	\$697,508	\$697,508	\$697,508	\$697,508
4800-0041 Group care	\$219,854,417	\$201,586,480	\$196,697,573**	\$200,209,988	\$197,709,889
4800-0151 Overnight non-secure placements	\$270,919	\$270,919	\$270,919	\$230,780	\$230,780
4800-0091 Social worker development	\$2,133,535	\$2,058,735	\$2,058,735	\$2,077,119	\$2,077,119
4800-1400 Domestic Violence services	\$21,422,460	\$20,094,458	\$20,727,114	\$21,451,537	\$21,451,538
4800-0040 Family Support & Stabilization	----	\$40,950,000	\$43,317,551**	\$44,573,551	\$44,573,551
TOTAL	\$775,676,358	\$742,217,038	\$744,921,329	\$770,874,803	\$751,665,638

**Includes supplemental appropriations



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Overview:

The FY 2013 House Ways and Means budget proposal increases funding for the Department of Children and Families by \$6.7 million over projected FY 2012 spending, but funds the Department at \$19 million less than the Governor's budget proposal. The House Ways and Means budget does not include funding for line item 4800-0300 Service Coordination/Administration.

4800-0015 Operations Account. This account is funded at \$65,651,557; this is an increase of almost \$400,000 over FY 2012 spending but \$3.67 million less than the Governor's budget proposal.

The budget retains past language prohibiting DCF from placing a child referred by or discharged from DMH until DMH forwards an assessment and recommendation as to whether the child may be appropriately placed in foster care or group care. Language included in the report states that DCF is to assist DMH in making such assessments and recommendations.

Line item language allows the Commissioner of DCF to transfer funds between programmatic line items 4800-0038 and 4800-0041, but transfers are limited to 5% of the appropriation for the transferring line item. The Commissioner must submit a plan with details about the distribution of such funds to the House and Senate Committees on Ways and Means 15 days before the funds are transferred.

The Departments are required to maintain a list of the number of children eligible for supportive child care services, the number of supportive slots that are available and the number that are filled. Similar to language in the House budget, the budget directs DCF and the Department of Early Education and Care to design and implement standards for early education and care placements made through the supportive child care program.

DCF is required to report to the House and Senate Committees on Ways & Means and the Joint Committee on Children & Families on

- The number of medical and psychiatric personnel currently employed by or contracted with DCF;
- The number of foster care reviews completed and the average length of time in which each review is completed;
- The number of contracts reviewed by the state auditor and the number of corrective action plans issued;
- The number of corrective action plans undertaken;
- The number of social workers and supervisors with a bachelor's or master's degree in social work;
- The total number of social workers; and,
- The total number of social workers holding licensure by level.



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Account language also requires DCF to file monthly reports on the Department's caseloads with the Senate and House Committees on Ways and Means and the Joint Committee on Children and Families. Report must include data regarding the number of:

- Residential placements
- Congregate care
- Foster care
- Therapeutic foster care
- Adoption
- Guardianship
- The number of children currently eligible for supportive child care
- The number of children currently receiving supportive child care
- 51A reports and substantiated 51A reports
- Approved foster care placements
- Children who die in the care and custody of DCF
- Children on the waitlist for supportive child care
- Medical & psychiatric consultation requests made by DCF social workers.

This report must include (for each area office):

- The total spending on services other than case management services provided to families for the purposes of keeping a child with his parents or reunifying the child with his parents, spending by type of the service, and the unduplicated number of families that receive the services;
- The total number of families in the month residing in shelter paid for by the department, a list of where the families are sheltered, the total cost and average cost per family of those shelters, and a description of how the department determines who does or does not qualify for shelter; and
- The number of requests for voluntary services, whether the request was approved or denied, the reasons for denying the service, and what, if any, referrals were made for services by other agencies or entities.

The report must also include:

- The number of children in psychiatric hospitals and Community Based Acute Treatment Programs who remained hospitalized beyond their medically necessary stay while awaiting placement and the number of days each child remains in care beyond necessary;
- The number of children under DCF care and custody who are being served in medical or psychiatric care provided through other publicly-funded sources;
- The number of children served by supervised visitation centers and the number of those children who are reunified with families;
- The total number of children served and their ages;
- The number of children served in each service plan;
- The number of children in out-of-home placements and the number of placements each child has had before receiving an out-of-home placement;

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- The number of families receiving multiple 51A reports within a 10-month period;
- The number of cases reopened within 6 months of being closed and the number of children who return home and then re-enter an out-of-home placement within 6 months; and,

The Department must also submit a report to the House and Senate Committees on Ways and Means and the Chairs of the Joint Committee on Children, Families and Persons with Disabilities by November 2, 2011 including any rules, regulations or guidelines pertaining to Chapter 119 of the Massachusetts General Laws (Protection and Care of Children and Action Against Them) including:

- The criteria used to determine whether a child has been abused or neglected
- Guidelines for removal of a child from the home; and,
- The standards used to determine what reasonable efforts are made to keep a child in the home.

4800-0016 Transitional Employment Program. This account is 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.”

4800-0038 Services for Children and Families. This account is funded at \$248 million; an increase of approximately \$10 million over FY12 spending. The account funds guardianship, foster care, adoption, family preservation and kinship services, including shelter services, substance abuse treatment, young parent programs, parent aides, education and counseling services, foster care, adoption and guardianship subsidies, tiered reimbursements used to promote the foster care placement of children with special medical and social needs, adoption assessments, certain protective services, targeted foster family recruitment and retention, respite care services, post-adoption services, support services for foster, kinship and adoptive families and juvenile fire setter programs.

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

4800-0041 Group Care. The House Ways and Means FY 2013 budget funds this account at \$197,709,889. This is \$2.5 million less than the Governor’s budget proposal but \$1 million over projected FY ’12 spending.

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

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4800-1100 Social Worker Case Management. This account is funded at \$166 million; this is an increase of approximately \$3.5 million over FY 2012 spending and \$2.7 million less than the Governor's budget proposal.

4800-1400 Domestic Violence Services. This account is funded at \$21.4 million; an increase of approximately \$724,000 over FY 2012 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. Funds are also to be used to "enhance counseling services for children who have witnessed domestic violence."

4800-0151 Placement for Juvenile Offenders. This account was decreased by approximately \$40,000. The same amount was appropriated in the Governor's budget.



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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	House Ways and Means FY '13
7004-9033 Rental Subsidies for DMH consumers	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,500,000

Human Services Salaries Reserve/POS Reform

Line item/program	Final FY '10	Final FY '11	Final FY '12	Governor's FY '13	House Ways and Means FY '13
1599-6901 Human Services Salaries/POS Reform	\$0	\$0	\$10,000,000	\$0	\$0

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OTHER ITEMS OF INTEREST

The House Ways and Means FY 2013 budget appropriates \$1 million to the **compulsive gamblers treatment program** (line item 4512-0225), which is funded with unclaimed lottery monies.

The House Ways and Means budget appropriates \$3,832,926 for the **Department of Public Health's Statewide Suicide Prevention & Intervention Program (4513-1026)**. This is an increase of approximately \$250,000 over the Governor's budget proposal.

The **Department of Public Health's HIV/AIDS Program (4512-0103)** is funded at \$31,597,810 million. This is approximately \$400,000 less than the Governor's budget proposal.

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.

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Outside Sections

Section 16. Money Follows the Person Rebalancing Demonstration Grant Trust Fund. This section creates a Money Follows the Person Rebalancing Demonstration Grant Trust Fund to be administered by EOHHS for elders and individuals with a disability or long-term illness to be funded with federal financial participation received by the Commonwealth for the two new Money Follows the Person Home and Community-based Waiver programs.

This section also creates a Delivery System Transformation Initiatives Trust Fund to be administered by EOHHS for delivery system transformation initiatives payments to qualifying providers under an approved federal waiver.

Section 46. Pharmaceutical Gift Ban Repeal. This section repeals the pharmaceutical gift ban.

Section 61. Special Medicaid Advisory Committee. This section amends the law governing the advisory committee that was created to examine various Medicaid programs. The new language directs the advisory committee to analyze data relative to the current and projected impact of the Managed Care Program, the Primary Care Clinician Plan, Accountable Care Organizations and Patient-Centered Medical Homes. The reporting deadline has been extended to October 1, 2012.

The committee must report on the following: (1) the quality and continuity of care provided to MassHealth members; (2) access to primary care or other specialty care providers; (3) access to behavioral health or long term care support services; (4) the availability of care coordination programs, excluding any proposed demonstration projects involving dual-eligible populations; (5) the overall quality of care for all MassHealth members, with particular emphasis on quality of care for disabled members; (6) accountability through the reporting of quality data; (7) the potential to address racial and ethnic disparities; and (8) appropriations to the Medicaid program, including, but not limited to, an estimate of the potential increase or decrease in programmatic costs of transitioning from one care delivery system to another and the impact of the different delivery systems on the financial risk borne by the commonwealth.

A representative from ABH is named to the committee.

Section 63. Medical Security Trust Fund. This section exempts the Medical Security Trust Fund from being in balance for FY 2012 and FY 2013.

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Section 68. Health Safety Net Audit. This section authorizes the Office of Inspector General to use funds from the Health Safety Net Trust Fund to maintain a pool audit unit.

Section 69. Nursing Home Assessment. This section states that the nursing home assessment shall “be sufficient...to generate \$220,000,000 in fiscal year 2013.”

Section 71. Stabilization Fund Transfer. This section authorizes the transfer of \$400 million to the General Fund from the Commonwealth Stabilization Fund. The Secretary of Administration and Finance can request the transfer of a lesser amount. In addition, the Comptroller is prohibited from transferring .5 percent of total revenue from taxes in the preceding year (as is required), unless specifically authorized to do so by the Secretary of Administration and Finance. In addition, the Comptroller is directed to transfer interest earned from the Commonwealth Stabilization Fund in FY 2013 to the General Fund.

Section 73. 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 74. MassHealth Benefits. This section authorizes the Secretary of Health and Human Services to restructure MassHealth benefits as allowed by federal law. The Secretary must file a report with the Executive Office of Administration and Finance and the House and Senate Committees on Ways and Means detailing the proposed changes and the anticipated fiscal impact 90 days before any benefits are restructured.

Section 75. Health Safety Net Trust Fund. This section authorizes the transfer of \$45 million or 1/12 the total expenditures to hospitals and community health centers (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.

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Section 76. 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 but exclude categories of services that are not provided through MassHealth

Section 77. Nursing and Resident Care Facility Base Year. This section provides that nursing facility and resident care facility rates effective July 1, 2012 may be developed using the costs of calendar year 2005.

Section 80. DOC Reprourement of Medical Services. This section directs the Department of Correction to reprocore medical services “at all institutions with one or more contracts to decrease healthcare expenses and increase efficiencies.” This includes the procurement of mental health services.

Section 81. MassHealth MBTA Data. This section authorizes the MBTA to provide data to EOHHS relative to individuals using paratransit services “for the purposes of securing federal reimbursement and of administering the MassHealth program.”

Section 90. Special Commission of Elder Protective Services. This section authorizes the creation of a special commission to examine elder protective services and make recommendations to improve said services. The commission must include an expert in geriatric mental health.