

COMMUNITY MENTAL HEALTH

BUDGET SUMMARY AND ROLE OF CASELOADS IN THE STATE BUDGET PROCESS

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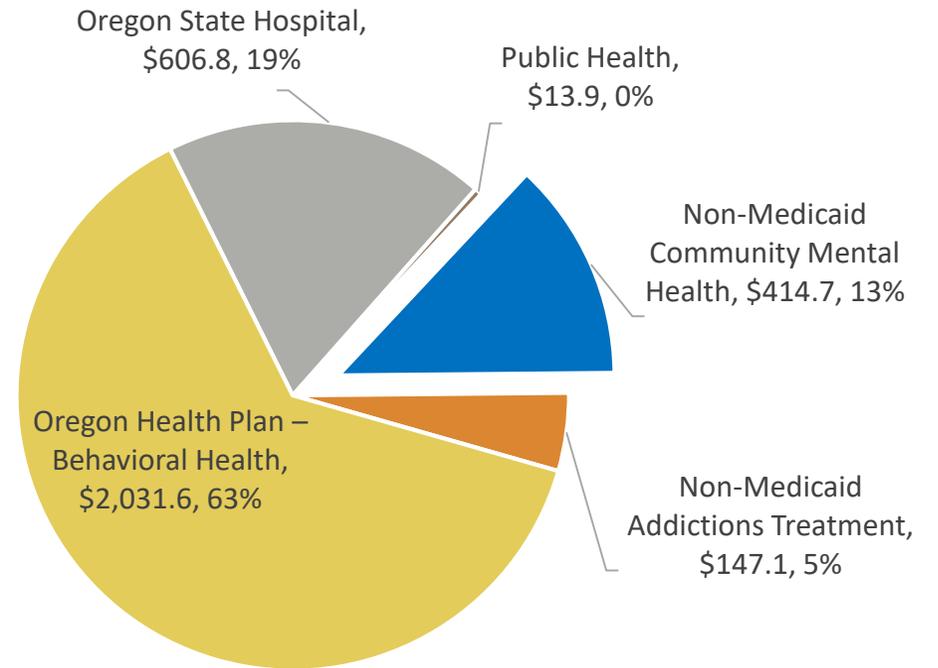
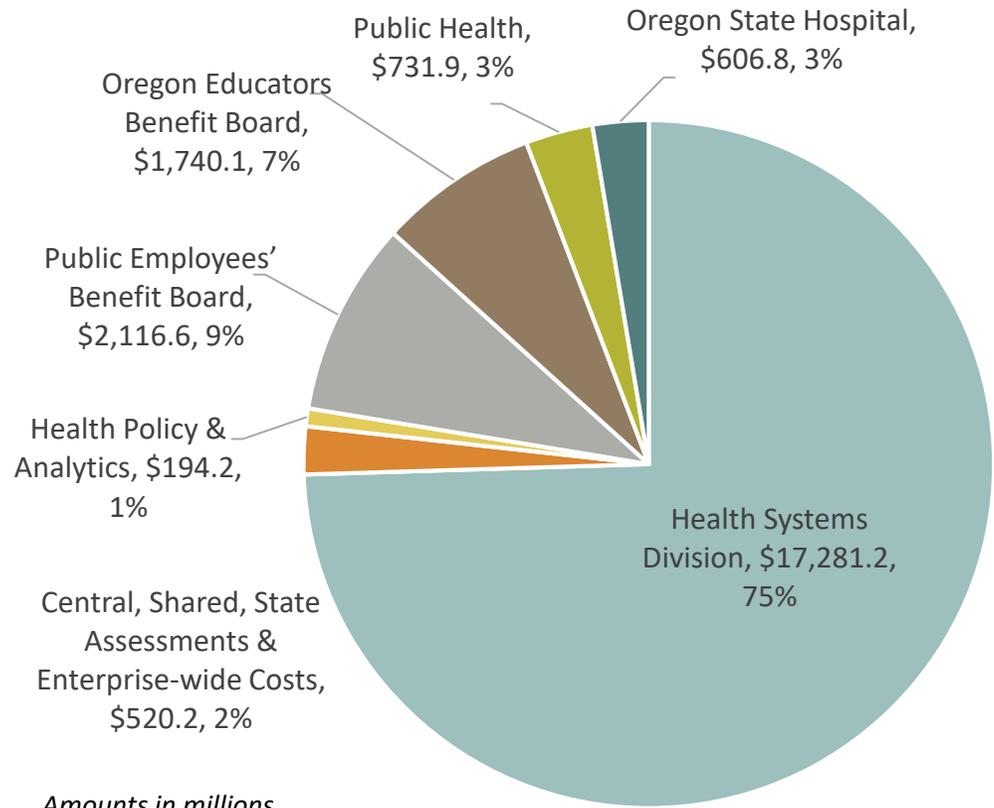
Overview

- Summary of Oregon Health Authority budget for community mental health services
- Role of mandated caseloads in the budget process
- Workgroup review of community mental health caseloads

OHA 2019-21 Legislatively Adopted Budget

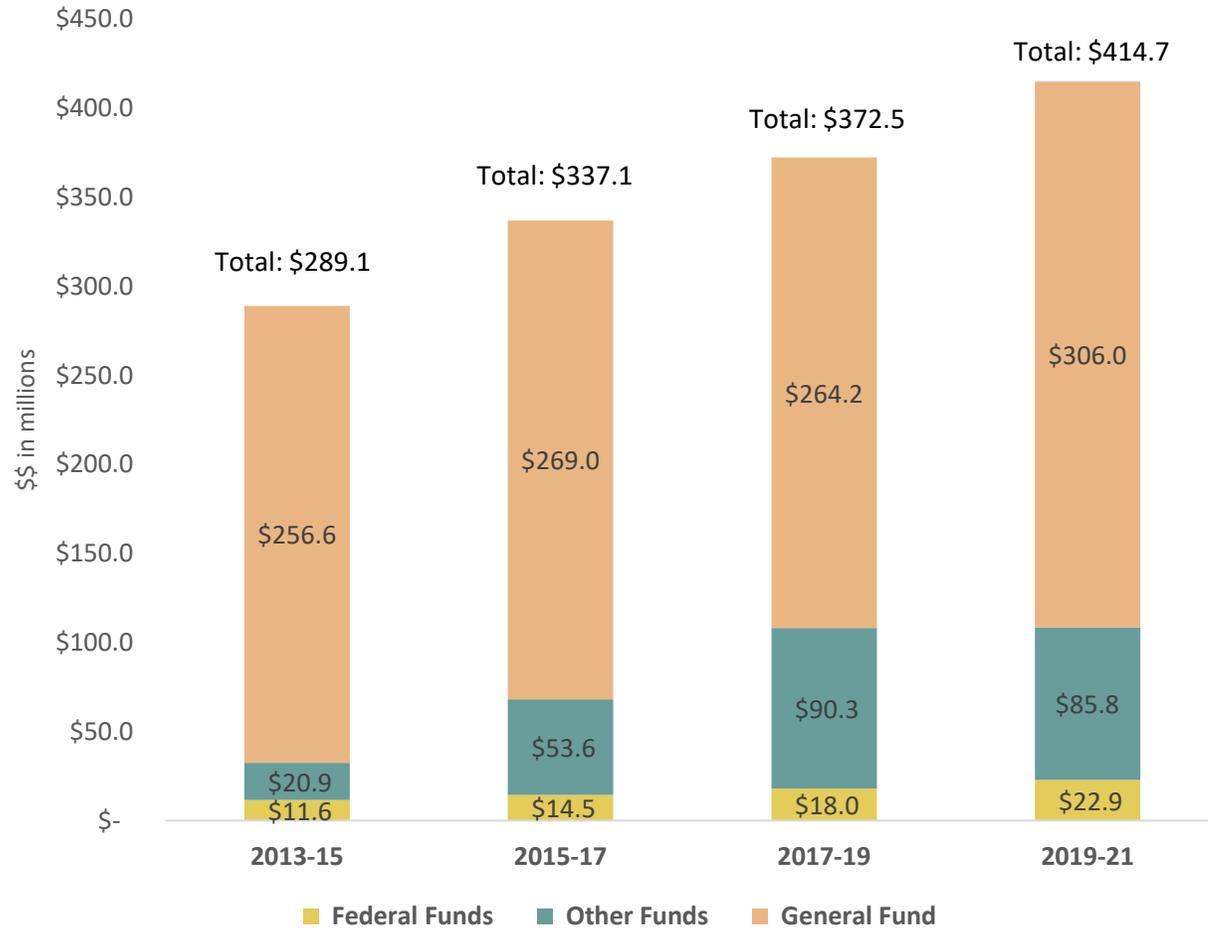
**OHA Agency-wide Budget
\$23.2 billion Total Funds**

**Behavioral Health: Of the total agency-wide budget,
\$3.2 billion supports behavioral health services**



OHA's Community Mental Health (CMH) Budget

CMH Budget Trends: 2013-15 to 2019-21



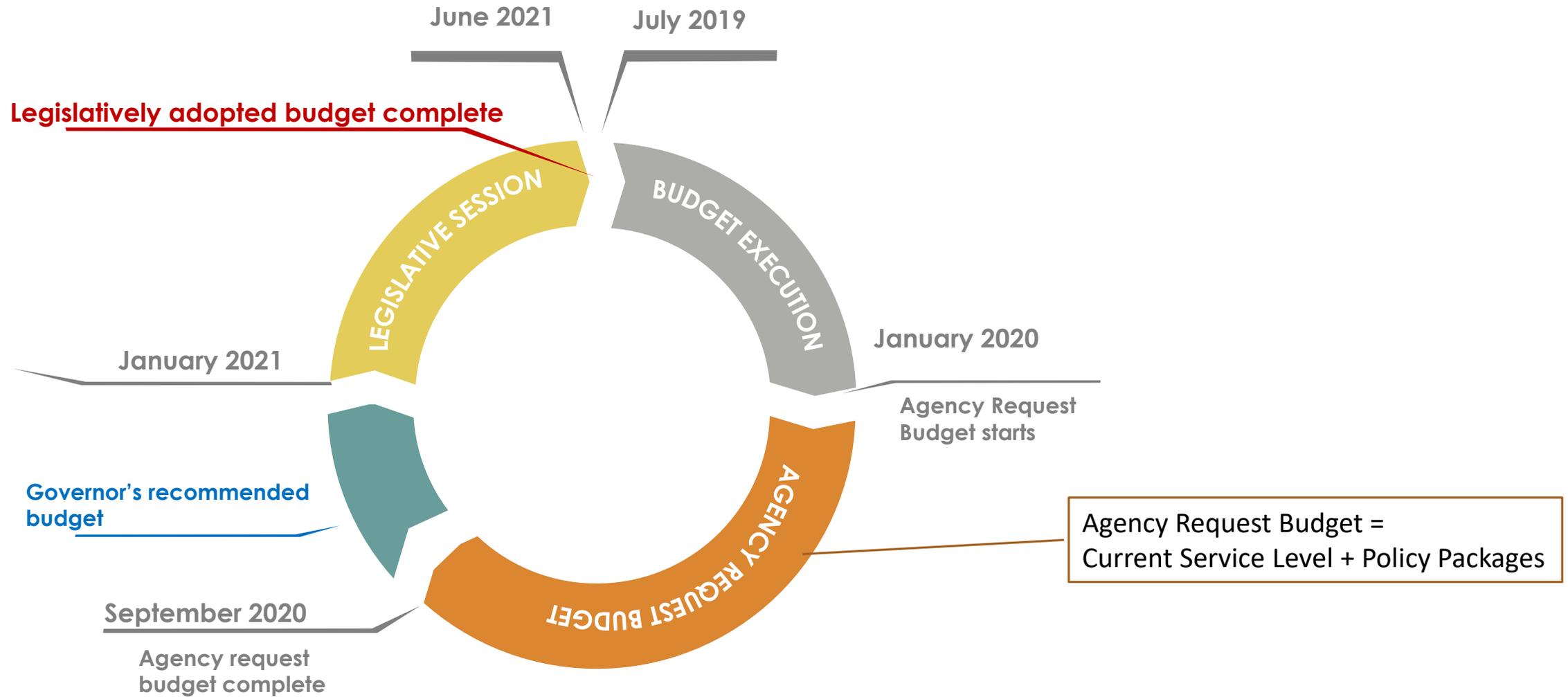
2019-21 CMH Budget Changes

Adjustments (amounts in millions)	General Fund	Total Funds
Base Budget	\$257.9	\$365.0
1. Program Phase-ins	\$2.0	\$2.0
2. Inflation	\$10.3	\$13.9
3. Mandated caseload decline	(\$15.3)	(\$15.3)
4. Offset forecasted caseload decline	\$6.0	\$6.0
5. Investments:		
a) School-based mental health	\$8.6	\$8.6
b) Aid and Assist	\$7.6	\$7.6
c) Increased provider rates	\$6.5	\$6.5
d) Home/community services eligibility	\$4.8	\$4.8
e) Rental assistance	\$4.5	\$4.5
f) Crisis and transition services	\$3.1	\$3.1
6. Fund shifts/transfers	\$10.0	\$0.1
7. Federal Funds	\$0.0	\$7.9
2019-21 Leg. Adopted Budget	\$306.0	\$414.7

In addition to the \$6 million included in OHA's 2019-21 budget to help offset the caseload decline, the Legislature approved two separate actions through the Ways and Means process to address the community mental health budget and caseloads:

- 1. \$9 million Emergency Fund Reservation (HB 5050):** According to the budget report for HB 5050, OHA may request allocation of the reservation *“if any or all of these funds are deemed necessary to maintain the 2017-19 level of on-going community mental health program services funded by the agency.”*
- 2. Budget Note – Caseload Review (SB 5525):** The budget report for OHA's 2019-21 budget bill includes a budget note instructing OHA, with stakeholder input, to review caseload forecasting methodologies, including cost per case, and make recommendations to the Legislature.

State Biennial Budget Cycle



Budget adjustments for changes in mandated caseload levels begin with the development of the Current Service Level budget

Current Service Level (CSL): an estimate of the costs to continue current legislatively approved programs into the next biennium; allowable CSL adjustments include the following:

- a) Removal of one-time expenses
- b) Vacancy savings and employee inflationary expenses
- c) Program phase ins/outs
- d) Inflation for services, supplies, and medical costs
- e) **Mandated caseload changes**
- f) Fund shifts
- g) Technical adjustments
- h) Debt service for previously issued debt

Notes:

- Adjustments/requests outside of the CSL process are addressed in policy package requests
- Changes in OHA's mandated caseload levels during an existing biennium are typically made as part of OHA "rebalance" adjustments

OHA's Mandated Caseloads

Mental Health

Civil Commitment: individuals who are found through a civil court process to be dangerous to themselves and/or others or are unable to care for themselves as a result of a mental illness, resulting in court-mandated mental health treatment.

Guilty Except for Insanity: individuals who have been charged with a crime and found to be guilty except for insanity.

Aid and Assist: individuals accused of a crime but are unable to participate in their trial and ordered by a court to receive mental health restorative services to be able to understand their criminal charges and “aid and assist” in their trial.

Medical Assistance Programs

Oregon Health Plan (OHP): nine distinct eligibility categories corresponding to various combinations of age, income, family structure, residency status, and medical condition.

Other Medicaid: Medicaid expenditures in medical assistance programs for certain non-OHP caseloads and costs.

Caseload Forecasting Process at a Glance

- ***Separate processes*** – calculation of OHA caseload forecasts is independent from calculation of corresponding budget adjustments
 - Caseload forecasts for OHA and the Department of Human Services (DHS) are completed by the Office of Forecasting, Research and Analysis (OFRA), which is an OHA/DHS shared service; OFRA does not address the estimated dollar impact of caseload changes
- ***Oversight*** – oversight of caseload forecasts and methodologies provided by Caseload Forecast Advisory Committee and Forecast Policy Advisory Committee
- ***Semi-annual forecasts*** – caseload forecasts for the current and upcoming biennium are published each **spring** and **fall**; monthly reports comparing actual caseload trends to forecasted numbers also published for most caseloads

SB 5525 (2019) Budget Note

The budget report for OHA's 2019-21 budget bill (SB 5525) includes the following budget note:

“The Oregon Health Authority, in consultation with the Chief Financial Office of the Department of Administrative Services, the Legislative Fiscal Office, and community mental health programs, shall make recommendations to the 2020 Legislative Assembly about how to update behavioral health caseload forecast methodologies, processes and related funding formulas. At a minimum, the agency shall consider if the price per case accurately captures the cost of community based behavioral health treatment and how caseload methodologies and use of funding incentivizes regionally and nationally recognized best practices, and outcome oriented strategies, to create a more effective system to meet the behavioral health needs of individuals in the community and prevent higher levels of care when appropriate. The agency shall present recommendations to the Legislature by December 1, 2019.”

Budget Note Status

- **Workgroup:** members from OHA, community mental health system, Legislative Fiscal Office, and Department of Administrative Services Chief Financial Office
- **Caseload data review:** pros and cons of existing forecast inputs/outputs identified; review remains on-going
- **Cost per case analysis:** questions raised on breadth of services to include with budget adjustments and county vs. state funding responsibilities
- **Incentivizing outcomes:** determining how existing funding methodologies might incentivize or disincentive community mental health programs remains on-going; caseload data review and cost per case analysis will help inform this
- **Recommendations:** continued review of issues through December with recommendations refined prior to the February 2020 session

Thank You
