

## Enhancement for Community-based Behavioral Health Services

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### Overview

Community-based behavioral health enhancement funding, per Senate Bill (SB) 5092, Section 215 (20) proviso requirements for Fiscal years 2022 and 2023, details methodology for distributing funding to behavioral health providers and the estimated impacts on providers in their communities.

The Washington Health Care Authority (HCA) submits an annual report each December, summarizing the information provided by managed care organizations (MCOs) and behavioral health administrative services organizations (BH-ASOs) about the distribution of funding.

### Legislative intent

Community-based behavioral health enhancement funding serves to ensure adequate staffing levels for local community-based behavioral health providers. Staffing challenges are a recurring hurdle for providers. This funding should bolster providers' ability to attract and retain qualified behavioral health professionals.

### Background

Funding first began in the 2018 fiscal year under SB 6032. Initial 2018 legislation appropriated about \$70 million for the enhancement of community behavioral health services. This funding was allocated to behavioral health organizations (BHOs), including MCOs, based on their regional population and/or enrollment.

In 2019, the Washington State Legislature passed proviso language in House Bill (HB) 1109.

The SFY22 and SFY23 proviso states the funding should directly increase rates for behavioral health services provided by licensed and certified community behavioral health agencies.

Twenty percent of the state general fund appropriation dedicated to each regional service area must be provided to BH-ASOs to increase their

non-Medicaid funding. The remaining 80% and the entirety of the federal general fund appropriation must be provided to MCOs to maintain increased Medicaid rates for behavioral health services.

### Funding levels specified in the proviso

- General Fund-State appropriation for SFY 2022 and SFY 2023: **\$23,090,000 (funding is for each fiscal year)**
- 20% of this amount (**\$4,618,000**) is directed to BH-ASOs
- The remainder (**\$18,472,000**) is directed to MCOs via inclusion in Medicaid rates

For SFY2024 and SY2025, funding will continue at the same level as the previous fiscal year proviso. Funding for the MCOs is imbedded in the per-member/per-month rates. For the BH-ASOs, the funding also continues at the same level as outlined in Exhibit A of the BH-ASO contract.

### Contract requirements

In the BH-ASO and MCO contracts, HCA has included language that requires submission of fiscal expenditures every quarter that detail their expenditures of enhancement funds to each provider, including descriptions of the funding mechanisms and payment methodology used to deliver the funds.

HCA reviews these reports and continues to engage with BH-ASOs and MCOs to address questions and concerns about meeting requirements for both usage and reporting of enhancement funds.

### Regional plans

HCA requires each BH-ASO and MCO to determine regional needs and plan outcomes with providers to develop disbursement and clear communication plans to distribute the funding. To accomplish this, the following actions steps are taken each fiscal year:

- Operationalize MCO/BH-ASO regional plan to deploy enhancement funds
- Maintain a clear communication plan with providers to disperse funds
- Notify providers of their rate increases for upcoming fiscal year
- Conduct quarterly internal reviews to ensure that funds are being dispersed to providers, as outlined in their communication plan with behavioral health providers

- Submit quarterly fiscal templates to HCA per contract schedule

## Key findings and data results

Some common enhancement funding activities for BH-ASOs and MCOs derived from their FY23 quarterly reports:

- Recruit and hire new behavioral health staff
- Retention plans for current staff
- Cultural change
- Relocation expenses for staff moving to rural locations
- Licensure fees
- Tuition reimbursement
- Posting fees for employment sites
- Paying for independent staff supervision
- Hiring bonuses
- Retention bonuses
- Educational supplies/software
- Regional continuing education and training

## More information

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