OVERVIEW OF GOVERNOR’S
2017-19 BEHAVIORAL HEALTH
BUDGET

Select Committee on Quality Improvement in the State Hospitals

December 20, 2016
Governor’s Behavioral Health Budget Policy Approach

- Fix immediate challenges at Western State Hospital
- Redesign system around 21st century care
**Key Areas of Opportunity**

6. Establish a robust continuum of care and support for transitions.

5. Increase focus on outcomes to ensure the system delivers desired results and continuous improvement.

4. Support workforce development efforts and use of best practices to attract and retain staff.

1. Refine the role of state hospitals to serve the right patients in the right environment.

2. Improve early identification and treatment of behavioral health needs.

3. Increase collaboration and redesign system to achieve patient centered care.
Review of Initial Findings

**Major Findings:**

1. State hospital utilization and operations face a number of challenges.
2. Community based resources exist in a disparate set of systems that does not effectively support complex patient needs.
3. Ambiguity and lack of system-wide standardization weakens the ability of providers, BHOs, and patients alike to effectively use the system.
4. Best practices for mental health funding are incentivizing reduced institutionalization and increased outcomes-oriented community care.

**Key Challenges Identified:**

- the volume of patients committed to the state hospital and subsequent admission delays
- discharge delays for patients who no longer require state hospitalization
- availability of specialized residential and other community programs
- coordination across the care continuum
Behavioral Health System Redesign and Coordination

- Western and Eastern State Hospital Improvements
- Enhanced Discharge Placement Options
- Safe and Affordable Housing
- Increased Focus on Prevention
- Early Intervention and Diversion
- Building Community Capacity for Inpatient Treatment

Managed Care Organizations, ALTSA, DDA
Coordination and Support
## Final Recommendations

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Areas of Opportunity Addressed</th>
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| **Recommendation 1:** Require the Director of the Health Care Authority to submit a state psychiatric hospital managed care risk model to the Legislature by December 31, 2017 to support putting Medicaid managed care organizations at risk for this benefit effective January 1, 2020. | ✓ Collaboration and system redesign  
✓ Role of state hospitals  
✓ Workforce development |
| **Recommendation 2:** Establish a new unit within the Office of Financial Management (OFM) that integrates and coordinates fiscal analysis of all behavioral health services across agencies and units of government. | ✓ Collaboration and system redesign  
✓ Role of state hospitals |
| **Recommendation 3:** Enhance community support by strengthening acute care episode management and community services to reduce admissions to state psychiatric hospitals. Specifically, this will be done by funding 3 new mobile crisis teams, 2 new crisis walk in centers, a 15 percent increase in the number of peer support specialists and the commencement of a grant program to enhance substance use disorder treatment more broadly into mental health care. | ✓ Early identification  
✓ Collaboration and system redesign  
✓ Continuum of care  
✓ Workforce development |
| **Recommendation 4:** Establish 6 new 16-bed community hospitals for civil commitments and transitional acute psychiatric care needs to promote regional care and the potential for an emphasis in specialty care for co-morbid conditions. These conditions may include developmental disabilities, dementia and certain categories of co-occurring substance use disorders. | ✓ Role of state hospitals  
✓ Collaboration and system redesign  
✓ Continuum of care |
<table>
<thead>
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| **Recommendation 5**: Reform state hospital programming to integrate substance use disorder treatment and add inpatient peer support. | ✓ Collaboration and system redesign  
✓ Workforce development |
| **Recommendation 6**: Align community mental health placements with identified civil placement discharge needs by (1) establishing a transitional, statewide supportive housing benefit administrator; (2) creating a temporary Office of Behavioral Health Housing Initiatives, charged with facilitating the collaboration of capacity building investment pools, and (3) establishing expanded responsibility for selected state hospital transitions and management practices to ALTSA and DDA. | ✓ Collaboration and system redesign  
✓ Care continuum  
✓ Outcomes Focus |
| **Recommendation 7**: Develop regional care coordination models to follow rising and high risk patients throughout the care continuum, including those with significant mental health and substance use disorder needs. | ✓ Care continuum  
✓ Collaboration and system redesign |
| **Recommendation 8**: Invest in transitional care reform initiatives to add step-up, step-down and HARPS resources. Specifically, add two new, 10-bed step down facilities in Western Washington and one new 10-bed step down facility in Eastern Washington. | ✓ Early identification  
✓ Collaboration and system redesign  
✓ Care continuum |
| **Recommendation 9**: Create an integrative technology infrastructure to support behavioral health service delivery and transition to integrated care. | ✓ Early identification  
✓ Outcomes Focus  
✓ Collaboration and system redesign |
The Governor’s 2017-19 Budget Invests Over $300 Million in Behavioral Health

- Civil Transition to Community: $179,228
- Jail & Hospital Diversion: $21,917
- State Hospital Investment: $67,557
- Step-down & Transition: $33,297

Dollars in Thousands

Percentage:
- Civil Transition to Community: 59%
- Jail & Hospital Diversion: 7%
- State Hospital Investment: 22%
- Step-down & Transition: 11%
## Jail and Hospital Diversion & Community Support

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<th>GF-S</th>
<th>Op. Total</th>
<th>Capital</th>
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Dollars in Thousands
## State Hospital Investments

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Dollars in Thousands
## Move Civil Commitment Capacity to the Community

### Dollars in Thousands

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Step-Down & Transition Services

Dollars in Thousands

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For more information, please visit:

ofm.wa.gov