



DEPARTMENT OF HEALTH & HUMAN SERVICES
BEHAVIORAL HEALTH DIVISION

Milwaukee County

LISA JO MARKS • Director
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November 17, 2009

To: Wiser Choice Provider Network

From: Walter Laux, Director Community Services Branch

Re: AODA Reductions

As stated previously in the memo that was released in September, earlier this year the State reduced the TANF allocation to Milwaukee County by \$512,600. The TANF reduction from the State was a direct result of the State budget deficit that was passed on to Milwaukee County. Additionally, the State biannual budget passed earlier this summer repealed all provisions relating to the Female Offender Reentry Enhanced Program (FOREP), thus eliminating the balance of funding for this year. Further, Milwaukee County received notification that the Federal government has reduced the ATR grant by \$214,500 in Grant Year 3 that began on September 30, 2009 because Milwaukee County did not meet the 80% GPRC compliance threshold. These reductions in Federal and State funding is forcing BHD to make further reductions to avoid deficit spending in 2009.

As many of you are aware, SAMHSA made a site visit to Milwaukee earlier this month. As part of that visit, SAMHSA recommended that BHD re-structure the voucher management system to align the number of vouchers issued with those redeemed. Effective November 23 for all new vouchers, BHD will issue 30-day vouchers for all levels of care (residential, day treatment and outpatient) and reduce the number of units per voucher to the "burn rate" (the average number of units redeemed within the system) for each level of care. This does not reduce expenditures by itself, but it does allow better forecasting of available funds.

In order to reduce expenditures and avoid deficit spending this year, BHD is immediately employing several strategies simultaneously. First, the residential cap on the system is being reduced from 115 slots to 98 slots, or a 15% reduction. The new individual residential caps by agency are as follows:

<i>Agency</i>	<i>Current Cap</i>	<i>Reduced Cap</i>
Adrianna	5	4
Genesis	28	24
Harambee	7	6
Horizon	2	1
Matt Talbot	14	12
Meta House	24	21
SRRR	7	6
UCC	16	14
White's	12	10

Second, screens at each of the CIUs will be reduced from four screens to three for clinical services effective 11/18. The CIUs are instructed to screen out those individuals with insurance and refer them to a clinical provider within the individual's insurance network. BHD is working with the CIUs to implement the new ASAM Recovery Support Services (RSS) tool that identifies ancillary service needs. Once this new tool is fully implemented, the number of screens at the CIUs will be increased for those that need BHD-funded ancillary services only.

Finally, SARs/extensions for current clients with authorization lapse dates on or after 11/18 regardless of fund source eligibility shall be:

<u>Extension request</u>	<u>Result</u>
Residential	30 days of day treatment or a lower level of care
Day Treatment	30 days outpatient
Outpatient	denied

Individuals will continue to be eligible for ancillary services identified in the Single Coordinated Care Plan up to 30 days post-clinical treatment. The abbreviated service requests for clinical care will remain in place through the end of the year.

BHD will continue to monitor expenditures, and make adjustments as necessary. The potential reductions for AODA funding in 2010 and beyond may significantly decrease the amount available for voucher services in 2010. Even though the exact reductions are unknown at this time, there could be a multi-million-dollar reduction in 2010, due primarily to the loss of the ATR grant and reduction in TANF funding. While we anticipate applying for the third round of ATR, we cannot budget for a grant that we do not have, and will need to make further reductions in services next year to operate within our approved budget. Further reductions for both contracts and voucher services may be necessitated if BHD does not receive the full TANF award. BHD will be required to make these additional service reductions as 2010 will be a transition year to "ramp down" capacity to be equal to the anticipated amount of funding that will be available in 2011. The intent is to do this in a progressive fashion so that services, albeit at a lesser amount, will be available throughout the year.