



Thurston- Mason Behavioral Health Organization Special Budget Session

Date of Work Session:	October 7, 2016 – Mason County Commission Chambers
Time:	1:30pm
Office/Department:	TMBHO Governing Board
Subject:	TMBHO Special Budget Session
Staff Contact/Author:	Name/Title: Tina Gehrig Phone: 360-867-2509
Attendees:	<p>Commissioners Present: Bud Blake, Terri Jeffreys, Cathy Wolfe</p> <p>BHO Administrator: Mark Freedman COO: Joe Avalos</p> <p>BHO Fiscal Manager: Tara Smith</p> <p>Other Staff: Tom Stuebner and Joy Miller, PHSS Vickie Larkin, Sherri Nehl, Robin Campbell, Thurston County Commissioner's Office Frank Pinter, Mason County Commissioner's Office</p>
Discussion Points:	<p>This meeting is a preliminary discussion of the 2017 Thurston-Mason BHO budget. No decisions are expected at this meeting.</p> <p>After introductions the agenda was reviewed which included: purpose of meeting, financial timeline, approved 2016 budget, highlights, and status of 2016 PLR's, anticipated 2017 PLR's, challenges and proposed budget.</p> <p>The plan includes: meeting the identified community priorities for re-entry and diversion services, supported housing and appropriate levels of care for the right service at the right time, to fully encumber available reserves over a five year period, and to engage managed care companies and Health Care Authority in preparation for 2020 and full integration.</p> <p>Accomplishments and highlights over the last year included:</p> <ul style="list-style-type: none"> • Thurston-Mason RSN transitioned to a quasi-governmental behavioral health organization with a combined new governmental board from both Thurston and Mason County. • RSN and CD budget amendments were completed to reduce Thurston County fund 1500 to form a new TMBHO agency account 6960. • TMBHO Board approved account 6960 for \$47 million. • Expansion of TMBHO staff to meet new state demands and prepare for full integration. • Contracted with new substance use disorder (SUD) residential and detox providers. • Increased contract rates for SUD providers to sustain provider network. • Finished construction of Thurston-Mason County Crisis Triage facility and contracted for services. • Expanded several providers to become dually licensed for both SUD and mental health services. • Contracted for new mobile outreach teams for diversion services in both

Thurston and Mason Counties.

- Expanded children's and transitional age youth evidence-based practice services.
- Secure grant for Mason County triage facility.

Challenges for 2017 include:

Requirement for SUD inpatient services to shift from Medicaid covered services back to block grant for services beyond 15 day stays. This would significantly impact services as the state cut block grant funding once Medicaid started covering inpatient services. Thurston-Mason BHO has seen an increase of 25% being admitted into residential services since April 1st as compared with before.

Now with reduced funding, services that would most be impacted are syringe exchange and recovery support services, which cannot be paid for with Medicaid funds. Thurston-Mason BHO is considering providing a day support service which is sort of a step-down from residential to assist with this reduction in inpatient stays.

Other challenges include: lack of housing at all levels for the behavioral health population, system pressure to become mid-adopter, and maintaining current level of millage, liquor tax and treatment sales tax funding.

**TOTAL BUDGET REVENUE
(Medicaid, State & Local funding)**

Initial TC 2016 (Jan-Dec) RSN & CD Approved budget	\$ 57,412,312
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Here is what was transferred to Agency Fund 6960

TMBHO 2016 (Apr- Dec) Budget	\$ 47,365,487
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What was left in Account TC Fund 1500

TC 2016 (Jan-Mar) RSN & CD Budget	\$ 10,046,825
TC 2016 (Apr-Dec) Personnel	\$ 1,872,704
TOTAL	\$ 11,919,529

2017 Budget

Beginning 2017 BHO Budget	\$57,412,312
Total request including Medicaid excess plus reserve spenddown	\$12,732,762
2017 new budget request	\$70,145,074 TOTAL

LOCAL FUND REQUEST FROM THURSTON COUNTY to TMBHO

	2016 BOCC Approved Budget	2017 BHO Appropriation request
Millage	\$ 392,475	\$ 392,475 (Thurston & Mason County)
Liquor Profits & Excise	\$ 40,000	\$ 40,000 (Thurston & Mason County)
TST	\$1,834,819	\$1,834,819 (Thurston County only)
TOTAL	\$2,267,294	\$2,267,294

The 2016 and 2017 PLR's were reviewed in detail.

Other items of discussion included:

- The Treatment Sales Tax Advisory Team will be presenting

recommendations for funding next week. TMBHO needs to develop a separate interlocal agreement with TST. Need to approve the extension of the 2016 appropriation.

- The Mason County Board of Commissioners have approved the millage agreement which will be going before the TMBHO Board.
- The 3 bids for contracting for legal counsel have been received and reviewed.
- Commissioner Jeffreys would like a narrative program description of services, identifying which were successful, and what the fund source is. She is also interested in having case management services for Mason County Superior Court similar to Thurston County.
- Since they are no longer part of Thurston County's budget process, TMBHO will need to develop/define their budget process. With a budget of about \$60 million, a process needs to be defined. Does it include public hearings, review by Advisory Board, etc.? The Advisory Board does currently review the budget and that will be presented at their October meeting. Tara will draft a process.

Other Updates:

- Discussion occurred about a process for informing the public about TMBHO's accomplishments and highlighting staff's dedication to the community's behavioral health needs.
- Preliminary discussion needs to begin about full integration in 2020.
- The Governor has just signed an executive order to impact the opiate crisis. This will no doubt affect our service delivery.
- TMBHO needs to define a budget amendment process.
- The Superior Court letter will be submitted by the entire Governing Board next week.
- The next meeting is October 19th and will include discussion about hiring or subcontracting for human resource functions.
- The pre-agenda setting meeting will need to be re-scheduled due to schedule conflicts.
- Financial services is requesting authority be given for weekly sign off on accounts payable. Since the Board meetings monthly, they need to authorize someone to sign weekly. Staff will present a resolution at the next meeting.

I certify this is a true and correct copy of the original document maintained in the Office of the Thurston-Mason Behavioral Health Organization.

ATTEST:


Tina Gehrig, Clerk of the Board

Date: 11/10/16