

# GREATER COLUMBIA BEHAVIORAL HEALTH Policies and Procedures

Category: Fiscal Management  
Approved On: 12/07/00  
Approved By: The Board of Directors  
Revised: 08/25/2005; 07/27/06; 06/25/07; 07/02/09; 06/29/11  
Effective Date: Immediately Upon Approval

No: FM804

Title: **Funding Allocation Policy**

## DEFINITIONS

**B-3 REVENUE:** Revenue received under a specific Center for Medicaid and Medicare Services waiver to fund Clubhouse, Supported Employment, and Respite Care.

**JAIL FUNDING:** The Washington State Legislature developed funding to be made available to Regional Support Networks (RSN) for establishing services intended to facilitate a safe transition for inmates with mental illness released into the community services.

**LOCAL INPATIENT HOSPITALIZATION WITHHOLD:** A specific monthly allocation of both Medicaid and State-Only resources held at the RSN to pay monthly inpatient hospitalization costs. These amounts are allocated by County using actual FY10/11 Medicaid population for Medicaid and FY10 General Population for State-Only (Non-Medicaid). Yearly, a reconciliation of actual claims versus estimated claims will occur. At that time, any surplus funding that remains will be made available distribution. Any shortfall that occurs will be reflected by adjustment during the next fiscal year. **(See Attachment – A)**

**MEDICAID (PIHP):** Capitated payment received by the RSN on a per member per month basis to provide contracted Metal Health services to all Medicaid eligible consumers within the boundaries of GCBH.

**STATE-ONLY FUNDING:** Funds appropriated by the state legislature for the purpose of providing prioritized levels of care not covered by Medicaid. They include Inpatient Hospitalization, Crisis Services, Residential supports, and when available Other Outpatient Services not covered under Medicaid.

**FUNDS AVAILABLE FOR DISTRIBUTION:** Used to describe resources available for distribution to the provider network during a given period of time.

**PACT TEAM FUNDING:** During FY11, Washington state received approval from CMS to cover a portion of PACT services under the Medicaid Waiver. Because this waiver does not cover all PACT related costs, GCBH will receive \$696,000 in additional State-Only funding during the next two years in an order to meet fidelity requirements within the PACT model. These resources are only available for funding of the GCBH PACT Team.

## **METHODOLOGY**

- I. Beginning July 1, 2005, a clear separation of Federal and State Dollars was initiated by the Department of Social and Health Services (DSHS). New contract requirements initiated by the Center for Medicare and Medicaid Services (CMS) state that only Medicaid clients be served using Medicaid resources.

In keeping with these requirements, the 2011 - 2013 biennium monthly funding distributions made by Greater Columbia Behavioral Health (GCBH) to its Member Counties will be prioritized in the following order:

- A. **State-Only Funding** is distributed to the network based on general population except for a net maximum of **\$26,353** per month in FY 2012 and **\$11,124** per month in FY 2013 for two specialized residential programs in Yakima County. Yakima County may use this additional funding only for these residential programs. Any State-only reserves currently held by Yakima County would be used first to fund the specialized programs. This additional State-only funding is for the sole purpose of maintaining these two specialized residential programs, as per State prioritization, while transitioning to State-only formula that will distribute this funding based on general population. Increases in State-only funding during this transition period, if any, would be distributed to the rest of the provider network and not Yakima County until the State-only allocation to Yakima reaches the level of State-only funding they would have received if all the funds were distributed solely based on general population. **(See Attachment-2)**
- B. **PIHP Funding (Medicaid)** is distributed to the network by county based on the number of Medicaid Eligibles in each of the funding cells generated by the State of Washington's Provider One Information System multiplied by the rate associated with that cell. **(See Attachment-2)**
- C. **Jail Funding** is distributed based on the same county by county allocation used by the state to determine funding for GCBH. 100% of these resources are to be passed through to the counties.

- D. **Federal Block Grant Funding** is allocated to counties based on general population. Counties (and/or) service providers submit plan documents describing how these resources will be used during the upcoming contract cycle. These plans are then approved by the Regional Advisory Board, the state advisory board, and the GCBH Board of Directors. In the event a county (and/or) service provider is unable to expend its allocation of FBG funding during the contract cycle, available resources can be shifted to another program within the GCBH catchment area.
  
- E. **B-3 Medicaid Funding** will be allocated to those counties providing B-3 services during Fiscal Year 2012/2013. This allocation is based on a point system. Under this point system, service hours reported as B-3 services will be given (1) point while per-diem services reported will receive (4) points. Available B-3 resources will be distributed annually to those counties (and/or) service providers reporting services under B-3.
  
- F. Utilization of this funding by the GCBH Provider Network must continue to prioritize those elements of the mental health service system identified in the contract between GCBH and the State of Washington.
  
- G. It is the policy of GCBH to distribute any and all funds received by the RSN on or before the end of each fiscal year that have not been used to fund required reserves. These amounts, when determined at the close of each fiscal year, will be distributed using the allocation methods listed above, or upon board approval, used to fund RSN wide special projects such as Infrastructure improvements, Capital purchases, or other projects deemed beneficial to the clients served by GCBH.

II. Scheduled Review of this Procedure:

- A. The Funding Allocation Policy will be reviewed periodically by the Funding and Fiscal Operations Committee. (FFOC)

**APPROVAL**

/S/ Kenneth Roughton, Ph.D  
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 Kenneth Roughton, Ph.D  
 Director

06/29/11  
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**Fiscal Year 2012/13 (Funding Formula)**

Straight Formula Approach (No Hold Harmless)

**(Attachment-2)**

**(FINAL 6/29/11)**

	(Column 1)	(Column 2)	(Column 3)	(Column 4) (See FY12/FY13 GCBH Preliminary Budget)
<b><u>State-Only Revenue:</u></b>	<b>YEARLY</b>	<b>Preliminary FY12 Budget</b>	<b>Preliminary FY13 Budget</b>	<b>TOTAL</b>
State Only Revenue		\$ 10,560,000	\$ 10,560,000	\$ 21,120,000
Funds Available for Distribution State-Only Revenue	\$ 7,718,427 <small>(See FF Page 2, Col 1)</small>	\$ 7,718,426	\$ 7,718,427	\$ 15,436,853
Total State-Only Available for Distribution (Monthly)	\$ 643,202 <small>(See FF Page 2, Col 2)</small>			
<b><u>PIHP (Medicaid):</u></b>				
Estimated PIHP Revenue		\$ 38,285,000	\$ 38,284,000	\$ 76,569,000
Funds Available for Distribution Medicaid Revenue	\$ 33,372,158 <small>(See FF Page 3, Col 1)</small>	\$ 33,372,158	\$ 33,372,159	\$ 66,744,317
Total PIHP Available for Distribution (Monthly)	\$ 2,781,013 <small>(See FF Page 3, Col 2)</small>			

**FY12/13 Preliminary Funding Estimate  
(Page-1)**

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**Fiscal Year 2012/2013 Funding Formula**

Straight Formula Approach (No Hold Harmless)  
State-Only Funding (General Population Allocation)

(Attachment -2)



			(Column 1)	(Column 2)	(Column 3)	(Column 4)	(Column 5)
	FY10 General Population	FY10 General %	(12 Months) State-Only Funding	Base Monthly State-Only Funding	Monthly S-O Inpatient Withold	Estimated S-O Inpatient Usage  (See Attachment-A)	Monthly State-Only Funding
<b>Funds Available for Distribution (State-Only)</b>			<b>\$ 7,718,427</b>	<b>\$ 643,202</b>	<b>\$ 140,000</b>	<b>\$ (140,000)</b>	
Asotin	21,700	3.14%	242,475	20,206	4,396	(3,100)	21,502
Benton Franklin	248,400	35.96%	2,775,617	231,301	50,344	(86,000)	195,645
Columbia	4,150	0.60%	46,372	3,864	840	(850)	3,854
Garfield	2,300	0.33%	25,700	2,142	462	(600)	2,004
Kittitas	40,500	5.86%	452,546	37,712	8,204	(3,100)	42,816
Klickitat	20,500	2.97%	229,067	19,089	4,158	(3,050)	20,197
Skamania	10,900	1.58%	121,796	10,150	2,212	(1,350)	11,012
Walla Walla	59,600	8.63%	665,969	55,497	12,082	(8,100)	59,479
Whitman	43,600	6.31%	487,186	40,599	8,834	(1,650)	47,783
Yakima	239,100	34.61%	2,671,699	222,642	48,468	(32,200)	238,910
	<b>690,750</b>	<b>100.00%</b>	<b>\$ 7,718,427</b>	<b>\$ 643,202</b>	<b>\$ 140,000</b>	<b>\$ (140,000)</b>	<b>\$ 643,202</b>

**State-Only Allocation**  
( Page 2 )



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**Fiscal Year 2012/13 Funding Formula**

Straight Formula Approach (No Hold Harmless)

**(Attachment-2)**



**FY10-11 CYCLE**

	Preliminary Estimate Fiscal Year 2012			Fiscal Year 2011			Fiscal Year 2010		
	Total Monthly PIHP	Total Monthly State-Only	Total Combined Funding	Total Monthly PIHP	Total Monthly State-Only	Total Combined Funding	Total Monthly PIHP	Total Monthly State-Only	Total Combined Funding
Asotin	\$ 102,635	\$ 21,502	\$ 124,137	\$ 83,934	\$ 18,885	\$ 102,819	\$ 83,811	\$ 24,856	\$ 108,667
Benton Franklin	930,409	195,645	1,126,054	932,716	135,731	1,068,446	931,160	211,099	1,142,259
Columbia	26,120	3,854	29,974	28,592	4,023	32,615	25,422	4,995	30,417
Garfield	7,531	2,004	9,534	12,751	2,436	15,186	16,532	2,924	19,456
Kittitas	98,344	42,816	141,161	87,723	37,406	125,129	77,430	46,433	123,863
Klickitat	97,982	20,197	118,179	82,638	18,314	100,952	77,641	21,307	98,948
Skamania	31,050	11,012	42,062	42,024	9,786	51,810	40,390	11,556	51,946
Walla Walla	226,935	59,479	286,414	203,440	54,022	257,462	201,818	66,531	268,349
Whitman	78,481	47,783	126,264	80,659	46,386	127,044	74,805	54,477	129,282
Yakima	1,181,526	238,910	1,420,436	1,426,251	219,825	1,646,076	1,362,378	267,792	1,630,170
	<b>\$ 2,781,013</b>	<b>\$ 643,202</b>	<b>\$ 3,424,215</b>	<b>\$ 2,980,726</b>	<b>\$ 546,812</b>	<b>\$ 3,527,539</b>	<b>\$ 2,891,387</b>	<b>\$ 711,970</b>	<b>\$ 3,603,357</b>

\*\*Based on 10 months of Data 4/11

\*\*Includes FY10 Close-Out processed with May 2011 Distributions

Asotin	22%	14%	20.7%	0%	-24%	-5.4%	2%	-17%	-2.9%
Benton Franklin	0%	44%	5.4%	0%	-36%	-6.5%	15%	-9%	10.0%
Columbia	-9%	-4%	-8.1%	12%	-19%	7.2%	-9%	30%	-4.3%
Garfield	-41%	-18%	-37.2%	-23%	-17%	-21.9%	-3%	-11%	-4.8%
Kittitas	12%	14%	12.8%	13%	-19%	1.0%	-5%	-11%	-7.4%
Klickitat	19%	10%	17.1%	6%	-14%	2.0%	-10%	-22%	-13.2%
Skamania	-26%	13%	-18.8%	4%	-15%	-0.3%	-11%	4%	-8.0%
Walla Walla	12%	10%	11.2%	1%	-19%	-4.1%	-6%	-4%	-5.8%
Whitman	-3%	3%	-0.6%	8%	-15%	-1.7%	-5%	-17%	-10.3%
Yakima	-17%	9%	-13.7%	5%	-18%	1.0%	-2%	-20%	-5.5%
	<b>-6.7%</b>	<b>17.6%</b>	<b>-2.9%</b>	<b>3.1%</b>	<b>-23.2%</b>	<b>-2.1%</b>	<b>2.2%</b>	<b>-14.2%</b>	<b>-1.5%</b>

**FY12/13 Funding Comparison  
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FY12/13 Estimated Inpatient Hospital Costs

By County (State-Only and PIHP)

( Attachment - A )

State-Only	ACTUAL USAGE FY10/11				FF FY11	FF FY11	FY10	Est. FY11	FF FY11
	FY10 Actual	FY11 (8 Mos.)	FY10/11 (20 Months)	Monthly Average	Yearly Est. Usage	Monthly Est. Usage	General POPULATION	Yearly Total	Population Allocation
Asotin	32,284	27,126	59,410	2,971	\$ 37,200	\$ 3,100	3.14%	52,752	\$ 4,396
Benton/Franklin	1,082,265	601,442	1,683,707	84,185	1,032,000	86,000	35.96%	604,128	50,344
Columbia	3,264	12,342	15,606	780	10,200	850	0.60%	10,080	840
Garfield	10,804	119	10,923	546	7,200	600	0.33%	5,544	462
Kittitas	46,741	12,481	59,222	2,961	37,200	3,100	5.86%	98,448	8,204
Klickitat	51,308	5,890	57,198	2,860	36,600	3,050	2.97%	49,896	4,158
Skamania	24,324	558	24,882	1,244	16,200	1,350	1.58%	26,544	2,212
Walla Walla	103,412	56,087	159,499	7,975	97,200	8,100	8.63%	144,984	12,082
Whitman	10,501	20,056	30,557	1,528	19,800	1,650	6.31%	106,008	8,834
Yakima	395,533	233,549	629,082	31,454	386,400	32,200	34.62%	581,616	48,468
	<b>\$ 1,760,436</b>	<b>\$ 969,650</b>	<b>\$ 2,730,086</b>	<b>\$ 136,504</b>	<b>\$ 1,680,000</b>	<b>\$ 140,000</b>		<b>\$ 1,680,000</b>	<b>140,000</b>

PIHP-Medicaid	ACTUAL USAGE FY10/11				FF FY11	FF FY11	P1	Est. FY11	FF FY11
	FY10 Actual	FY11 (8 Mos.)	FY10/11 (20 Months)	Monthly Average	Yearly Est. Usage	Monthly Est. Usage	Medicaid POPULATION	Yearly Total	Population Monthly
Asotin	100,833	64,838	165,671	8,284	99,600	\$ 8,300	3.66%	\$ 109,800	\$ 9,150
Benton/Franklin	479,694	269,309	749,003	37,450	456,000	38,000	31.95%	958,500	79,875
Columbia	184	3,526	3,710	186	3,000	250	0.87%	26,100	2,175
Garfield	54	5,816	5,870	294	4,200	350	0.26%	7,800	650
Kittitas	134,442	132,469	266,911	13,346	162,000	13,500	3.69%	110,700	9,225
Klickitat	69,496	85,382	154,878	7,744	93,600	7,800	3.49%	104,700	8,725
Skamania	19,821	43,186	63,007	3,150	38,400	3,200	1.13%	33,900	2,825
Walla Walla	17,653	197,887	215,540	10,777	132,000	11,000	7.85%	235,500	19,625
Whitman	54,289	95,660	149,949	7,497	91,200	7,600	2.84%	85,200	7,100
Yakima	1,554,692	1,598,936	3,153,628	157,681	1,920,000	160,000	44.26%	1,327,800	110,650
	<b>\$ 2,431,158</b>	<b>\$ 2,497,009</b>	<b>\$ 4,928,167</b>	<b>\$ 246,408</b>	<b>\$ 3,000,000</b>	<b>\$ 250,000</b>		<b>\$ 3,000,000</b>	<b>\$ 250,000</b>

**(ATTACHMENT - A)**  
**FY12/13 LOCAL INPATIENT HOSPITALIZATION**