

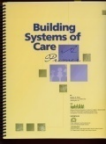
If you have answered the questions:

Financing For Whom? Financing for What?

I.E.,

- ✓ Identified your population(s) of focus
- ✓ Agreed on underlying values and intended outcomes
- ✓ Identified services/supports and practice model to achieve outcomes
 - ✓ Identified how services/supports will be organized
(so that all key stakeholders can draw the system design)
- ✓ Identified the administrative/system infrastructure needed to support the delivery system
 - ✓ Costed out your system of care

**Then You Are Ready To Talk
About Financing!**



Examples of Sources of Funding for Children/ Youth with Behavioral Health Needs in the Public Sector

Medicaid

- Medicaid In-Patient
- Medicaid Outpatient
- Medicaid Rehabilitation Services Option
- Medicaid Early Periodic Screening, Diagnosis and Treatment (EPSDT)
- Targeted Case Management
- Medicaid Waivers
- TEFRA Option

Substance Abuse

- SA General Revenue
- SA Medicaid Match
- SA Block Grant

Mental Health

- MH General Revenue
- MH Medicaid Match
- MH Block Grant

Child Welfare

- CW General Revenue
- CW Medicaid Match
- IV-E (Foster Care and Adoption Assistance)
- IV-B (Child Welfare Services)
- Family Preservation/Family Support

Juvenile Justice

- JJ General Revenue
- JJ Medicaid Match
- JJ Federal Grants

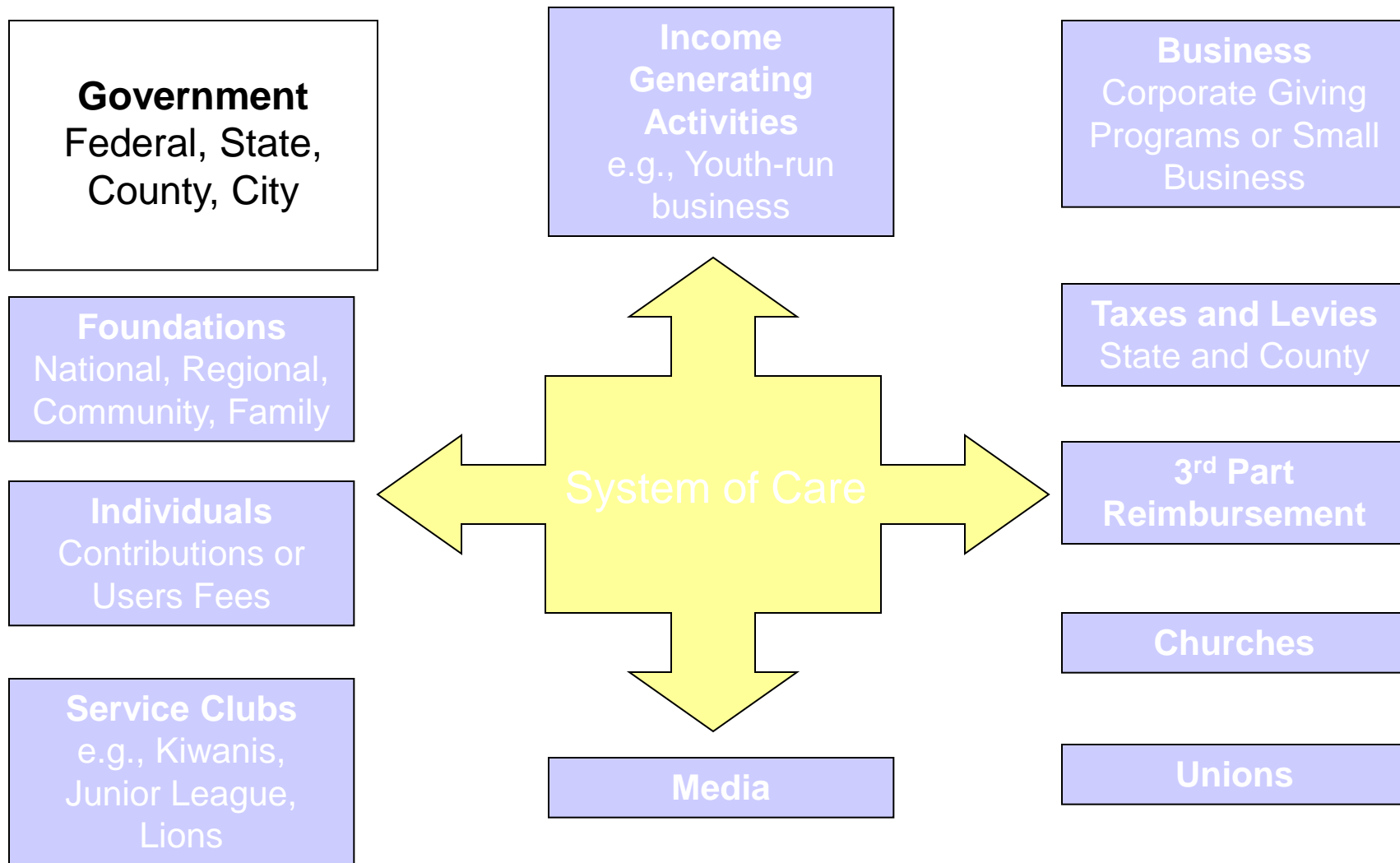
Education

- ED General Revenue
- ED Medicaid Match
- Student Services

Other

- WAGES
- Children's Medical Services/Title V—Maternal and Child Health
- Mental Retardation/Developmental Disabilities
- Title XXI-State Children's Health Insurance Program (SCHIP)
- Vocational Rehabilitation
- Supplemental Security Income (SSI)
- Local Funds

Where to Look for Money and Other Types of Support

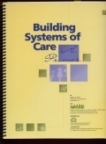




Diversity of CMHS Grant Site Funding

(Building System of Care: A Primer page 107)

<i>SOURCE</i>	<i>SYSTEM</i>
State	Mental Health, Child Welfare, Juvenile Justice, Education, Governor's Office/Cabinet, Social Service, Bureau of Children with Special Public Universities, Voc. Rehab., Housing
Local	County, City, or Local Township, Juvenile Justice, Education, County, Food Programs, Health, Public Universities/Community Colleges, Substance Abuse
Private	Third Party Reimbursement, Local Businesses Foundations Charitable



Financing Strategies and Structures to Support Improved Outcomes for Children, Youth and Families

FIRST PRINCIPLE: System Design Drives Financing

REDEPLOYMENT

Using the money we already have
The cost of doing nothing
Shifting funds from treatment to prevention
Moving across fiscal years

REFINANCING

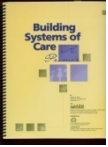
Generating new money by increasing federal claims
The commitment to reinvest funds for families and children
Foster Care and Adoption Assistance (Title IV-E)
Medicaid (Title XIX)

RAISING OTHER REVENUE TO SUPPORT FAMILIES AND CHILDREN

Donations
Special taxes and taxing districts for children
Fees & third party collections including child support
Trust funds

FINANCING STRUCTURES THAT SUPPORT GOALS

Seamless services: Financial claiming invisible to families
Funding pools: Breaking the lock of agency ownership of funds
Flexible Dollars: Removing the barriers to meeting the unique needs of families
Incentives: Rewarding good practice



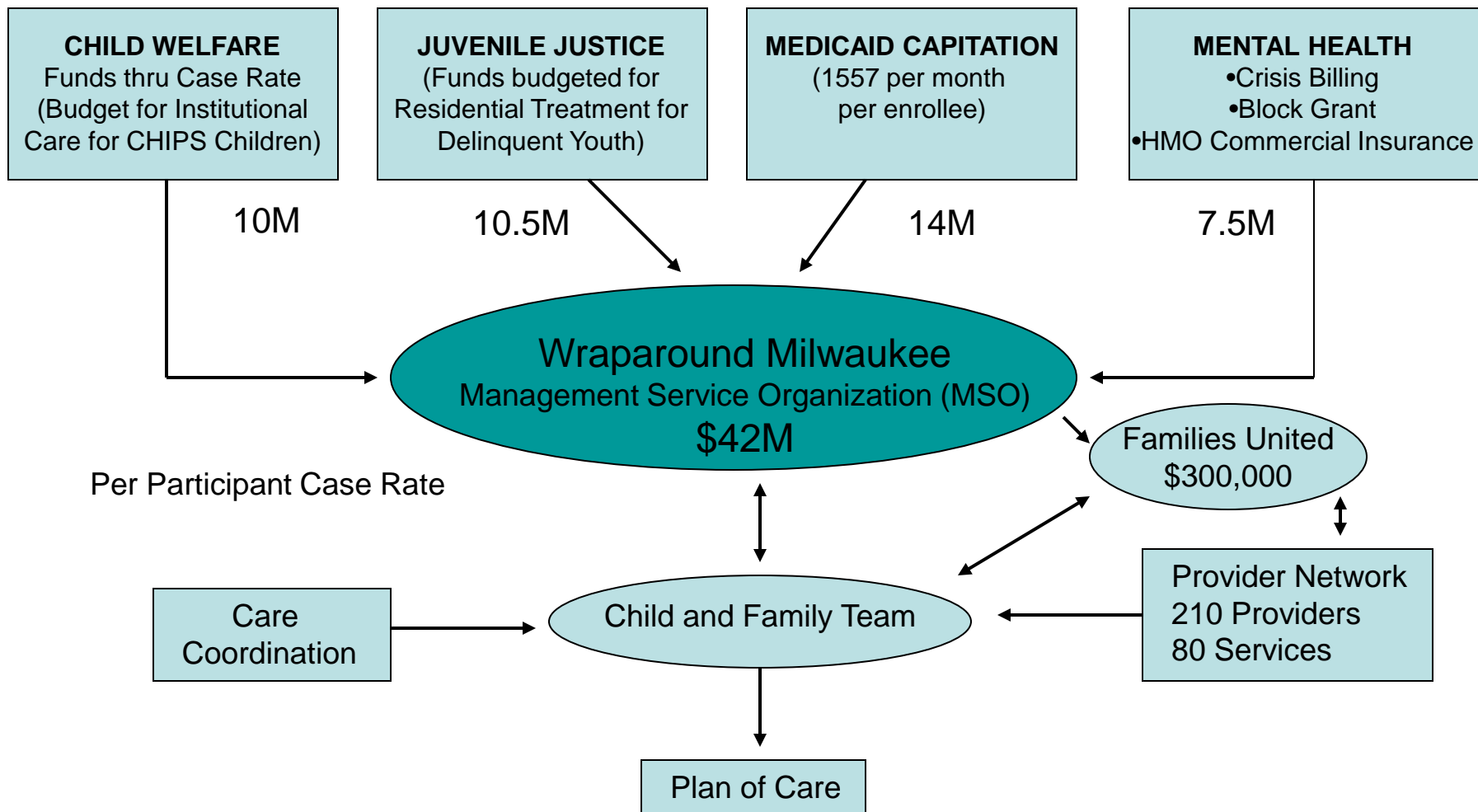
Redirection

Where are you spending resources on high costs and/or poor outcomes?

- ✓ Residential Treatment?
- ✓ Group Homes?
- ✓ Detention?
- ✓ Hospital admissions/re-admissions?
- ✓ Too long stays in therapeutic foster care?
- ✓ Inappropriate psychotropic drug use?
- ✓ “Cookie-cutter” psychiatric and psychological evaluations?

Example of Redirection and Pooled Funds

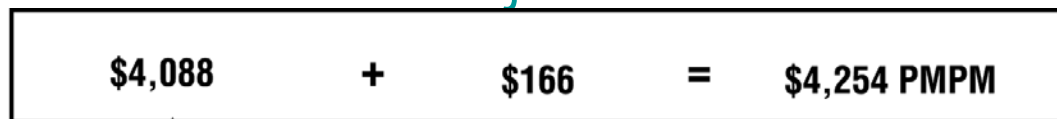
Wraparound Milwaukee



Example of Redirection and Braided Funds

DAWN Project - Indianapolis, IN

How Dawn Project is Funded



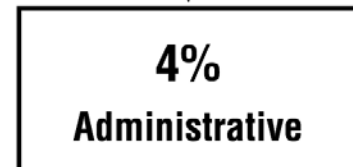
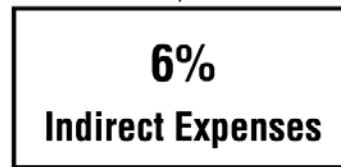
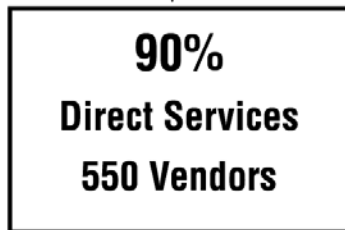
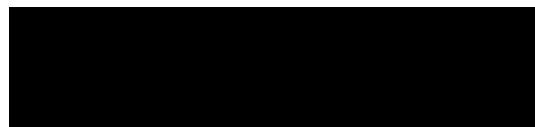
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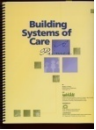


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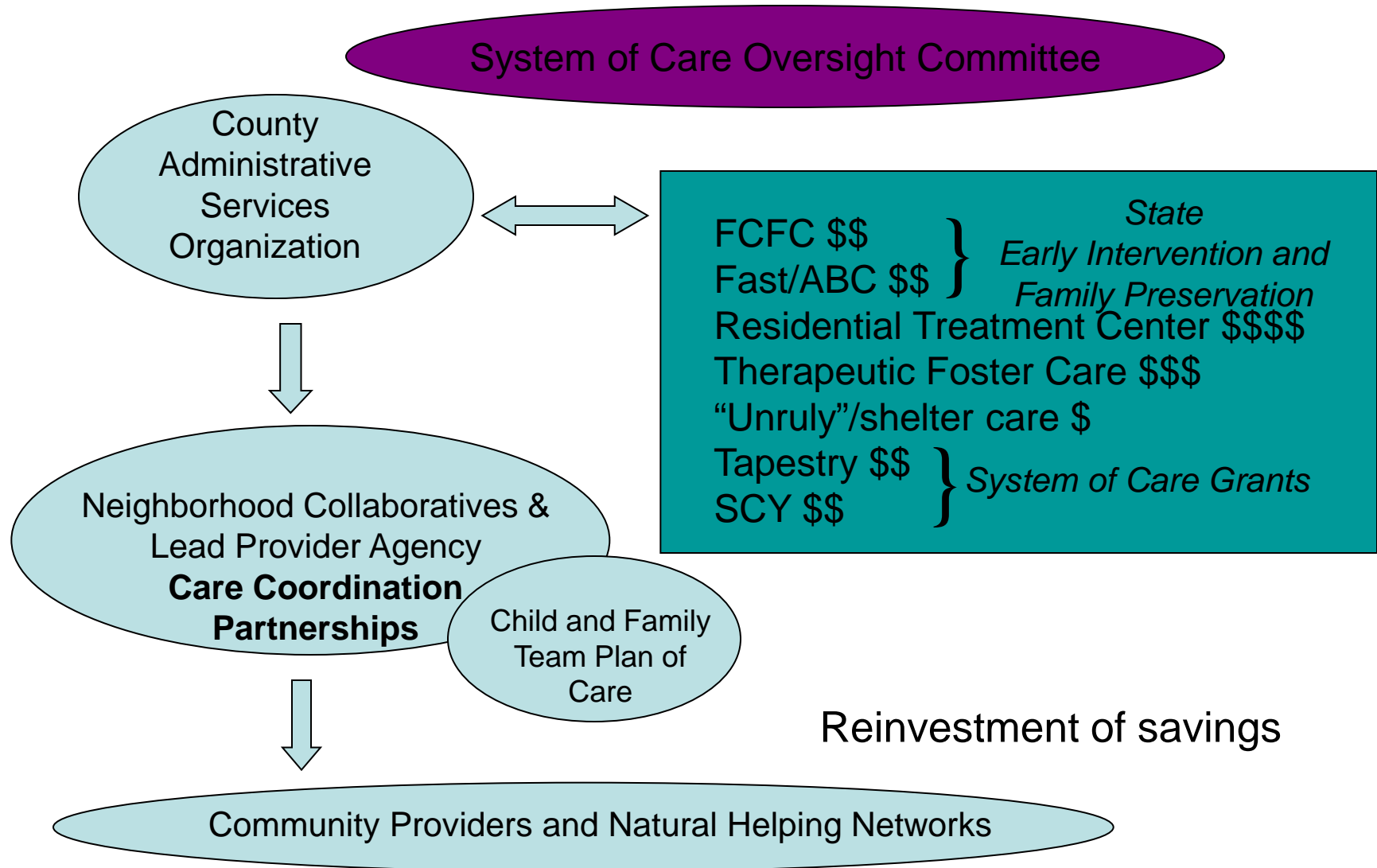


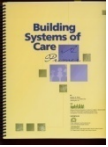
Dawn Project Cost Allocation





Example of Redirection and “Virtual” Pooled Funds Cuyahoga County (Cleveland)





Examples of Refinancing

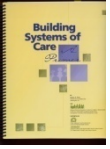
Milwaukee County, WI

Schools and child welfare contributed \$450,000 each to expand mobile response and stabilization services (prevent placement disruptions in child welfare, prevent school expulsions)

Is a Medicaid-billable service; contributions from schools and child welfare generate \$180,000 to the school contribution and \$200,000 to child welfare's in Federal Medicaid match dollars

Cuyahoga County, OH

Cross-walked wraparound skill sets to Medicaid billing categories



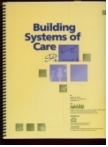
Raising New Revenue

- Prop 63 in California (1% income tax on millionaires)
- Spokane Co., WA – 0.1% sales tax for mental health
- Jackson Co., KN – 1.3% per \$100 property tax for mental health
- Florida counties – children's trust funds

Bottom Line

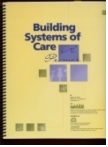
State Medicaid agencies are cobbling together a variety of Medicaid options in attempt to cover and contain community-based services for children - often without involvement of other child-serving systems.

What is needed is a more integrated, strategic financing approach across child-serving systems.



Strategic Financing Analysis

- 1) Identify state and local agencies that spend dollars on children's behavioral health services/supports.
 - how much each agency is spending
 - types of dollars being spent (e.g., federal, state, local, Tribal, non-governmental)
- 2) Identify resources that are untapped or under-utilized (e.g., Medicaid).
- 3) Identify utilization patterns and expenditures associated with high costs/poor outcomes, and strategies for re-direction.
- 4) Identify disparities and disproportionality in access to services/supports, and strategies to address.
- 5) Identify the funding structures that will best support the system design (e.g., blended or braided funding; risk-based financing; purchasing collaboratives).
- 6) Identify short and long term financing strategies (e.g., Federal revenue maximization; re-direction from restrictive levels of care; waiver; performance incentives; legislative proposal; taxpayer referendum, etc.).



KEY QUESTIONS

Expenditure and Utilization Questions:

1. Which State agencies spend dollars on BH services for children and youth?
2. How much do they spend?
3. What types of dollars are spent (e.g., Fed'l., State)?
4. What services are financed?
5. How many children and youth use services?
6. What are the characteristics of these children and youth (e.g., by age, gender, race/ethnicity, diagnosis, region)?
7. What services do they use?
8. How much service do they use?