



The Mental Health Block Grant Ten Percent Set Aside Study

BRIEF REPORT | Financing and Funding for CSC Programs

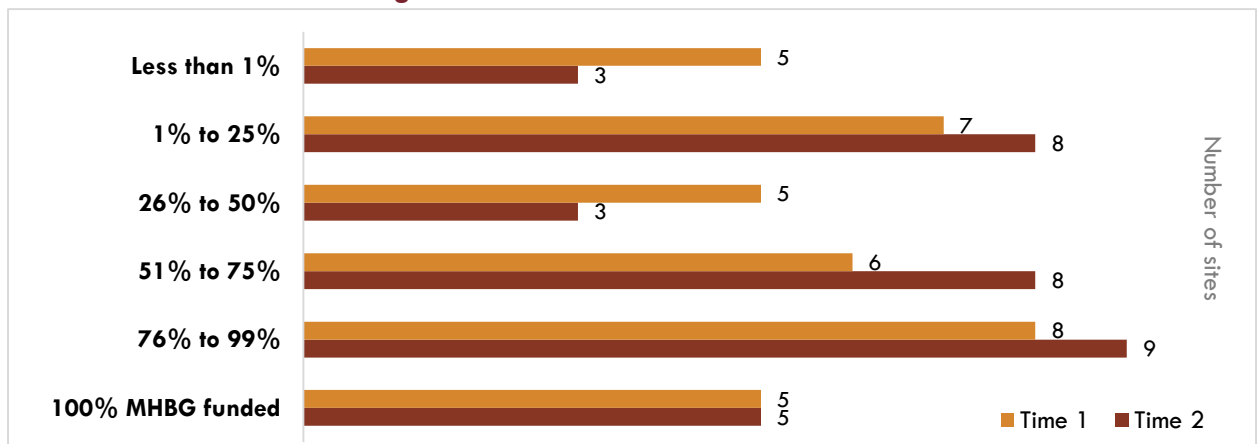
OVERVIEW

Financing first episode psychosis (FEP) services can be a challenge. Several services and activities incorporated into CSC are not covered by traditional health insurance, and Medicaid does not cover all components in every state. The Consolidated Appropriations Act of 2014 included a five percent supplement and set aside in the Mental Health Block Grant (MHBG) administered by the SAMHSA; this was increased to ten percent in February, 2016. All study sites in the MHBG 10 Percent Set-Aside Study are supported through these set-aside funds, with the intention to have States use these additional resources to support evidence-based programs that provide treatment for those with FEP.

MHBG Funding. The range of MHBG 10 percent Set-Aside funding varied from less than 10 percent for a few programs through 100 percent for five programs. Exhibit 1 shows that during the first round of site visits, 19 of 36 sites received greater than half of their funds from MHBG 10% Set Aside funding; during the second round, that had increased to 22 of 36 sites.

There was broad consensus across study sites that the frequent and extensive staff-client contact and the team meetings that typify the CSC model would not be possible without the 10% Set Aside funding.

Exhibit 1. Percent of Funding from MHBG 10% Set-Aside

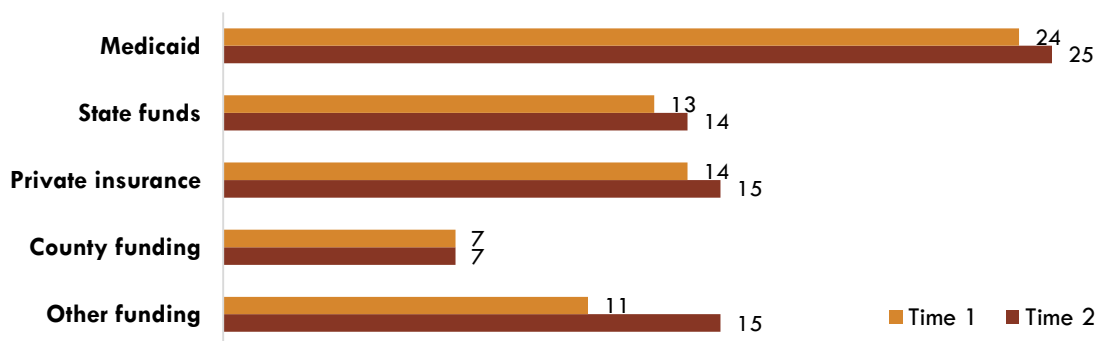


MHBG 10% Set-Aside Study Methods

The MHBG 10% Study is a collaboration among the Substance Abuse and Mental Health Services Administration (SAMHSA), the National Institute of Mental Health (NIMH), and the Office of the Assistant Secretary for Planning and Evaluation (ASPE). The study includes 36 CSC programs that were selected from among the 250 CSC programs across the U.S. that use MHBG 10% set-aside funding. Data presented in this brief report were collected during two site visits conducted between January-June 2018 and January-May 2019. Site visits included semi-structured interviews with 1) a site administrator or program director; 2) the CSC team; and 3) between one to four program participants per site.

Funding from Other Sources. As shown in Exhibit 2, Medicaid was the predominant non-MHBG funding source during both rounds of site visits. This was particularly the case in states that had expanded Medicaid coverage as a result of the Affordable Care Act (ACA); without the Medicaid expansion, many young adults eligible for CSC services did not qualify for Medicaid because they had not yet been determined to be disabled. Private insurance was a funding source in 14 sites during the first round of site visits and 15 sites during the second round. Although private insurance may pay for some therapeutic services, it does not typically reimburse many key CSC services such as team leadership, Supported Employment and Education, and outreach and engagement. Overall, funding from non-MHBG sources was similar between years.

Exhibit 2. Funding From Non-MHBG Ten Percent Set Aside Sources



“ There are things you just can’t bill for that allow us to do the education, early contacts with people, maintaining contacts with people who won’t come in. All of that. And that is supported through the grant. ”

Sustainability. When asked about sustainability of the program, administrators most frequently responded that their program could not be sustained at fidelity without the block grant funds, and several components of the CSC model would be lost – including services that were not billable to insurance as well as services for which the insurance reimbursement was inadequate. In some larger states maintaining CSC programs was a clear and historical priority. However, sustainability was particularly a concern among smaller programs, where administrators noted that they would not have sufficient billings from their small caseloads to carry the program, and thus they relied on block grant funds. Several respondents noted the need for a cost-based case rate reimbursement to sustain the program from either Medicaid or private insurance reimbursement.

“ ...I will tell you that without the block grant funding, these projects would disappear. ”