

State of Alaska
**DEPARTMENT OF HEALTH & SOCIAL
SERVICES**

Frank H. Murkowski, Governor

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Bringing — and Keeping — the Kids Home

The Department of Health and Social Services is requesting \$3.76 million in new general funds in the Fiscal Year 2007 budget to invest in the Bring the Kids Home initiative. This funding will enhance the two-year effort underway in partnership with the Mental Health Trust Authority to invest \$5 million in FY06 and FY07 to bring and keep kids home. Of that amount, the Trust is contributing about \$2.2 million. Additionally, the Denali Commission is providing \$5.5 million federal funding over two years to help with half of the capital improvement costs to expand in-state capacity.

During the period from 1998 to 2004, the children's behavioral health system in Alaska became increasingly reliant on institutional care — Residential Psychiatric Treatment Center (RPTC) care for treatment of severely emotionally disturbed youth. Out-of-state placements in RPTC care grew by nearly 800 percent during that time. At any given time, approximately 350-400 children are being served in out-of-state placements. Alaska Native children represent 49 percent of children in state custody sent to out-of-state placements and 22 percent of the non-custody children sent to out-of-state placements.

"We've only heard talk about this for the last decade, but the sad fact remained that the state had failed to develop local treatment services. As a result, our young people had to leave their villages and their families to seek services Outside. That's unacceptable."

**Governor Murkowski speaking to
Alaska Federation of Natives Convention,
October 2004**



Bring the Kids Home project

The Department of Health and Social Services initiated the Bring the Kids Home project in 2004, in partnership with the Mental Health Trust Authority, the Denali Commission and other stakeholders. The mission is to return children being served in out-of-state facilities back to in-state residential or community-based care. The intent is to reinvest funding now going to out-of-state care to in-state services and build capacity to serve children closer to home.

The following long-term goals guide the direction of the Bring the Kids Home project:

- Build/develop and sustain the community-based and residential capacity to serve children with all intensities of need within the service delivery system in Alaska.
- Develop an integrated, seamless service system in Alaska that will allow children and youth to be served in the most culturally competent, least restrictive setting, as close as possible to home as determined to be safe and appropriate.
- Significantly reduce the existing numbers of children and youth in out-of-state care and ensure that the future use of out-of-state facilities is kept to a minimum.

Bring the Kids Home: Activities for FY05

The scope of this project requires that four levels of the system of care must be addressed concurrently: community, regional, in-state, and out-of-state care.

Community level of care

- Using about \$1.1 million from the Mental Health Trust Authority, a Request for Proposals was issued for home and community based capacity enhancements in summer 2005, to provide operational funding for therapeutic alternatives close to home for youth diagnosed as severely emotionally disturbed.
- With Mental Health Trust Authority funding, the department began a planning initiative to define and implement Individualized Service Agreements to ensure youth diagnosed as severely emotionally disturbed are served as close to their community as possible, providing clinically necessary services to prevent institutional care.

Regional level of care

- The department is expanding the role of resource committees to provide gate keeping functions for Alaska children, ensuring that in-state resources at the appropriate level of care are fully utilized as matched with the client's clinical needs, as close to community and family as possible.
- The department contracted with McKesson Corporation in the use of a Level of Care Assessment at two pilot sites, both of which will be implemented in early 2006.

State level of care

- Trust funding helped create three Utilization Review positions in Behavioral Health to ensure that all in-state resources are used prior to a young person being placed in an out-of-state Residential Psychiatric Treatment Center.
- The department is soliciting for further services to assist in the Bring the Kids Home Initiative by the end of FY06, including therapeutic foster homes, home and community based capacity enhancements, and residential psychiatric treatment beds.
- The Dept. of Health and Social Services and the Dept. of Education and Early Development are developing a memorandum of agreement to ensure that the needs of all Alaskan children with intensive behavioral health issues will be reviewed by regional and out-of-state placement committees.
- Juneau Youth Services and the Southeast Area Regional Health Corporation received \$90,000 for planning and design and \$1.5 million of capital funding for their proposed 15-bed Residential Treatment Center.



Groundbreaking ceremony for the new Juneau Residential Treatment Center, October 2005

Out-of-State level of care

- The department has been working to amend the regulations for out-of-state placement to give Behavioral Health regulatory authority to manage and authorize out-of-state providers.
- Behavioral Health has negotiated with contractor First Health Services to provide two additional Care Coordinators to monitor length of stay and ensure timely discharge of youth from Residential Psychiatric Treatment Centers.

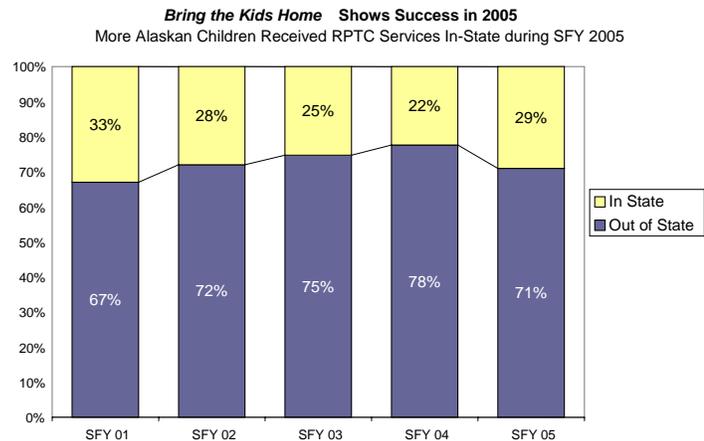
Bring the Kids Home: Outcomes for FY05

Due to the efforts of the partners in the Bring the Kids Home initiative, with creative collaboration with some urban providers, the numbers of Alaska children placed out-of-state declined in FY05 — for the first time. This is significant and shows that we are making progress.

Between FY98 and FY04 the unduplicated number of youth diagnosed as severely emotionally disturbed receiving out-of-state residential psychiatric treatment care has steadily increased an average 46.7 percent per year. During the same time period the distinct number of in-state residential psychiatric treatment care recipients has remained relatively flat, showing little change. The Residential Psychiatric Treatment Center population as a whole has also shown steady increase from FY98 to FY04, an average annual increase of 24.8 percent.

Between FY04 and FY05:

- The unduplicated number of Out-of-State Residential Psychiatric Treatment Center Medicaid recipients **decreased 5.1 percent** — the first decrease in the Out-of-state Residential Psychiatric Treatment Center population since 1998.



Source: DBH Policy and Planning using MMIS-JUCE data, unduplicated count of Medicaid RPTC beneficiaries.

December 23, 2005

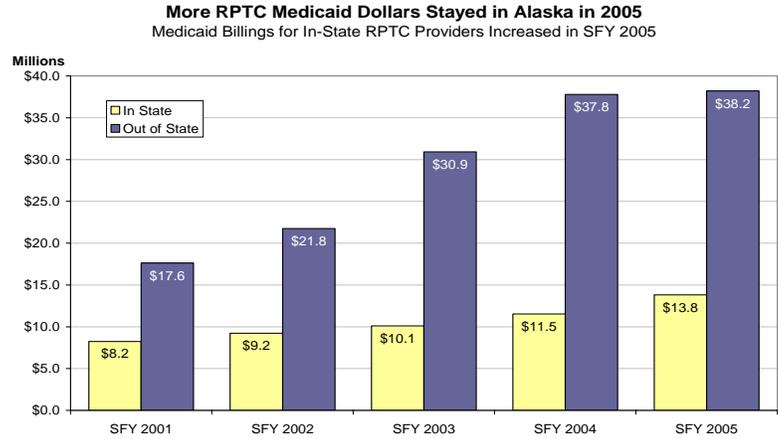
Distinct Counts of Medicaid RPTC Recipients by State Fiscal Year								
	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05
Out-of-state	83	149	247	429	536	637	749	711
In State	139	217	221	211	208	215	216	291
Total	222	366	468	640	744	852	965	1,002

- The unduplicated number of In-State Medicaid Residential Psychiatric Treatment Center recipients increased 34.7 percent.
- After years of steady increases, the number of out-of-state Alaska youth not in state custody receiving Medicaid assistance for Residential Psychiatric Treatment decreased 6.6 percent between FY04 and FY05.

Between FY98 and FY04 out-of-state Residential Psychiatric Treatment Center Medicaid expenditures annually increased an average of 59.2 percent and increased overall 1300 percent. During the same time period in-state Residential Psychiatric Treatment Center Medicaid expenditures increased a little more than 300 percent and with smaller average annual increases of 29.6 percent.

Between FY04 and FY05:

- Out-of-State Residential Psychiatric Treatment Center Medicaid expenditures **increased by only 1.1 percent** — the smallest annual increase since 1998.
- In-State Residential Psychiatric Treatment Center Medicaid expenditures **increased by 19.8 percent**.
- Total Residential Psychiatric Treatment Center Medicaid expenditures increased by 5.5 percent — the smallest annual increase since 1998.
- Residential Psychiatric Treatment Center Custody expenditures for the out-of-state youth in custody decreased 1.3 percent from FY04 to FY05. Whereas this may seem minor, this decrease in out-of-state expenditures is significant considering the explosive annual historical increases. In-state expenditures for youth not in state custody increased 34.6 percent during the same time period.



Source: DBH Policy and Planning using MMIS-JUCE data, RPTC Medicaid claim payments.

December 23, 2005

Governor Frank Murkowski's FY07 budget request

Governor Murkowski's FY07 budget includes a request for an additional \$3.76 million in state general fund investment for the Bring the Kids Home initiative to build on the successes of the past and to continue to make progress. The proposal focuses on three main areas:

- \$390,000 general fund to improve oversight and staffing of the regional placement committees to form the gatekeeping system to review placement of all Alaskan youth.
- \$1.25 million general fund to expand lower level residential care beds for children not in state custody. This will allow the state to purchase unused bed capacity for in-state use at a lower cost.
- \$2.12 million general fund to provide for individualized services for children who remain in Alaska and need community services.

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