

# CRITICAL BEHAVIORAL HEALTH SERVICES IN PERIL

## Budget Review Subcommittee on Health & Family Services

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# WHO IS THE CHILDREN'S ALLIANCE?

*The Children's Alliance is a non-profit association of child and family services agencies throughout Kentucky, who serve at-risk, abused, neglected and abandoned children and their families.*

We are 36 community supported organizations, many with over 100 years of experience.

We, and other private agencies, care for 45% of the over 8000 children in care who are wards of the state.

We provide statutorily mandated services to families and children.

We provide a broad array of services including residential, foster care, adoption, independent living, behavioral health treatment and in-home services, which includes family preservation, substance abuse treatment and crisis care.

We serve the most difficult to place children suffering from physical abuse, sexual abuse, and/or neglect who exhibit emotional, behavioral and mental health issues requiring treatment to become productive citizens.



- Medicaid Behavioral Health Service Organizations (BHSOs) and Multi Specialty Groups (BH-MSGs) provide critical mental health **services to tens of thousands of children and families in Kentucky** who otherwise would fall through the cracks.
- These mental health services are:
  - High-Use, High-Impact, & High Demand; and
  - Provided in the community, in schools, and in the home.



- **BHSOs & BH-MSGs have been consistently underfunded for years as Kentucky Medicaid only reimburses 75% of the Medicare rate for the same services.**
- **KY's BHSO/BH-MSG Medicaid rates are lower than each of our contiguous states..... in some cases by as much as 35%.**



# DEMAND FOR BEHAVIORAL HEALTH CARE IS INCREASING

Since 2016 KY Medicaid enrollment has increased from 34.9% of Kentucky's population to 37.8% of population

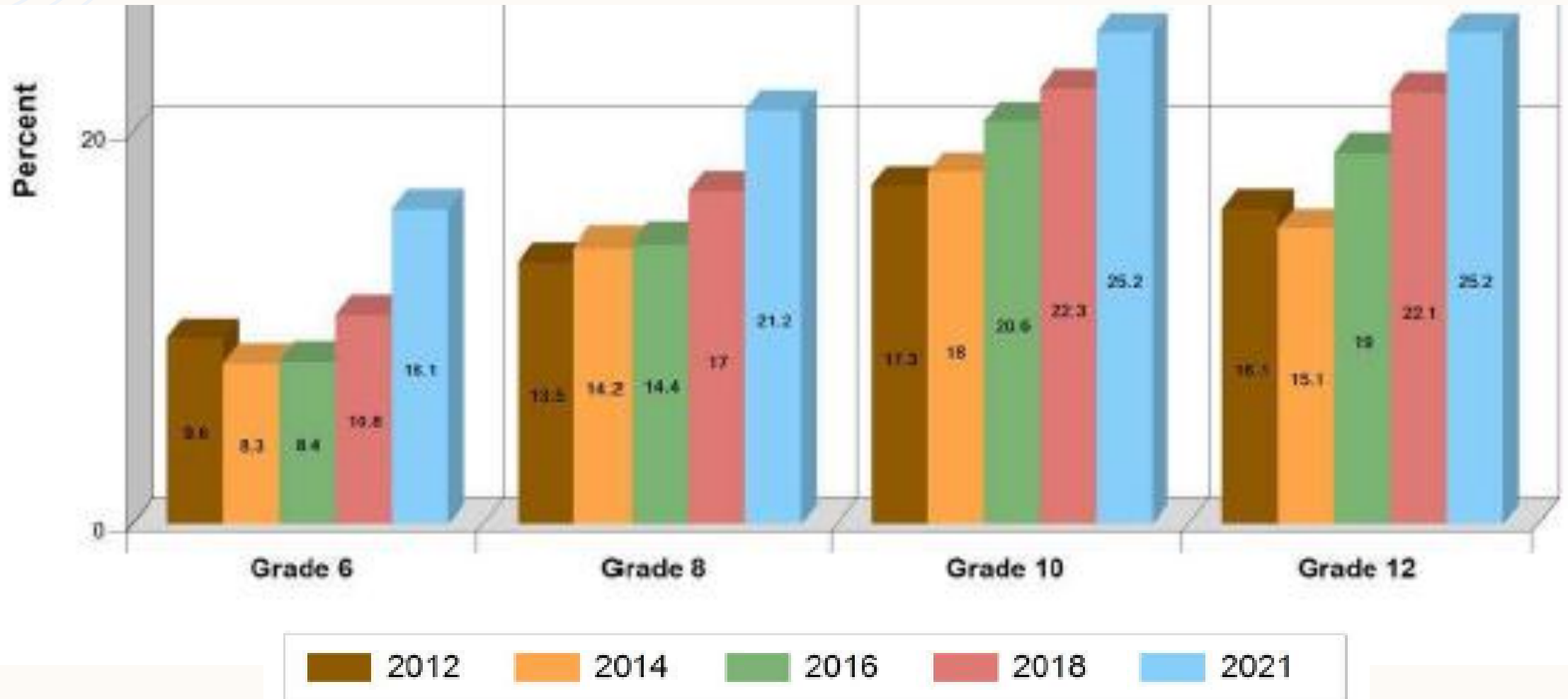
December 2021, U.S. Surgeon General reported the U.S. was in a youth mental health crisis.

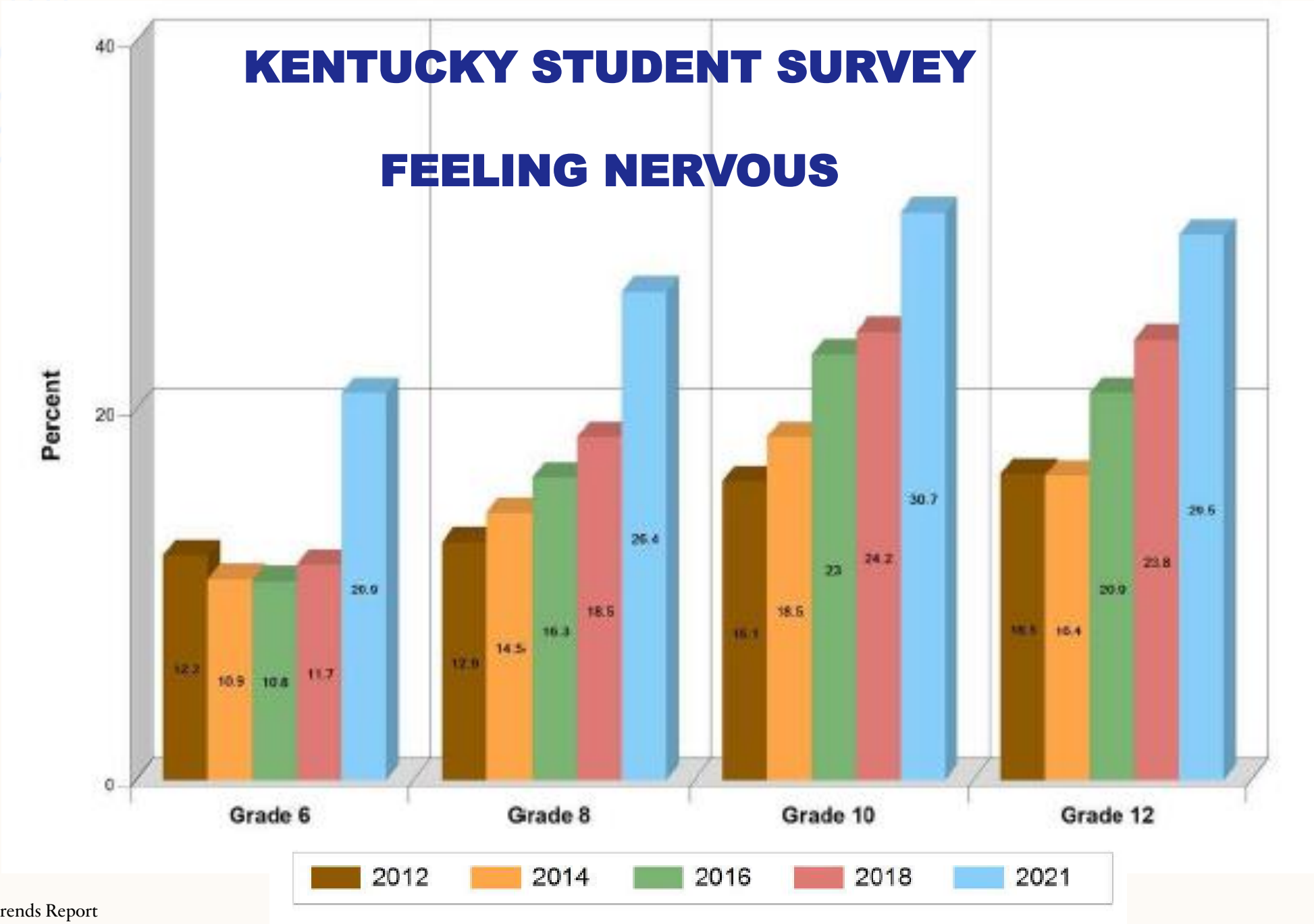
- symptoms of anxiety and depression doubled,
- psychiatric visits to emergency rooms for depression, anxiety, and behavioral challenges increased by 28%, and
- suicide attempts were 51% higher for girls and 4% higher for boys.

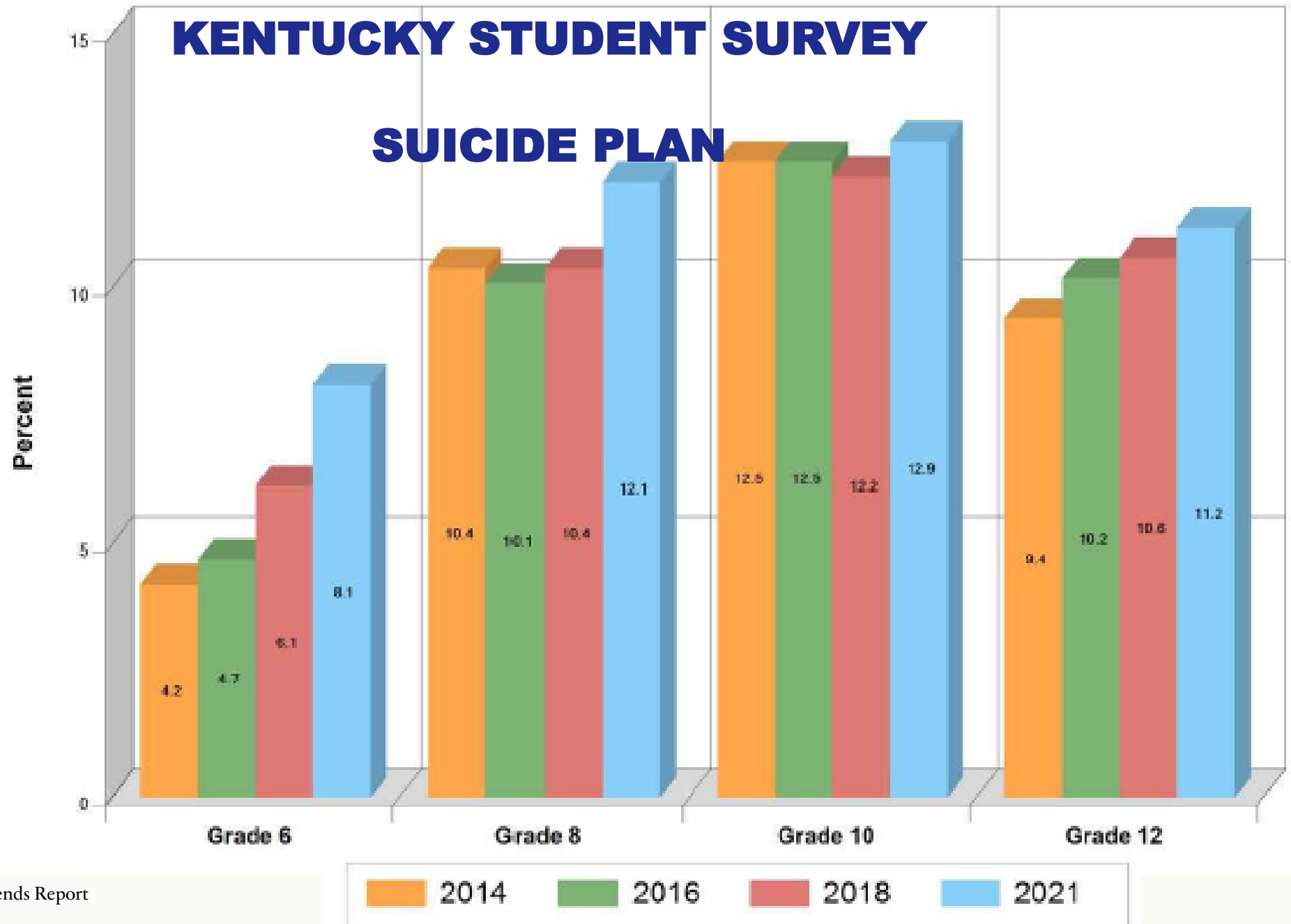


# KENTUCKY STUDENT SURVEY

## 30 DAY SERIOUS PSYCHOLOGICAL DISTRESS









# WORKFORCE CRISIS IN BEHAVIORAL HEALTH

Last year KY BHSOs had 309 licensed therapists  
TODAY KY BHSOs have 236 licensed therapists  
(24% loss)

While we are losing licensed therapists to higher paying jobs, like hospitals, schools and MCOs, we are losing therapists from the field all together!

They are leaving to work at:

**"Meat dept in Kroger"**

**"Car dealership selling cars"**

**"Gas station/convenient store night worker"**

**"Restaurant as chef"**

**"Amazon"**

**"Funeral Home"**

**"Retail"**



# WORKFORCE CRISIS IN BEHAVIORAL HEALTH

Average salary for  
Master's level staff, under supervision = \$48K

Average salary for  
Licensed Master's level staff = \$52K



## BEHAVIORAL HEALTH TURNOVER RATE

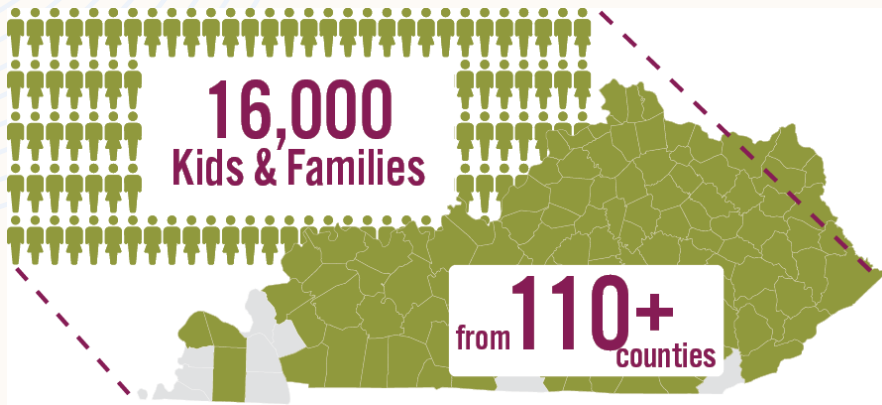
Children's Alliance behavioral health members reported average turnover rates at:

2019 - 25%

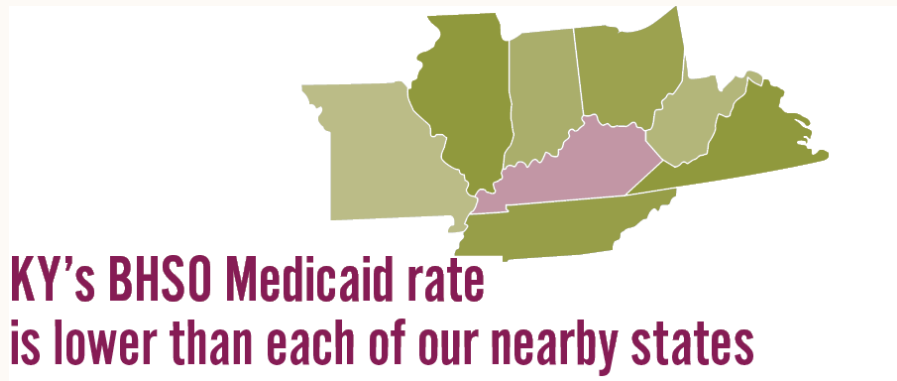
2020 - 30%

2021 - 40%

# DATA FROM BHSOs & BH-MSGs



- 24 BHSOs/BH-MSGs serve over 16,000 of Kentucky’s most vulnerable families in 110 counties
- **Average wait list of 42 days/per agency**
- **Average loss in FY 2022 = \$300,000**
- **Total loss in FY 2023 expected to top 7 figures**



# ADMINISTRATIVE SERVICES INCREASED; TREATMENT SERVICES DECREASED



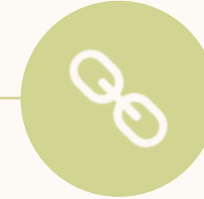
## MORE AUDITS

- A member reported that from FY 18 – 21 the average number of MCO audits was 597. In FY 22 they completed 2182 audits and this FY (July and Sept only) they have already completed 601 audits.
- Agencies are completing four different types of audits from 6 different MCOs throughout the year.



## MORE ADMINISTRATION

- A member reported that they have had to add 4 additional staff for insurance and billing – they have gone from 7 staff to 11 staff since the implementation of Medicaid Managed Care.
- Another member reported more than quadrupling their admin/billing resources from a single payer to the multiple MCOs.



## LESS TREATMENT

- A member reported their program used to have 35 therapists serving children and families in the community and today they only have 7 therapists.
- Another member closed their behavioral health services program because the reimbursement rate did not cover the cost of the treatment and administration.

**ADJUST THE KY  
MEDICAID  
BEHAVIORAL  
HEALTH &  
SUBSTANCE USE  
DISORDER FEE  
SCHEDULES TO  
REFLECT 100%  
OF THE KY  
MEDICARE FEE  
SCHEDULE**

Adjust the KY Medicaid behavioral health and substance use disorder fee schedule **to reflect 100% of the KY Medicare fee schedule**

**Anticipated state costs = \$20 million** in additional Medicaid expenses

**Anticipated federal draw down = approximately \$46 million** in additional federal match funding.

\$20 Million State Investment

\$46 Million Federal Drawdown

\$66 Million Total Increase for BHSOs and BH-MSGs





**CONTINUED ACCESS TO THESE  
CRITICAL MENTAL HEALTH SERVICES  
WILL HELP ENSURE:**

- **Kentucky families can remain together and safe;**
- **Kentucky citizens can continue to receive services in their community where they live and work; and**
- **Kentucky citizens can avoid more costly and restrictive services like psychiatric hospitalizations, incarceration, and foster care.**

# SUCCESS STORY #1

He started services with us in 2014 and was referred by the Court Designated Worker due to Beyond School Control and Beyond Parental Control charges. He had extreme behaviors at home and school such as physical aggression, property destruction, and elopement. He had part of his brain removed at age 9 due to severe seizures so he will experience lifelong issues with impulsivity and emotional regulation. DCBS was involved off and on during his adolescence, but he was never removed. More weeks than not over the years, our providers have made extra trips to see him in his home to help deescalate him and keep things under control, preventing removal and hospitalizations. When he was in school, he would get angry and just take off so the therapist would be called and we would track him down. The therapist started walking to and from the high school from his house during sessions so he could at least know and use the safest route when he took off. We've been able to avoid any hospitalizations since starting services with him in 2014 and mother said he was hospitalized many times as a child. She's told me "this is the only thing that has worked for him". RE continues to provide services to Client#1 and are at a point now where he may have an outburst once every several months vs having them at least weekly, sometimes daily, in the past. He would hit, break things, bite, etc. I still make extra trips to see him if he or his mother feel like he is escalating and he's much better at being proactive in managing his anger now. He will reach out to me if things are getting bad. He often comes by the office just to tell us that he is doing well!

# **SUCCESS STORY #2**

He started in our outpatient program as an elementary age child that was restrained up to 5x a day or more while in the school setting. He was seen for therapy twice a week for 2 years. We started day treatment services with him at a local Elementary school working intensely on behavior management as well as learning to cope with transitions and being around peers. He was able to decrease restraints from 5 to 0. He also had Targeted Case Management(TCM) that provided the family with food, Christmas presents and worked to ensure the family had what they needed. Once we were able to stabilize his behaviors, he started with our Community Support Associate (CSA) who helped him overcome challenges in the community. The client's mother also worked with our TCMs and developed enough confidence to apply for a job in Indiana and better her life and her kid's life. So, over the course of treatment we were able to overcome school barriers and help the family overall become more stable in their daily functioning with providing food and other needs. And today, the mother has a steady job, and he is doing well in school!!

# **SUCCESS STORY #3**

He has received services since 2016 and was referred by DCBS due to extreme physical aggression in the home and school, assault charges, anger, and anxiety that led to police involvement. He was then given a diagnosis of Autism and appropriate treatment was able to be implemented. We still do weekly therapy with him even though he is now an adult, usually about 30 minutes for maintenance. He has been seen in the office, home, and telehealth over the years. He received TCM to help address needs and missing resources in the home and currently receives medication management. Through consistent therapy services and ability to respond to crises at the home, we have been able to avoid many situations in which he would likely have police or hospital involvement. He has been able to stay out of inpatient hospitalization because we provide consistent services and respond to crises as they occur to deescalate him. Prior to receiving our services, he was getting hospitalized at least once a year, if not more.

# OUR ASK:



**Adjust the KY Medicaid behavioral health and substance use disorder fee schedule to reflect 100% of the KY Medicare fee schedule.**



# THANK YOU

For further information please contact:

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Children's Alliance

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