



# MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST BUDGET MODIFICATION

(Revised: 5/24/13)

APPROVED: MULTNOMAH COUNTY  
BOARD OF COMMISSIONERS  
AGENDA # R.2 DATE 9-12-13  
LYNDA GROW, BOARD CLERK

## Board Clerk Use Only

Meeting Date: 9/12/13  
Agenda Item #: R.2  
Est. Start Time: 10:00 am  
Date Submitted: 8/27/13

**Agenda Title:** BUDGET MODIFICATION # DCHS14-05 - Increasing the Department of County Human Services' Behavioral Health Fund Appropriation by \$2,400,000.

*Note: if Contingency, use that form. If item other than a BudMod, please use different APR. : Title should not be more than 2 lines but sufficient to describe the action requested.*

**Requested Meeting Date:** September 12, 2013 **Time Needed:** 5 minutes

**Department:** County Human Services **Division:** Mental Health & Addiction Services

**Contact(s):** Kathy Tinkle

**Phone:** 503-988-3691 **Ext.** 26858 **I/O Address:** 167/1/240

**Presenter Name(s) & Title(s):** David Hidalgo, Mental Health Director; Devarshi Bajpai, Addictions Program Manager

## General Information

### 1. What action are you requesting from the Board?

The Department of County Human Services is requesting approval of budget modification DCHS14-05, which increases the Mental Health and Addiction Services Division's (MHASD) budget by \$2,400,000 to assume the administration of the Medicaid residential addiction treatment benefit for Healthshare of Oregon. This budget modification also adds a full-time Clinical Services Specialist position in MHASD as determined by the Class/Comp unit of Central Human Resources, Classification Request #2273.

### 2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

Over the past several months, MHASD has been working with Healthshare of Oregon to finalize the details related to this change. On July 1, 2013, MHASD assumed administration of the Medicaid funded residential addiction treatment benefit for Healthshare of Oregon. Based on the April 2013 Multnomah County member population breakdown and the subsequent July 2013 revenue received, we estimate total additional revenue of approximately \$2,400,000. In addition to funding the residential treatment

services this funding will support a 1.00 FTE Clinical Services Specialist for utilization review and the remainder will be contracted to residential addiction treatment providers.

Residential treatment provides intensive services in a 24/7 setting with clients living in the treatment center during their course of treatment, usually for two to six months. Clients needing this level of care often have multiple failures in outpatient treatment, often related to the severity and length of their addiction, as well as risk factors like chronic unemployment and housing problems.

We anticipate an addition of approximately 250 adults and 40 youths (all Healthshare members) that will receive residential addictions treatment. Addictions treatment in general has been shown to reduce healthcare costs related to alcohol and drug use, criminal activity, improve child welfare outcomes, and improve general functioning. Residential treatment is reserved for the highest need and highest risk substance abusers.

The new full-time Clinical Services Specialist position is responsible for authorizing Health Share dollars for addictions residential treatment. Duties will include utilization review, and will ensure that residential treatment resources are used appropriately and stay within budget.

This funding will be included in MHASD - Adult Addictions Treatment Continuum, Program Offer #25080A.

**3. Explain the fiscal impact (current year and ongoing)**

Approval of this budget modification will increase the MHASD budget for FY 2014 by \$2,400,000. This additional funding will increase personnel costs by \$87,737 to fund a 1.00 FTE Clinical Services Specialist position. There will be an estimated \$2,208,255 increase in contracted expenses residential treatment services.

The service reimbursement from the Behavioral Health fund to the risk management fund will increase by \$16,848.

Service reimbursement from the Behavioral Health fund to the General fund will increase by \$104,008.

**4. Explain any legal and/or policy issues involved.**

N/A

**5. Explain any citizen and/or other government participation that has or will take place.**

N/A

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**Budget Modification**

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If the request is a Budget Modification, please answer all of the following in detail:

- **What revenue is being changed and why? If the revenue is from a federal source, please list the Catalog of Federal Assistance Number (CFDA).**

MHASD residential addiction treatment services Behavioral Health funding for FY 2014 will increase by \$2,400,000. There is no CFDA Number.

- **What budgets are increased/decreased?**

The FY 2014 budget for MHASD Adult Addictions Treatment Continuum - residential

addiction treatment services, Program Offer 25080A will increase by \$2,400,000.

The service reimbursement from the Behavioral Health fund to the risk management fund will increase by \$16,848.

Service reimbursement from the Behavioral Health fund to the General fund will increase by \$104,808.

- **What do the changes accomplish?**

This funding provides the support to assume the administration of the residential addiction treatment benefit for Healthshare of Oregon, and the addition of a full-time Clinical Services Specialist position in MHASD.

- **Do any personnel actions result from this budget modification? Explain.**

Yes, personal costs will increase by \$87,737 to support the 1.00 FTE Clinical Services Specialist position for utilization review in MHASD.

- **If a grant, is 100% of the central and department indirect recovered? If not, please explain why.**

Yes, OHP/Medicaid funds are subject to Central and Department Indirect charges.

- **Is the revenue one-time-only in nature? Will the function be ongoing? What plans are in place to identify a sufficient ongoing funding stream?**

The OHP/Medicaid funds are received monthly based on currently enrolled members and is ongoing in nature.

- **If a grant, what period does the grant cover? When the grant expires, what are funding plans? Are there any particular stipulations required by the grant (i.e. cash match, in kind match, reporting requirements etc)?**

Current estimated funding for OHP/Medicaid is based on the county's fiscal year of July 1, 2013 to June 30, 2014. Funding is based on currently enrolled members and is for Mental Health & Residential Addiction Treatment services and administration.

*NOTE: Attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.*

**Required Signatures**

**Elected Official or Dept Director:** Kathy Tinkle for Susan Myers /s/ **Date:** 08/20/13

**Budget Analyst:** Jennifer Unruh /s/ **Date:** 8/27/13

**Department HR:** Urmila Jhattu /s/ **Date:** 8/20/13

**Countywide HR:** Susan Mullett /s/ **Date:** 8/20/13

*Note: Please submit electronically. Insert names of your approvers followed by /s/ - we no longer use actual signatures. Please date each signature. Use "n/a" when signature not applicable."*



**ANNUALIZED PERSONNEL CHANGE**Change on a full year basis even though this action affects only a part of the fiscal year (FY).

							ANNUALIZED			
Fund	Job #	HR Org	CC/WBS/O	Position Title	Position Number	FTE	BASE PAY	FRINGE	INSUR	TOTAL
3002	6295	65186	MA AS AD CONT RES XIX	Clinical Services Specialist	NEW	1.00	57,420	19,035	18,171	94,626
										0
										0
										0
										0
										0
										0
										0
										0
										0
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										0
										0
										0
										0
TOTAL ANNUALIZED CHANGES						1.00	57,420	19,035	18,171	94,626

**CURRENT YEAR PERSONNEL DOLLAR CHANGE**Calculate costs/savings that will take place in this FY; these should explain the actual dollar amounts being changed by this Bud Mod.

Effective Date: 7/26/13

							CURRENT YEAR			
Fund	Job #	HR Org	CC/WBS/O	Position Title	Position Number	FTE	BASE PAY	FRINGE	INSUR	TOTAL
3002	6295	65186	MA AS AD CONT RES XIX	Clinical Services Specialist	NEW	1.00	53,240	17,649	16,848	87,737
										0
										0
										0
										0
										0
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										0
TOTAL CURRENT FY CHANGES						1.00	53,240	17,649	16,848	87,737

