



UTAH
ASSOCIATION OF
COUNTIES

The Unifying Voice for County Government

Local Authority Mental Health Medicaid Match
Social Services Appropriations Report
June 2016

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OVERVIEW

Medicaid Match Report

- Current County/State Responsibility
- History of Utah Behavioral Health Services
- 2017 Budget
- Medicaid Population and Funding Comparison

Medicaid Match Request

Summary & Questions

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COUNTY/STATE RESPONSIBILITY

The county and state relationship between the Counties and the State require joint responsibility for the public mental health system.

- Counties are responsible for the 20% match and local mental health authorities act as providers of services, and the State is responsible for the cost of mandated programs.
- The counties have chosen to use State dollars along with the required county 20% match to draw down Federal Medicaid dollars. By counties using these state and local dollars to draw down federal funds, they have been able to support the behavioral health system as a whole.
- Medicaid is a State responsibility and behavioral health providers contract to be the providers. Effective January 13, 2014, the Mental Health Parity and Addiction Equity Act moves mental health and substance use disorder services from the “Optional” category to those required for full health.

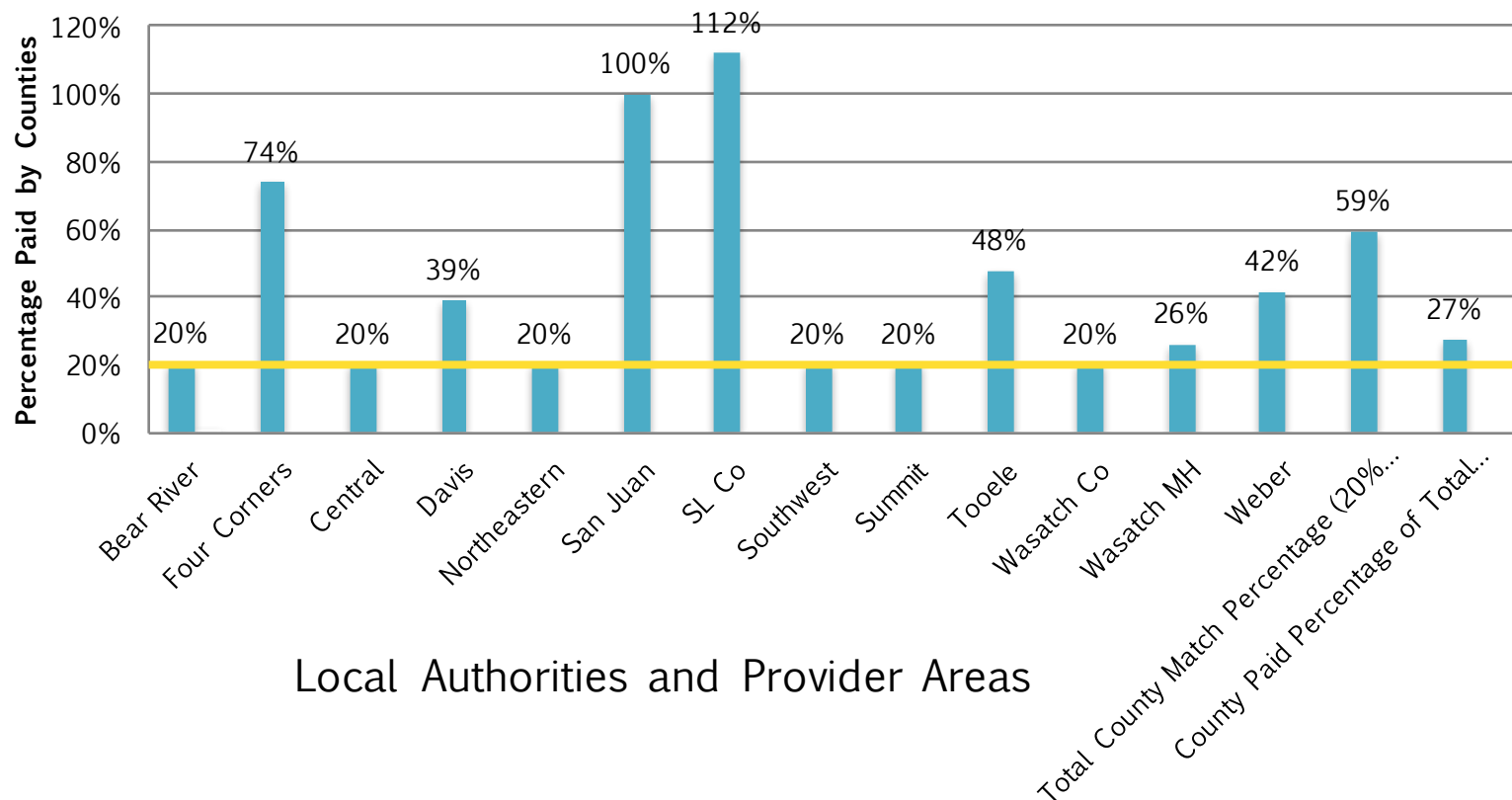
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COUNTY USE OF FUNDS

- Counties have matched their 20% requirement of all State fund allocations, including the \$6.4 million appropriated in 2014 & 2015.
- Counties act as Local Mental Health Authorities to provide a public behavioral health system, but statute does not require the providers to be the sole funders for the services.
- If funding is eliminated, the system is at jeopardy and quality of services would surely decrease.

COUNTY MEDICAID MATCH

County General Fund
Used For Mental Health Services 2014



HISTORY OF COUNTY/STATE BEHAVIORAL HEALTH PARTNERSHIP

In order to meet the increasing mental health need, the counties and state formed a partnership in 1986-1987. The relationship of this partnership can be described in the following lines of code:

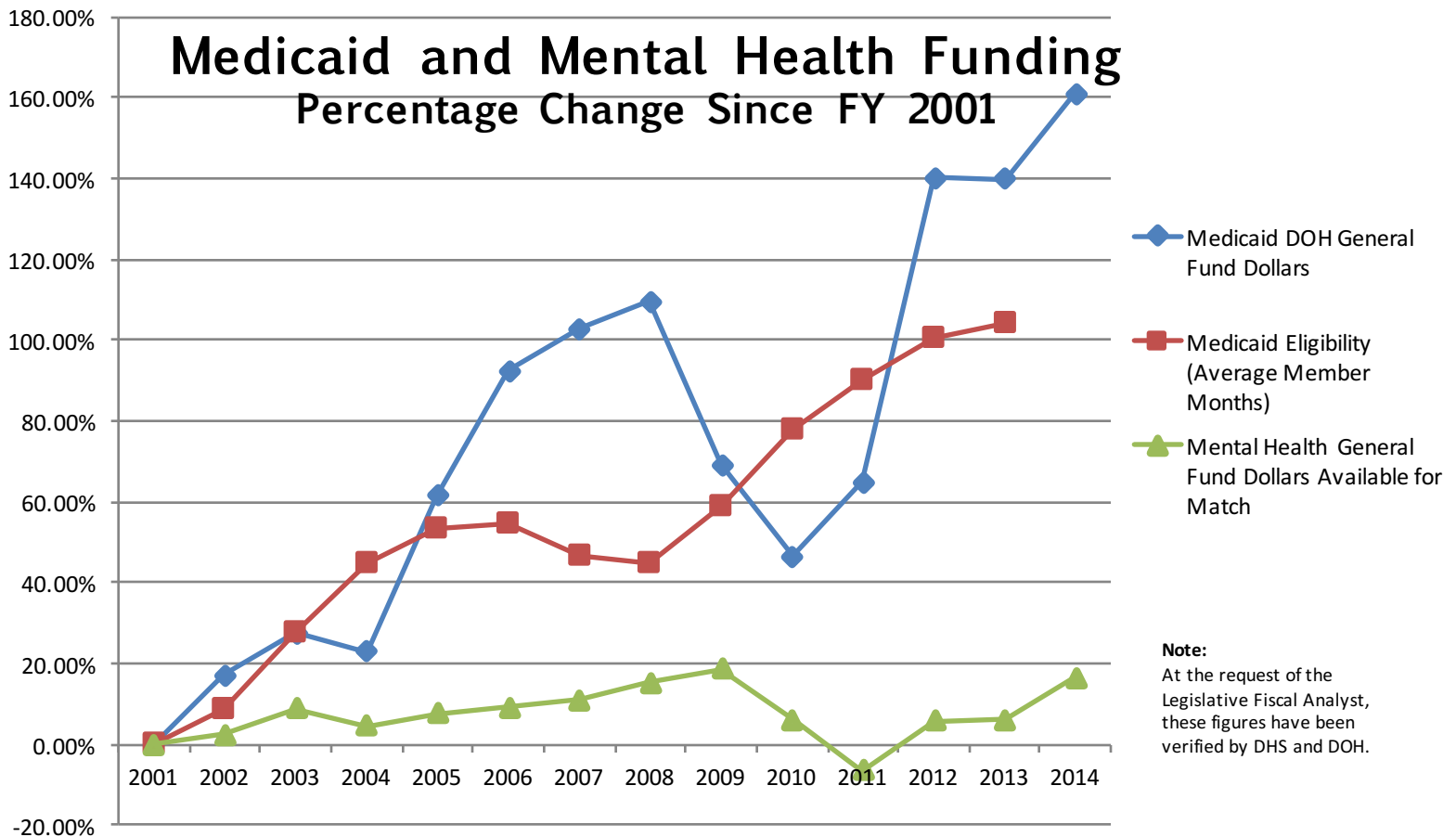
- 17-43-301(1) states: “the county legislative body is the local mental health authority. Within legislative appropriations and county matching funds required by this section, under the direction of the division, each local mental health authority shall; provide mental health services to persons within the county;”
- Local authority requirements are found at 17-43-301(4) which includes submitting a plan to the Division each year for the delivery of 10 required services.
- 17-43-301(4)(a)(x) states that the local authority “provide funding equal to at least 20% of the state funds that it receives to fund services described in the plan;”

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HISTORY OF COUNTY/STATE BEHAVIORAL HEALTH PARTNERSHIP

- By 1996-1997, most county local authorities were operating in the capitated Medicaid system rather than the previous fee-for-service system, assuming risk of cost/need fluctuation for those within their scope of responsibility.
- This allowed for many of the centers to use services and programs to better manage those clients with high inpatient costs which required a high degree of care and by moving to a risk-based contract, centers did experience inpatient savings. These inpatient savings were intended to then help fund those clients that did not have funding, often those clients without children or families without insurance.
- In 2003, it was decided that retained savings were against Medicaid rules and rates were cut to correct any possible savings. **Since 1996, the number of residents eligible for Medicaid has increased dramatically and inflation has risen, with very little increase in State dollars.**

MEDICAID POPULATION AND FUNDING



LEGISLATIVE NEED

\$6.4M in Medicaid Match be made ongoing in the 2016 Legislative Session.

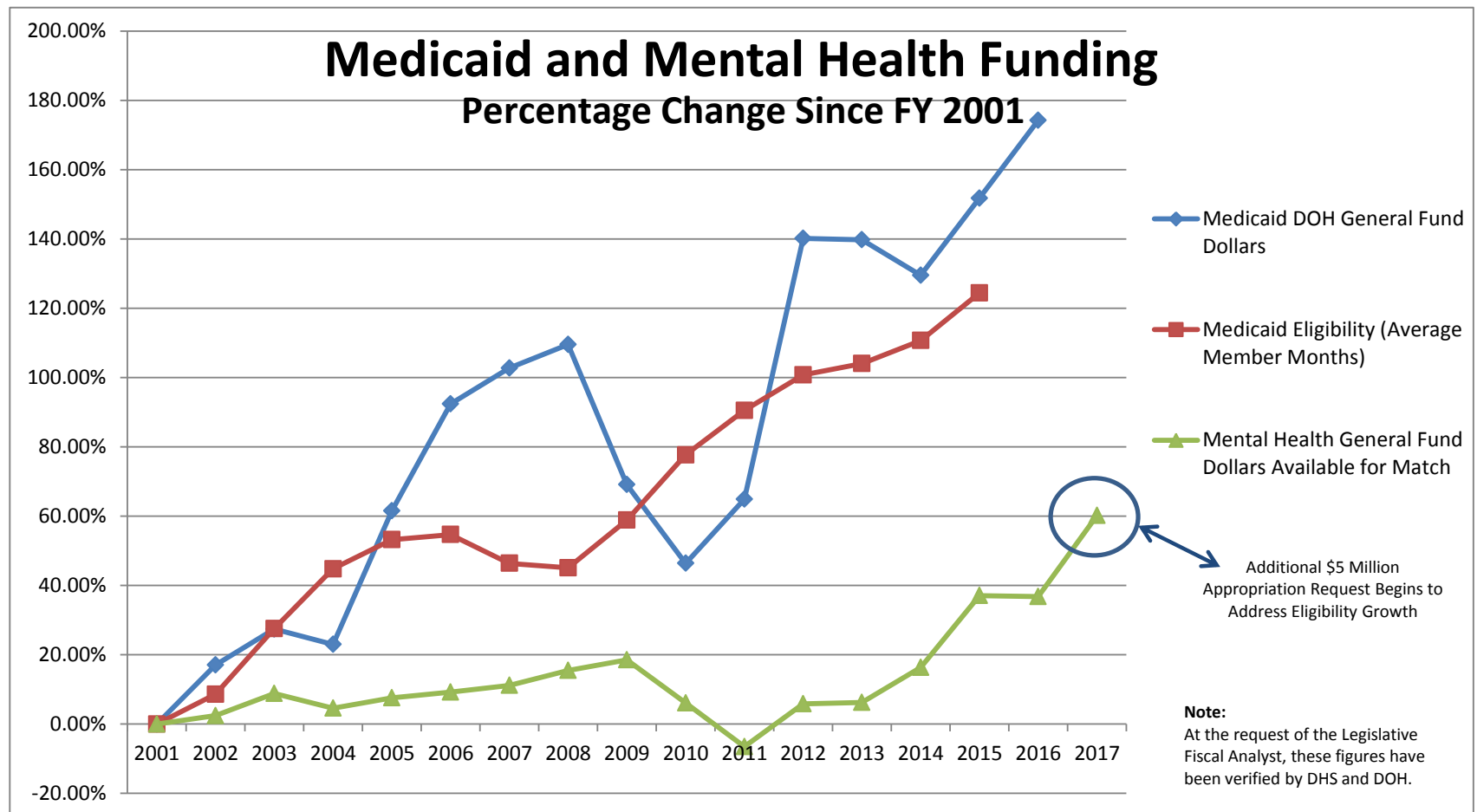
- These funds are being used to draw down federal dollars to support the existing system.
- These funds help address the need for additional local Medicaid Match dollars (above the 20% already required) and allows for important mandated services by Medicaid. An important difference between these Medicaid funds and any funds that may be used for behavioral health under a Healthy Utah or alternative Medicaid Expansion proposal is that **these funds are needed to serve the *current* population, which would be outside the funding sources determined for *additional* Medicaid eligible clients.**

LEGISLATIVE NEED

\$6.4M in Medicaid Match Allows \$3.5M in Statutorily Defined and Required Populations.

- Because of increase in Medicaid eligible clients, Medicaid Match need has increased at a faster rate than allocated State and County dollars. LMHAs have had to shift funds they previously used for Safety Net Services for the uninsured or underinsured to pay Medicaid Match.
 - For example, in 1996, one LMHA, Bear River Mental Health (BRMH), spent forty four percent (44%) of their eligible State General Fund dollars toward Medicaid Match. In contrast, in 2013 BRMH spent one hundred percent (100%) of their eligible State General Fund dollars toward Medicaid Match leaving only \$179,769 dollars allocated specifically for the uninsured/underinsured for Safety Net Services for Box Elder, Cache and Rich County residents.
- The \$6.4 million allowed Counties to use \$3.5 million to provide additional assistance to other statutorily defined and required populations outside of Medicaid. **Even with the \$6.4 million, which has been appropriated one-time for three fiscal years, the State continues to underfund existing need for mental health services.**

MEDICAID POPULATION AND FUNDING



LEGISLATIVE NEED

FY2017 State and County Funding and Medicaid Match										
FY2017 Projected		Capitated	FFS		Less	Net			Total	
	Medicaid	Medicaid	Medicaid	Admin	State Inpatient	Medicaid	State	County	State &	Over/
	Capitation	Match	Match	Fee	Portion	Match	General Fund*	Match (20%)	County	(Short)
Bear River	\$8,285,000	\$2,483,015	\$20,000	\$97,850	\$171,052	\$2,429,813	\$1,681,513	\$336,303	\$2,017,816	(\$411,997)
Four Corners	\$3,796,680	\$1,137,865	\$8,000	\$52,967	\$187,053	\$1,011,779	\$636,156	\$127,231	\$763,387	(\$248,392)
Central	\$4,021,941	\$1,205,376	\$7,955	\$55,219	\$160,656	\$1,107,894	\$1,084,162	\$216,832	\$1,300,994	\$193,100
Davis	\$11,229,675	\$3,365,534	\$79,421	\$127,297	\$210,396	\$3,361,856	\$2,887,943	\$577,589	\$3,465,532	\$103,676
Salt Lake	\$60,893,923	\$18,249,909	\$36,137	\$623,939	\$1,569,145	\$17,340,840	\$10,686,937	\$2,137,387	\$12,824,324	(\$4,516,516)
Southwest	\$9,592,000	\$2,874,722	\$15,000	\$110,920	\$268,606	\$2,732,036	\$2,157,128	\$431,426	\$2,588,554	(\$143,483)
Summit	\$681,274	\$204,178	\$21,616	\$19,532	\$21,315	\$224,011	\$342,802	\$68,560	\$411,362	\$187,352
Tooele	\$3,576,689	\$1,071,934	\$56,968	\$50,767	\$49,189	\$1,130,480	\$623,320	\$124,664	\$747,984	(\$382,496)
Northeast \ San Juan	\$4,630,853	\$1,387,867	\$36,000	\$61,309	\$158,000	\$1,327,175	\$948,137	\$189,627	\$1,137,764	(\$189,411)
Wasatch	\$23,167,739	\$6,943,371	\$109,883	\$246,677	\$503,386	\$6,796,546	\$5,173,974	\$1,034,795	\$6,208,769	(\$587,777)
Heber Valley			\$112,114	\$1,600		\$113,714	\$306,025	\$61,205	\$367,230	\$253,516
Weber	\$13,467,979	\$4,036,353	\$45,800	\$149,680	\$420,628	\$3,811,205	\$2,456,904	\$491,381	\$2,948,285	(\$862,920)
Total	\$143,343,753	\$42,960,123	\$548,894	\$1,597,757	\$3,719,426	\$41,387,348	\$28,985,001	\$5,797,000	\$34,782,001	(\$6,605,347)
									State Portion	(\$5,504,456)

LEGISLATIVE NEED

An Additional \$5M in Medicaid Match in the 2016 Legislative Session.

- As demonstrated on the previous slide, the \$6.4M request is a previous request with additional needs. Medicaid eligibility has continued to increase over the last three years. Therefore, **in order to continue county responsibility in providing the safety net, we request an additional \$5M in Medicaid Match.**
- The \$6.4M was requested in the 2014 Legislative Session but *medical costs continue to increase* as demonstrated in the previous slide. **We request that the Legislature review the funding structure to address additional need in the future and keep the system whole.**



SUMMARY AND QUESTIONS?