

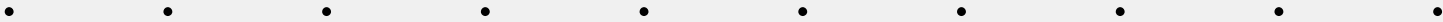


Wasatch Mental Health
750 North 200 West
Provo, UT 84601

(801) 373-4760

Wasatch Mental Health

Unfunded Client Impact Report



*February 2006
(update)*

Introduction:

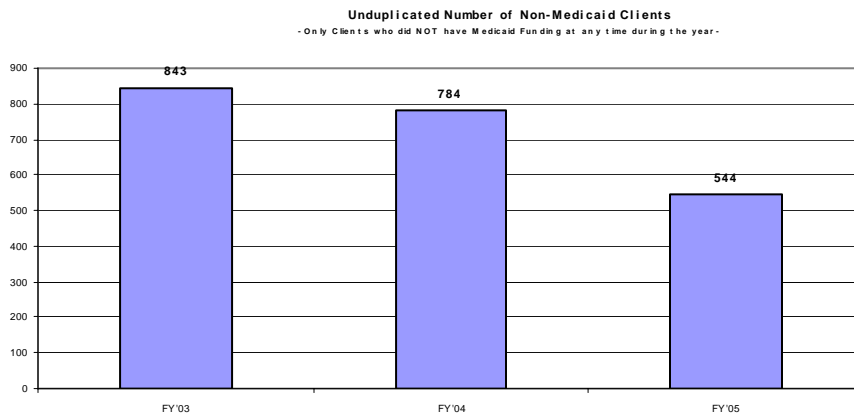
The Legislature awarded \$2,000,000 of one-time money in FY 2006 in order to address the impact of the recent cuts in Medicaid funding for mental health services for the uninsured and under-insured population. The award of the funds to each Mental Health Center has been proportional to the impact reported to the legislature by the community mental health centers. As the impact has been on non-Medicaid clients, the Legislature wanted to insure that the funding be directed to non-Medicaid clients only. Subsequently, the following intent language has been passed:

“It is the intent of the Legislature that funds appropriated to address the loss of Medicaid funds for mental health services provided by local mental health centers to non-Medicaid clients be used solely for that purpose.”

In order to assure compliance with the intent language and to demonstrate how the one-time allocation has restored services for unfunded clients, the Department of Human Services and the Division of Substance Abuse and Mental Health have identified the need to provide meaningful data about the loss of the Medicaid funds and on the impact of the \$2,000,000 allocation. It is hoped that this data will also point towards the need to continue State allocations for the unfunded clients in subsequent years.

Impact of Medicaid Cuts on Wasatch Mental Health

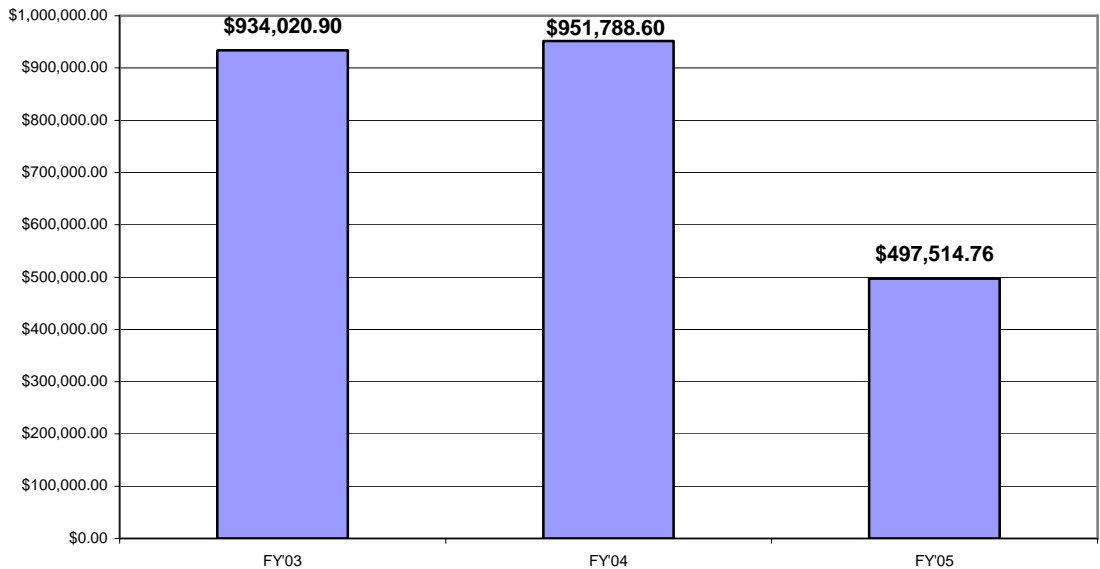
Wasatch Mental Health (WMH) discharged 709 individuals from services due to lack of funding in the Fall of 2004. Historically, WMH has treated 750 – 850 under- or uninsured clients annually. It should be noted that this number *does not include* individuals who had Medicaid for part of the year, but then lost their Medicaid funding or became ineligible. Thus, the actual number of individuals without Medicaid funding and the actual amount of services provided is higher than depicted in the graph. However, as the intent language of the legislature and the data request explicitly state that all individuals receiving Medicaid for part of the year be excluded, these individuals have been excluded from these graphs.



The significant drop of the unfunded clients between FY'04 and FY'05 is due to the change in Medicaid funding. WMH started to discharge under- or uninsured clients in October of 2004, about one third into FY'05.

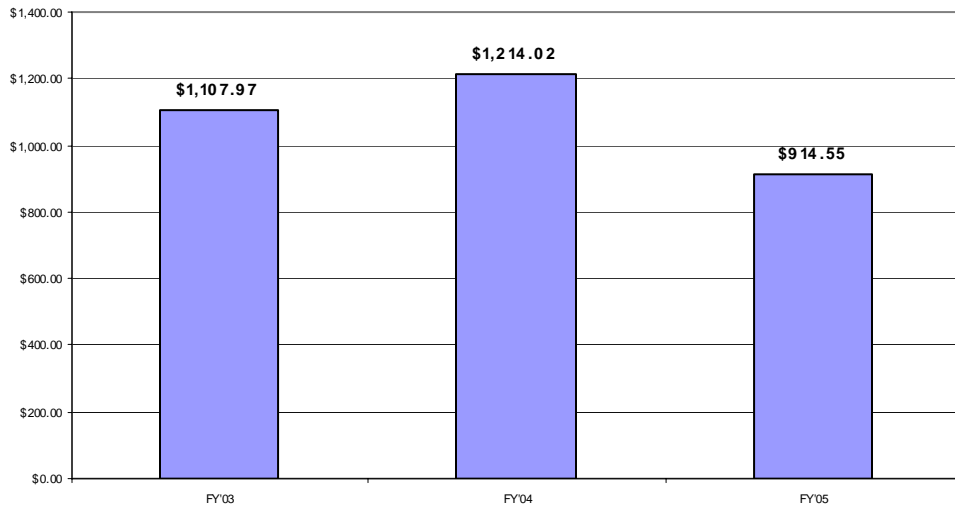
Similarly, the cost associated with treating the unfunded population changes significantly between FY'04 and FY'05.

Cost of Treatment of Non-Medicaid Clients
 -Only Clients who did NOT have Medicaid Funding at any time during the year-



The following graph depicts the cost of services per client. This graph shows that the cost per client has remained stable for two of the past three years.

Cost of Treatment per Non-Medicaid Individual
 -Only Clients who did NOT have Medicaid Funding at any time during the year-



The drop in cost per client by about \$300.00 per client between FY'04 and FY'05 appears to be a result of the changed service mix for these clients. When Medicaid changed funding rules, WMH informed clients in writing or in person about their pending termination from services. However, in order to allow clients to transition to another provider, if available, WMH granted under- or uninsured clients a 4-6 week transition period. During this transition period, limited psychotherapy and medication related services continued to be offered. Inpatient services, residential treatment services and other, more restrictive and cost- intensive

treatment modalities, however have not been offered during this transition period. Therefore, the cost per client was expected to drop in FY'05.

Without the State appropriation, these individuals do not have any other opportunity to access services. This is a result of the following factors:

- While there are several agencies and clinics in Utah County accepting clients on a sliding fee scale, most of these fees, even if adjusted to the client's income, are too high for this clientele.
- These agencies have a limited number of slots for individuals who pay a sliding fee and could not absorb the 700 discharged clients.
- Medication related services and psychiatric evaluations are not available at any of these other clinics, and thus under- or uninsured clients do not have any alternative to the community mental health center for psychiatric services.
- WMH assisted under- or uninsured clients to obtain low or no cost medications by assisting and supporting applications for Patient Assistance Programs (PAPs) to pharmaceutical companies.
- Without ongoing psychiatric evaluations medication related services, these clients are not able to continue to participate in the Patients Assistance Programs. Thus, many of these clients also have lost access to their psychotropic medications when they were discharged from WMH.
- WMH subsidized clients to pay for some psychotropic medications if they were not eligible to participate in PAPs

Due to the above reasons, many of these clients go without treatment or deteriorate to the point where inpatient treatment is required. For instance, Utah Valley Regional Medical Center (UVRMC) reported a significant increase in Emergency Room evaluations over the last 12 months. While UVRMC evaluated about 1,800 individuals in the ER prior to the termination of the unfunded, the ER evaluated about 2,400 individuals since the unfunded have been terminated due to lack of funding. Similarly, UVRMC reports that the discharge plan for the under- or uninsured clients in the hospital is much delayed due to the local community mental health center not being an option for individuals without Medicaid funding. Subsequently, the average length of stay (LOS) has increased by about 2 days. This represents a significant increase of about 20%-30% (Personal communication with Marie Prothero, 08/09/2005).

Wellness Recovery Clinic at Wasatch Mental Health

Towards the end of the Legislative session, the State appropriated about \$2 million to reinstate treatment for the uninsured and underinsured clientele in Utah. WMH was appropriated \$384,000 of these \$2,000,000 to respond to the cuts in funding in Utah County. WMH started to develop a clinic model that would allow the agency to provide accessible services to a majority of the clients who had been terminated due to a lack of funding, while assuring that any allocation received would be used exclusively for Non-Medicaid clients (as stated in the intent language of the legislature).

Wasatch Mental Health's intention from the outset has been to create a new treatment initiative with a distinct identity within the community specifically geared towards offering new treatment services for the uninsured and under-insured clientele. We believed the intent of the legislature could be best accomplished by creating a new clinic rather than rolling the funds into existing operations. We hope that by doing so we are able to demonstrate to the legislature good value and stewardship of the awarded funds.

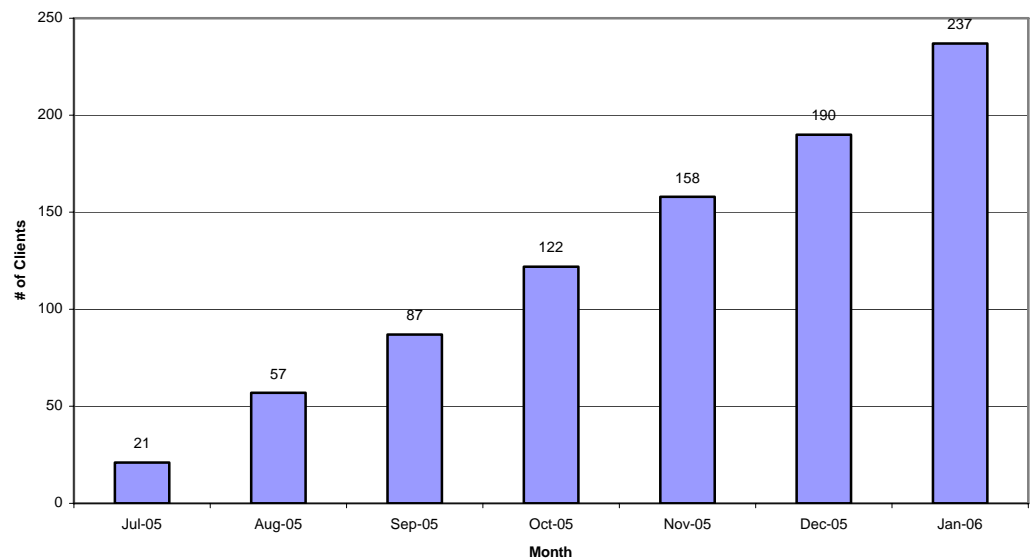
The Wellness Recovery Clinic at Wasatch Mental Health opened on July 1st, 2005. The clinic is open free of charge to any Utah County Resident meeting the following eligibility requirements:

- Uninsured or under-insured with no alternative access to mental health services
- At or below 150% of poverty guidelines adjusted for family size
- A qualifying DSM-IV-TR mental health diagnosis

In the August 19th, 2005 initial Impact Report, we identified a four-fold goal for the Wellness Recovery Clinic at Wasatch Mental Health. These four goals are listed below along with a progress report being made for each goal area:

1. The Wellness Recovery Clinic strives to provide access to quality services to a large number of clients by:
 - relying on group-therapy as the primary treatment modality
 - providing time limited services
 - reviewing client treatment needs and service utilization on a regular basis
 - working towards securing additional and alternative funding sources

Total # of Clients Served in the Wellness Recovery Clinic

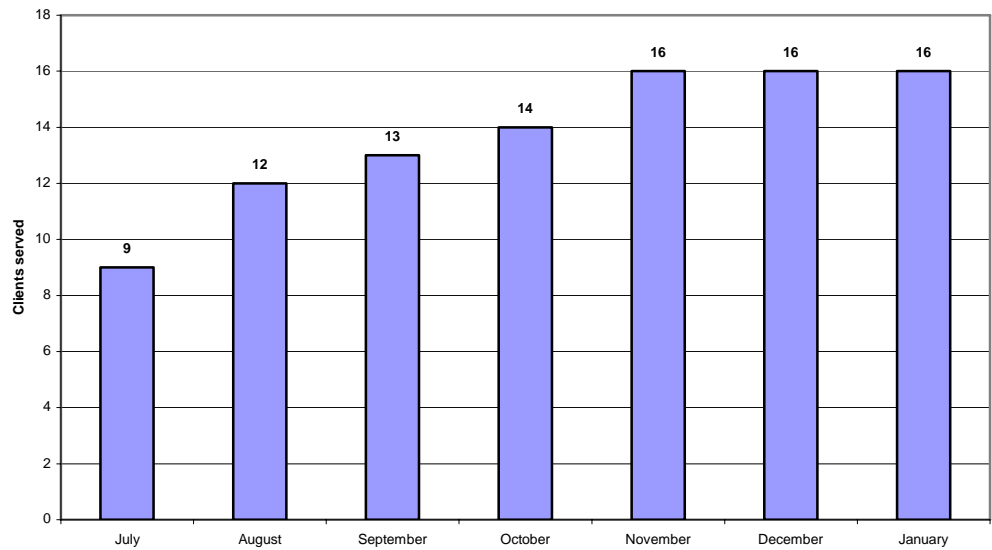


The Wellness Recovery Clinic (WRC) offers services to about 35 new clients every month. Our annual service goal has been to provide services to a total of 400 – 500 clients. At the current rate, we anticipate providing services to close to 500 clients by the end of the fiscal year (June 2006). An increased service capacity is anticipated during the second half of the fiscal year, as clinical staff will be added.

Additionally, Wasatch Mental Health serves the uninsured and under-insured court committed clients with the state appropriated funds. The WRC provides utilization management functions to review client treatment needs and appropriately refer court-committed clients to the WRC or Wasatch Mental Health. A referral to Wasatch Mental Health will occur if the treatment needs exceed the service mix offered in the WRC.

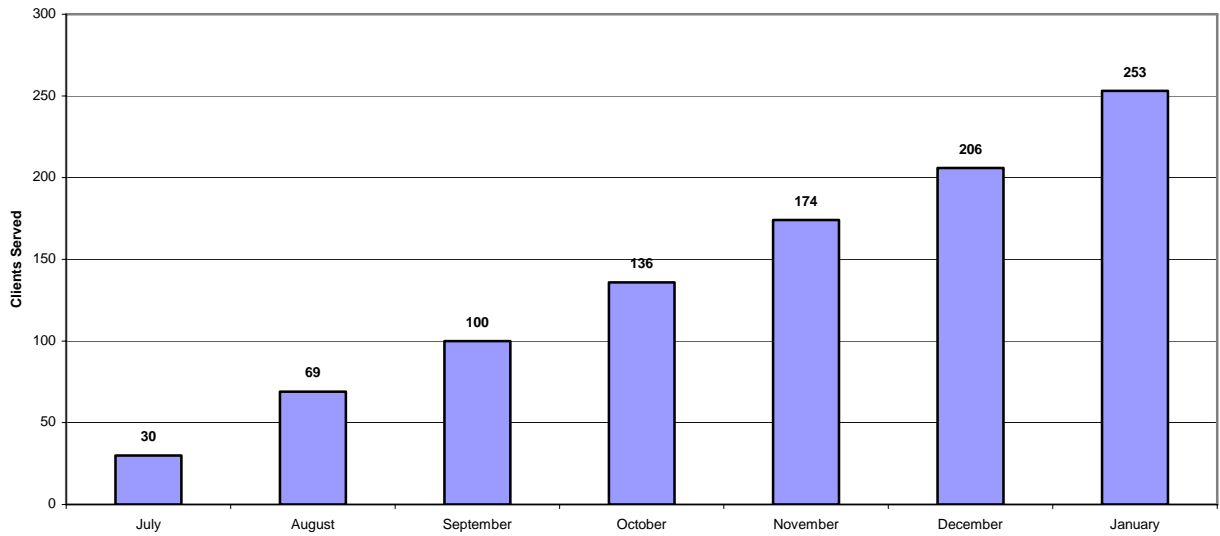
The following graph depicts the number of uninsured or under-insured court-committed clients served by Wasatch Mental Health and monitored by the WRC.

Court Committed uninsured and underinsured Cleints



Combining the above data, the WRC has provided services to a total of 253 clients as of 01/31/2006.

Total Number of WRC Clients Served



2. The Wellness Recovery Clinic strives to provide evidence based services in the most effective manner and integrate innovations in service delivery by:
 - relying on and adapting evidence-based treatment models for group approaches for the most common diagnostic categories
 - heavily relying on group treatment modalities as indicated by research on the effectiveness of this treatment modality

- experimenting with innovative service delivery methods (such as medication management groups and various intake service delivery)
- economizing the overall paperwork and streamlining admission and treatment processes
- assisting clients to participate in pharmaceutical company sponsored Patient-Assistance-Programs to obtain low or no cost medication

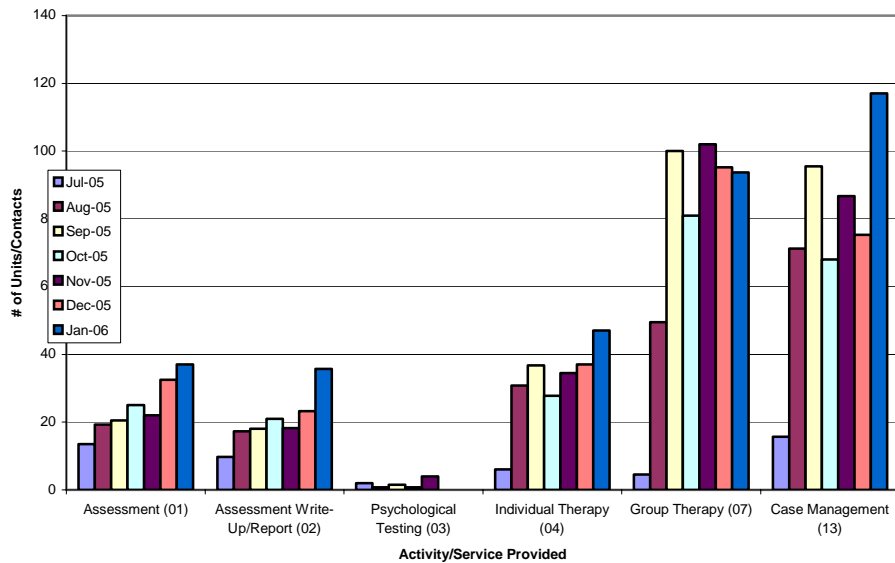
The WRC offers a range of psychotherapy groups based on evidence based short-term treatment models, extending the time services are offered into the early evening hours. At this point, groups are offered to address the following issues:

- Relationships
- Bipolar disorders
- Borderline Personality Disorder
- Processing group (general focus)
- Depression/ anxiety
- Depression
- Self-esteem enhancement group
- Parenting
- Self-empowerment
- Smoking Cessation

All of these groups are time limited, lasting between 6 – 12 weekly sessions. After a client completes a group, further treatment needs are evaluated. This assures efficient utilization management and the delivery of appropriate and needed services.

Research suggests that group therapy is as effective for most clients and more cost effective than individual therapy. Therefore, the WRC heavily relies on group, rather than individual therapy. The following graphs depict the number and types of services provided by month for both clinical and medical services.

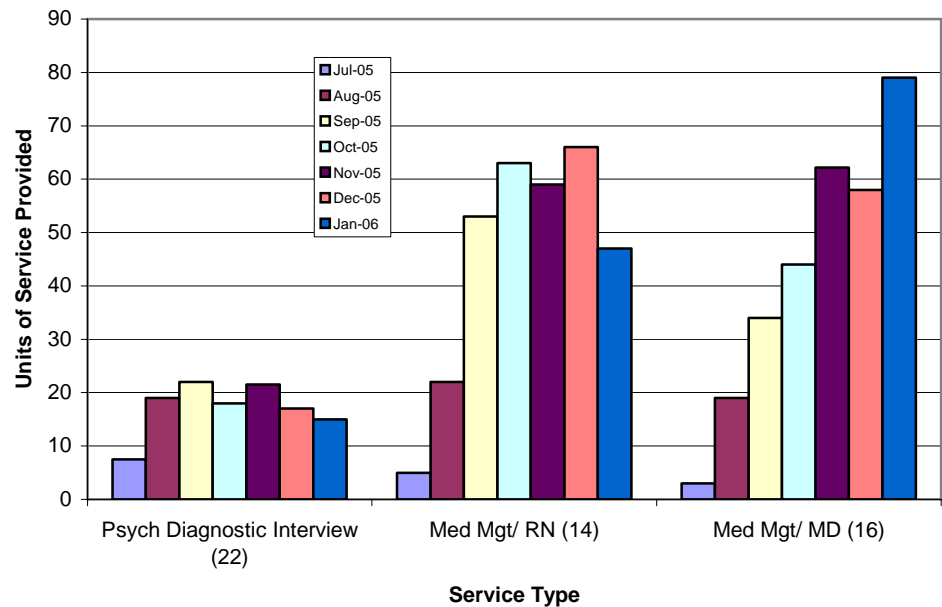
Wellness Recovery Center- Units of Clinical Service Provided



The above graph depicts the number of service hours provided to clients in each of the clinical treatment modalities per month. It is noteworthy that the majority of services provided are group and case management services. This reflects the goal of the WRC to provide a cost effective service mix. Both group and case management services are less expensive than the other services depicted.

The following graph depicts number of medical contacts with a prescriber or Registered Nurse for psychiatric evaluations and medication management services. In order to economize the time of the prescriber, nursing staff meet with the clients to collect needed medical information and history prior to them meeting with the APRN/Psychiatrist.

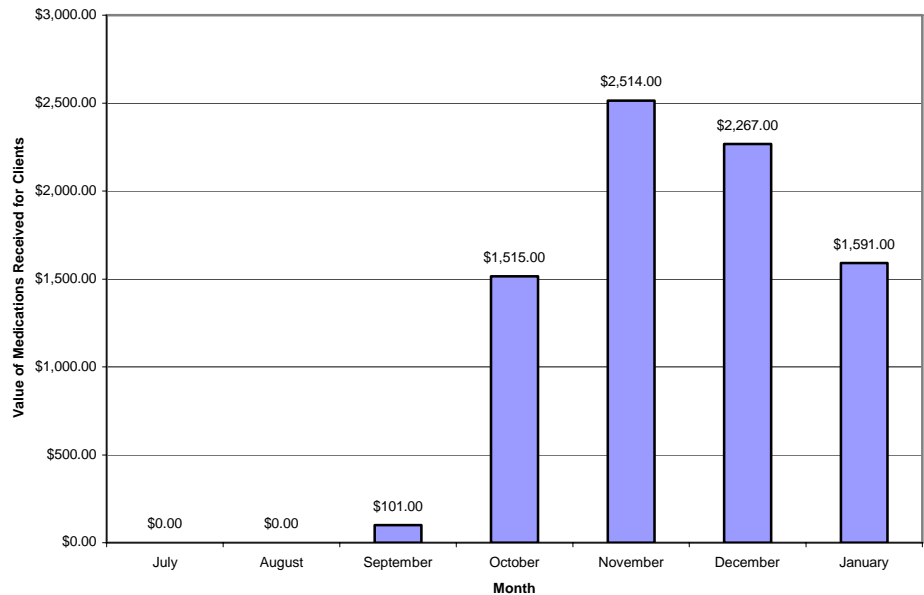
Wellness Recovery Clinic- Units of Medical Service Provided



Recently, the WRC added medication management groups to the service mix. This is an innovative initiative of the medical staff in order to provide medication management services in a group setting. This significantly increases the service capacity of the medical staff, one of the most costly and scarce resources.

The WRC staff evaluates every admitted client for eligibility for additional funding services and programs. Clients are screened for Medicaid eligibility, eligibility for housing subsidies, and for Patient Assistance Programs (PAP) of pharmaceutical companies to defray the cost of medications provided. In order to participate in a PAP, a client must meet certain eligibility criteria and obtain the support of a prescriber and agency working with the client. The following graph depicts the amount of medications the WRC clients have been able to obtain through the PAPs.

Pharmacy Cost Savings from Patient Assistance Programs



3. The Wellness Recovery Clinic strives to work towards community ownership of the treatment initiative of the unfunded clients by:
- relying on volunteers to improve and expand services
 - soliciting donations (goods and services) for the Wellness Recovery Clinic
 - being involved in public awareness events to increase community partnership
 - providing information to stakeholders and legislative bodies about the need for funding for ongoing services
 - demonstrating treatment effectiveness by tracking treatment outcomes on an individual and cumulative level

The WRC is in the process of recruiting professional and clerical volunteers. We are listed at the United Way volunteer resource referral service as a potential placement. As of this writing, we are negotiating with a physician who has expressed interest in providing volunteer medical services. We are very pleased with this interest and hope that we will be successful in recruiting several professionals as volunteers, particularly as this is a strong reflection of community involvement and ownership.

Similarly, the WRC has undertaken steps to run the clinic as efficiently as possible. For instance, we have recruited one master's level intern providing clinical services. In Spring of 2006, we anticipate being able to recruit a second master's level intern. These interns will permit the WRC to increase service capacity without significantly increasing costs. As these individuals are supervised by licensed professional clinical staff, quality of services is not compromised.

In reference to community awareness and ownership, WRC staff have participated in several media events; including official ribbon-cutting ceremony, several newspaper articles highlighting the program, a TV interview, and radio talk show program. WRC staff member have also provided several tours and trainings to community partners and allied agencies to orient them to this new community resource. These educational efforts have resulted in increased awareness and the interest of the physician referred to above to volunteer services.

Alternative and supplemental funding sources have been pursued in the form of grants and donations. Thus far, the WRC has been able to secure two one-time grants/ donations allowing us to increase the number of clients served. We will continue to actively pursue grants and donations to supplement the state appropriate to provide services to the uninsured and underinsured clientele.

4. The Wellness Recovery Clinic strives to be accountable to stakeholders and current and potential funders by:
 - tracking and documenting treatment outcomes using nationally calibrated measures on an individual and cumulative level
 - documenting and demonstrating treatment effectiveness in an understandable and concise format

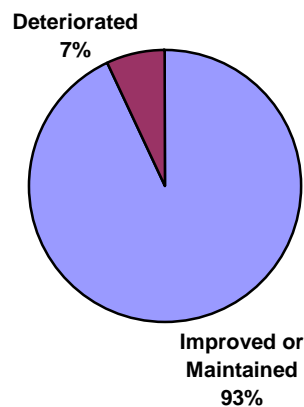
The WRC has made a concerted effort and commitment to gather qualitative and quantitative outcome data. This goal has been deemed important in order to be able to communicate progress and success effectively to both clients and stakeholders. Demonstrating treatment effectiveness and our ability to positively impact the quality of life of the clients served is vital in order to secure community ownership and ongoing funding.

In order to demonstrate positive treatment outcome, the WRC selected the Outcome Questionnaire-45 (OQ-45), a nationally calibrated and well-established outcome questionnaire measuring psychiatric symptoms and overall level of functioning.

To assure consistent and recurrent data collection, the WRC uses PDA and computer technology to collect and submit data on every client once a week or as frequently as the individual seeks services. Subsequently, the WRC has real-time data available on an individual and cumulative level of client progress.

Following, a graph depicting client progress as of 02/13/06.

**Improvement in Client Symptoms as Measured by the OQ-45
(February 13th, 2006)**



Summary

Wasatch Mental Health received \$384,000 in a one-time state appropriation to treat underfunded and uninsured clients. In order to fulfill the mission suggested by the intent of the legislature, Wasatch Mental Health formed the Wellness Recovery Clinic, a free clinic open to residents of Utah County who meet certain eligibility requirements. Over the course of the funding year, the WRC set out to provide services to about 500 clients (the equivalent of 70% of clients who lost access to services) with less than 50% of the funding. At the six months mark, the WRC is considered to be highly successful in achieving its goals. At this point, a total of 253 clients have been served and the program implemented innovative services and service delivery systems demonstrating a significant cost savings over traditional services. Additionally, the program has been successful in documenting client progress, engaging in educational endeavors, and in securing supplemental funding sources.

It is hoped that this treatment initiative continues to be supported by a state allocation in subsequent years.