Senator Dan Watermeier
Committee Chair
P.O. Box 94604, State Capitol
Lincoln, NE 68509
402-471-2733

Legislative Performance Audit Committee

Legislative Audit Office
Martha Carter, Legislative Auditor
P.O. Box 94604, State Capitol
Lincoln, NE 68509
402-471-1282

FOR IMMEDIATE RELEASE
CONTACT Senator Dan Watermeier, (402) 471-2733

January 26, 2016

Funding Sources for Children's Behavioral Health Services Reported, No Performance Audit Planned

A majority of the state's behavioral health regions' funding for children's behavioral health services goes to Professional Partner Programs, which provide wraparound services to youth experiencing certain types of serious emotional disturbances, according to a preaudit report released by the Legislative Performance Audit Committee today. The Professional Partner Programs were initiated using LB 603 (2009) funds and generally provide home or community services available outside of regular working hours. The report also noted that Medicaid is the largest single funding source for children's behavioral health services, having spent more than $47 million in this area in FY2014-15.

The Committee undertook this preaudit to gather information on spending on children's behavioral health services by each of the regions to supplement both its 2015 performance audit on behavioral health services gaps for the adult population and the LR 304 (2015) interim study, which reviewed the state's behavioral health system for children and youth.

The Committee conducts a preaudit to gather information on a topic it is concerned about but that may not need a full performance audit. The Committee expects that information from the preaudit will be incorporated into ongoing work of the Health and Humans Services' Committee and consequently will not initiate a full performance audit at this time.

Senator Dan Watermeier, Chairman of the Committee, stated "The Health and Human Services Committee of the Legislature and others interested in the state's behavioral health system will appreciate the information compiled by the Audit Office in this report. The Legislature is currently looking at funding for and coordination of adult and children's behavioral health services and this report provides valuable information as we move forward."

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Memorandum

To: Legislative Performance Audit Committee
From: Dana McNeil
Date: January 22, 2016
Re: Children's Behavioral Health Funding

On August 27, 2015, you asked our office to conduct a preaudit of children's behavioral health funding in the six behavioral health regions, with the purpose of showing how the dollars are being spent in each region and to identify service gaps. In order to do this, we interviewed and obtained information on FY2014-15 expenditures from the six regional administrators, staff from the Department of Health and Human Services (DHHS), and the Legislative Fiscal Office. Unless otherwise noted, the expenditure data in this memo was reported by the regional administrators; we did not independently verify the accuracy of the information.

Overview

The State of Nebraska and the federal government are the primary sources of funding for children's behavioral health services. According to DHHS, the largest single funding source for children and youth up to age 20 is the Medicaid program, which uses both state and federal funds. In FY2014-15, Medicaid paid for behavioral health services for 194,830 children, with a total cost of over $47 million.[1]

The state and federal governments also provide funding for services to the smaller non-Medicaid population of children and youth. Additionally, some county funds that flow to the behavioral health regions are used for services to this group. Based on the expenditure figures reported by the regions, the total amount of funding for non-Medicaid children and youth in FY2014-15 was approximately $9 million.[2] We cannot report the exact number of children who received non-Medicaid behavioral health services because the reported data does not include the unduplicated number of children served.

LB 603 (2009) Children's Behavioral Health Services Funding

LB 603 funding is unique because it is the only specific legislative appropriation for children's behavioral health services since the Professional Partner Program began in 1995.[3] The bill was passed in reaction to the unanticipated consequences of LB 157 (2008), the "safe haven" law, which was intended to prevent the unsafe abandonment of infants.[4] However, because the bill did not specify an age limit, 36 children, with an average age of 13, were left at local hospitals. These events revealed the lack of significant resources and supports for families struggling to parent older youth with behavioral health problems.[5]

In order to provide assistance to these families, LB 603 authorized additional money for the Professional Partner Program (PPP), which provides wraparound services—generally home or community services that are available as families need them, rather than only during office hours[6]—to youth with certain types of diagnoses who are experiencing a severe emotional disturbance.[7] The initial funding for PPP was $500,000 for FY2009-10 and $1,000,000 for FY2010-11.[8]

LB 603 also created three new programs:

- a Behavioral Health Helpline ("Nebraska Family Helpline"), is a single point of access to children's behavioral health services, providing crisis intervention and support for families, as well as information and referrals to other services;[9]
- Family Navigator Services, which uses parents who have personal experience parenting a child or adolescent with behavioral health problems as providers; [10] and
- post-adoption and post-guardianship services ("Right Turn"), which focus on children with ongoing behavioral health issues (trauma/loss) associated with adoption.[11]

The table below shows how each region has elected to use its LB 603 dollars. Some regions have also created additional separate PPP "tracks," for example, for children transitioning from children's services to adult services or for rapid response services, which is shown in the following section.[12]

Use of LB 603 Funds by Each Region

Region	Use
1	Expanded the number of youth served by the Professional Partner Program (PPP).
2	Increase the number of youth served through the PPP. (Region 2 calls its PPP "Youth Care Coordination.")
3	Increased the number of youth served, with a focus on those who are at risk from being removed from the home, as well as for transition age services.
4	Expanded services for youth in the traditional and transition age PPPs.
5	Expanded outpatient mental health services for youth and to develop the LINCS* program within the prevention track of the PPP.
6	Expanded the capacity of the Crisis Response program and to develop Region 6's Rapid Response program.

Source: Behavioral Health System Regional Administrators
*Linking Individuals/Families in need of Community Supports.

The following section provides an overview of the amount spent on children's behavioral health services by each region in FY2014-15.

This memo concludes with a list of gaps in children's behavioral health services reported by each regional administrator similar to the service gaps identified in our recent audit of adult behavioral health services.[13] Because the focus of this memo was to provide a picture

of children's behavioral health *funding*, this section is informational only and we did not attempt to verify or do further research regarding the service gaps identified.

Behavioral Health Services by Region

In this section, we show the amounts paid in each region during FY2014-15 for each children's behavioral health service identified by the regional administrators. These figures include state, county and federal funds. However, there may be additional expenditures that are not included in these figures because some regions have separate contracts with the Division of Children and Family Services (child welfare) and Administrative Office of Probation that they track separately from the expenditures reported here. Additionally, the regions' expenditures cover the period August 2014 to July 2015 payments to providers for services that were provided under the contract for the state fiscal year (July 1, 2014 to June 30, 2015) were made within thirty days after the services are billed to the region.

By law, the DHHS Division of Behavioral Health (DBH) is required to annually report its spending on children's behavioral health services to the Legislature. We compared that information to the information reported by the regions and found that approximately 80 to 100 percent of the expenditures reported by the regions are funded through the DBH monies.

There is some variation in the way regions categorize the expenditures for difference services, but three categories are common to most regions.

The largest expenditure category for all regions was Professional Partner Program (PPP), which made up between 49 percent (Region 5) and 90 percent (Region 4) of the expenditures. As noted earlier, PPP covers wraparound services and some regions have developed specialized "tracks," for example, for children transitioning from children's services to adult services or for rapid response services.

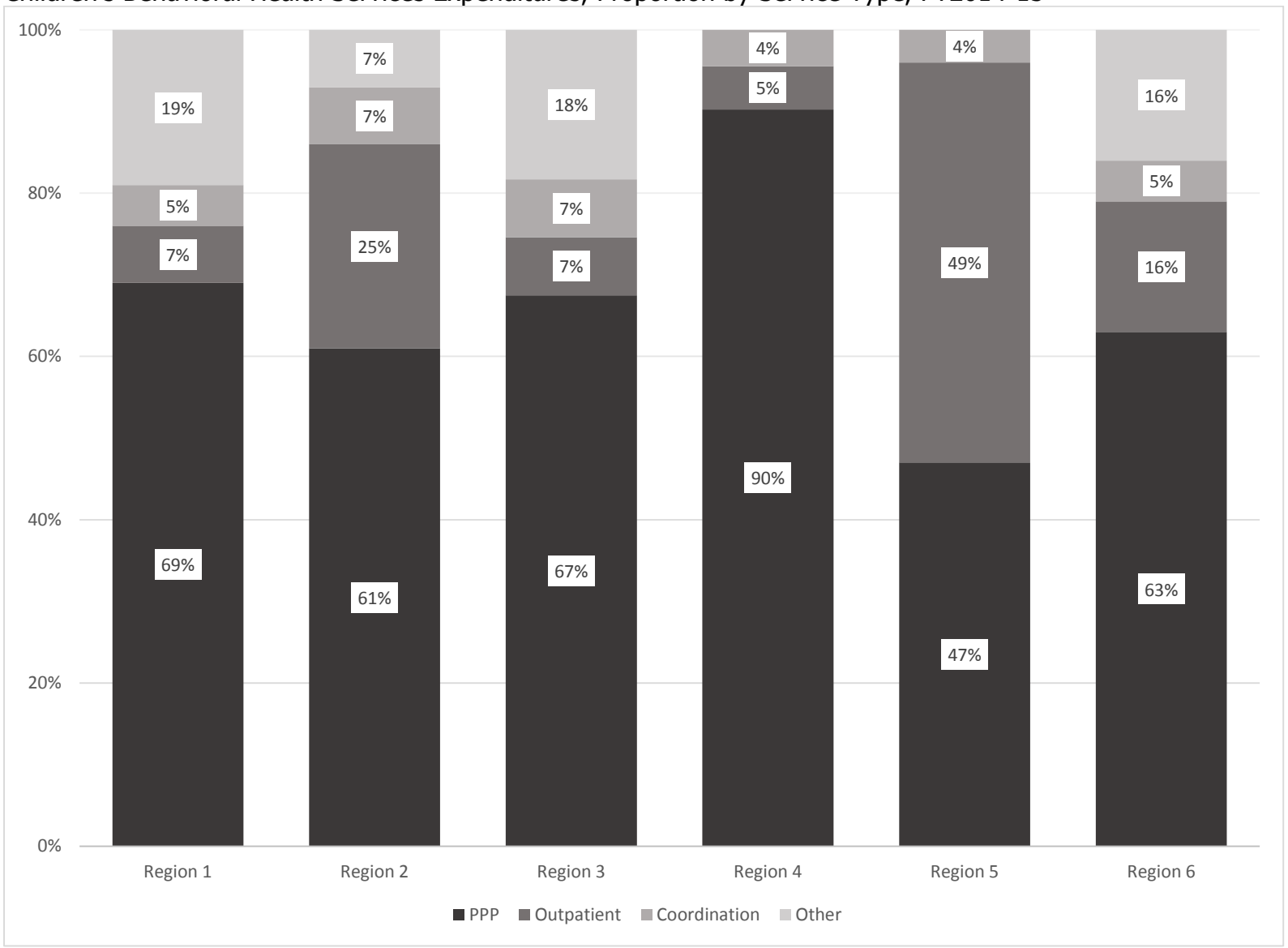
All of the regions also had expenditures for outpatient mental health and substance abuse—between 5 percent (Region 4) and 51 percent (Region 5) of their total expenditures.

All regions had expenditures for coordination of services of between approximately 4 percent (Regions 4 and 5) and 7 percent (Regions 2 and 3).

Regions 1, 2, 3, and 6 had expenditures for other types of services as well, including transition services, additional service coordination, and crisis management.

The proportions of these service types for each region are shown in the table on the next page.

Children's Behavioral Health Services Expenditures, Proportion by Service Type, FY2014-15



Expenditures by Region

Region 1 Children's Behavioral Health Services Expenditures, FY2014-15

Service	Paid	Number served
Outpatient Mental Health	$58,974	15
Outpatient Substance Abuse	$2,392	6
Youth Transition Support*	$157,431	62
Professional Partner Program (PPP)	$526,729	111
PPP (LB 603)	$47,920	9
Youth System Coordination	$43,222	NA
Total	$836,668	NA

Sources: Region 1 Administrator and Region 1 Network Manager.

*Region 1 has developed the Youth Transition Services Program for children ages 16 to 26 years old with severe and persistent mental illness, severe emotional disturbance, or substance use issues. The program is very flexible and is designed to develop services and supports to allow these youth, who do not have a strong family support system, to live in the community successfully. (Source Region 1 Administrator)

Note: The total number of children served is not applicable (NA) because some children received more than one service.

Region 2 Children's Behavioral Health Services Expenditures, FY2014-15

Service	Paid	Number Served
Outpatient Mental Health	$160,899	173
Outpatient Substance Abuse	$46,579	4
Regional Youth Coordination Services	$57,674	NA
Traditional PPP or Youth Care Coordination	$514,989	115
Youth Care Coordination (LB 603)	$60,050	20
Total	$840,191	NA

Source: Region 2 Administrator.

Region 3 Children's Behavioral Health Services Expenditures, FY2014-15

Service	Paid	Number Served
Outpatient Mental Health	$106,334	219
Outpatient Substance Abuse	$14,490	103
Medication Management	$736	31
Multisystemic Therapy (MST)*	$17,332	18
24 hour Crisis Management	$24,745	113
Youth Inpatient	$1,444	1
Transition Age Emergency Community Support	$139,520	30
Transition Age Youth Advocate Program	$59,404	34
Traditional PPP	$909,672	194
Transition Age PPP	$131,436	40
LB 603 PPP	$100,884	22
LB 603 Transition Age Supported Employment	$66,668	25
Youth System Coordination	$119,623	NA
Total	$1,692,288	NA

Source: Region 3 Administrator.

*Multisystemic therapy (MST) is a family and community-based treatment using an ecological approach for youth ages 6 to 20 with complex clinical, social, and educational problems. MST usually lasts three to five months and youth referred must have a diagnosable mental health disorder and exhibit a combination of: physical and verbal aggression, school failure and truancy, criminal or delinquent behavior usually associated with contact with delinquent peers, and substance abuse issues. The family as a whole works with a trained MST therapist. (Source: Region 3 Administrator)

Region 4 Children's Behavioral Health Services Expenditures, FY2014-15

Service	Paid	Number Served
Outpatient Mental Health (individual)	$24,495	34
Outpatient Substance Abuse (intensive outpatient)	$14,517	4
Outpatient Substance Abuse (individual)	$4,370	5
Outpatient Substance Abuse (group)	$1,212	2
Traditional PPP	$483,402	87
Transition Age PPP	$87,433	14
PPP – LB 603	$89,955	19
Transition Age PPP (LB 603)	$10,929	4
PPP – Rapid Response	$89,538*	11
Youth System Coordination	$37,493	NA
Total	$843,344	NA

Source: Region 4 Administrator.

*Rapid Response PPP is paid from cost savings from the case rate paid from the Traditional PPP which is reinvested. (Source: Region 4 Administrator)

Region 5 Children's Behavioral Health Services Expenditures, FY2014-15

Service	Paid	Number Served*
Outpatient Mental Health*	$794,474	311
Outpatient Mental Health (LB 603)**	$120,789	
Outpatient Substance Abuse Treatment and Assessments	$160,889	89
Traditional PPP	$484,863	147
Transition Age PPP	$332,174	
PPP– Prevention	$94,901	
PPP – Prevention (LB 603)*	$122,082	
Youth System Coordination	$80,000	NA
Total	$2,110,172	NA

Source: Region 5 Administrator.

*Outpatient mental health includes intensive outpatient therapy, assessments, assessments at the Youth Assessment Center (YAC), family therapy and therapeutic consultations.

**Does not include family members who are treated in conjunction with treating the youth.

Region 6 Children's Behavioral Health Services Expenditures, FY2014-15

Service	Paid	Number Served
Outpatient Mental Health	$48,693	128
Outpatient (Douglas County Youth Center & Sarpy Juvenile Justice Center)	$491,967	548
Crisis Response (LB 603)	$173,114	153
Professional Partner Program – traditional	$1,341,886	310
Professional Partner Program – transition age youth	$339,643	86
Professional Partner Program – Rapid Response (LB 603)	$431,279	128
Transition age youth rental assistance program	$167,819	29
Youth System Coordination	$169,181	NA
Total	$3,163,583	NA

Source: Region 6 Administrator.

Service Gaps

In our final section, we provide a summary of the children's behavioral health service gaps which were identified by the regional administrators in our interviews with them. It should be noted that we did not ask whether or not these gaps existed only within the Region-funded array of services or whether they were applicable to the entire spectrum of funders.

Region 1

- Intermediate residential services. Because Region 1 is a rural area with a small population, the cost of providing this type of care is more expensive. Specific examples are: emergency services (crisis response, crisis respite, and crisis stabilization.
- Substance abuse treatment for adolescents (inpatient).
- Increased capacity in the PPP. The PPP is seeing an increased number of youths with higher needs.[14]

Region 2

- Services for youth who require hospitalization or residential services. Ideally, there would be one staff person in each school who would be responsible for identifying children with behavioral health needs and coordinate services.
- Workforce shortage.[15]

Region 3

- Children's crisis services – crisis, stabilization, and response services coordinated by probation, child welfare, the Division of Behavioral Health, and law enforcement regardless of where the crisis occurs;
- Respite care for families;
- Outpatient substance abuse treatment for adolescents;
- Children's medication management. Region 3 needs behavioral health professionals who specialize in psychotropic medication management. There is a shortage of professionals who have this type of training;
- Therapeutic (treatment) foster care (for kids with severe emotional disorders);
- Children and adolescent behavioral analysts (PH.D. level psychologists who work in a general medical or pediatric practice); and
- First Episode Crisis (FEP) care (early intervention and coordinated care for individuals experiencing their first psychotic episode).[16]

Region 4

- Housing for transition age youth;
- Medication management;
- Behavioral health services for low risk adolescents; and
- Intensive outpatient services, which are more difficult to sustain in regions with smaller populations.[17]

Region 5

- Specialty programs for early intervention in school and community learning center settings;
- Improvement in developing independent living plans for youth, 14 and older; and
- More intensive family preservation services. MST is too limited because it only serves adolescents with behavioral health issues, but excludes children under 12, and children who are psychotic, autistic, or developmentally disabled.[18]

Region 6

- Comprehensive crisis continuum
  - Assessment center for youth in crisis
  - Out of home crisis stabilization
  - In-home crisis services
- Timely access to behavioral health services
  - 24/7 access to behavioral health services and urgent care
  - Open access to services
- Workforce shortage of behavioral health professionals specializing in treating youth
- Intensive community-based services for youth
  - Assertive Community Treatment (ACT) for youth
  - In-home treatment providers
  - Treatment services for youth who are sexual offenders and for victims of sexual offenses
  - Treatment options for youth with complex mental health needs and developmental disabilities, including residential options
  - Mental health diversion services to keep youth out of the juvenile justice system
- More evidence-based treatment providers in specific therapeutic models (e.g., child parent psychotherapy, trauma-focused cognitive behavioral therapy, and parent/child interaction therapy)
- Mental health prevention/early intervention services (e.g., suicide prevention, mental health screening for youth in schools and primary care clinics)
- Supported employment and education services.[19]

Supplemental: Funding from the Division of Behavioral Health (DBH), FY2014-15

This table reflects *actual payments* made from DBH to the regions between July 1, 2014 and June 30, 2015. Under Neb. Rev. Stat. § 43-4406, DBH must report this information to the Legislature annually.

Service	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6
Outpatient						
Outpatient Therapy – MH	$64,840	$126,713	$127,008	$22,454	$443,763	$526,506
Intensive Outpatient Therapy - MH	0	0	0	0	$64,311	0
Outpatient Therapy – SA	$10,562	$44,869	$13,810	$5,121	$117,911	0
Intensive Outpatient Therapy - SA	0	0	$2,532	$14,011	0	0
Professional Partner Program (PPP)						
PPP - MH	$508,964	$503,135	$863,452	$476,648	$612,638	$1,009,457
PPP (LB 603) - MH	$48,802	$60,050	$100,699	$90,592	0	$425,458
Prevention PPP - MH	0	0	0	$4,933	$95,690	0
Prevention PPP (LB 603) - MH	0	0	0	0	$117,693	0
Transition Age PPP - MH	$1,681	0	$131,025	$68,937	$330,470	$349,010
Transition Age PPP (LB 603) - MH	0	0	0	$12,574	0	0
Professional Partner School Wrap - MH	0	0	0	$8,407	0	0
Youth System Coordination						
Mental Health	$17,059	$46,939	$90,920	$16,763	$40,438	$104,681
Substance Abuse	$17,059	0	$28,523	$19,283	$39,311	$48,770
Other						
Youth Transitional Program - MH	$167,106	0	0	0	0	
Home-based Mental Health (MST)	0	0	-$4,301	0	0	0
Pilot Young Adult Partner (FEP) - MH	0	0	$60,216	0	0	0
Supported Employment, Transition Age - MH	0	0	$69,339	0	0	0
Emergency Community Support for Transition Youth - MH	0	0	$139,780	0	0	0
Medication Management - MH	0	0	$3,454	0	0	0
Juvenile Diversion Program - SA	0	0	0	0	$233	0
SOAR Program - SA	0	0	0	0	$52,087	0
Therapy Consultation - MH	0	0	0	0	$92,059	0
Youth Assessment - MH	0	0	0	0	$284,083	0
Youth Assessment - SA	0	0	0	0	$43,642	0
Community Support - SA	0	0	0	0	0	$457
Crisis Response Teams (LB 603) – MH	0	0	0	0	0	$173,703
Total	**$836,073**	**$781,706**	**$1,626,457**	**$739,723**	**$2,334,329**	**$2,638,042**

Source: LB 1160 Report to the Legislature, September 15, 2015.

Abbreviations

MH	Mental Health
SA	Substance Abuse
MST	Multisystemic Therapy
FEP	First Episode Psychosis
SOAR	SSI/SSDI Outreach, Access and Recovery Program

[1] Email from DHHS Administrator, Division of Medicaid and Long-Term Care, November 18, 2015.
[2] This figure is approximate because the reported expenditures reflect a slightly different period (August 2014 through July 2015) than the fiscal year (July 2014 to June 2015).
[3] Meeting with Legislative Fiscal Office, October 23, 2015; telephone call with Legislative Fiscal Office, December 1, 2015; and conference call with Region 3 Administrator, October 28, 2015.
[4] LB 603 report to the Legislature, September 15, 2015, p. 3.
[5] LB 603 report, p. 3.
[6] Judge David L. Bazelon Center for Mental Health Law, "Wraparound Services," http://www.bazelon.org/Where-We-Stand/Success-for-All-Children/Mental-Health-Services-for-Children/Wraparound-Services-.aspx (accessed December 15, 2015).
[7] These children must be diagnosed with a mental, behavioral, or emotional disorder with the last year which has resulted in functional impairments that substantially interfere with the child's role in family, school, or community activities. LB 603 report, p. 17.
[8] LB 603, section 10 (2009).
[9] LB 603 report, p. 7
[10] LB 603 report, p. 12.
[11] LB 603 report, p. 15.
[12] See Regions 3, 4, 5, and 6.
[13] Legislative Performance Audit Committee, *The DHHS Behavioral Health Division's Role in Reducing Service Gaps*, November 2015.
[14] Conference call with Region 1 Administrator, October 30, 2015.
[15] Conference call with Region 2 Administrator, October 27, 2015.
[16] Regions 3 and 6 are currently participating in a pilot project funded with federal block grant set aside money. Region 6 is scheduled to begin services in November 2015 and Region 3, by January 2016. Conference call with Region 3 Administrator, October 28, 2015.
[17] Conference call with Region 4 Administrator, October 30, 2015.
[18] Conference call with Region 5 Administrator, October 28, 2015.
[19] Conference call with Region 6 Administrator, November 2, 2015 and email dated November 12, 2015.