

OPC Area Program Q & A

How will the state budget cuts affect mental health, developmental disability, and substance abuse services in Orange, Person, and Chatham Counties?

Approximately \$75 million dollars were cut from the statewide mental health/developmental disabilities/substance abuse services, in addition to reductions in Medicaid rates and services. This translates into \$2,250,518 in cuts to the state funds available for services in Orange, Person, and Chatham Counties. This represents approximately 21.5% of our non-crisis state service funding. These cuts in service dollars limit the amount of state dollars available to serve adults and children who do not have health insurance, but are in need of mental health, developmental disabilities, and substance abuse services. In addition, reductions in Medicaid services will affect people with these challenges as well.

- **How will these cuts affect adult recipients of mental health (MH) and substance abuse (SA) services? Will there be services that are no longer available? What services will be available?**

Reduction in state funds for mental health and substance abuse services will have a huge impact on OPC's array of services. We have received a cut of approximately 21.5% to our state funds, causing major strains on already under-funded services. It will definitely affect how we provide care to consumers in the OPC catchment area. We have to reduce the number of slots available for the enhanced services and also reduce the number of units for individual therapy. After the limited units of services have been utilized, consumers may be moved to group therapy or referred to self-help groups and /or natural support systems in the community.

Please refer to "State Funding Reduction Narrative" located at www.opcareaprogram.org for updated information on specific reductions for adult mental health and substance abuse services.

- **How will these cuts affect people with developmental disabilities? Will there be services that are no longer available? What services will be available?**

OPC's developmental disability (DD) state funds will be cut in two ways. First, a portion of the overall reduction in state funding (\$55M statewide) will be taken from OPC's DD service dollars. Secondly, the legislature reduced DD funds by \$16M, with the idea being that limited state dollars should not be spent on individuals who are CAP-MR/DD waiver recipients. OPC's share of this cut is \$928,923. Combined the cuts will mean a reduction of just over 23% in DD state service dollars. In terms of Medicaid services, cuts to service rates for CAP-MR/DD services and the

freeze on CAP-MR/DD slots will have the biggest impact on individuals with DD.

Cuts of this magnitude will require significant reductions in funding to many of our DD programs and services including residential services (group homes), Adult Day Vocational Programs (ADVP/ employment services), Developmental Day services for children 3-5 years of age, as well as other services such as Developmental Therapy. As a result of these reductions it is expected that providers will have to downsize programs. Fewer people will be able to receive services and those that do get service will likely be getting less.

Will there be services that are no longer available? What services will be available to individuals with developmental disabilities?

There has been no determination to fully eliminate any DD service entirely at this time. Rather, significant reductions will be required to the types of services listed above. Services that will remain available to individuals with developmental disabilities (in limited quantities based on available funding) include: Targeted Case Management, Developmental Therapy, Personal Assistance, ADVP, Supported Employment, Long Term Vocational Support, Respite, Developmental Day, residential services, services for individuals who are dually diagnosed, and Mobile Crisis services.

Please refer to "State Funding Reduction Narrative" located at www.opcareaprogram.org for updated information on specific reductions for each disability area.

- **How will these cuts affect children and adolescents who are receiving services and their families? Will there be services that are no longer available? What services will be available?**

The cuts in funds and changes in legislation will impact child/adolescent mental health and substance abuse services in primarily three areas. These include the reduction in the use of certain types of group care, elimination of community support which provides the bulk of case management and skill building services, and a reduction in service funds for youth who are uninsured.

Reduction in Use of Level III and IV Groups Homes:

The use of Level III group homes (typically small homes of 4-6 youth in a neighborhood) and Level IV group home (locked facilities) will be reduced as it will become harder to enter these facilities and the lengths of stay will be shorter (maximum of 120 days). OPC Area Program has been working for years to reduce its use of level III and IV group homes as we have felt it was not best practice to congregate youth with behavioral challenges together. There are certainly young people who use this level and have

benefited, but many youth can be served in therapeutic foster care. North Carolina has requested a strengthened definition of therapeutic foster care from the federal Medicaid authorities.

Group homes that have over 16 beds will either need to close or reduce their beds to below 16. Therapeutic wilderness camps like Three Springs and Timberidge will be closed. Three Springs, which is located outside of Pittsboro, will close its level III facility, but is planning to open a Psychiatric Residential Treatment Facility (PRTF), day treatment, and offer intensive in-home services.

In July, OPC had 46 children in Level III or IV group homes. Presently there are 21 youth in level III and IV group homes. Transition plans for all youth in levels III and IV are being reviewed through county based care review teams.

Challenges:

- Sufficient capacity of therapeutic foster parents especially within our three counties.
- Small number of youth for who therapeutic foster care is not a good option and who do not qualify for PRTF.

Elimination of Community Support: This service which encompasses case management services and skill building services will be phased out in the next few months. No new youth will be able to have this service after 10/12/09.* **As outlined in Implementation Update 61, the date for new admissions to community support services (CSS) for Medicaid recipients has changed. New admissions to community support will not be authorized by Value Options effective January 1, 2010.** Presently there is not a substitute service for this the case management function. In the beginning of September there were approximately 400 youth receiving community support in Orange, Person, or Chatham counties.

Reduction in Service Funds for Uninsured Youth: OPC will receive fewer funds to serve the uninsured. This will translate into less available services for young people who do not have insurance. This means that there will be tighter criteria for receiving state funded services.

What services will be available for children, adolescents, and families in Orange, Person, and Chatham Counties? Outpatient therapy, medication management, intensive in-home, Multisystemic Therapy, Day Treatment, Therapeutic Foster Care, Psychiatric Residential Treatment Facilities, and Hospitals. Residential services are only available to clients with Medicaid.

Please refer to “State Funding Reduction Narrative” located at www.opcareaprogram.org for updated information on specific reductions for each disability area.

- **How will these cuts affect providers of services in our community?**
Providers will be significantly impacted by the budget reductions and service changes in many ways. Not only will the amount of overall funds available to provide services be decreased, but in some cases the reimbursement rates for services will be reduced as well. In addition, providers of Community Support services will have to decide which, if any, services they will provide instead, as this service will be reduced significantly over the coming months and will no longer be available as of June 30, 2010. These changes will require providers to make changes in both staff and the amount of service they are able to provide. It is anticipated that providers will have to implement a variety of cost saving measures over the coming months.

- **How will the state budget cuts affect the Local Management Entity (LME)?**

OPC’s LME System Management Funding was cut by 4.14%, totaling \$190,527.00. Over the past five years, OPC has run a very fiscally conservative organization:

- operating with fewer than the proposed number of FTEs in the cost model and
- managing other expenditures very closely.

Although this approach required LME staff to cover a wide range of duties, it enabled OPC to regain some financial stability and absorb this cut without eliminating LME positions during this fiscal year.

LME funds will be used to cover a position previously paid for by state non-UCR funds (see Adult MH non-UCR section of “State Funding Reduction Narrative” located at www.opcareaprogram.org). OPC is also committed to utilizing additional LME administrative dollars to support services in the future if available.

- **How will the OPC benefit plan be amended?**
In anticipation of budget cuts, changes were made to the OPC IPRS benefit plans reducing outpatient services effective 7/1/2009:
 - Adult MH basic benefits were reduced from 26 to 8 individual sessions (69% cut) and from 52 to 12 group sessions (77% cut) for each consumer for the fiscal year.

- Adult SA benefits were reduced from 26 individual sessions to six (76% cut) and from 52 to 24 group sessions (54% cut) per fiscal year.
- All adults must meet much more restrictive criteria to qualify for CSS and the units have been reduced. (See changes in state funded community support services below) Many individuals who might have qualified for this service in the past no longer do so. This has resulted in a drop from 344 consumers having been authorized for this service last fiscal year to 105 at present, a 69% decrease.
- An exception to cuts in the Adult SA benefit plan is for consumers referred by TASC (Treatment Accountability for Safer Communities). Services for this population have not been reduced.
- Child MH benefit benefits were reduced from weekly individual and group therapy to no more than 26 sessions per year of each of those services, a 50% cut.
- CS Support for children is somewhat more restrictive; now only those children who are at risk of imminent out of home placement qualify for the larger amount of units. (See community support services note below)
- No significant changes were made to the Child SA Benefit Plan.
- All other services such as Psychosocial Rehabilitation (PSR), residential, etc, have suffered de facto reductions as a result of fewer funds being allocated to the providers of these services.
- All providers are encouraged to link consumers with natural and community resources early in treatment, to develop solid crisis plans with each consumer and to inform consumers of the process for accessing crisis services.

No new consumers for state funded (IPRS) community support services (CSS):

- Effective September 16, 2009, **no new admissions** for community support services, individual or group will be authorized.
- Requests for authorization of CSS for **new** consumers received on or after 9/16/09 will be **denied**. The request will be returned as "Unable to Process".

Exception: Consumers who have been recently discharged from Central Regional, Broughton, Cherry, or Dorothea Dix Hospitals or ADATC. Authorizations will end on 12/31/09.

For current consumers with authorized CSS:

- All IPRS funded CS Services will end on or before 12/31/09.
- All authorizations for CSS will expire 12/31/09.

- Claims for CSS with service dates on or after 1/1/2010 will be denied.
 - The OPC Authorizer may request a Discharge Plan.
- **What is OPC Area Program doing to manage these changes and cuts?**

OPC staff is meeting on a regular basis to plan and prepare for the budget reductions. Workgroups are developing strategies to address both short-term and long-term issues. Benefit plans have been revised (see above.) OPC staff is meeting with key providers on a regular basis to address issues of concern, service system changes, etc. OPC will also be updating our community partners, stakeholders, CFAC, OPC Area Board and providers at meetings attended, via email communication, and on our website as developments occur over the coming weeks.

OPC will host two provider meetings to discuss the budget cuts, its impact on our service delivery system and strategies for dealing with these changes. The meetings will occur at OPC's Administrative offices on

Oct. 22, 2009 9-10:30am
Oct. 23, 2009 1-2:30 p.m.

Select OPC staff have been identified to assist provider agencies as they transition individuals out of Community Support to other medically necessary services or for those no longer in need of a service to community and natural supports. This team composed of Care Management and Quality Improvement staff will

- communicate with providers regarding policy changes
- consult with providers on certain individuals particularly those identified as high risk
- review discharge plans for selected individuals
- exchange service specific data with providers
- monitor and assess provider capacity and service development needs in our community.

OPC is committed to keeping our system informed of proposed changes which impact our communities. Several OPC staff are engaged in workgroups at the state and regional level and have used these forums to inform decision makers of the impact of decisions on services at the local level. OPC has submitted feedback on the proposed case management consolidation and will continue to provide input wherever possible.

- **What crisis services will be available?**

Crisis services will remain available in all three counties in a variety of means. Daytime weekday crisis services are available to residents of each county at the following sites:

<u>Orange County:</u>	<u>Person County:</u>	<u>Chatham County:</u>
Chapel Hill Outpatient Clinic 104 New Stateside Drive Chapel Hill, NC 27514 919-942-2803 or UNC Hospitals/ Dept of Psychiatry Walk-In Clinic Neurosciences Hospital 1 st Floor 101 Manning Drive Chapel Hill, NC 27514 919-966-2166	Person Counseling Center 355 S. Madison Blvd. Suite C1 Roxboro, NC 27573 336-599-8366	Chatham Counseling Center 287 East St, Suite 421 Pittsboro, NC 27312 919-542-4422 or 1105 E. Cardinal St. Siler City, NC 27344 919-742-5612

Crisis Services are available 24/7 by calling the OPC STAR line at 919-913-4100 or 1-800-233-6834

Mobile Crisis Services are available 24/7 by calling 919-967-8844 or 1-800-233-6834

- **Who do I call if I have concerns and questions?**

Providers: Call your provider relations representative at OPC Area Program.

Consumers: Talk to your provider about the changes and call OPC Customer Services if you continue to have questions and concerns at 919-913-4120 or 1-888-277-2303.

Community partners:

For questions about services to adults and children with developmental disabilities contact, Cim Brailer at cbrailer@opc-mhc.org or 919-913-4150.

For questions about services for children and adolescents with mental health and substance abuse challenges, contact Lisa Lackmann at llackmann@opc-mhc.org or 919-913-4011.

For questions about adults with mental health or substance abuse challenges, contact Tom Velivil at tvelivil@opc-mhc.org or 919-913-4014.