



MENTAL HEALTH COMMISSION – BUDGET PRESENTATION 2/8/18

Revenue Update

- The Consensus Revenue Estimate (CRE) for fiscal year 2019 is 2.5% (\$9.418 billion growth) and the revised FY18 CRE is 1.9% (\$9.189 billion growth).
- January 2018 General Revenue Report:
 - FY 2018 net general revenue collections increased 7.5% compared to FY 2017.
 - Net individual income tax collections increased 7.9%.
 - Net sales and use tax collections increased 3.3%.
 - Net corporate income and franchise tax collections increased 34.4%.
 - Net all other collections increased 18.4%.
 - Refunds increased 0.7%.

Budget Update

- FY 2019 Governor's Recommendations.
- DMH presented to the House Budget Committee on January 31st.
- DMH will present to the Senate Appropriations Committee later this month.

DEPARTMENT OF MENTAL HEALTH

FY 2019 OPERATING BUDGET

CORE REDUCTIONS	FUND	GOVERNOR RECOMMENDS	
		AMOUNT	FTE
FMAP - The federal share of the blended Federal Medical Assistance Percentage (FMAP) will increase in FY 2019 from 64.260% to 65.203%; thereby decreasing the State's share from 35.740% to 34.797%.	GR	(\$11,894,030)	0.00
	FED	\$0	0.00
	OTHER	(\$122,501)	0.00
	Sub-total	(\$12,016,531)	0.00
Provider Rates - The provider rate amounts restricted in FY18 are a core reductions for FY19.	GR	(\$9,645,531)	0.00
	FED	(\$13,089,797)	0.00
	OTHER	(\$277,442)	0.00
	Sub-total	(\$23,012,770)	0.00
DD Rebasing - The amount restricted in FY18 is a core reduction for FY19.	GR	(\$3,500,000)	0.00
	FED	(\$6,292,949)	0.00
	OTHER	\$0	0.00
	Sub-total	(\$9,792,949)	0.00
Compulsive Gambling Fund - Elimination of the Compulsive Gambling House Bill Section. This will not result in a layoff as the duties are currently being absorbed by other DBH staff.	OTHER	(\$259,793)	(1.00)
Emergency Room Expansion - Partial reduction of the ERE funding appropriated in FY 2017 for expansion.	GR	(\$975,000)	0.00
Various Vacancies - Various vacancies located in ADA Administration, Prevention, Treatment; Adult Community Programs Southwest; and St. Louis DDTC.	Various	\$0	(30.67)
CORE REDUCTION TOTALS	GR	(\$26,014,561)	
	FED	(\$19,382,746)	
	OTHER	(\$659,736)	
	TOTAL	(\$46,057,043)	
	FTE		(31.67)

DEPARTMENT OF MENTAL HEALTH

FY 2018 SUPPLEMENTAL BUDGET

DECISION ITEM NAME	FUND	DEPARTMENT REQUEST		GOVERNOR RECOMMENDS	
		AMOUNT	FTE	AMOUNT	FTE
Overtime - This item provides funding to pay overtime, when requested, by certain employees providing direct client care in state institutions that are operated 24 hours a day, 7 days a week. Senate Bill 367, passed in the FY 2005 legislative session, allows these employees to request payment in lieu of compensatory time off. This includes federal, state and holiday time. The Governor's recommendations are updated figures, including the day after Thanksgiving.	GR	\$5,053,416	0.00	\$5,992,979	0.00
Federal Grant Authority - Additional authority is requested in Federal Grants appropriation 2049 to allow DMH to accept grant funding that becomes available during a current fiscal year. DMH is not aware of additional grants, so authority is no longer needed.	FED	\$1,981,667	0.00	\$0	0.00
Civil Commitment Legal Fees - This item is needed to fully fund Prosecuting Attorney and Sheriff's expenses incurred on behalf of individuals civilly committed by the courts.	GR	\$181,304	0.00	\$181,304	0.00
Additional Mental Health Local Tax Match Fund (MHLTMTF) Authority - This request is to expand MHLTMTF and Federal authority to allow the Division of Behavioral Health to reimburse for services provided. Local funds would be used to pay the state share and draw down the additional federal Medicaid reimbursement to purchase these services. Additional agreements were made after Department Request.	FED	\$602,000	0.00	\$1,221,980	0.00
	MHLTMTF	\$334,819	0.00	\$679,638	0.00
	Sub-Total	\$936,819	0.00	\$1,901,618	0.00
Additional Mental Health Earnings Fund (MHEF) Authority - Barnes Jewish Hospital (BJH) currently leases two wards at Metropolitan St. Louis Psychiatric Center (MPC) to operate the St. Louis Psychiatric Stabilization Center (PSC). BJH has requested to lease a third ward at MPC beginning March 1, 2018. Lease of a third ward is no longer requested, so authority is not needed.	MHEF	\$156,417	1.66	\$0	0.00
DD UPL Payments - Additional authority is needed to allow DMH to capture additional federal funds from the Upper Payment Limit (UPL) claim on the state-operated ICF/IID facilities (habilitation centers).	FED	\$3,400,000	0.00	\$3,400,000	0.00
	MHIGT	\$1,600,000	0.00	\$1,600,000	0.00
	Sub-Total	\$5,000,000	0.00	\$5,000,000	0.00
Intergovernmental Transfer -This request is to increase non-count appropriation authority to transfer funds to the Department of Social Services as the state share of Medicaid payments to draw federal participation.	GR	\$0	0.00	\$35,260,689	0.00
	FED	\$0	0.00	\$35,260,689	0.00
	Sub-Total	\$0	0.00	\$70,521,378	0.00
TOTAL - DMH FY18 SUPPLEMENTAL BUDGET	GR	\$5,234,720	0.00	\$41,434,972	0.00
	FED	\$5,983,667	0.00	\$39,882,669	0.00
	OTHER	\$2,091,236	1.66	\$2,279,638	0.00
	TOTAL	\$13,309,623	1.66	\$83,597,279	0.00

DEPARTMENT OF MENTAL HEALTH

FY 2019 OPERATING BUDGET

DECISION ITEM NAME	FUND	DEPARTMENT REQUEST		GOVERNOR RECOMMENDS	
		AMOUNT	FTE	AMOUNT	FTE
CORE					
<i>Core -- These amounts currently reflect the FY18 appropriation less FY19 core adjustments.</i>					
Sub-total Core	GR	\$801,753,944	4,861.92	\$775,730,923	4,861.76
	FED	\$1,303,433,565	2,318.65	\$1,284,050,819	2,296.14
	OTHER	\$60,294,432	54.50	\$59,634,696	45.50
		\$2,165,481,941	7,235.07	\$2,119,416,438	7,203.40
MANDATORIES					
DMH Utilization Increase: This decision item requests funding to support utilization increases in DMH MO HealthNet programs as follows:					
<ul style="list-style-type: none"> ➤ DBH Utilization Increase - Funding requested will support: CPR Adults - clients served increasing by 1.50% (548 clients) CPR Youth - clients served increasing by 5.80% (820 clients) GR - \$2,058,581 Federal - \$3,857,393 DBH Total - \$5,915,974 ➤ DD Utilization Increase - Funding requested will support: Cost-to-Continue for FY18 Residential Services for Individuals in Crisis in FY18 - 270 individuals (\$7,383,601 GR and \$13,835,474 Fed) Crisis Residential Services for FY19 - 307 individuals (\$8,164,291 GR and \$15,298,337 Fed) Case Management Increase (\$205,097 GR and \$384,313 Fed) Nursing Home Transitions - 43 individuals (\$2,156,725 GR and \$4,041,295 Fed) Children's Division Transitions - 31 individuals (\$1,496,167 GR and \$2,803,533 Fed) Prevent the In-Home Waitlist for FY19 - 1,018 individuals (\$2,565,580 GR and \$5,361,446 Fed) SB 40 Funding Shortfall in 6 counties (\$2,089,712 GR) GR - \$24,061,173 Federal - \$41,724,398 DD Total - \$65,785,571 					
	GR	\$26,770,969	0.00	\$26,119,754	0.00
	FED	\$44,922,563	0.00	\$45,581,791	0.00
	Sub-Total	\$71,693,532	0.00	\$71,701,545	0.00

DECISION ITEM NAME	FUND	DEPARTMENT REQUEST		GOVERNOR RECOMMENDS	
		AMOUNT	FTE	AMOUNT	FTE
Increased Medical Care Costs - This item requests funding to support medical costs at state-operated facilities. This request is based on a US Department of Labor medical inflationary increase of 5.3%.	GR	\$601,681	0.00	\$601,681	0.00
DBH Increased Medication Costs - This item requests funding for the ongoing inflation of pharmaceuticals. The 1.15% inflation rate requested in this decision item is identical to the rate requested by MO HealthNet Division for Pharmacy. This item also includes funding for the annual increases in contracted pharmacy and advanced practitioner services in DBH psychiatric hospitals.	GR	\$377,146	0.00	\$377,146	0.00
DMH Asset Limit FY18 Cost-to-Continue - This request funds services for additional individuals and couples who will become eligible for full Medicaid benefits as a result of HB 1565 (2016). This bill raises the MO HealthNet asset limits for MO HealthNet permanent and totally disabled claimants, MO HealthNet blind claimants, and MO HealthNet aged claimants from \$1,000 to \$2,000 for individuals and \$2,000 to \$4,000 for married couples in 2018. Participants eligible under the SFY18 Asset Limit increase were assumed to be phased in over the SFY18. This request is for the cost to continue services for SFY19 at an annual level for those participants enrolled in SFY18. The Governor's recommendations are based on actual utilization.	GR	\$1,047,158	0.00	\$422,713	0.00
	FED	\$1,882,774	0.00	\$792,085	0.00
	Sub-Total	\$2,929,932	0.00	\$1,214,798	0.00
DMH Asset Limit FY19 Phase-In - This request funds services for additional individuals and couples who will become eligible for full Medicaid benefits as a result of HB 1565 (2016). This legislation raised the MO HealthNet asset limits for MO HealthNet claimants from \$2,000 to \$3,000 for individuals and \$4,000 to \$6,000 for married couples in SFY 2019, DSS/FSD estimates 1,475 new participants will be added in FY19 due to this asset limit increase. The Governor's recommendations are based on actual utilization.	GR	\$394,584	0.00	\$268,910	0.00
	FED	\$709,456	0.00	\$503,886	0.00
	Sub-Total	\$1,104,040	0.00	\$772,796	0.00
Civil Commitment Legal Fees Cost-to-Continue - This item is the cost to continue funding requested in the FY 2018 supplemental budget and is needed to fully fund Prosecuting Attorney and Sheriff's expenses incurred on behalf of individuals civilly committed by the courts.	GR	\$112,091	0.00	\$112,091	0.00
Southeast Missouri Mental Health Center Sex Offender Rehab & Treatment Services (SORTS) Expansion Cost-to-Continue - Partial year funding (9 months) was appropriated in FY 2018 for an expansion ward at SEMO SORTS. This request is the cost to continue portion of that ward expansion.	GR	\$657,560	8.37	\$657,560	8.37

DECISION ITEM NAME	FUND	DEPARTMENT REQUEST		GOVERNOR RECOMMENDS	
		AMOUNT	FTE	AMOUNT	FTE
<p><u>Fulton State Hospital Sex Offender Rehab & Treatment Services (SORTS) Ward Expansion</u> - Due to the projected growth of 17-22 referrals per year, funding for a fifth 25-bed unit at FSH-SORTS will be required by mid-FY2019. Partial year (6 months) funding is being requested. There is a Governor's amendment to zero out this NDI. The census is lower than projected, and this item is no longer needed.</p>	GR	\$1,512,688	27.50	\$1,512,688	27.50
<p><u>DMH FMAP Adjustment</u> - The federal share of the blended Federal Medical Assistance Percentage (FMAP) will increase in FY 2019 from 64.260% to 65.203%; thereby decreasing the State's share from 35.740% to 34.797%. As a result, DMH is requesting additional Federal authority so that adequate funding for the MO HealthNet payment is available. A corresponding reduction to state funding will be made. These changes were not know until after the Department Request cycle.</p>	FED	\$0	0.00	\$12,016,531	0.00
<p><u>Nixon Forensic Center Security Differential</u> - The Nixon Forensic Center will be a high security setting comprised of patients from both maximum and intermediate security. Patients will not be distinguished based on their security levels—all will be considered high security. Staff within the same job classes, whether they previously worked in Biggs Forensic Center or Guhleman Forensic Center, will have comparable expectations and responsibilities in the execution of all security and treatment procedures, and thus should have equitable salaries. The amount recommended is for five months of funding.</p>	GR	\$0	0.00	\$213,506	0.00
OPERATING					
<p><u>Pay Plan</u> - The Governor recommends an increase of \$650 for employees making \$50,000 or less.</p>	GR	\$0	0.00	\$2,620,551	0.00
	FED	\$0	0.00	\$1,391,618	0.00
	OTHER	\$0	0.00	\$25,600	0.00
	Sub-Total	\$0	0.00	\$4,037,769	0.00

DECISION ITEM NAME	FUND	DEPARTMENT REQUEST		GOVERNOR RECOMMENDS	
		AMOUNT	FTE	AMOUNT	FTE
<p>DMH Additional Authority - this item requests additional authority for:</p> <ul style="list-style-type: none"> ➤ IGT Transfer Authority \$29,836,605 non-count GR and \$29,836,605 non-count Federal. The Governor's recommendation is updated with current projections. ➤ Additional DMH Local Tax Matching Fund (\$734,514) and Federal (\$1,353,165) authority is requested to allow Cape Girardeau, Franklin and Lincoln Counties and the Tri-County Mental Health Board and St. Charles County Mental Health Board to expand their partnerships with the Division of Behavioral Health to improve service outreach and points of access for Community Psychiatric Rehabilitation (CPR), Targeted Case Management (TCM) services, and Comprehensive Substance Treatment and Rehabilitation (CSTAR) services. ➤ Additional Shelter Plus Care Grant authority is requested. (\$640,000 Federal) ➤ Federal Medicaid authority in the amount of \$2,550,607 is requested due to privatizing Benton and Crossroad group homes from Center for Behavioral Medicine (CBM) to two DBH psychiatric community partners. ➤ Additional authority is needed to allow DMH to capture additional federal funds from the Upper Payment Limit (UPL) claim on the state-operated ICF/IID facilities (habilitation centers). This is a cost-to-continue the FY18 supplemental request. (\$3,400,000 Federal and \$1,600,000 Mental Health Intergovernmental Transfer) 	GR	\$3,043,969	0.00	\$29,836,605	0.00
	FED	\$12,869,550	0.00	\$37,780,377	0.00
	OTHER	\$2,068,757	0.00	\$2,334,514	0.00
	Sub-Total	\$17,982,276	0.00	\$69,951,496	0.00
<p>DBH-Opioid Initiatives - DMH will expand Peer Recovery Coaches in Emergency Departments to link individuals who have overdosed on opioids to substance use and medication assisted treatment services. DMH will also provide Faith and Community Based Recovery Support Services to assist individuals to engage in and sustain long-term recovery.</p>	GR	\$0	0.00	\$4,653,020	0.00
<p>DD Employment Initiative - Federal authority to assist the Division of Developmental Disabilities (DD) with the implementation of evidence-based practices of supported employment and customized employment. This funding will support contracted service providers, families and individuals with increased access to benefits planning supports.</p>	FED	\$105,000	0.00	\$105,000	0.00

DECISION ITEM NAME	FUND	DEPARTMENT REQUEST		GOVERNOR RECOMMENDS	
		AMOUNT	FTE	AMOUNT	FTE
Transfer of Federal Cash - This funding increases a non-count appropriation authority to support additional transfers to General Revenue from the DMH Federal Fund.	FED	\$0	0.00	\$13,000,000	0.00
Additional Mental Health Earnings Fund (MHEF) Authority Cost-to-Continue - Barnes Jewish Hospital (BJH) currently leases two wards at Metropolitan St. Louis Psychiatric Center (MPC) to operate the St. Louis Psychiatric Stabilization Center (PSC). BJH has requested to lease a third ward at MPC beginning March 1, 2018. Lease of a third ward is no longer requested, so authority is not needed.	MHEF	\$478,251	5.00	\$0	0.00
Promotion of Integration in Primary and Behavioral HealthCare Grant -The purpose of this grant is to facilitate full integration and collaboration in clinical practice between primary and behavioral health care in selected Missouri communities in five regions of the state. The intent is to then replicate best practices and lessons learned in other regions and communities in Missouri. DMH did not receive this grant, so authority is no longer needed.	FED	\$1,981,667	0.00	\$0	0.00

DECISION ITEM NAME	FUND	DEPARTMENT REQUEST		GOVERNOR RECOMMENDS	
		AMOUNT	FTE	AMOUNT	FTE
DMH FY 2019 BUDGET:					
Core By Fund	GR	\$801,753,944	4,861.92	\$775,730,923	4,861.76
	FED	\$1,303,433,565	2,318.65	\$1,284,050,819	2,296.14
	OTHER	\$60,294,432	54.50	\$59,634,696	45.50
Sub-total -- Core		\$2,165,481,941	7,235.07	\$2,119,416,438	7,203.40
New Decision Items By Fund	GR	\$31,473,877	35.87	\$37,559,620	35.87
	FED	\$56,997,998	0.00	\$68,334,683	0.00
	OTHER	\$2,547,008	5.00	\$2,360,114	0.00
Sub-total -- New Decision Items		\$91,018,883	40.87	\$108,254,417	35.87
DMH TOTAL BY FUND	GR	\$833,227,821	4,897.79	\$813,290,543	4,897.63
	FED	\$1,360,431,563	2,318.65	\$1,352,385,502	2,296.14
	OTHER	\$62,841,440	59.50	\$61,994,810	45.50
TOTAL -- DMH FY 2019 BUDGET		\$2,256,500,824	7,275.94	\$2,227,670,855	7,239.27
DMH EXECUTIVE BUDGET RECONCILIATION:					
Total - DMH FY 2019 Budget		\$2,256,500,824	7,275.94	\$2,227,670,855	7,239.27
Less General Revenue Refunds		(\$205,000)	0.00	(\$205,000)	0.00
Less Fed & Other Funds Refunds		(\$485,600)	0.00	(\$485,600)	0.00
Less Double Appropriation for DOE		\$0	0.00	\$0	0.00
Less Double Appropriation for MHIPF		(\$12,050,729)	0.00	(\$11,881,072)	0.00
Less State ICF/ID Facility Provider Tax		(\$6,000,000)	0.00	(\$6,000,000)	0.00
Less Southwest MO PRC MHEF Authority		(\$1,478,657)	0.00	(\$1,492,307)	0.00
TOTAL - DMH FY 2019 BUDGET		\$2,236,280,838	7,275.94	\$2,207,606,876	7,239.27
DMH EXECUTIVE BUDGET BY FUND	GR	\$827,022,821	4,897.79	\$807,085,543	4,897.63
	FED	\$1,360,181,563	2,318.65	\$1,352,135,502	2,296.14
	OTHER	\$49,076,454	59.50	\$48,385,831	45.50
TOTAL - DMH FY 2019 EXECUTIVE BUDGET		\$2,236,280,838	7,275.94	\$2,207,606,876	7,239.27