

SCR

21

ALASKA STATE LEGISLATURE



Interim:

600 East Railroad Avenue
Wasilla, Alaska 99654
(907) 376-3370
(907) 376-3157 Fax

Session:

State Capitol
Juneau, Alaska 99801-1182
(907) 465-6600
(907) 465-3805 Fax

SENATOR LYDA GREEN SENATE DISTRICT N

Sponsor Statement SCR 21

Over 300 severely emotionally disturbed Alaskan children are currently receiving treatment in residential facilities in other states. Families are being separated, sometimes for years. The flexibility to provide an appropriate mix of treatment between residential and community based care is lost when children must be sent to out of state for treatment. Millions of state dollars and hundreds of jobs are being exported each year.

Alaska currently lacks the necessary facilities to provide the full continuum of community-based and residential care in Alaska for the treatment of severely emotionally disturbed children. The largest gap in this continuum is the lack of residential treatment beds that can provide the necessary level of care in Alaska. SCR 21 asks the Department of Health and Social Services to work with the Alaska Mental Health Board, the Alaska Mental Health Trust Authority and other interested parties to strengthen this continuum of services and to establish a priority for the development of sufficient in-state residential care to serve emotionally disturbed children who would otherwise be placed in out-of-state facilities.

FY2001: Instate/out of state Medicaid RPTC Data

Date of Service >=7/1/2001 and <=6/30/2002

Date of Payment >=7/1/2001

Age <21

Provider Type 03 (RPTC)

Instate placements (unduplicated):	223	34.52%
Out of state placements (unduplicated):	<u>423</u>	65.48%
	<u>646</u>	100.00%

All RPTC Placements

		Ave. days per child	
Instate placement days:	25,488	114.3	
Out of state placement days:	<u>67,857</u>	160.4	46.12 more days than instate
	<u>93,345</u>		

		Ave. cost per child
Instate expenditure amount:	8,205,973	36,798.09
Out of state expenditure amount:	<u>17,080,959</u>	40,380.52
	<u>25,286,932</u>	

		Ave. days per child	
Native placement days			
Instate placement days:	8,607	117.90	
Out of state placement days:	<u>20,494</u>	170.78	52.88 more days than instate
	<u>29,101</u>		

		Ave. cost per child
Native expenditures		
Instate expenditure amount:	2,794,875	38,285.96
Out of state expenditure amount:	<u>5,273,235</u>	43,943.63
	<u>8,068,110</u>	

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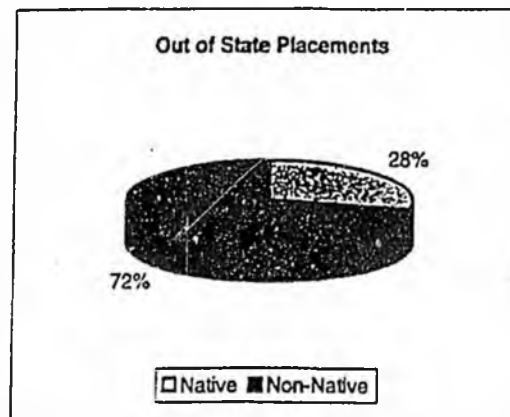
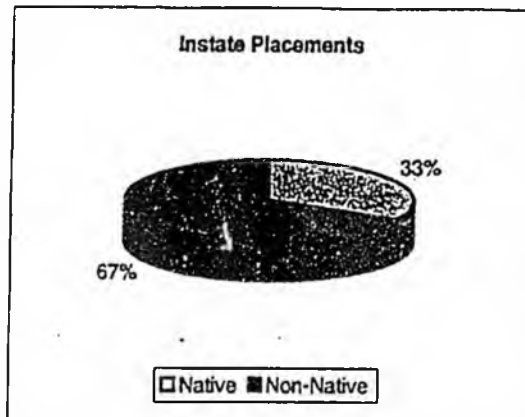
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RACE

Instate		
Count	Race	%
73	Alaska Native	32.74%
4	American Indian	1.79%
1	Asian	0.45%
16	Black	7.17%
5	Hispanic	2.24%
1	Pacific Islander	0.45%
2	Unknown	0.90%
121	White	54.26%
223		100.00%
Native 73 32.74%		
Non-Native 150 67.26%		

Out of state		
Count	Race	%
120	Alaska Native	28.37%
9	American Indian	2.13%
1	Asian	0.24%
14	Black	3.31%
7	Hispanic	1.65%
2	Pacific Islander	0.47%
24	Unknown	5.67%
246	White	58.16%
423		100.00%
Native 120 28.37%		
Non-Native 303 71.63%		



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Date of Service >=7/1/2001 and <=6/30/2002

Date of Payment >=7/1/2001

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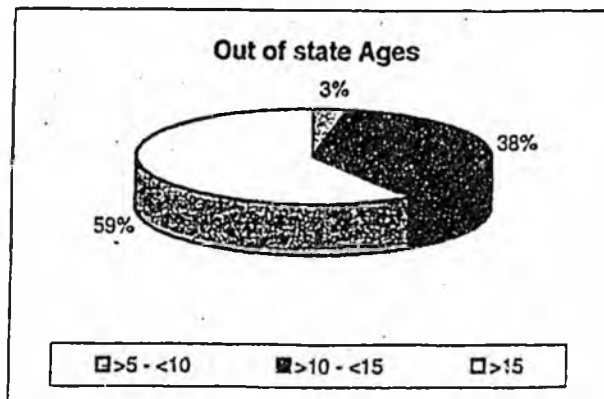
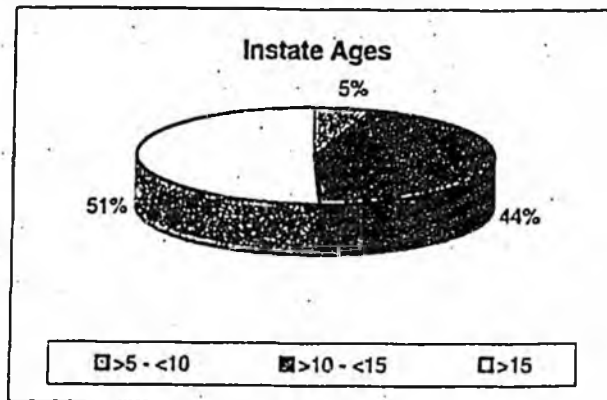
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AGE

Instate		
Age	Count	%
>5 - <10	11	4.93%
>10 - <15	99	44.39%
>15	113	50.67%
	223	100.00%

Out of state		
Age	Count	%
>5 - <10	13	3.07%
>10 - <15	160	37.83%
>15	250	59.10%
	423	100.00%



SENATE CONCURRENT RESOLUTION No. 21

Supporting the development of adequate in-state treatment capacity for severely disturbed children.

FY 2001 Expenditures:

The Department of Health & Social Services has produced data titled "FY2001: Instate/ out of state Medicaid RPTC Data". This information shows there were 423 (65.48%) out of state placement (unduplicated) for Residential Psychiatric Treatment Centers. (copy attached) The out of state expenditure amount is listed as \$17,080,959.00, compared to \$8,205,973.00 for instate expenditures.

Another report has indicated that Medicaid expenditures for Residential Psychiatric Treatment Centers is one of the fastest growing categories of Service for a 3 year average.

FY 02 Expenditures: The amount of out of state expenditures is growing:

The Division of Medical Assistance FY02 Mental Health Expenditure Report – Provider Type Summary thru November 2001 (copy attached) indicates paid claims through this period are \$9,409,745.41 (72.3%). The instate expenditures for this same period is \$3,597,399.02 (27.7%).

Alaskan children are being sent outside Alaska for long term mental health treatment.

Alaskan health care dollars (Medicaid) are being spent in other states.

Alaskan jobs are being lost to the lower 48.

Control of the Medicaid expenditures has been a priority of the legislative branch. Data submitted by the department show the average cost per child:

Instate expenditure:	\$36,798.09
Out of state:	\$40,380.52

The full continuum of care should be strengthened in Alaska to provide care to our children in state.

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

Medical Assistance

Maintain access to health care and to provide health coverage for Alaskans in need.

Medicaid provided access to health care to approximately 118,000 Alaskans in FY 2001.

Alaska's largest Medicaid population is our children. On average, children are the least expensive Medicaid recipients.

Medicaid expenditures have increased an average of 17 percent per year from FY 1999 through FY 2001.

General fund expenditures per Medicaid eligible have decreased by \$97 since FY 1999. During that same time period, other fund expenditure per eligible have increased by \$856

"State Medicaid programs serve as an important safety net for Americans by providing health and long-term care coverage. Reduced state revenues are placing severe strains on many state budgets and could limit Medicaid at a time when additional coverage and spending is most needed."

- The Kaiser Commission on Medicaid and the Uninsured, Medicaid and State Budgets: An October 2001 Update, October 16, 2001.

The National Conference of State Legislatures, State Fiscal Outlook for FY2002 November Update, December 3, 2001, reports 23 of 51 states that specifically note Medicaid as a "Program Over Budget."

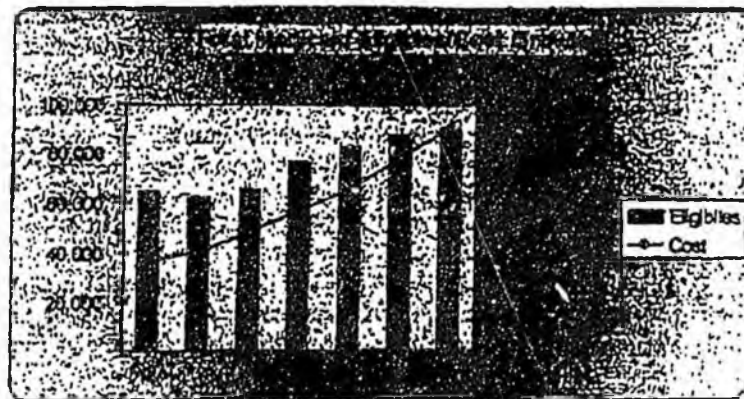
Medicaid -

Medicaid is a means-tested, jointly-funded cooperative effort between federal and state governments that provides health care coverage to persons in need. There are 56 individual Medicaid programs - each state, territory and district determines its own eligibility standards, benefits package, and payment rates within federal guidelines.

Alaska's Medicaid program currently provides medical care coverage to approximately 118,000 Alaskans. Persons eligible to receive benefits include children, caretakers of children, pregnant women, the aged, the blind, and the disabled of low-income that meet certain resource standards. Medicaid does not provide assistance to all low-income persons.

Medicaid continues to grow

In FY 2001, Medicaid enrollment increased by about 7,000 people, or 6 percent, over FY 2000. Medical services provided to recipients in FY 2001 cost \$525.7 million - a 13 percent increase over FY 2000. Medicaid's claims payment rate of growth has averaged 17 percent since FY 1999.



The following chart shows eligible and expenditures percentages for the four Medicaid eligibility groups: children, adults, elderly and disabled.

The disabled group in each chart includes children (1.5 percent of the eligible numbers and 6 percent of the expenditures).

January 15, 2002

Division of Medical Assistance

FY02 Mental Health Expenditure Report

Provider Type Summary

thru November 2001

	FY00 Total	FY01 Total	FY02 YTD
Physicians: Psychiatry	2,059,967.43	2,718,616.95	1,182,072.55
Mental Health Physician Clinics	1,589,247.33	1,880,384.72	867,587.76
Community Mental Health Clinics	35,327,406.94	38,703,451.08	15,894,563.17
Day Treatment Facilities	1,335,755.00	1,413,067.50	294,857.50
Inpatient Psych Services (total)	24,224,574.88	34,272,860.53	19,193,399.67
RPTCs (OOS)	8,379,665.40	15,619,408.00	9,409,745.41
RPTCs (Instate)	6,658,007.12	7,800,219.22	3,597,399.02
Alaska Psych Institute	1,083,757.03	1,083,757.03	863,197.89
Other Inpatient Psych Hospitals	8,103,145.33	9,178,378.38	5,323,057.35
Total Mental Health Services	64,536,951.58	78,988,380.78	37,432,480.65

The information presented in this report is based on paid claims (date of payment) up to and including the date listed above. Provider specific information is available in Excel format. Please contact Jeff Kemp if you would like this information.

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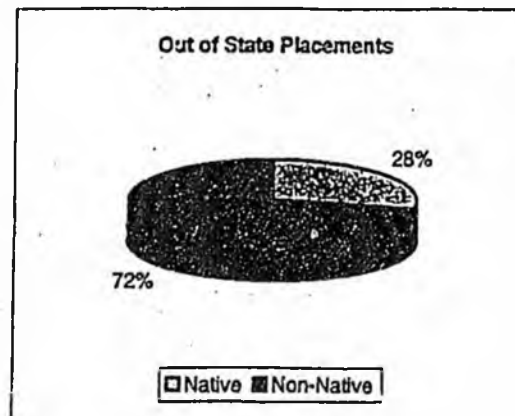
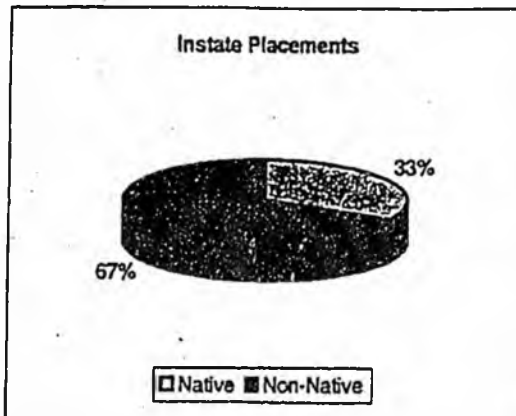
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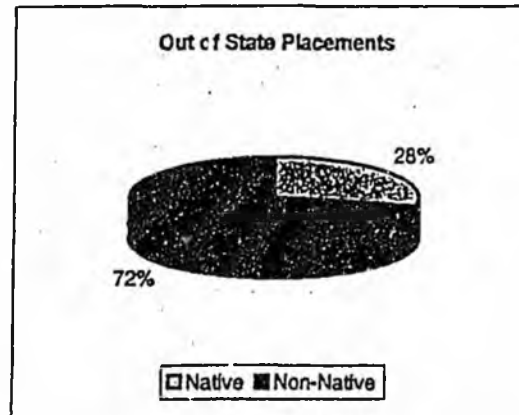
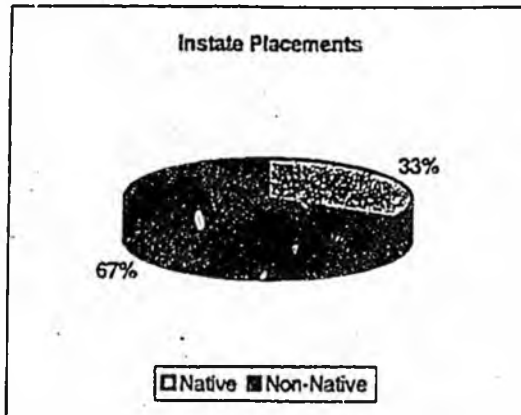
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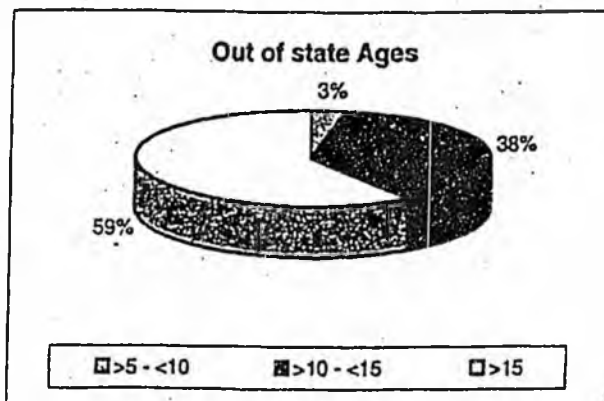
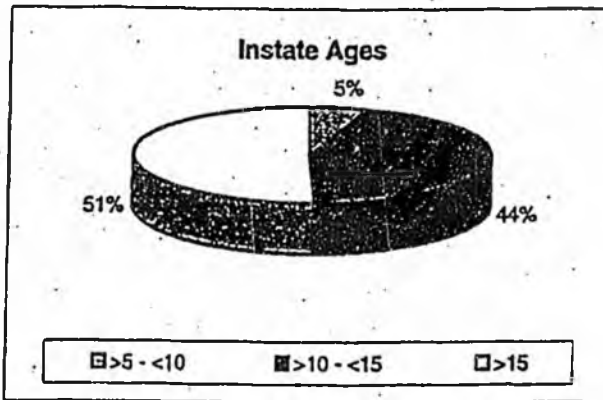
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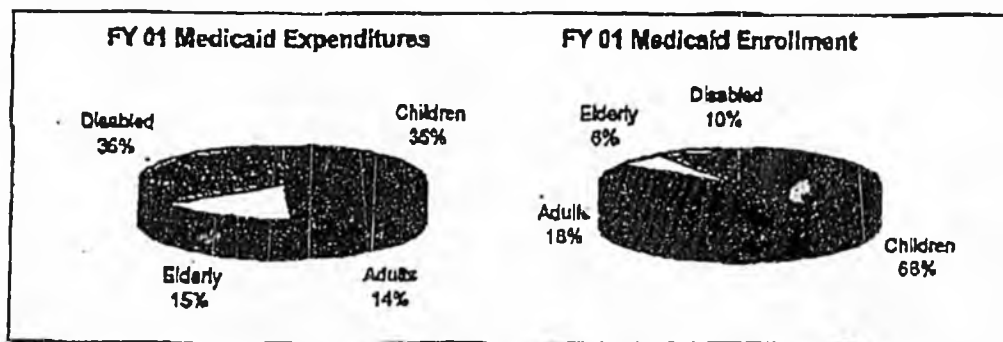
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The following charts set out Medicaid program categories of service expenditures – what costs the most, what is growing the fastest.

FY01 Top Expenditure Categories of Services		Fastest Growing Categories of Service (3-Year Average)	
Hospital Services	\$128,929,284	Adults with Physical Disabilities Waiver	81%
Physician Services	\$96,600,954	Residential Psychiatric Treatment Centers	78%
Pharmacy	\$54,973,432	CCMC Waiver**	51%
Nursing Homes	\$46,975,802	MRDD Waiver*	41%
MRDD Waivers*	\$42,377,562	Older Alaskans Waiver	31%
Mental Health	\$39,479,765	Transportation	23%
Medicaid Other Services	\$28,551,246	Pharmacy	21%
Residential Psychiatric Treatment Centers	\$23,611,743	Physician Services	20%
Transportation	\$21,206,322	Psychiatric Hospitals	18%
Older Alaskans Waiver	\$14,723,800	Nursing Homes	6%

*Mental Retardation and Developmental Disabilities

** Children with Complex Medical Conditions

Proposed Medicaid re-financing options

Re-financing options will reduce the Medicaid general fund request to \$7.9 million, except for the fund source change of \$18.7 million GF increase due to federal changes to Alaska's Pro-Share program. The division is proposing the Alaska Medicaid Fair-Share Program. This arrangement will make an additional payment for services to Medicaid-eligible beneficiaries to hospitals operated by Alaskan Tribes, up to the payment limit applicable. The hospitals will return 90 percent of the payment to the Medicaid program as statutory designated program receipts that can be used as match for Medicaid service payments. The result is a net savings of \$44.3 million in general fund requirements for Medicaid.

In addition, private hospital re-financing options are being considered. The division will make additional payments of \$31.7 million to private hospitals up to the aggregate Medicare Upper Payment Limit. The hospitals will retain 5 percent of the payment to pay for state-funded programs previously paid for with direct state grants or contracts. It is anticipated that up to 95 percent of the funds made available, \$11.8 million, will be appropriated to the Medicaid Services BRU to cover state match requirements.

Federal funding policy changes

The Federal Medical Assistance Percentage (FMAP) rate was decreased to 57.38 percent for federal fiscal year 2002. Early federal estimates indicate federal fiscal year 2003 will increase slightly to 58.22 percent. These changes are significant and carry with them a projected loss of \$10.8 million in federal fund participation if Congressional changes don't continue.

Medicaid Program Incremental Request: \$26.6 million general funds, \$50.1 other funds, \$200.6 federal funds: Total \$277.3 million.

January 15, 2002

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Native expenditures

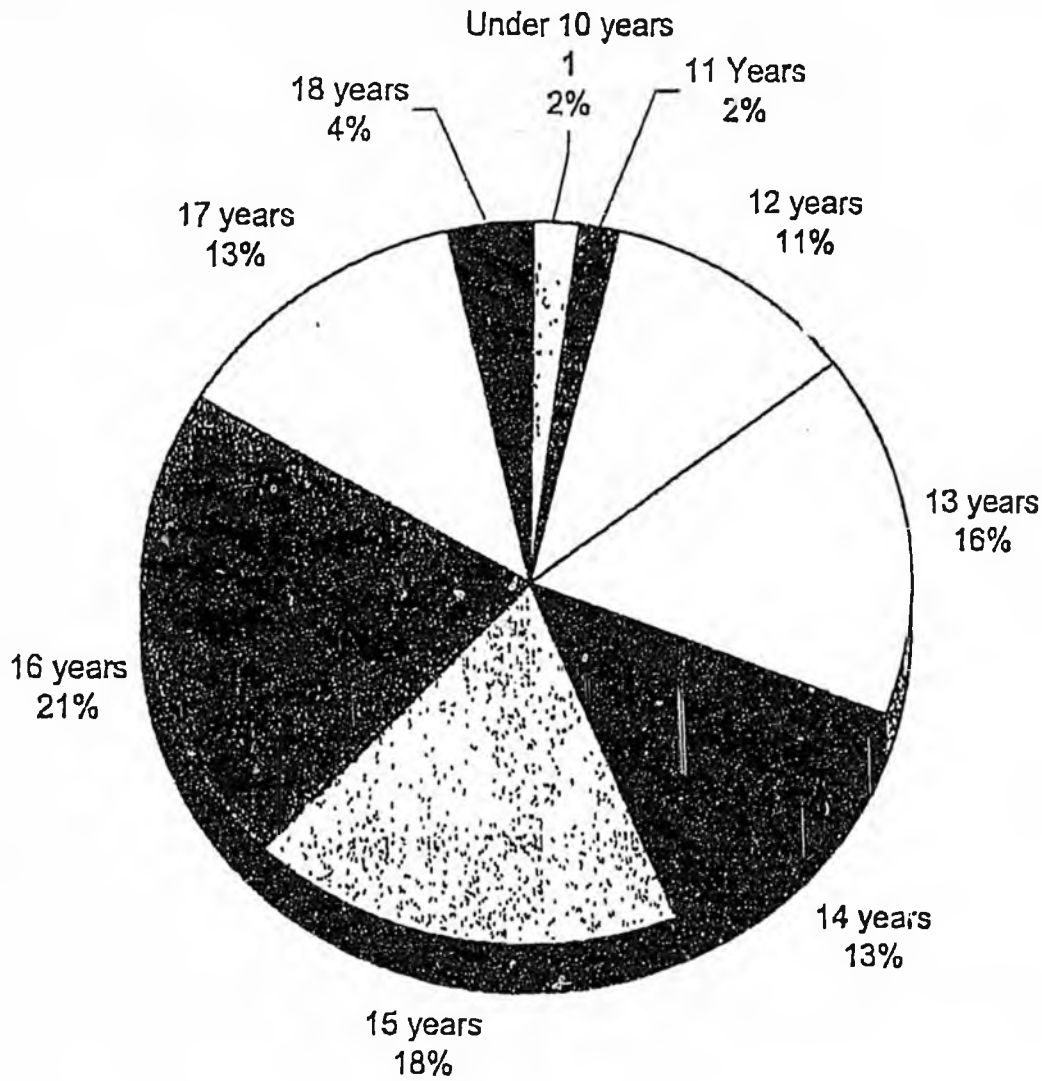
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Report to the Alaska Mental Health Board

Children and Youth Placed in Residential Psychiatric Treatment Centers Out of State

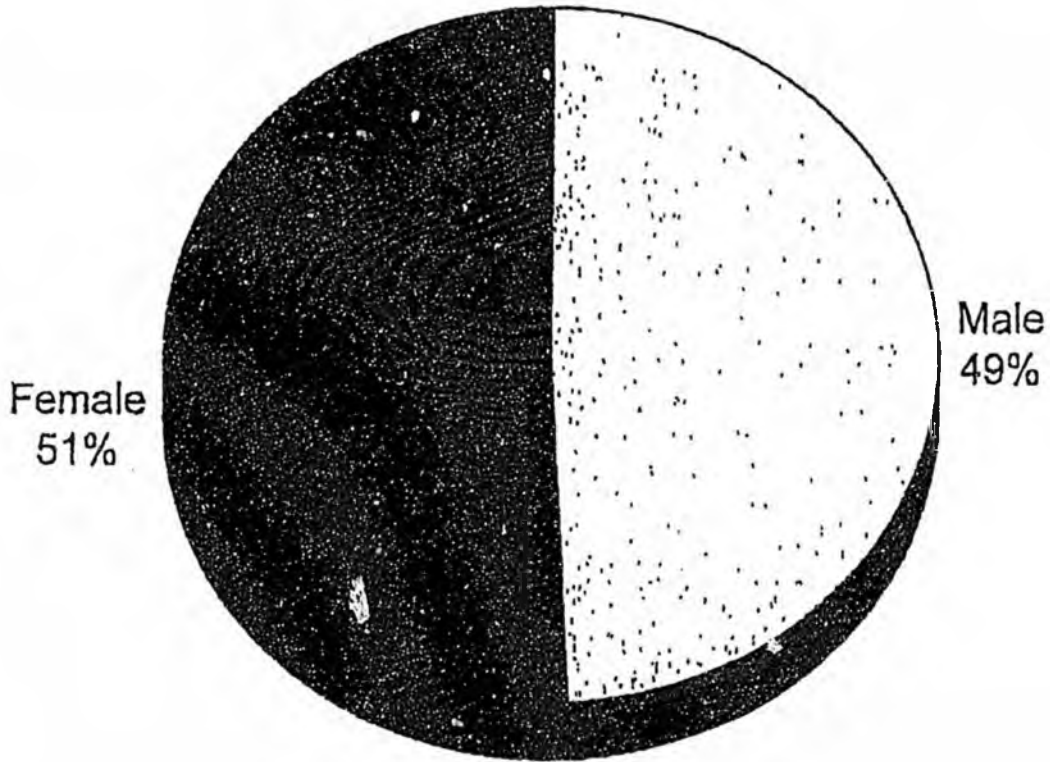
**Division of Family and Youth Services
January 15, 2002**

Unduplicated Number of Children Placed Out of State in RPTC by AGE



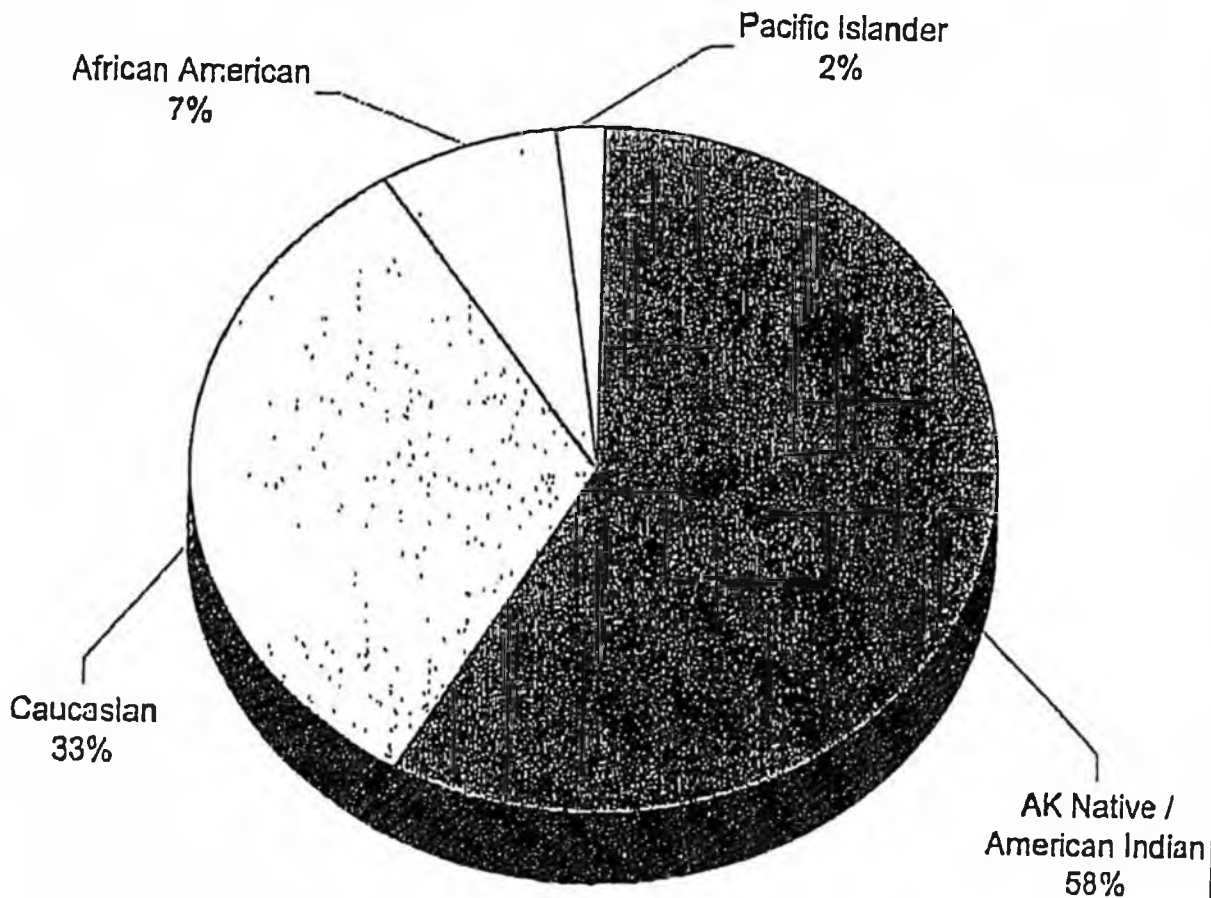
□ Under 10 years	1	■ 11 Years	1	□ 12 years	6
□ 13 years	9	■ 14 years	7	□ 15 years	10
■ 16 years	12	□ 17 years	7	■ 18 years	2

Unduplicated Number of Children Placed Out of State in RPTC by GENDER



Male	27	Female	28
------	----	--------	----

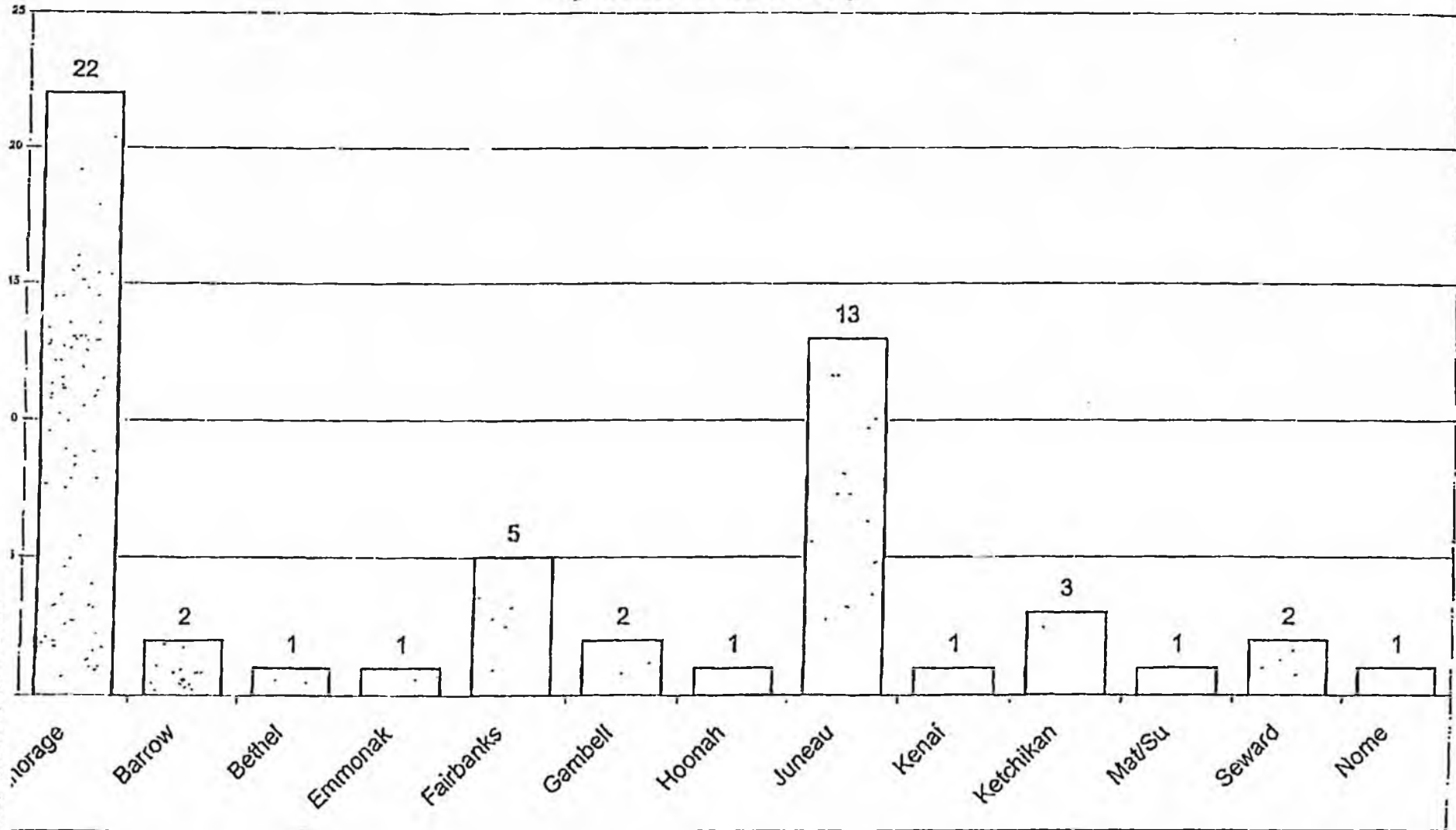
Unduplicated Number of Children Placed Out of State in RPTC by RACE



AK Native / American Indian	32
Caucasian	18
African American	4
Pacific Islander	1

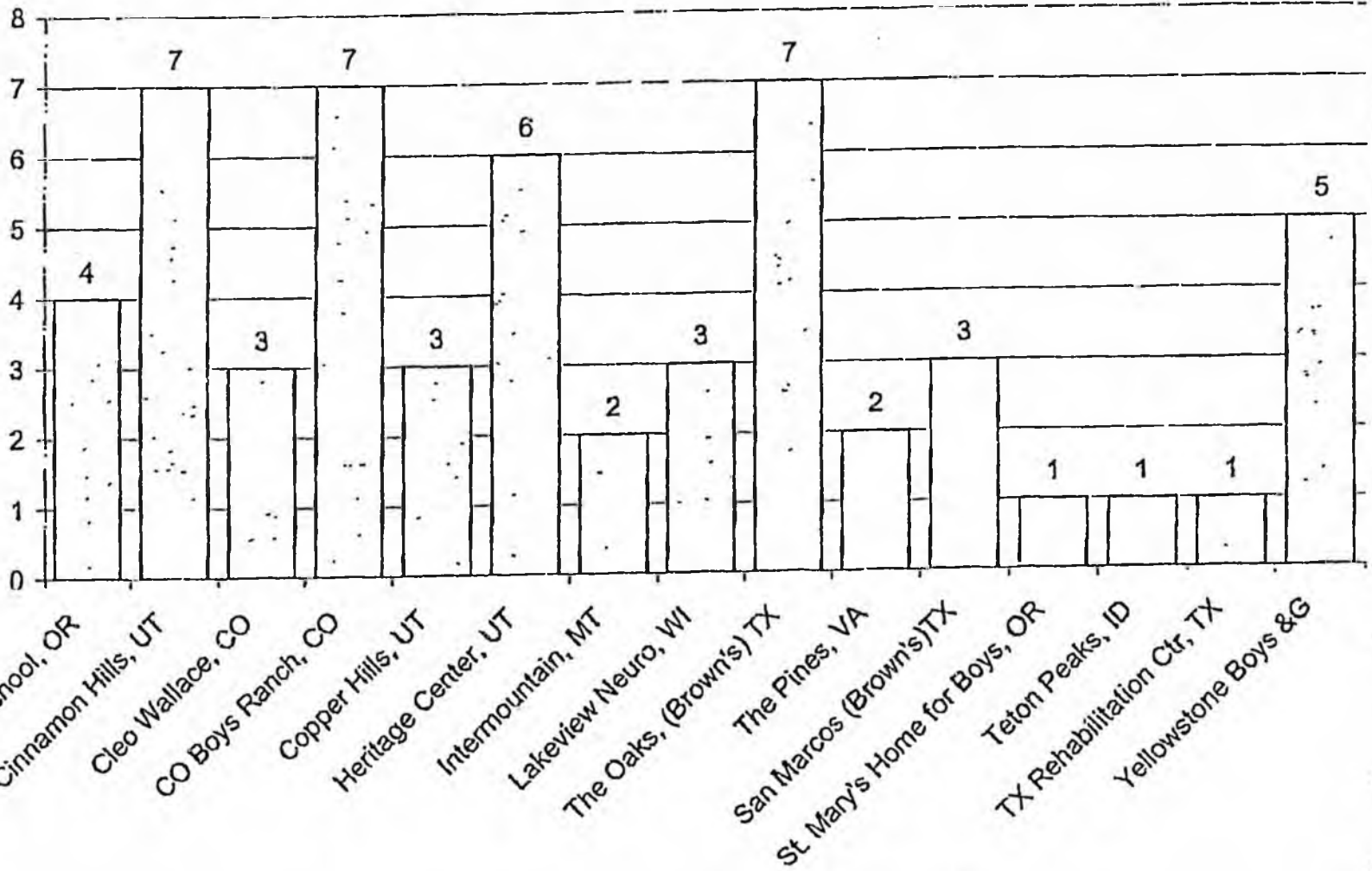
Source: Division of Family and Youth Services, 2000

Unduplicated Number of Children in RPTC by Home Community



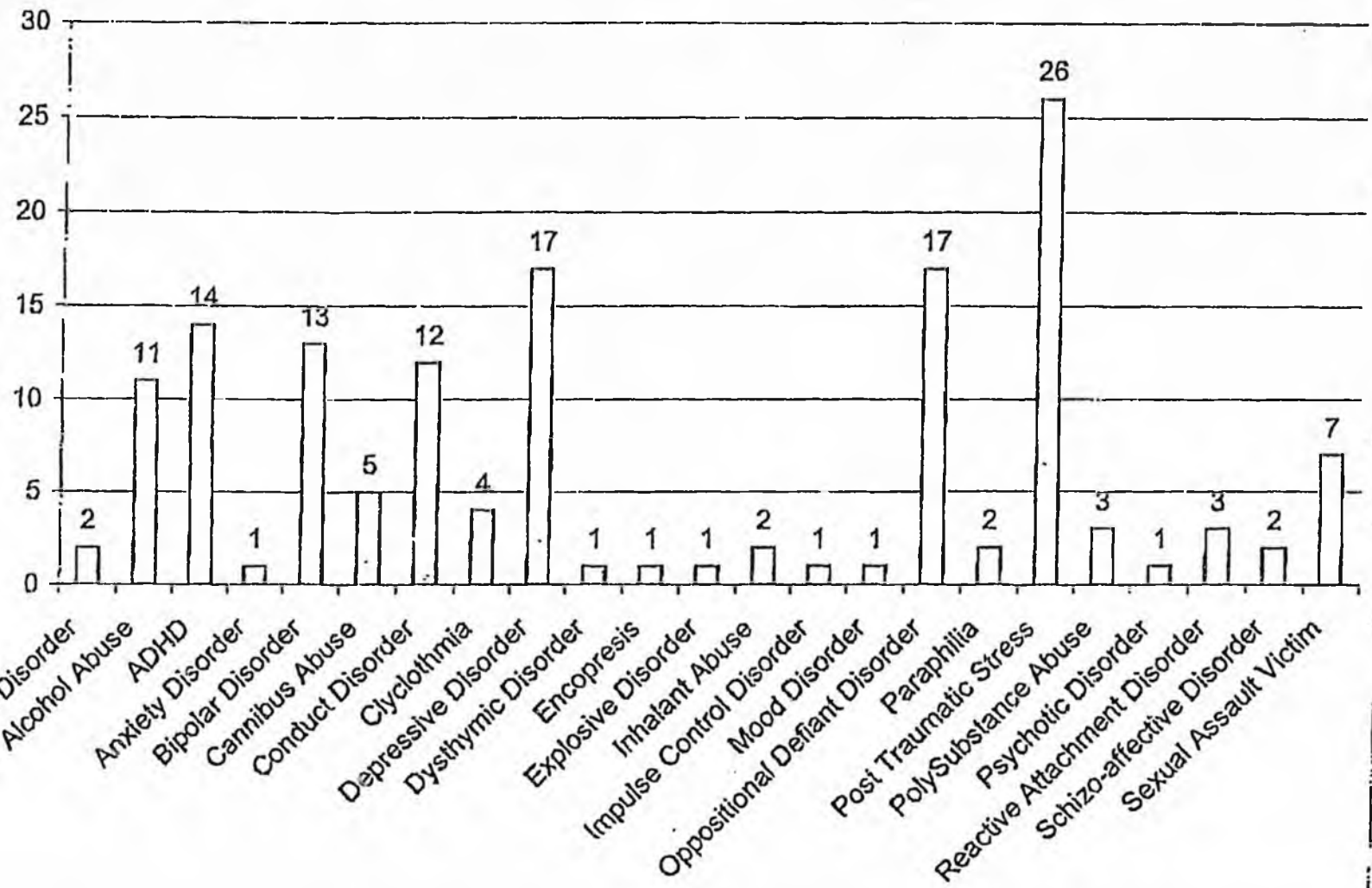
Source: Division of Family and Youth Services, January 2002

Unduplicated Number of Children in Each RPTC



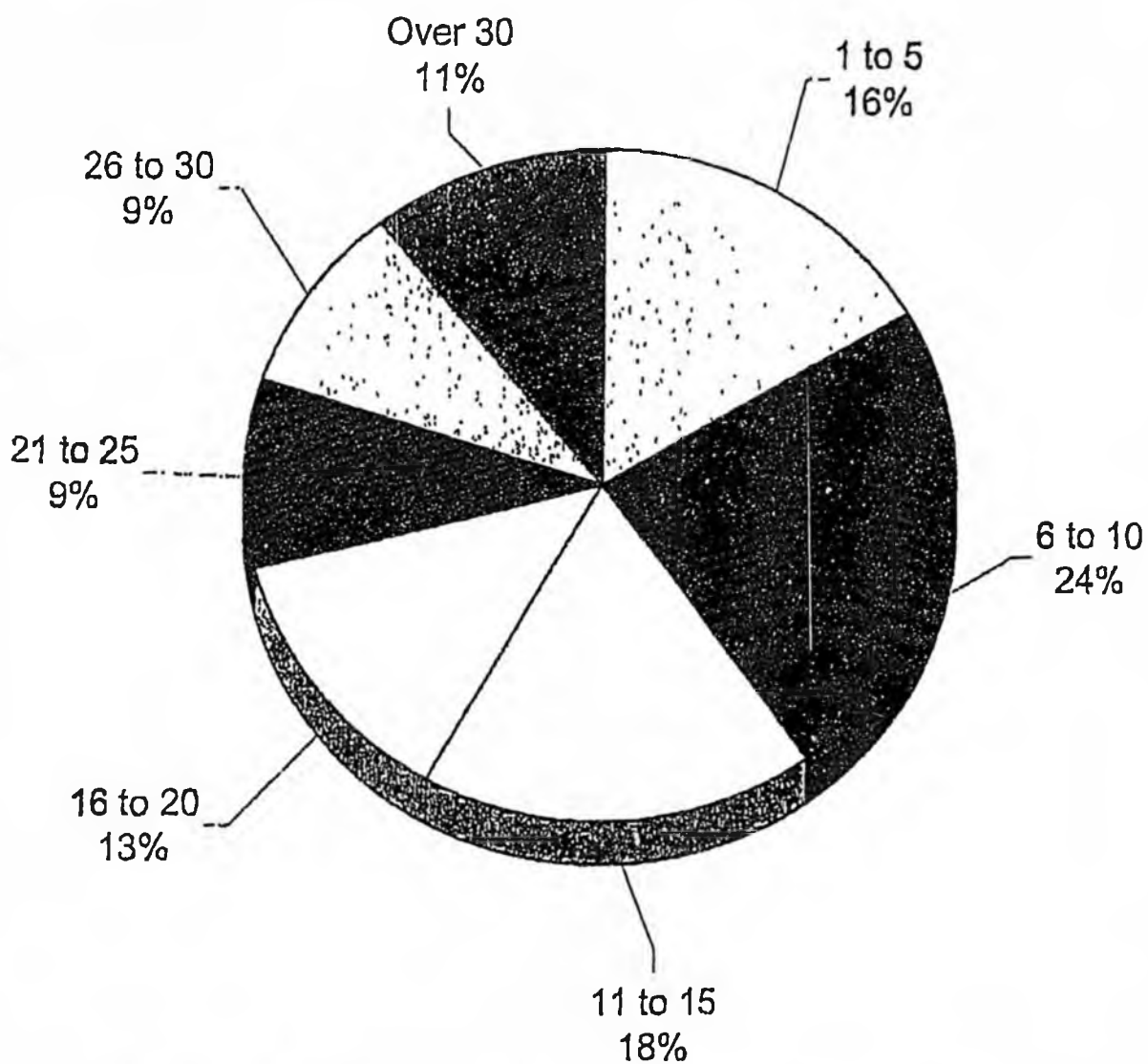
Source: Division of Family and Youth Services, January 2002

Diagnosis of Children in Out of State RPTC



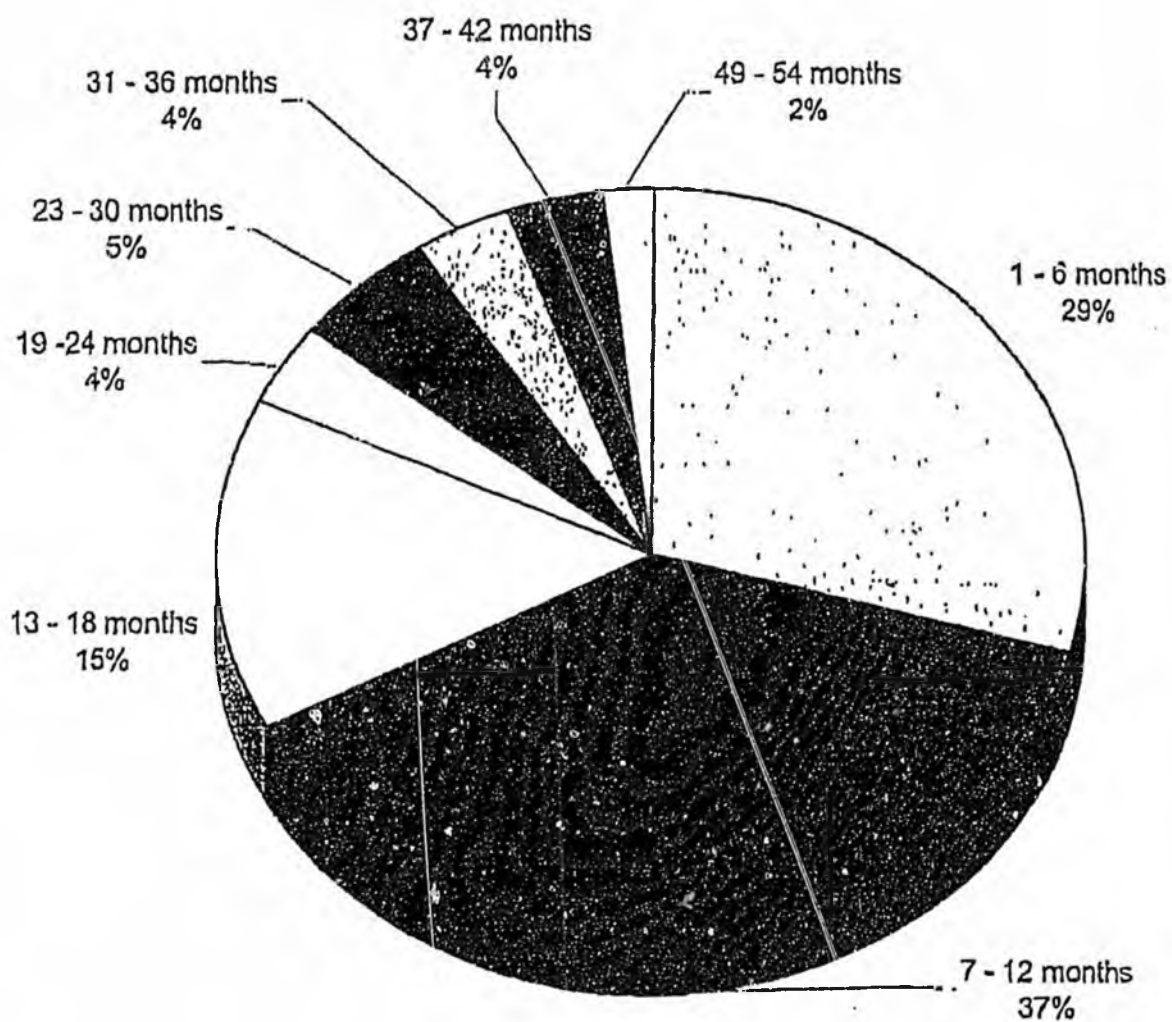
Source: Division of Family and Youth Services, January 2002

Number of Prior Placements Before Children Were Placed in an Out of State RPTC



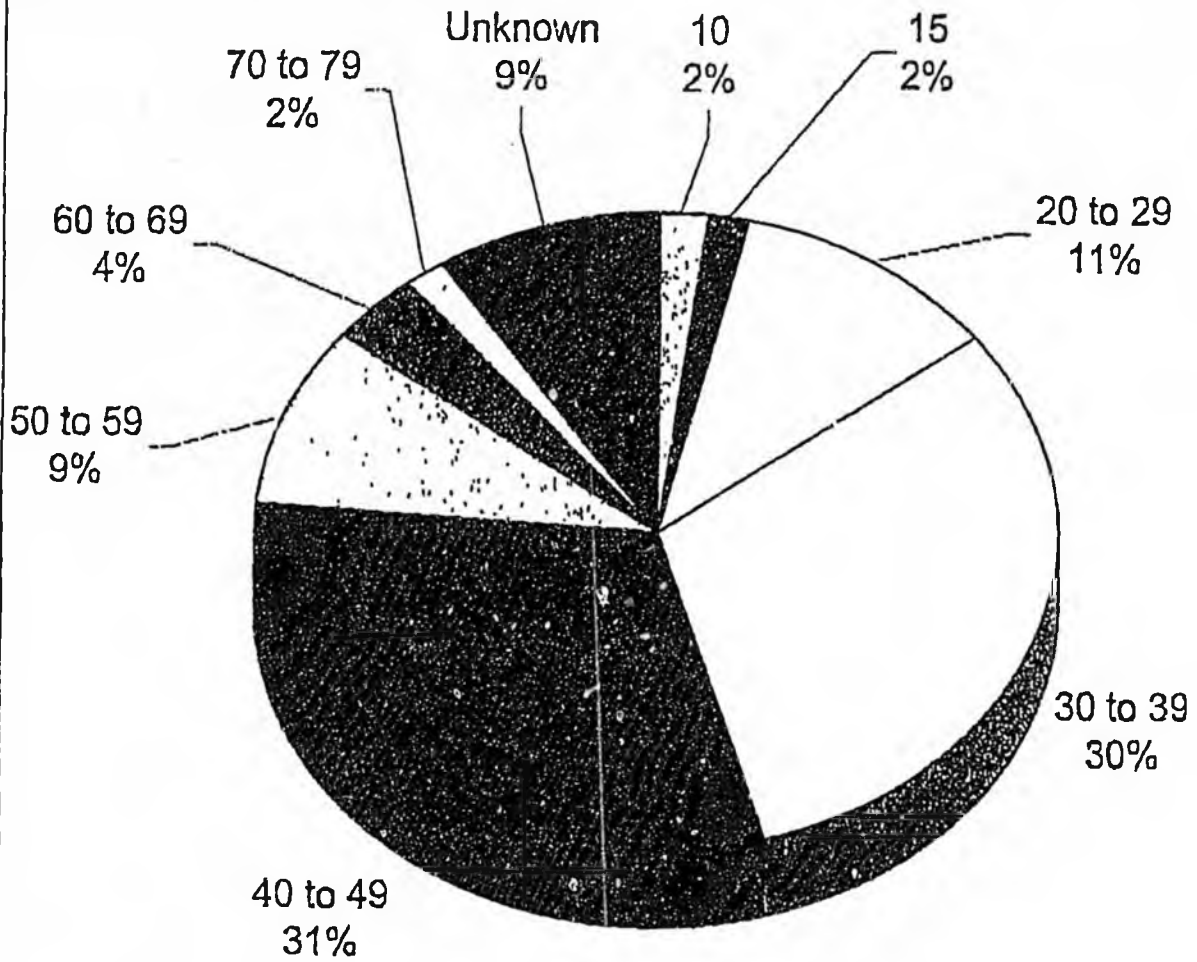
□ 1 to 5	9	■ 6 to 10	13	□ 11 to 15	10	□ 16 to 20	7
■ 21 to 25	5	□ 26 to 30	5	■ Over 30	6		

Length of Time Children Have Been in an Out of State RPTC



□ 1 - 6 months	16	■ 7 - 12 months	21	□ 13 - 18 months	8
□ 19 - 24 months	2	■ 23 - 30 months	3	□ 31 - 36 months	2
■ 37 - 42 months	2	□ 49 - 54 months	1		

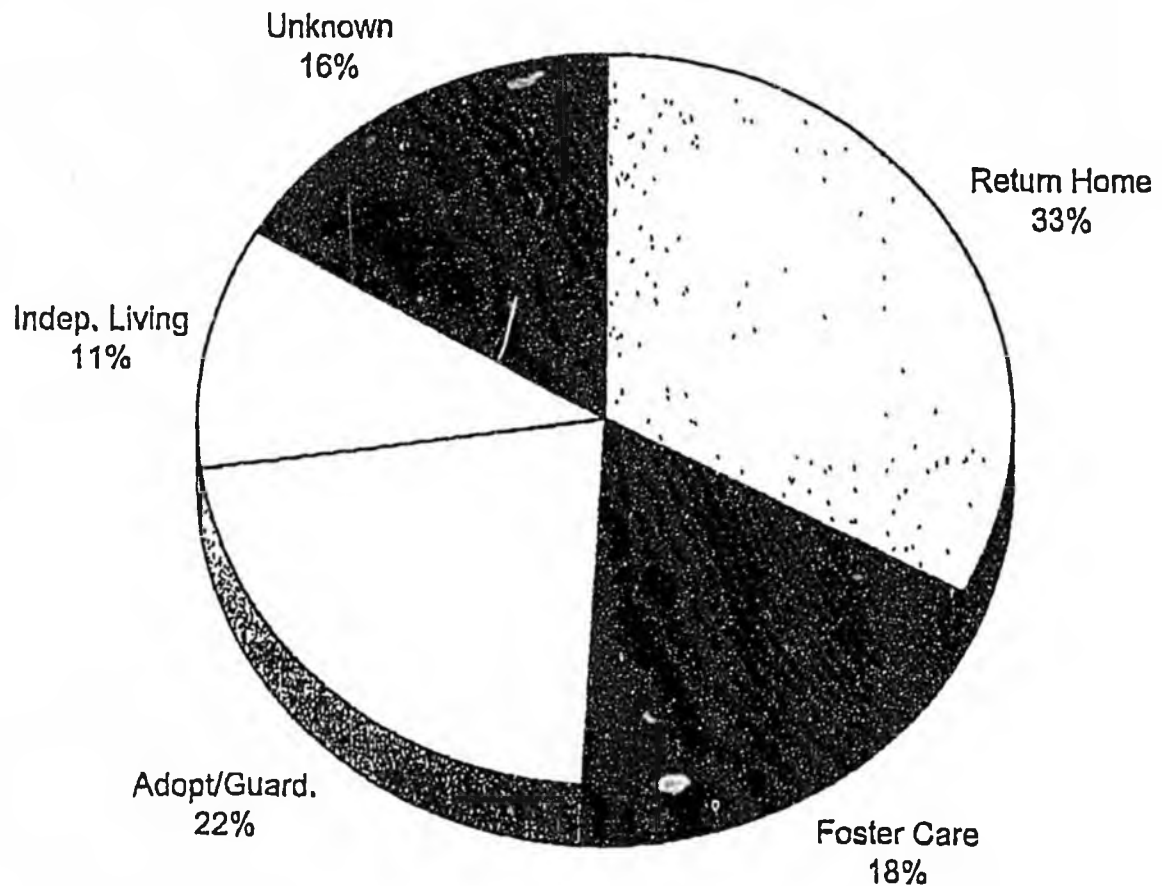
GAF Scores at Time of Placement in Out of State RPTC



□ 10	1	■ 15	1
□ 20 to 29	6	□ 30 to 39	17
■ 40 to 49	17	□ 50 to 59	5
■ 60 to 69	2	□ 70 to 79	1
■ Unknown	5		

Source: Division of Family and Youth Services

Permanency Plan for Children in Out of State RPTC



Return Home	18	Foster Care	10	Adopt/Guard.	12
Indep. Living	6	Unknown	9		

Amendment

TO: SCR 21

Offered By Senator Green

Page 1, line 15, after the word "family" add the following:

.members of the child's support system and involved community providers

Page 1, line 16, after the word "success" add the following:

and improved client satisfaction

Page 2, line 3, after the word "facility" add the following:

focusing on transition and a variety of local community-based services, in the child's home of origin

Page 2, line 9, after the word "care" add the following:

to work in a coordinated, cooperative, collaborative and partnering manner towards integration of services

ALASKA STATE LEGISLATURE



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SPONSOR STATEMENT

Bill History/Action Display



BILL: SCR 21

SHORT TITLE: TREATMENT FOR DISTURBED CHILDREN

BILL VERSION:

SPONSOR(S): HEALTH, EDUCATION & SOCIAL SERVICES

CURRENT STATUS: (S) HES

STATUS DATE: 01/18/02

HEARING: (S) HES Feb 04 1:30 PM BUTROVICH 205 TELECONFERENCE

TITLE: Supporting the development of adequate in-state treatment capacity for severely disturbed children.

[Full Text](#)

No Fiscal Notes Available

[Committee Action with Bill History](#)

Jrn-Date	Jrn-Page	Action
01/18/02	1978	(S) READ THE FIRST TIME - REFERRALS
01/18/02	1978	(S) HES
01/18/02	1978	(S) REFERRED TO HEALTH, ED & SOCIAL SVCS

[Similar Subject Match](#) or [Exact Subject Match](#)

[HEALTH & SOCIAL SERVICES](#)

[MENTAL HEALTH](#)

[MINORS](#)

[RESIDENTIAL CARE](#)

Bill Root:

[Display Bill Root](#)



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PREVIOUS ACTION