

**Office of Mental Health and Addiction Services
Children's System Change Initiative UPDATE
July 19, 2005**

MHO Rate Setting and Financing

Decisions regarding rate setting and financing of the CSCI are being finalized. Funding for Intensive Treatment Services (ITS), previously paid to ITS providers through direct contracts with the State, will be managed by the MHOs beginning October 1, 2005. Changes in financing relate mainly to the funding individual MHOs receive (rate setting methodology) and how the MHOs spend the funding they receive (infrastructure stabilization).

Funding for psychiatric residential treatment services (PRTS) and psychiatric day treatment services (PDTS) is affected differently. Of the available PDTS funding, allocations to MHOs will be based on 95% historical utilization and 5% on population distribution effective October 1, 2005. On January 1, 2006 this will change to 90% historic utilization and 10% population distribution. For PRTS funding the glide path begins at 50% historic utilization/50% population distribution beginning on October 1, 2005 for a period of 15 months. On January 1, 2007 the funding glide path will be changed to 25% historic utilization/75% population distribution. On January 1, 2008 PRTS rates will be based on statewide per member per month calculations.

Financial expenditures by the MHOs with ITS certified providers are also formulated with a glide path. MHO expenditure performance targets with PRTS and PDTS providers follow the same glide path as funding allocations to MHOs for PRTS funding (see above).

For Medicaid eligible children not enrolled in MHOs (open card/fee-for-service), psychiatric day treatment providers will continue to be paid on a fee-for-service basis through direct contracts with the State using mechanisms currently in place. Psychiatric residential treatment providers will be paid on a fee-for-service basis through direct contracts with the State as is currently the practice. Screening, determination of need and referrals for non-MHO enrolled youth will be done by the Community Mental Health Programs.

OMHAS Policy Six regarding financing will be revised and made available soon to reflect the Office's decisions related to these changes in rate setting and financing.

ITS Coordinators Meeting Becomes Children's Mental Health System Coordinators Meeting

ITS coordinators from the MHOs participating in the ITS pilot have been meeting monthly to discuss system issues and lessons learned for some time now. When the CSCI rolls out on October 1st, the ITS pilot will end. In order to facilitate discussion about practice-level implementation of the CSCI, this group has now broadened to include all MHOs, Community Mental Health Programs (CMHPs), providers, families and interested stakeholder groups. The last two meetings have included participation by residential and day treatment programs, education and child welfare. The meeting provides a forum for those involved with implementation to share ideas and solve problems. The next system coordinators meeting is scheduled for August 4th from 9-noon in HSB-352. For more information about this meeting contact Ellen Pimental at Ellen.Pimental@state.or.us.

Additionally, the monthly CSCI implementation meeting will no longer be scheduled (the July 27th meeting has been cancelled), as implementation issues will be discussed at other meetings (see schedule on page 3).

Permanent ICTS Rule Filed July 1st

A public hearing was held on June 1st at which oral and written testimony was given on the proposed permanent draft of the Intensive Community-Based Treatment and Support Services Oregon Administrative Rule (ICTS OAR). A hearing report dated June 21, 2005 summarizes the oral and written comments and includes OMHAS response to the comments. The ICTS rule was filed and became effective on July 1, 2005. It replaces the temporary rule that was filed on January 3, 2005. Many thanks to those who helped refine this rule. Stakeholders participated in five public meetings and the hearing between September 2004 and June 2005. OMHAS has developed and distributed certification criteria for potential ICTS providers. Additionally, FAQs regarding the rule are being developed and will be widely distributed soon. The ICTS rule and hearing report are available on line at: <http://www.oregon.gov/DHS/mentalhealth/child-mh-soc-in-plan-grp/main.shtml>.

For more information on the ICTS OAR and the certification process, contact Matthew Pearl at matthew.pearl@state.or.us or Jeannine Beatrice at jeannine.beatrice@state.or.us.

Ongoing Planning/Collaboration of Stakeholders at CSCI Meetings

CSCI implementation continues statewide with stakeholder input at monthly meetings. Following are a list of the meetings:

- Children's System Advisory Committee (CSAC) – 4th Friday of the month
- Children's Mental Health System Coordinators – 1st Thursday of the month
- Quality Data Improvement Workgroup (QDIG) – 1st Wednesday of the month

Visit the DHS website @ <http://www.dhs.state.or.us/mentalhealth/tools-policymakers/minutes/csac/csac05sched.pdf> to view meeting days, times, and locations.