

Question and Answers for MA Realignment for Fiscal Year 2006-07

Q: How was MA realignment dollars calculated for the fiscal year 2006-07 budget?

A: Based upon the providers that were currently enrolled as part of MA realignment or where scheduled to be enrolled into MA realignment during 2005-06 we looked at the counties individual utilization of these providers. This amount was then multiplied by the counties IV-E penetration rate. In some cases, this amount may have been adjusted further based upon the regional offices experience with working with the county on MA realignment. The dollar amount was extracted over the 05-06 and 06-07 years. In many cases, this amount is less than counties previous targets and does not require a county to find additional dollars than previously designated.

Some health choices counties submitted information as part of their rate analysis for Medicaid that showed a significant utilization or transition of services from children and youth/JPO to Medical Assistance. For these counties, a behavioral health transition fund was created for the amount above and beyond the dollar amount expected to transition. In the case that a county cannot realize this transition amount the state dollar share of these expenditures can be accessed by the county. If the county does realize this amount the dollars will be for the needed state match in Medical Assistance.

Q: Is the amount extracted in fiscal year 2006-07 in addition to the amount extracted from the 2005-2006 certified budget?

A: No. The amount extracted for 2006-07 was based upon utilization of service providers from the 2004-05 fiscal year. Counties have different numbers than last year based upon their utilization of service providers who entered into MA or expanded their capacity in MA as a result of this initiative. As such, the numbers now are more reflective of the actual services and utilization occurring in each county.

Q: Why is it that only some counties are assigned funds for the behavioral health services transition fund?

A: Health Choices counties that submitted certified data to OMHSAS that projected significantly higher utilization than what was expected were assigned transition funds. Since the capitation rates for Health Choices counties were based upon the certified amounts submitted it was necessary for the additional extractions. Only the additional extractions are attributed to the transition funds. Absent the creation of this pool, the Department would have been double paying for these expenses. As such, county children and youth agencies will receive these funds if they are unable to access the behavioral health system for these services.

Q: How was the Behavioral Health Services transition fund calculated?

A: The transition fund was calculated by comparing the amount that OCYF expected would transition during the fiscal year to the amount that the county submitted as part of

its rate base for Health Choices. If, after accounting for variances in provider Managed Care rates, the amount the county submitted for its Health Choices rate was larger than the difference between the two was extracted from the children and youth budget. The state dollars associated with the additional extraction is what is in the behavioral health transition appropriation and available to those counties to draw down if the additional expenditures are unable to be transitioned to Medical Assistance reimbursement.

Q: For counties that are in the behavioral health services transition fund, how do they access these dollars?

A: If a county does not realize their anticipated MA realignment transition, then these dollars would be allocated as part of their 4th quarter invoice payment. In order for this to occur, the expense would have to be realized by the county and they would need to have the associated local share. A county will be limited by the state dollars assigned to them as part of the behavioral health services transition fund.

Q: What happens to the dollars assigned to a county for the transition fund if a county realizes its total Medical Assistance Re-Alignment number?

A: If a county that is part of the Behavioral Health Transition fund realizes its targeted MA realignment then the assigned state dollars for the county is used as the state share for Medicaid.