STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
LANSING

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February 18, 2015

The Honorable Peter MacGregor, Chair
Senate Appropriations Subcommittee on DHS
Michigan State Senate
Lansing, Michigan 48933

The Honorable Earl Poleski, Chair
House Appropriations Subcommittee on DHS
Michigan House of Representatives
Lansing, Michigan 48933

Dear Senator MacGregor and Representative Poleski:

This report is provided pursuant to the Department of Human Services' (DHS') Fiscal Year 2015 Appropriations Act, PA 252 of 2014, Article X, Section 603(1) (2). This section requires that DHS conduct a workgroup in conjunction with the Department of Community Health (DCH) and members from both the senate and house of representatives to determine how the state can maximize Medicaid claims for community-based and outpatient treatment services to foster children and adjudicated youths who are placed in community-based treatment programs.

The workgroup convened on October 23, November 24 and December 19, 2014. The workgroup included representatives from the legislature, DHS, DCH, private non-profit agencies, family court administrators, and the Juvenile Assessment Center.

The workgroup discussed the questions posed in each subsection and the following represents consensus of the items raised:

(a) Could the department of community health change Medicaid health plan contracts to require the use of the child and adolescent needs and strengths assessment tool?
DCH could place a requirement in the Medicaid health plan contracts requiring the use of a tool. However, there are many distinct tools for screening, assessing and case planning. A more suitable goal is to assess the available tools and determine where the tools can be best utilized. DCH policy follows the American Academy of Pediatrics (AAP) guidelines for screening and assessment.

(b) Could the thresholds for the screening tools for children with mild to moderate mental health needs be changed?
No. Tools are well-researched and the thresholds are validated by the research. The developers of the tools set the thresholds based on the research. The essential part of the process in using validated screening and assessment tools is to ensure that follow-up is secured if a need is indicated.

(c) Could the 20-session limit for children and youths not labeled seriously emotionally disturbed be changed to increase coverage?
The MHP (Medicaid Health Plan) and PIHP (Pre-Paid Inpatient Health Plan) Children's Behavioral Health Workgroup is addressing this issue and will be issuing recommendations in FY 2015. The need has been identified for improved coordination between the MHP and the PIHP to provide coordinated care that best meets the needs of the child. Screening or assessment should identify level of care at the onset.

(d) Could therapeutic interventions such as in-home services or wraparound be substituted for current talk therapy benefits?
DCH will continue to collaborate with DHS to evaluate best practices and benefit options for this population. The scope and implementation of any potential benefit changes may impact whether a waiver from the Centers for Medicare and Medicaid Services would be required.

(e) Could the community health services program provide the mild to moderate treatment that the Medicaid health plans currently provide and does federal law permit this change?
Michigan could move all behavioral health services to the pre-paid inpatient health plans in compliance with federal law. DCH is considering alternatives to providing behavioral health services in an effort to make sure Medicaid beneficiaries are receiving the care they need.

(f) Regarding assessment of children with serious emotional disturbance, which assessment takes precedence if more than one tool was used in an evaluation and the conclusions differ?
The tools are used to provide guidance and are not a finite process. There are different tools for different purposes. If there is disagreement amongst the parties involved in the care and decision making for the child's need then a consultation between the parties is necessary for resolution.

(g) Could the thresholds to determine serious emotional disturbance be changed, and if so, would a change impact Medicaid eligibility and funding?
The current threshold for serious emotional disturbance is quite low. There must be checks and balances in place to determine when a child's need changes and how to access a more or less intensive service.

(h) Is there a cap on the 1915B waiver, and if not, in what ways could this state access additional intervention services for children with serious emotional disturbance?
There is not a cap on the 1915B waiver. If a child meets medical necessity criteria and is on Medicaid, then the child is served. The DHS incentive payment was implemented in July 2012 to increase access and array of services for foster children and children in families served by Children's Protective Services, category 1 and 2.[i]

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[i] *Category I - court petition required. The department determines that there is evidence of child abuse or neglect and 1 or more of the following are true:*
(i) A court petition is required under another provision of this act.
(ii) The child is not safe and a petition for removal is needed.
(iii) The department previously classified the case as category II and the child's family does not voluntarily participate in services.
iv) There is a violation, involving the child, of a crime listed or described in section 8a(1)(b), (c), (d), or (f) or of child abuse in the first or second degree as prescribed by section 136b of the Michigan penal code, 1931 PA 328, MCL 750.136b

Category II - child protective services required. The department determines that there is evidence of child abuse or neglect, and the structured decision-making tool indicates a high or intensive risk of future harm to the child. The department shall open a protective services case and provide the services necessary under this act. The department shall also list the perpetrator of the child abuse or neglect, based on the report that was the subject of the field investigation, on the central registry, either by name or as "unknown" if the perpetrator has not been identified.

(i) How can the department, the department of community health, and the courts take an active role to ensure that adjudicated youths who remain at home are enrolled in Medicaid, if eligible?
DCH and DHS plan to create a brochure that courts can use to guide parents through the Medicaid application process and provide training on the process.

(j) What are the needed changes to create a clear policy on suspension or termination of Medicaid for adjudicated youths?
The Bridges Eligibility Manual was updated October 1, 2014. These policies now provide the correct terminology for youth in detention or secure short- term detention that will assist frontline eligibility workers in determining Medicaid eligibility for youth.

(k) What are the needed changes to update Medicaid system changes?
The workgroup is not aware of issues that impact systems or what systems need to be updated.

(l) What can the department do to train the courts on Medicaid eligibility and policy regarding adjudicated youths?
DHS will develop informational brochures and provide trainings.

The workgroup identified existing initiatives that are implementing feasible items while maximizing Medicaid claims for community-based and outpatient treatment services to foster care children and adjudicated youths who are placed in community-based treatment programs. The Mental Health and Wellness Commission issued recommendations and allocated funding to increase the quality and availability of behavioral health services for foster care children and adjudicated youths. The workgroup will meet quarterly during the remainder of FY 2015 to monitor the progress of current efforts and initiate actions based on monitoring results. The meetings are scheduled for March 12, June 4 and September 24, 2015.

If you have any questions, please contact Mary Chaliman, Child Welfare Medical Unit manager, at (517) 898-0707.

Sincerely,

Susan Kangas
Chief Financial Officer

cc: Senate and House Appropriations Subcommittees on DHS
Senate and House Fiscal Agencies
Senate and House Policy Offices
State Budget Office