

**REPORT  
 HIGHLIGHTS**  
 PERFORMANCE AUDIT

**Subject**

In 2000 the Legislature made a one-time, \$20 million appropriation for children’s behavioral health services. Often referred to as “HB2003” monies, the funding provides behavioral health services to children served by the Departments of Health Services, Economic Security, Juvenile Corrections, or the Administrative Office of the Courts. The monies are primarily used for children not eligible for Medicaid or KidsCare.

**Our Conclusion**

Programs that the HB2003 monies funded are consistent with legislative requirements and with court-ordered system reforms. Monies are also being used to provide state-wide training on system reform.



2002

**Programs Consistent with Intent and Enrollment Increasing**

The Department of Health Services (DHS) allocated \$17.85 million of the \$20 million HB2003 appropriation to its five Regional Behavioral Health Authorities (RBHAs) that provide behavioral health services state-wide. The RBHAs were to develop new programs and provide services addressing the goals of the legislation.

**Programs are consistent with legislation—**

Legislation directed DHS to use the HB2003 monies to serve the families of children who were receiving behavioral health services from DHS or three other state agencies—the Departments of Economic Security (DES) and Juvenile Corrections, and the Administrative Office of the Courts. DHS could also use the monies to increase telemedicine availability. Telemedicine involves using videoconferencing equipment to provide services such as counseling to patients who do not live near behavioral healthcare providers.

The RBHAs developed programs to serve the families and children whom the legislation targets. These include:

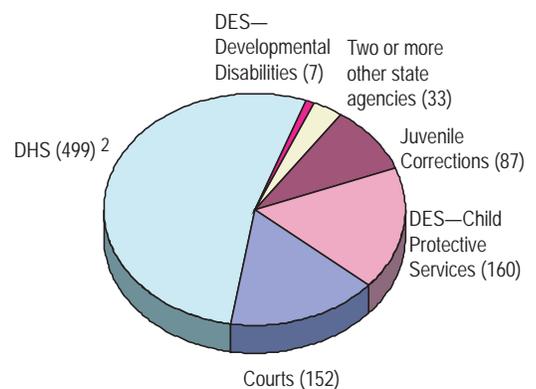
- **Comprehensive behavioral health services**—ValueOptions, the RBHA serving the Maricopa County area, is using the monies to provide all medically necessary outpatient services, such as medications and therapeutic day programs, for up to 404 children who are not eligible for Medicaid.
- **Children in the juvenile justice system**—PGBHA, the RBHA

serving Pinal and Gila counties, CPSA, the RBHA serving Pima, Cochise, Graham, Greenlee and Santa Cruz counties, and Excel, the RBHA serving Yuma and La Paz counties, provide assessments to determine behavioral health needs, and provide counseling and medication for children in the system.

- **Community programs**—Excel created an after-school program intended to help children address problems in family and academic life and peer relations.
- **Telemedicine**—Both PGBHA and Excel used monies to increase telemedicine services in rural areas.

As shown below, almost half of the children enrolled thus far were involved with DHS, as well as one of the other agencies named, in HB2003.

Children Served by State Agencies Named in HB2003 Legislation as of July 1, 2002 <sup>1</sup>



<sup>1</sup> The Division of Behavioral Health Services serves all children. Other agencies also serve some of these children.

<sup>2</sup> Assessment information is missing for 117 of these clients. Some may be involved with other agencies. In addition, auditors found approximately 10 percent of children may be misclassified in the Division’s data.

**Programs are consistent with court-ordered reforms**—In March 2001 the State settled *J.K. v. Eden*, a class action behavioral health lawsuit on behalf of Medicaid-eligible children. The settlement prescribed a new system of care that emphasizes:

- Collaboration with the child and family
- Collaboration among agencies
- Providing services in the most appropriate setting

Many of the programs that the RBHAs developed are in keeping with the new care system. For example, NARBHA, a RBHA providing services in northern Arizona, uses teams of representatives from DES, the Administrative Office of the Courts, and Juvenile Corrections to provide collaborative case planning.

**Program enrollments slow to develop but increasing**—The Legislature did not establish a deadline for spending the HB2003 monies. However, some programs had a slower start than the RBHAs originally planned and had lower initial enrollments than the RBHAs projected. In recent months, enrollments have increased. As shown below, total enrollment has increased in the programs' second year, and may reach the RBHAs' estimates of over 1,200 total enrollment.

The Behavioral Health system was experiencing a number of changes at the time HB2003 programs were being implemented, which may help explain why implementation was delayed and enrollments developed more slowly than originally anticipated. For example:

- The State implemented Proposition 204, which expanded Medicaid eligibility. Almost 5,000 more Medicaid-eligible children were enrolled in the State's behavioral health system between October 2001 and August 2002 than for the same period the previous year.
- Medicaid also began covering more behavioral health services. New services include expanded respite care and day treatment programs.

The RBHAs needed to coordinate these changes with their existing programs and their planned HB2003 programs. In addition, providers needed to be educated about these changes.

In response to the low enrollment, DHS and the RBHAs made changes in the HB2003 program plans and worked with other agencies to increase referrals. For example, ValueOptions shifted planned spending from programs for DES-referred children who are generally eligible for Medicaid to children that the Administrative Office of the Courts referred.

Number of Clients Enrolled in HB2003 Children's Program<sup>1</sup>  
February 1, 2001, Through June 30, 2002



<sup>1</sup> Each point represents the cumulative number of children who have been enrolled since the program's inception, not the total current enrollment.

## Ensuring State-wide Training

In keeping with the *J.K. v Eden* settlement agreement, DHS is providing training and one-on-one coaching to teach the RBHA staff about the new system of care for children. DHS has allocated \$2 million of the HB2003 monies to develop and conduct this training.

### **Training consistent with best practices**—

DHS has contracted with a nationally known consultant, VanDenBerg, to provide training and coaching in three phases:

- **Assessment**—identifying the type of training needed. This was completed in October 2001.
- **Curriculum development and initial training**—overview of the system and skills-based training. This is scheduled to be completed in January 2003.
- **Project management**—transition from training staff in part of the State to a state-wide training program by May 2003.

Elements of the training program are consistent with “best practices” identified by a federal Center for Mental Health Services report and systems of care training in other states. These elements include:

- Using the training to gain the new system's acceptance
- Coaching facilitators through role playing to develop specific skills
- Collaboration between behavioral health and other child-serving agencies

**Continuing the training**—DHS is taking steps to continue the training after the contract with the consultant ends in May 2003. These steps include:

- Using training kits that the consultant developed
- Developing internal trainers through a train-the-trainer program
- Training the service providers' supervisors

## Recommendations

DHS should:

- Continue plans to use training kits
- Ensure that RBHA training plans include elements to attain training throughout the State in a timely manner
- Collaborate with other child-serving agencies to train their staffs

## Fostering Interagency Collaboration

It is important for DHS to collaborate with other agencies to avoid competing service and treatment goals and to work toward effective behavioral health outcomes.

**Collaborative service plans**—The RBHAs solicited input from regional administrations within the Departments of Economic Security and Juvenile Corrections, and the Administrative Office

of the Courts. While overall perceptions of the RBHAs' planning efforts were positive, county juvenile probation officials in two of seven counties contacted said that their local RBHA had not solicited input from them.

In most cases, the RBHAs included the priorities of other agencies in their service plans. For juvenile justice agencies, for example, these included:

- Psychological assessments
- Prevention of a lapse in a child's medication after release from the justice system
- Substance abuse services for youth on probation or parole

These efforts have made inroads in establishing collaboration at the state agency leadership level. DHS may make similar gains in collaboration by focusing on agency leadership at the county and regional levels. One approach is each agency formally agreeing to support and adopt county- or regional-level interagency agreements aimed at collaboration.

## Recommendations

DHS should:

- Encourage adopting county-and regional-level interagency agreements aimed at collaboration.

### TO OBTAIN MORE INFORMATION

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