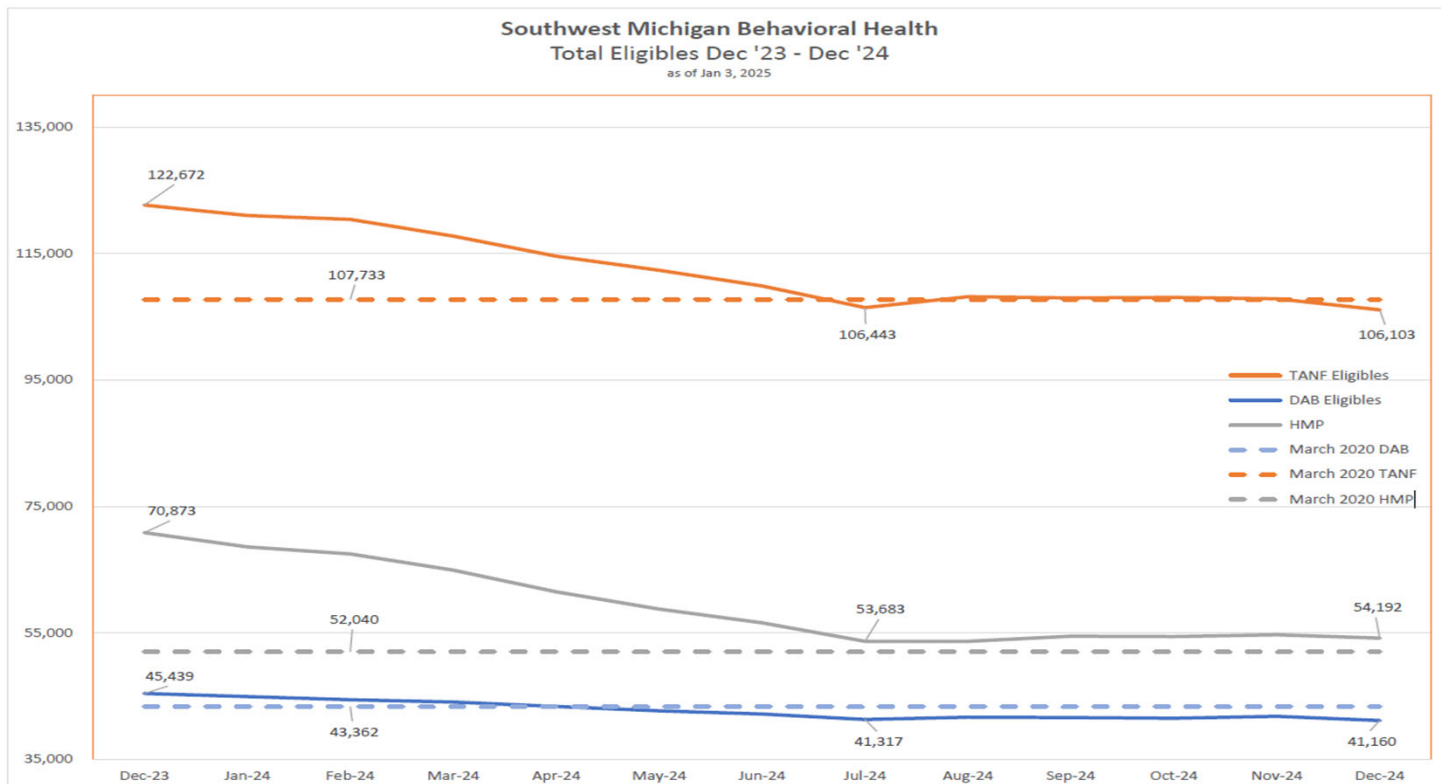




FY 2025 Region 4 Financial Status
For House Behavioral Health - Medicaid
Appropriations Subcommittee
March 11, 2025

Medicaid Eligibles & Revenue

Observations: We continue to experience declining Medicaid eligibles and this revenues in DAB and TANF.



Medicaid Eligibles & Revenue

FIGURE 1A: CAPITATION RATE COMPARISON (EXCLUDING HRA)

	SFY 2024 AMENDED CAPITATION RATES	SFY 2025 FINAL CAPITATION RATES	INCREASE/DECREASE
Specialty Services			
DAB – Enrolled	\$ 385.68	\$ 433.31	12.3%
DAB – Unenrolled	376.69	402.54	6.9%
HMP – Enrolled	46.32	57.36	23.8%
HMP – Unenrolled	37.71	43.98	16.6%
TANF – Enrolled	38.94	45.70	17.4%
TANF – Unenrolled	23.78	28.62	20.4%
1915(c) Waiver			
Children's Waiver Program	3,316.80	3,235.08	(2.5%)
Habilitative Supports Waiver	7,103.94	7,519.13	5.8%
Serious Emotional Disturbances	1,964.28	679.29	(65.4%)
Composite Base Capitation Rates	\$ 129.71	\$ 143.95	11.0%

	SWMBH Through Dec	FY25	FY24	% Change YOY	\$ Change YOY
State Plan MH		24,340,680	25,001,041	-2.6%	(660,360)
1915i MH		22,570,367	21,645,742	4.3%	924,626
B3 MH		-	(12)	-100.0%	12
Autism		6,828,987	5,095,287	34.0%	1,733,700
<i>HSW "C" Waiver Capitation</i>		<i>15,991,670</i>	<i>14,679,627</i>	8.9%	1,312,043
<i>CWP</i>		<i>227,423</i>	<i>285,949</i>	-20.5%	(58,526)
<i>SED</i>		<i>135,758</i>	<i>385,259</i>	-64.8%	(249,500)
Net Capitation Payment		70,094,887	67,092,893	4.5%	3,001,994
					-
State Plan SA		1,969,361	2,147,258	-8.3%	(177,897)
Net Capitation Payment		1,969,361	2,147,258	-8.3%	(177,897)
					-
HMP MH		6,148,157	6,335,222	-3.0%	(187,065)
HMP AUT		9,655	6,106	58.1%	3,549
Net Capitation Payment		6,157,812	6,341,328	-2.9%	(183,516)
					-
HMP SA		3,387,511	3,757,895	-9.9%	(370,384)
Net Capitation Payment		3,387,511	3,757,895	-9.9%	(370,384)
					-
GRAND TOTAL		81,609,571	79,339,373	2.9%	2,270,197

as of 1/3/2025

Observations:

- While MDHHS provided an 11% increase in rates per Milliman's Capitation Rate Comparison, Region 4's revenue from FY24 Q1 vs. FY25 Q1 shows only a 2.9% increase in payments, even after Region 4's BH Entity Specific Factor increased by 1.5% points for FY25. This suggests the decline in Medicaid eligibles, likely coupled with the reassignment of members to coverage plans with lower PEPM rates, has outpaced the increase provided.
- SWMBH has prepared an evaluation of Lost DAB months which identifies approximately \$40,637,674 in potential lost revenue for FY2020 - FY2024 and can provide this report upon request.

Medicaid Eligibles & Members Served

Observations:

- While we are experiencing a decrease in overall Medicaid Eligibles for whom we receive a PEP, we are serving more members.
- The graphs below count each person once per year, no matter how many months the individual was eligible.

SWMBH Medicaid Eligibles: Trends for All Counties

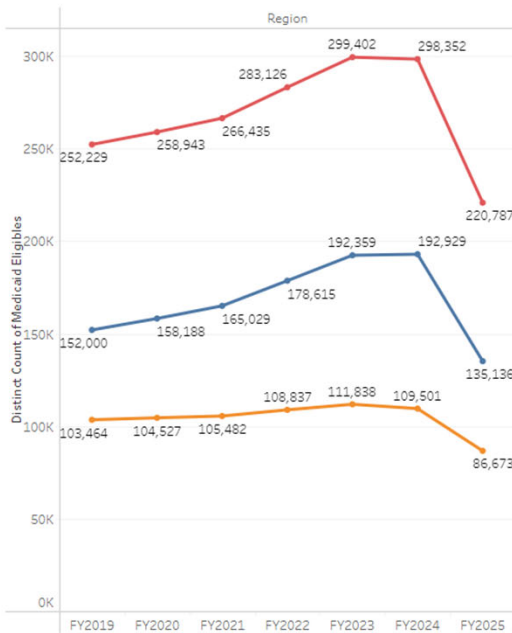
Medicaid eligible: person with a Medicaid eligibility (834) record in the fiscal year. Served: one or more SWMBH CMH/PIHP service in the fiscal year.

Refreshed: 1/21/2025 8:19:23 AM. Source: SWMBH 837 state-accepted encounters and 834 enrollment records.

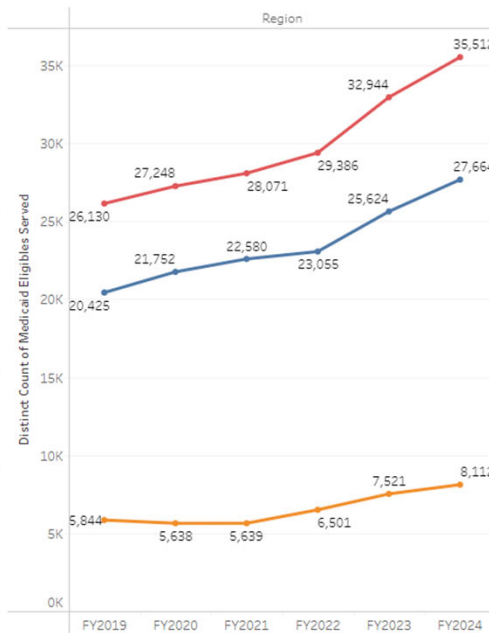
Select Region or County

Age Group
■ Adult
■ Child
■ All

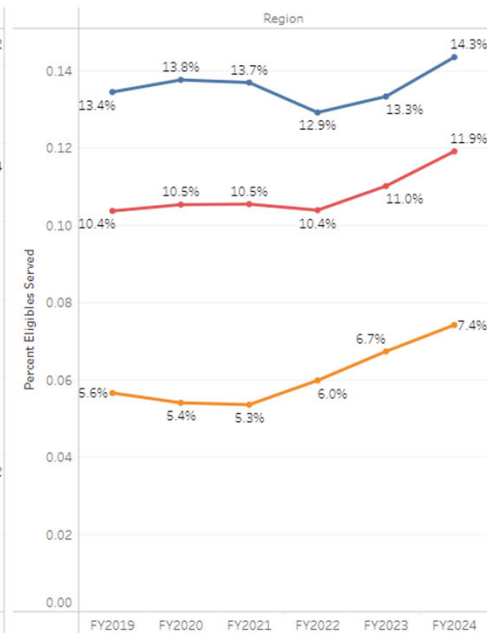
Medicaid Eligibles



Medicaid Eligibles Served



% Medicaid Eligibles Served



Service Analysis - Inpatient Psychiatric

Row Labels	Sum of Total Units	Sum of Total Net Expen	Clients Served	YOY % inc/(dec) Cost
FY21	22,003	\$ 20,073,496.51	1,766	-
FY22	24,326	\$ 21,560,377.78	1,872	7%
FY23	29,968	\$ 27,760,022.60	2,397	29%
FY24	34,193	\$ 32,569,789.04	2,481	17%
Grand Total	110,490	\$ 101,963,685.94	8,516	7%

SFY 21-23 EQI, Source data

*FY24 is a full year projection utilizing the SFY P2 EQI

SWMBH Psychiatric Inpatient

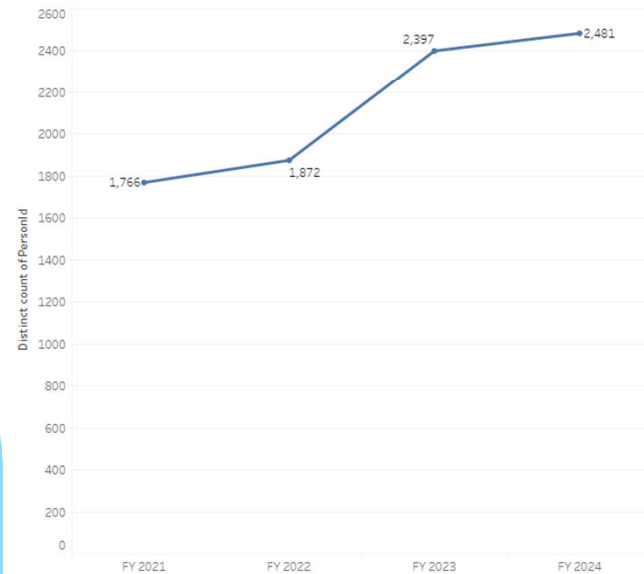
Trends for All Counties. All Funding Sources.

Includes revenue codes 0100, 0114, 0124, 0134, 0154.

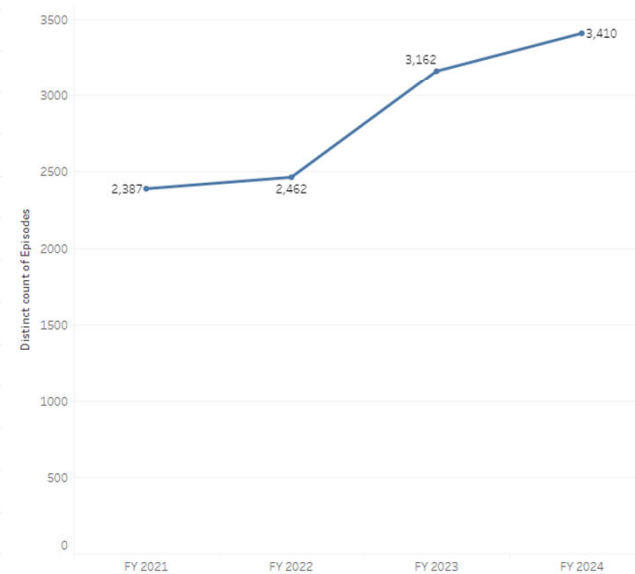
Refreshed 1/21/2025 8:27:58 AM. Sources: SWMBH 837 state-accepted encounters.

Region / County: Funding type:

Persons Served in Inpatient



Inpatient Episodes



- Year over year increases in number of members receiving inpatient services and the total number of inpatient units (days).
- We have experienced increased difficulty in securing appropriate placements for members, particularly those with a primary IDD diagnosis who exhibit highly acute behaviors that cannot be safely treated in community-based settings.
- Shift in cost from State hospitals to community hospitals and increased Specialized Residential rates.
- 9 referrals to ICTS (4) & PRTF (5) - 4 were approved but never placed due to no bed availability or no willing provider, 1 was admitted, 3 were denied and 1 decision outstanding.

Service Analysis -Specialized Residential

Row Labels	Sum of Total Units	Sum of Total Net Expen	Clients Served	YOY % inc/(dec) Cost
FY21	697,530	\$ 86,557,928.61	1,176	-
FY22	703,498	\$ 89,578,641.86	1,171	3%
FY23	739,463	\$ 102,949,520.86	1,219	15%
FY24	766,049	\$ 113,505,390.59	1,249	10%
Grand Total	2,906,540	\$ 392,591,481.92	4,815	7%

SFY 21-23 EQI, Source data

*FY24 is a full year projection utilizing the SFY P2 EQI

SWMBH Specialized residential (H2016, T1020)

Trends for All Counties. All Funding Sources.

Refreshed 1/21/2025 1:46:58 PM. Source: SWMBH 837 state-accepted encounters.

Service type: Specialized residential (...)
 running type: All
 Region/County: All Counties

Number Served



Total Units



Units Per Person



Service Analysis - Autism

Fiscal Year	Sum of Total Units	Sum of Total Net		Clients Served	YOY %
		Expenditures	Cost		inc/(dec)
FY21	1,040,472	\$ 16,812,538.84		517	-
FY22	1,193,711	\$ 18,837,844.39		621	12%
FY23	1,504,260	\$ 23,738,491.82		730	26%
FY24	1,698,633	\$ 27,675,057.99		788	17%
Grand Total	5,437,076	\$ 87,063,933.04		2,656	14%

SFY 21-23 EQI, Source data

*FY24 is a full year projection utilizing the SFY P2 EQI

SWMBH Autism services (0373T, 97153-58)

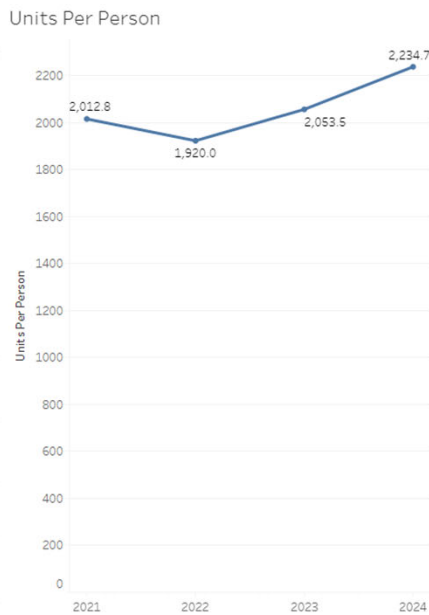
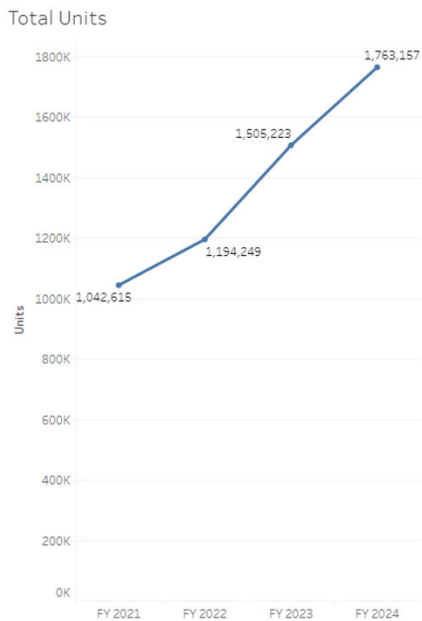
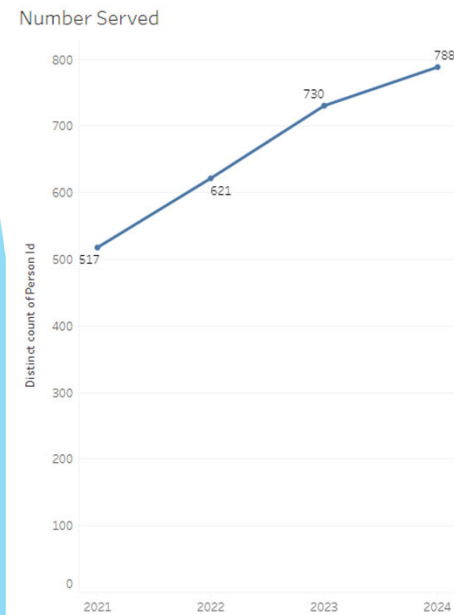
Trends for All Counties. All Funding Sources.

Refreshed 1/21/2025 1:46:58 PM. Source: SWMBH 837 state-accepted encounters.

Service type: Autism services (0373T, ...)

Running type: All

Region/County: All Counties



- Year over year increases in clients served and units of service.
- Increased provider network - FY22:16, FY23:28; FY24:26.

Service Analysis - CLS in non-licensed setting

Row Labels	Sum of Total Units	Sum of Total Net Expen	Clients Served	YOY % inc/(dec) Cost
FY21	10,707,699	\$ 41,461,818.62	1,717	-
FY22	10,755,681	\$ 46,423,722.11	2,023	12%
FY23	10,619,901	\$ 52,722,052.09	2,034	14%
FY24	10,991,285	\$ 57,327,785.16	2,136	9%
Grand Total	43,074,566	\$ 197,935,377.97	7,910	7%

SFY 21-23 EQI, Source data

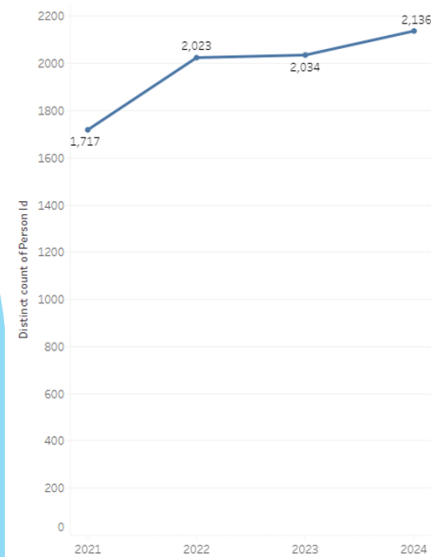
*FY24 is a full year projection utilizing the SFY P2 EQI

SWMBH CLS in non-licensed settings (H2015, T2027, S9123, S9124, T1000)

Trends for All Counties. All Funding Sources.

Refreshed 1/21/2025 1:46:58 PM. Source: SWMBH 837 state-accepted encounters.

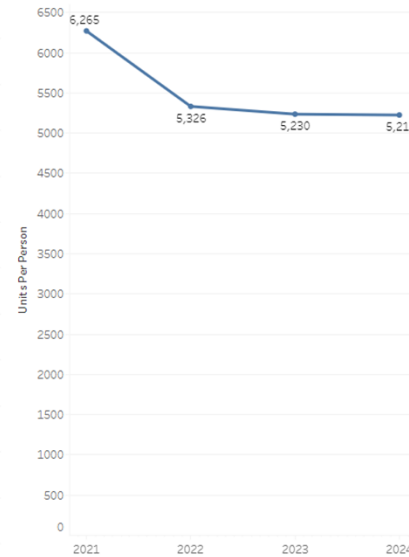
Number Served



Total Units



Units Per Person



Service type: CLS in non-licensed setti...
 Funding type: All
 Region/County: All Counties

- Removal of CLS per diem rate 10/01/20 increased the administrative burden and cost - more expensive to document and bill 15-minute units; lost providers staffing SIPs/SILs due to increased administrative burden of billing, resulting in members having to receive services elsewhere including from multiple providers to deliver the necessary service volume.
- FY22 to FY23 - FY23 was start of \$2.35/hr. DCW increase.
- Evaluating potential opportunity in H2015 group rates moving closer to Independent Rate Model rates, including potential impact on providers, impact on members including possibility of providers discharging higher acuity members to higher cost services (essentially just shifting the costs).
- Beginning evaluation of members being served in independent settings (least restrictive) who can maintain independent living through increased CLS versus residence in a Specialized Residential (more restrictive) at a lower overall cost.
- SWMBH is not aware of any cases where a SIL or SIP was needed and the CMH could not arrange for one, suggesting affordable housing options to support independent living arrangements with appropriate CLS services.