



WASHINGTON STATE
Department of
Children, Youth, and Families



Report to the Washington State Legislature

ESSB 6032
***Behavioral Rehabilitation Services
Increase Utilization Incentive Payments***

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EXECUTIVE SUMMARY

This report is prepared in compliance with ESSB 6032, page 236, line 32 (x) of the 2017 – 2019 Operating Budget which requires the Department of Children, Youth, and Families (DCYF) to provide an enhanced rate add-on for providers who increase bed capacity in Behavioral Rehabilitation Services (BRS).

The specific requirements set by the legislature are as follows:

\$692,000 of the general fund—state appropriation for fiscal year 2019 and \$487,000 of the general fund—federal appropriation are provided solely for the department to implement an enhanced rate add-on for providers who increase bed capacity for behavioral rehabilitation services as measured against the provider's average bed capacity as of the first six months of fiscal year 2018.

In the 2018 Supplemental Operating Budget Statewide Summary and Agency Detail, page 99, item 23 states:

Providers who add behavioral rehabilitation services beds as measured against their average bed capacity as of the first six months of Fiscal Year 2018 will receive an additional monthly payment per child as follows: 1) rates for campus-based facility providers will increase by \$226 per child; 2) rates for group home providers will increase by \$75 per child per month; and 3) rates for therapeutic treatment homes will increase by \$200 per month. This enhanced rate add-on will be in addition to the \$750 per child per month. The department must report to the legislature no later than January 1, 2019, on the effect of this enhanced rate add-on in increasing behavioral rehabilitation services bed capacity and rates of placement.

INCENTIVE PAYMENT PROCESS

Step 1: Pulled all in-state payments by Payee ID for the months of July 2017 through December 2017. Counted the distinct number of youth served in a given month.

Step 2: Averaged the monthly counts.

Step 3: Pulled all payments by Payee ID for the month of July 2018, and counted the distinct number of youth served.

Step 4: Subtracted the number of cases in July 2018 from the average number of cases in July 2017 – December 2017, to obtain the number of “New Cases.”

Step 5: Took the number of new cases and multiplied that by the monthly rate for placement setting for the total monthly increase.

Step 6: Multiplied the total monthly increase by six months for the payment period.

RESULTS

Of the 44 contracted BRS providers, 24 received an incentive payment based on the above methodology. The amount of payment for the six-month period of July 2018 – December 2018 to each BRS provider ranged from \$450 – \$7,200 depending on service type and the increase in youth served above the baseline. The total amount paid to providers for this six-month period

was \$47,250. Half of those were group home providers and the other half were treatment foster care BRS.

No campus-based providers were shown to increase capacity. Although the data indicates an increased utilization of 55 youth over the baseline averages in a six-month period, DCYF is not completely convinced the results indicate a true increase. There were inherent difficulties and complexities in determining the baseline for each agency and the increases in utilization (see attached data). The average monthly counts of youth served have not significantly increased. This seems to indicate no true increase in utilization.

AGENCY RECOMMENDATIONS

Due to the complexities of determining a baseline and increases, the difficulty explaining the process to contracted providers, and average monthly numbers in BRS not significantly increasing, DCYF recommends repurposing these funds for other increased capacity incentives.

1. Make a one-time incentive payment for newly-licensed BRS foster homes, group homes, and staff residential homes. This is similar to the current CPA incentive payment.
2. Increase and continue to fund the BRS facility capacity-building program grant managed by the Department of Commerce. All of the \$2 million grant was awarded to five BRS providers, resulting in 37-39 new BRS facility-based beds anticipated to be available by October 2019.
3. Repurpose this funding to offset costs associated with the federal Family First Prevention Services Act (FFPSA) incentive payment. DCYF created a new rate in state fiscal year 2019 to incentivize providers to become compliant with new regulations on congregate care facilities created through passage of the FFPSA. These incentive payments are paid to providers who are seeking accreditation status and improving the quality of their programs. Initially, when this rate was offered, only one provider was eligible. Currently, all but two providers are working toward national accreditation.
4. Repurpose this funding to offset costs associated with increasing BRS rates to the levels proposed in the rate study conducted by PCG. This has some overlap in costs to Option 3.

EXHIBIT A: BRS INCREASE UTILIZATION INCENTIVES PAYMENT DATA

Below is the data used to determine the amount of payment to each provider based on service type and increased utilization above their baseline.

Payee ID	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2018	Six Month Average	Jul 2018	Number of Cases	New Cases	Monthly Increase Per Child	Total Monthly Increase	Total Six Month Payment
3290	9	8	7	8	8	6	8		9	1	\$200	\$200	\$1,200
3689						1	1						
4142	11	11	11	13	11	11	11		11				
5370						2	2		4	2	\$200	\$400	\$2,400
5497	8	8	8	7	8	9	8		8				
5658	2	2	2	2	2	2	2						
5900	6	5	4	4	6	6	5		8	3	\$200	\$600	\$3,600
8703	9	8	8	10	9	8	9		12	3	\$200	\$600	\$3,600
8955	29	29	27	27	31	32	29		27				
16843	15	18	13	15	13	12	14		6				
19656	8	9	10	10	9	12	10		11	1	\$200	\$200	\$1,200
23148	1	1	1	1	1	1	1						
36881	5	4	5	5	5	7	5		8	3	\$75	\$225	\$1,350
109784	6	5	4	5	5	5	5		6	1	\$200	\$200	\$1,200
143075	1	1	1			1	1						
143134						1	1						
148835	6	6	6	6	7	6	6		8	2	\$75	\$150	\$900
158284	8	10	11	11	11	9	10		12	2	\$200	\$400	\$2,400
162022	15	13	13	13	13	15	14		14				
164616	2	2	2	2	2	2	2		1				
169624	6	5	5	5	5	4	5		3				
172915	10	9	9	9	9	7	9		13	4	\$200	\$800	\$4,800
191333	6	6	6	6	7	7	6		6				
213551	1	1					1						
217423	23	23	25	23	22	24	23		24	1	\$200	\$200	\$1,200
220573	13	13	13	14	14	14	14		14				
231684	5	5	5	5	5	5	5		5				
251597	6	6	7	7	7	6	7		6				
258678	5	5	5	5	5	5	5		5				
275567	6	5	5	5	5	5	5		2				
276538	12	11	10	10	11	11	11		17	6	\$200	\$1,200	\$7,200
277941	4	5	5	5	6	4	5		4				
286071	5	5	7	5	5	5	5		5				
293925	5	4	3	4	2	3	4		4				
297412	5	5	5	5	5	5	5		3				
299368	1	1	2	2	2	1	2		1				
300177	19	16	14	13	13	13	15		10				
301720	6	6	6	6	6	7	6		5				

BEHAVIORAL REHABILITATION SERVICES INCREASE UTILIZATION INCENTIVE PAYMENTS

301889		1	1	1	1	1	1		1				
307311	1	1	1	1	1	1	1						
311370	42	41	37	40	41	42	41		29				
323887			1	1			1						
324112	6	6	5	6	6	5	6		5				
324600	1	1	1	1	1	1	1		1				
325692	5	6	6	5	5	5	5		6	1	\$75	\$75	\$450
327469	5	5	5	5	5	5	5		5				
330493	2	2	2	1	1	2	2		3	1	\$200	\$200	\$1,200
331823	3	4	5	5	6	5	5		3				
388942	7	6	6	7	6	6	6		2				
388944	17	18	16	19	19	17	18		21	3	\$75	\$225	\$1,350
402973	2	1	1	1	1	1	1		1				
441962	6	6	6	6	5	6	6		6				
443935	5	5	5	5	5	6	5		5				
554957	5	4	5	5	5	5	5						
618087	2	3	4	4	4	4	4		4	1	\$75	\$75	\$450
648011	7	6	6	4	5	5	6		9	4	\$200	\$800	\$4,800
661029	6	5	4	4	3	4	4		5	1	\$200	\$200	\$1,200
672921	4	5	5	5	5	5	5		5				
719066	4	4	4	4	4	4	4		3				
731841	6	5	5	5	6	4	5		4				
760921	4	4	4	4	4	1	4		1				
767927	3	3	2	1	2	2	2		2				
785088	9	9	7	3	2		6						
787069	4	4	5	5	4	5	5		4				
798181	1	1	1	1	1	1	1		1				
842184	5	6	5	7	5	5	6		5				
885296			1				1						
892203	5	4	3				4						
1004177	4	5	4	4	4	5	4		4				
1008316	5	5	5	5	5	5	5		5				
1013233	3	4	3	3	3	2	3						
1027194	3	3	3	3	4	4	3		3				
1038190	5	5	5	5	4	4	5		4				
1073243	2	3	2	2	2	2	2						
1080241	5	5	5	5	5	7	5		6	1	\$75	\$75	\$450
1096227	3	3	3	3	3	3	3		4	1	\$75	\$75	\$450
1163276						1	1		1				
1168370	3	3	4	4	4	4	4		5	1	\$75	\$75	\$450
1187296		1	2	2	3	3	2		4	2	\$75	\$150	\$900
1230229					4	5	5		11	7	\$75	\$525	\$3,150
1276211				3	3	5	4		5	1	\$75	\$75	\$450
1285176					3	3	3		5	2	\$75	\$150	\$900
									55	Total Cost			\$47,250

BEHAVIORAL REHABILITATION SERVICES INCREASE UTILIZATION INCENTIVE PAYMENTS

1. Pulled monthly distinct count of youth being served by Payee ID for months of July 2017 – December 2017.
2. Generated the average monthly youth service in column I.
3. Pulled monthly distinct count of children for the month of July 2018 (Columns K-L).
4. Calculated the difference between the historical average from 2017 and the total distinct count in July 2018.