

SECTION II. INTRODUCTION AND PROJECT BACKGROUND

A. Study Purpose and Scope

The Wisconsin Department of Health Services (DHS), Division of Mental Health and Substance Abuse Services (DMHSAS), selected The Management Group, Inc. (TMG) to conduct an in-depth review of Wisconsin's public mental health and substance abuse (MH/SA) services system.

The **Wisconsin Public MH/SA Infrastructure Study** examines the publicly funded system. The system's responsibilities are primarily lodged with county government, as described in Chapter 51.42, Wis. Stats., as well as with the Medicaid managed care programs, which include Family Care, BadgerCare and SSI Managed Care. The MH/SA Infrastructure Study is especially timely given recent state and national initiatives that will impact the financing and provision of MH/SA services.

Purpose of the Study

The purpose of the Wisconsin Public MH/SA Infrastructure Study is to: (1) review the current funding and delivery of public MH/SA services in Wisconsin; (2) review alternative funding and delivery systems in other states; and (3) identify strategies for consideration during the 2011-2013 biennial budget process and during other policy-making processes.

The goals or benchmarks used to measure the strengths and weaknesses of the Wisconsin system (as well as alternative state models) include: (A) equitable access to service across the state; (B) accountability for outcomes, including the availability of evidence-based programs and the information technology to evaluate outcomes; (C) equitable and affordable funding for services; and (D) efficiency of service delivery.

The purpose of the study is to examine the broader system issues impacting MH/SA services delivery and funding, as opposed to operational and practice model issues. As such, the MH/SA Infrastructure Study builds on previous study efforts, but is not intended to duplicate them.

Study Scope

The study scope includes:

- A comprehensive summary of the current financing of publicly funded mental health and substance abuse services in the state. The study generally includes all services and funding sources. However, it does not include the correctional system, state administration for MH/SA and the operations of state-run facilities (e.g. state mental health institutes). In addition, private insurance as a funding source is only included in the scope of this study to the extent that it interfaces with the public MH/SA system by enhancing or impeding consumer access to services.
- A review of other state financing and system structures for public MH/SA services, including their key financing and structural strategies.
- An overview of projected changes and potential impact on county systems of MH/SA services, including but not limited to the impact of the following:

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- Medicaid managed care programs, such as Family Care, BadgerCare Plus expansion to childless adults, and Medicaid SSI Managed Care.
 - Wisconsin Medicaid Cost Reporting (WIMCR).
 - Further development of Comprehensive Community Services (CCS) and other similar Medicaid benefits.
 - Cost of living increases for staff and infrastructure in county MH/SA systems, which are often addressed through a reallocation of funding for MH/SA treatment services.
- Potential options and strategies to consider for the future delivery and financing of the public MH/SA system, including statutory changes to implement funding and service delivery alternatives. The only model excluded from consideration was a primarily state-administered system of funding and service provision.
 - A summit of key stakeholders, including state agencies, county, tribal, consumer and advocacy organizations to present and discuss the findings of the study and proposals for next steps
 - A document outlining the proceedings of the summit and recommended next steps.

B. Study Approach and Methodology

The Wisconsin Public MH/SA Infrastructure Study was a collaborative effort between DHS, the TMG project consultants and a 12-member study Steering Committee. A list of Steering Committee members can be found in **Appendix A**. The Steering Committee held four meetings during the course of the study. The agendas of the February, May, September and November 2009 meetings of the Steering Committee can also be found in **Appendix A**.

The Steering Committee provided guidance throughout the study process, identifying issues impacting the public MH/SA system, developing guiding principles for development of potential models, reviewing data tables and document drafts, assisting in the planning for the Summit, and reviewing the draft study report. TMG would like to thank the Steering Committee members for their participation, insights and dedication of time to the study process.

Study Approach

The project consultants used a multi-faceted approach to gather information about Wisconsin's MH/SA system and other states' systems and reform efforts. This included a review of available documents and data for Wisconsin and other states, as well as interviews with individuals involved in Wisconsin's public MH/SA system and representatives of the states selected for this study.

Since the issues and concerns regarding the public MH/SA system in Wisconsin have been well documented in previous studies and reports, the project consultants summarized this information using the four goal or benchmark areas established for this study.

The summary document in **Appendix B** lists the major issues identified in the following more recent key reports:

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- Proposal to Redesign Wisconsin's Human/Social Service Delivery System developed by the Wisconsin County Human Services "Visions" Committee – April 2004
- Briefing Paper on Mental Health Funding and Access to Services developed by the Wisconsin Council on Mental Health (WCMH) in collaboration with the Wisconsin County Human Services Association (WCHSA) – August 2008

In addition, the summary of major issues in **Appendix B** includes feedback from:

- Directors and staff of Aging and Disability Resource Centers (ADRCs) attending the ADRCConnection Workgroup Meeting – February 2009
- Members of the Steering Committee for the Public Mental Health and Substance Abuse Infrastructure Study – February 2009
- Members of the Wisconsin County Human Services Association (WCHSA) Behavioral Health Policy Advisory Committee – March 2009
- Members of the Wisconsin Counties Association Health and Human Services Committee⁶ – April 2009

Finally, the summary in **Appendix B** includes issues identified in the following state document:

- State Plan for the Community Mental Health Services Block Grant for Fiscal Year 2009

Since many of the issues identified from the previously-listed sources focus more on mental health services, DHS developed a supplemental document regarding financing substance abuse prevention and treatment services in Wisconsin. This document along with a summary of issues identified in the 1997 Report of The Blue Ribbon Commission on Mental Health can also be found in **Appendix B**.

It should be noted that the feedback solicited during the course of this study is generally limited to the sources identified above. It was not the intent to include broader stakeholder input and feedback during the initial study process. The study is intended to provide a foundation and framework for developing a common understanding of the potential options for the future provision and financing of MH/SA services in Wisconsin, so that an informed discussion can take place. The important and necessary dialogue among system stakeholders about the potential options for the future provision and financing of MH/SA services in Wisconsin, as well as proposed next steps, is expected to begin at the Infrastructure Summit and continue from that point forward.

Study Methodology

The study approach and methodology consisted of several key components, which are outlined in **Table 1**:

- Project initiation and planning
- Funding and service utilization analysis for Wisconsin's MH/SA system
- Data gathering and analysis for other states' MH/SA systems
- Development of options for funding and provision of MH/SA services
- Presentation of study findings and potential models and pathways

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Table 1 – Project Work Plan

1. Project Initiation and Planning

- Submit the study design, data sources and analysis methodology (i.e., work plan).
- Appointment of the study Steering Committee by DHS.
- Establish regular project check-in meetings with DHS.
- Selection of five states for comparison: Minnesota, New Mexico, North Carolina, Ohio and Oregon.
- Identify indicators for the four benchmark areas used to assess Wisconsin's and other states' MH/SA service delivery and funding structure:
 - Equitable access to service across the state
 - Accountability for outcomes, including the availability of EBPs and the information technology to evaluate outcomes
 - Equitable and affordable funding for services
 - Efficiency of service delivery

2. Funding and Service Utilization Analysis for Wisconsin's MH/SA System

- Inventory public MH/SA programs and funding sources for children and adults. Review existing program and financial data and reports. In conjunction with DHS, assess the accuracy and consistency of the data (i.e., identify the limitations of each data source):
 - Human Services Reporting System (HSRS)
 - Human Services Revenue Report (HSRR)
 - Medicaid Claims Data (Encounter Data)
- Collect available historical information regarding the funding for and utilization of MH/SA services.
- Conduct trend analysis of major sources of MH/SA funding showing levels and changes in the proportion of funding.
- Identify federal and state policy initiatives impacting the public MH/SA system.
- Document identified concerns and issues with the current service delivery and funding structure based on a review of previous study reports and research, including:
 - Mental Health Funding and Access to Services Briefing Paper developed by the Wisconsin Council on Mental Health (WCMH) in collaboration with the Wisconsin County Human Services Association (WCHSA) in 2008
 - Human Services Visions Report developed by the Wisconsin Counties Association (WCA) and WCHSA in 2005

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- Blue Ribbon Commission Report on Mental Health issued in 1997
- Solicit feedback from the study Steering Committee, WCHSA Behavioral Health Policy Advisory Committee, WCA Health and Human Services Committee, and Aging and Disability Resource Center (ADRC) directors regarding MH/SA system issues and concerns.
- Conduct data analysis and interviews with selected county MH/SA systems to gain a deeper understanding of MH/SA service delivery and financing, including a review of unmet service need, use of evidence based practices, use of staff and financial resources, and examples of best practice approaches and cost-effective service delivery.

3. Data Gathering and Analysis for Other States' MH/SA Systems

- Review data of other states' MH/SA service delivery and funding structure, including annual reports and special studies produced by:
 - National Association of State Mental Health Program Directors (NASMHPD) National Research Institute (NRI).
 - Substance Abuse and Mental Health Services Administration (SAMHSA) National Survey of Substance Abuse Treatment Services (N-SSATS) and Treatment Episode Data Set (TEDS).
 - Other national organizations comparing state systems.
- Gather data from the selected states (Minnesota, New Mexico, North Carolina, Ohio and Oregon) in order to:
 - Define their service delivery model, especially the respective roles of counties and the state.
 - Determine the services and/or populations included or excluded in each model.
 - Identify the funding structure and relative proportion of funding by source.
 - Identify recent or pending changes in funding and/or funding structure.
- Conduct phone interviews with state agency officials from the selected states to address specific critical factors and information about their service delivery and funding structure and system reform efforts, including lessons learned from their experience.
- Conduct phone interviews with representatives responsible for system advocacy (e.g., representatives of designated protection and advocacy agency, peer specialist agency and/or state mental health and substance abuse councils) in the selected states. These were conducted to assess the consumer perspective on the relative strengths and challenges of these states' service delivery models, funding structures and reform efforts.
- Based on a suggestion from WCHSA, conduct interviews with representatives of county MH/SA service associations in the selected states that have county involvement in MH/SA system (all except New Mexico).

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4. Develop Options for Funding and Provision of MH/SA Services

- Based on the review of the other state systems, identify the models and primary pathways for further development. Consider all models for development, except for a primarily state-administered MH/SA system.
- Define potential models, and identify key considerations, strengths and challenges of each model for Wisconsin.
- Develop a decision-making framework for considering the models.
- Present the potential models and pathways to DHS and the study Steering Committee and incorporate feedback.

5. Present Study Findings and Potential Models and Financing Options

- Present the draft report to DHS and the study Steering Committee and incorporate changes, as appropriate.
- In conjunction with the study Steering Committee, plan for the MH/SA Infrastructure Summit to discuss the future of MH/SA service delivery and funding.
- Distribute the report of study findings and potential models prior to the Summit.
- Present study findings and potential models for delivering and financing MH/SA services, and gather initial stakeholder feedback from Summit participants.
- Finalize the study report with a summary of stakeholder feedback from the Summit, and issue the final report to DHS and the study Steering Committee.