

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, January 21, 2015
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-chairman Cameron, Keough, Mortimer, Bair, Nuxoll, Johnson, Thayn, Guthrie, Schmidt, Lacey
Representatives Co-chairman Bell, Gibbs, Miller, Youngblood, Burtenshaw, Horman, Malek, Monks, King, Gannon
ABSENT/ EXCUSED: None
CONVENED: Chairman Cameron convened the meeting at 8:00 A.M.
STAFF PRESENT: Tatro
PRESENTATION: **Department of Health and Welfare (DHW)**
Mental Health Services
PRESENTER: **Ross Edmunds, Administrator, Division of Behavioral Health**

To view the presentation, please click on the following link: [Mental Health Services](#)

Behavioral Health (Mental Health, Substance Abuse, Psychiatric Hospitalization) is 3.4% of DHW's \$2.61 billion budget, and represents 41.8% or \$36.5 million of the FY 16 Behavioral Health appropriation of \$87.4 million. The overall structure of Behavioral Health is 1) administration comprised of 38 FTP and includes Quality Assurance/Automation, Data, Policy and Operations, and 2) Regional/Hospital with 628 FTP which represents 94.3%. By fund source 74% comes from General Funds, 23.6% from Federal Funds, 0.7% from Dedicated Funds and 1.7% from receipts. Mental Health Services is divided into two areas: 1) adult mental health services represents 65.5% or \$23.9 million of the budget, and 2) Children's Mental Health amounts to 34.5% or \$12.6 million.

There are five priority areas in the Adult Mental Health (AMH) program: 1) emergency psychiatric services involving crisis intervention teams, designated exams and police holds, 2) Committed clients – individuals committed to state custody, 3) court-ordered clients – outpatient services for offenders on supervised probation, 4) Mental Health Court participants – forensic community treatment, and 5) voluntary clients without benefits. In FY 2014 emergency psychiatric services were delivered to 9,268 people; committed clients totaled 1,098, there were 4,109 court ordered clients; 320 participants in Mental Health Court; and 2,936 voluntary clients. Edmunds presented a graph covering a 6-year period which demonstrated the increased demand for crisis services. The gap is widening between clients committed to the State and holds. Crisis centers are expected to meet the needs of the gap population.

The Idaho Falls crisis center opened in December, 2014, and in the first month the records indicate approximately half of those dropped off at the center came independently or were brought by their families and the other half were dropped off by law enforcement. The contract for the Idaho Falls crisis center stated the county must have a plan to pay for 50% of the center's operations in two years. The Governor has recommended \$1.7 million in funding in his FY 2016 budget for a second community crisis center to be built in another area of the state, location not yet determined.

Edmunds presented similar information for Children's Mental Health (CMH) by category and fund source. There are three priority areas in CMH: 1) emergency psychiatric services involved 1,603 children in FY 14, 2) court-ordered clients involved 1,090 children in FY 14, and 3) voluntary clients without benefits involved 1,240 children in FY 14.

He briefly updated the Committee on the Jeff D lawsuit stating the case is in the final stages of a settlement agreement. Once approved by the Federal Court, the agreement will provide for nine months of implementation planning and four years to implement. DHW will continue to update JFAC on the implementation plan and any funding requests. To date \$615,000 has been billed for attorneys' fees. These legal fees can be negotiated.

One FY 13 CMH audit finding remains open regarding internal controls to ensure compliance with a Social Service Block Grant. DHW needs to ensure funding is used only on families falling below 200% of the federal poverty level.

Edmunds provided the following information as a follow up to the 2014 Legislative session: 1) The suicide prevention hotline is now operational 24/7 because of a \$50,000 annual ongoing contribution from the Legislature. Of the 1,867 calls, 100 were considered rescue calls (where suicide is usually imminent when there is no intervention). 2) There has been a transfer of funds to the Department of Juvenile Corrections for a joint program to maintain clinicians in juvenile detention centers.

PRESENTATION: Substance Abuse Treatment and Prevention

PRESENTER: Ross Edmunds, Administrator, Division of Substance Abuse Treatment and Prevention

To view the presentation, please click on the following link: [Substance Abuse Treatment](#)

Of the FY 16 recommended \$87.4 million budget for Behavioral Health, Substance Abuse represents 19.1% or \$16.7 million. The presentation also used graphs to show the budget figure by fund source and category; 77.6% or \$12.9 million comes from Federal Funds while only 15.3% or \$2.6 million comes from the General Fund. Another slide showed FY 15 treatment utilization. This is the fourth year of a split where some money goes to the Department of Correction, some to the Supreme Court and some to the Department of Juvenile Corrections.

Edmunds discussed the Access to Recovery (ATR) IV Grant that was awarded in October, 2014. It is a 3-year grant for \$7.87 million and will cover veterans involved in the criminal justice system, families involved in the child protection system and the homeless population. There is an FY 15 supplemental regarding the ATR for \$796,700 in federal funds, an additional \$459,800 one time in federal funds and two limited service FTP. The appropriation is expected to serve over 3,400 Idahoans with substance use disorders.

Substance use disorders prevention is required by the federal block grant through a maintenance of effort. Approximately \$1.6 million in funding is being transferred to the Office of Drug Policy for administration of the prevention program.

PRESENTATION: Psychiatric Hospitalizations

PRESENTER: Ross Edmunds, Administrator, Psychiatric Hospitalization

To view the presentation, please click on the following link: [Psychiatric Hospitalization](#)

The Psychiatric Hospitalization FY 16 budget is 39.1% or \$34.2 million of the Behavioral Health appropriation. The budget covers three areas: Community Hospitalization, State Hospital North and State Hospital South. The average daily psychiatric hospital rates are: \$883 for Community Hospitalization, \$506 for State Hospital North, and \$533 for State Hospital South. The core functions of state hospitals are to: stabilize psychiatric conditions, reduce risk of self-harm or harm to others, assess, diagnose and treat presenting conditions, restore competency for standing trial, and coordinate with regional mental health clinics for transition of patients.

State Hospital South (SHS) has been in operation in Blackfoot since 1886. There are 90 adult psychiatric beds, 16 adolescent beds and 29 psychiatric skilled nursing beds; the hospital is accredited by the Joint Commission. SHS adult admissions have risen from 363 in FY 09 to 608 in FY 14; however, the length of stay has been decreasing.

State Hospital North (SHN) has been operating in Orofino since 1905. The hospital has 60 adult psychiatric beds currently staffed for 55 beds; SHN is licensed by State of Idaho Facility Standards. There were 249 patients admitted in FY 09, the figure increased to 336 admissions in FY 11 and declined to 217 in FY 14 because a psychiatrist was not on staff.

Edmunds explained the following budget recommendations for FY 16: a nurse call system interface for \$450,000 and an inventory system upgrade costing \$55,000 at SHS and a clinical notes template module for \$159,000 which would benefit both SHS and SHN that would allow the hospitals to consolidate patient data for accurate records and required accreditation reporting. There is also a recommendation to spend \$120,800 for repair and replacement items at both hospitals.

Regarding community hospitalization, there are ten private psychiatric hospitals under contract statewide that hold patients who are committed until arrangements are made and space is available for transfer to a state hospital. Community psychiatric hospitals are seeking a daily rate increase which will cost the state \$279,000, ongoing from the General Fund.

The Physician Loan Repayment program has been very effective in hiring appropriate medical personnel. With an improved economy the turnover rate has steadily increased from 7% in FY11 to 11% in FY 14 due to salary (as reported in exit interviews). The Department of Health and Welfare strongly supports the Governor's recommendation for a 3% CEC pay increase.

PRESENTATION: Services for the Developmentally Disabled (DD)

PRESENTER: Russ Barron, Interim Director, and Deputy Directory of DHW

To view the presentation, please click on the following link: [Services for the Developmentally Disabled](#)

Barron gave an overview of all programs in the Division of Family and Community Services (FACS), a more focused overview of the Division's services for the developmentally disabled, discussed the challenges and opportunities in these programs, and concluded with the Governor's FY 16 budget recommendations for Developmentally Disabled services. There are no open legislative audit findings for Community Developmentally Disabled Services.

FACS serves thousands of people annually in the following programs: Infant Toddler, Children's DD Services, Crisis Prevention, SWITC & Kyler House, Idaho 211 CareLine, Navigation Services, Child Protection, Foster Care, Adoption Subsidies and Adoptions Finalized. Highly skilled professionals serve these children and families.

The Division of FACS makes up only 3.8% of the Department's total budget. Within the FACS budget of \$98.5 million, Community DD's budget is \$19.4 million and Southwest Idaho Treatment Center's (SWITC) budget is \$10.9 million.

The focus of this presentation was on 1) Community DD which includes the Infant Toddler program, Children's DD services and Crisis Prevention and 2) SWITC (formerly known as the Idaho State School and Hospital or ISSH) as well as funding for the Kyler House which provides DD services to individuals in northern Idaho.

The Infant Toddler Program coordinates early intervention services for children from birth to age 3 and houses other grant programs including Head Start Collaboration, the Early Childhood Coordinating Council and the Idaho Newborn Hearing Screening Program. Clinical evidence has shown that family involvement significantly increases a child's success in addressing delays and disabilities. When testing shows a six-month or greater delay in a child's physical, mental or emotional development, services are made available. The number of children in this program has grown consistently over the past few years and served 3,773 children last year.

The Children's Developmental Disabilities Program provides services for children up to age 18. This program was revamped in 2011; the purpose of the initiative was to promote evidenced-based services. A growing number of families are choosing to design and direct their own services through a program called Family Direction. This service is heavily used in rural areas where there may be fewer professional providers. A recent survey of over 500 families receiving these services showed that 98% of the families were satisfied with the services received. Services include intervention to address maladaptive behaviors and build skills, supports to help individuals participate in their communities, and a special service for children with autism that allows for intensive intervention between the ages of 3 and 7.

The last part of the continuum of care is Crisis Prevention where services are provided for adults as well as children who have developmental disabilities and are involved in crisis situations. (The Division of Medicaid provides direct oversight for Medicaid reimbursed services to the adult population and that information is not included in this presentation.) This population sometimes experiences mental health issues or maladaptive behaviors that place them in trouble with their care providers and sometimes with the law. Last year, the crisis prevention team served 417 individuals. As directed by Idaho Code, this team provides expert opinions to Idaho courts surrounding guardianship evaluations, individuals' competency to stand trial or the need to be committed to the care of the state if they are a danger to themselves or others.

SWITC, located in Nampa, began accepting clients in 1918 and by 1957 the population had increased to almost 1,000 residents. The number of individuals living there has dramatically been reduced over the last several years when it was recognized that community placements are healthier for individuals with developmental disabilities. A 2009 legislative workgroup recommended further downsizing and a name change since the facility was no longer a school or hospital. The workgroup's efforts showed a need for a facility in northern Idaho which resulted in the opening of Kyler House in Hayden. Currently there are 25 residents at SWITC and 5 residents at Kyler House.

There are two main challenges currently facing the Infant Toddler Program: 1) a need to open a small intensive treatment facility at a different location for the SWITC population, and 2) the increasing caseload which has risen 12% in the last four years. The program has become more efficient by embracing a family coaching model and utilizing more contracts. Strategies will be examined that will allow for the efficient management of the growing Infant Toddler Program.

Barron reviewed the recommended FY 16 budget requests for Developmental Disabilities by category and funding source and also discussed the transfer of FTP from SWITC to other divisions within the Department due to the reduction of individuals served.

PRESENTATION: Child Welfare Services and Service Integration

PRESENTER: Russ Barron, Interim Administrator and Deputy Director for DHW

To view the presentation, please click on the following link: [Child Welfare and Service Integration](#)

The presentation focused on the following: a) an overview of the Service Integration Programs, b) information on the individuals served in the Child Welfare Program, c) the program's challenges/opportunities, and d) review the Governor's FY 16 budget recommendations for Child Welfare. There are no open legislative audit findings for Service Integration or Child Welfare.

Some of the programs in Service Integration include 1) the Idaho 211 CareLine which is a statewide toll-free information and referral call center linking citizens to services; 142,718 contacts were facilitated during FY 14 and the CareLine has 4,403 active resources or services to which callers can be referred. 2) Navigation Services are designed to be short-term only lasting up to 120 days where navigators identify and develop supports for struggling families to help them achieve long-term stability; in FY 14 9,890 families were served. Services include help with rent, gasoline, vouchers, and emergency cash assistance. The funding source for this emergency assistance program is a federal block grant called Temporary Assistance to Needy Families (TANF). 3) The Idaho KinCare Program serves families who care for relative children when the biological parents are unable to do so; 29,000 Idaho children fall into this category. The Governor's FY 16 budget recommendation for Service Integration is \$5.9 million with the majority of the funding for Trustee and Benefits in the Navigation Program.

PRESENTATION: **Child Welfare Services**

PRESENTER: **Russ Barron, Interim Administrator and Deputy Directory of DHW**

While over 2,500 children were served in foster care last year, on any given day there were about 1,300 children in foster care. During the year there were approximately 626 families where children were able to be safely served in their homes rather than placed in foster care. Funding for these services come from a variety of federal grants. Regarding foster care placements, 92% of all children are placed in family settings and 42% of all children are placed with relatives or close friends. The majority of children who enter foster care are reunited with their families and spend less than one year in foster care. A smaller percentage of children exit foster care through adoption.

The following challenges/opportunities were discussed: 1) Child Welfare Services is in the process of determining how to implement changes that will support improved processes and help the staff be more efficient; one way is to update the computer systems due to increased workload, 2) difficulty in recruiting and retaining foster families, and 3) children who age out of foster care to adulthood without supports typically experience poor outcomes including homelessness, substance abuse, or incarceration.

The Governor's recommended budget for Child Welfare in FY 16 is \$62.3 million; 47% of this budget is for trustee and benefits provided to children and families. Over half of child welfare services are funded by federal grants, the primary source of funding is authorized by Title IV-E of the Social Security Act. Title IV-E is a program with specific eligibility requirements and fixed allowable uses of funds, primarily foster care reimbursement, adoption assistance, and worker training and program administration costs; the funding is awarded by formula and is contingent upon an approved Title IV-E State Plan to administer the program.

One of the challenges regarding adoptions is the ability to fund all adoption subsidies. Since 2000 there has been an increase in the total number of adoptions and adoption subsidies. Adoption subsidies are estimated to reach \$9.2 million in FY 2016. For a short period of time the increase in costs were countered by dramatic increases in federal Adoption Incentive Payments. By federal design, the incentive awards have also dramatically dropped and are not expected to increase in the future. The Governor's FY 16 budget recommendation includes \$1,232,900 for Adoption Caseload Growth. In 2013 Idaho was approved for a 5-year Title IV-E Waiver Demonstration Project which allowed flexibility to use funding for in-home services and other innovative practices which previously was only approved for foster care services. The implementation and evaluation plan that was developed includes: 1) flexibility in foster care spending, 2) trauma-informed system of care, 3) family group decision making to promote early involvement of families and their support systems, 4) family life skills training and a parent education program, and 5) a rigorous evaluation to track outcomes. The Governor's FY 16 recommendation is for a total federal spending authority increase of \$1,806,000.

ADJOURNED:

There being no further business to come before the Committee, the meeting was adjourned at 10:40 A.M.

Senator Cameron
Chair

Peggy Moyer
Secretary