ANALYSIS OF THE EFFECTIVENESS OF SINGLE STREAM FUNDING

Presentation before the Joint Legislative Oversight Committee for Mental Health, Developmental Disabilities and Substance Abuse Services

October 13, 2010

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WHY THE REPORT

- The Special Provision outlined in Session Law, 2009-191, House Bill 672 Section 2,states:

"The Department of Health and Human Services shall analyze the effectiveness of single stream funding in the expenditure of State funds and review the allocation of service dollars to specific disabilities of LMEs that utilize single stream funding for a year or more and report its findings to the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services, the House of Representatives Appropriations Subcommittee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Fiscal Research Division by June 1, 2010."

WHAT IS SINGLE STREAM FUNDING?

A funding method to provide Local Management Entities (LMEs) with greater flexibility to manage limited state funding for services. Under Single Stream funding, LMEs have the flexibility to determine, based upon the unique needs in the catchment area served, how to allocate state resources across the three disabilities.

SINGLE STREAM FUNDING BENEFITS

- Single Stream funding provides the LMEs greater flexibility in the use of limited state resources but also requires more accountability from the LME in determining and prioritizing the needs of consumers in its catchment area.
- The Division reimburses Single Stream LMEs one twelfth of their allocation each month and must then report the use of those funds after the fact.

CONCERNS WITH SINGLE STREAM

- Need to monitor earnings and utilization
- Too much movement of dollars among disabilities
- Maintenance of effort for individual disability services

NUMBER OF LME'S ON SINGLE STREAM

- As of July 1, 2010, sixteen (16) of the twenty-three (23) LMEs are operating under Single Stream funding protocols.
- Seven (7) LMEs have thus far failed to meet the approval criteria to convert to Single Stream funding

CRITERIA FOR SINGLE STREAM FUNDING

- LME has shown consistent compliance with the states performance contract
- The LME CFAC supports and has a role in establishing funding goals and monitoring
- Maintenance of effort requirements for continued services

HOW TO MEASURE EFFECTIVENESS

- Timely consumer access to services;
- Effective identification of services to persons in need;
- Timely initiation and engagement of consumers in services;
- Effective use of state psychiatric hospitals;
- Reduction in state psychiatric hospital readmissions;
- Timely follow-up after inpatient care in state psychiatric hospitals and state Alcohol and Drug Abuse Treatment Centers (ADATCs); and
- Reduction in the number of children in out-of-home placements for services

Expenditure-Based Reporting by Single Stream LMEs

- Types of Services
  - Gero Teams
  - Prevention
  - Veterans and Families
  - Traumatic Brain Injury
  - Mobile Crisis Team
  - START Team
  - Walk-in Crisis /Psychiatric Aftercare
  - TASC
  - Treatment Alternatives for Woman
  - Majors

SFY 2009 ALLOCATIONS AND EXPENDITURES

	Local Management Entity	Single Stream Funding Effective Date	All Disability Funding prior to Single Stream	SFY09 Actual Budget	SFY09 LME Shadow Claim/Non-UCR Expenditure Reporting for all Disabilities	Percent of Allocation
1	Centerpoint	7/1/2008	11,456,296	18,919,349	19,033,731	100.60%
2	Crossroads	1/1/2008	7,987,652	10,492,742	11,405,963	108.70%
3	Durham	11/1/2007	8,511,425	13,092,950	14,465,417	110.48%
4	ECBH	10/1/2007	11,455,915	25,729,910	25,807,935	100.30%
5	Five County	7/1/2007	10,911,126	12,777,273	13,391,260	104.81%
6	Guilford	4/1/2007	13,099,085	15,843,020	15,333,921	96.79%
7	Mecklenburg	4/1/2007	18,741,872	22,839,929	26,295,632	115.13%
8	Pathways	4/1/2008	15,998,776	18,737,582	18,797,922	100.32%
9	Piedmont	7/1/2003	15,988,814	28,198,057	24,678,253	87.52%
10	Sandhills	7/1/2007	20,009,752	23,790,503	27,878,867	117.18%
11	Smoky Mountain	7/1/2004	19,315,154	27,977,244	26,434,711	94.49%
12	Southeastern Regional	10/1/2008	9,350,732	14,161,568	14,538,183	102.66%
13	Western Highlands	7/1/2008	17,148,335	31,740,861	33,120,993	104.35%
			179,974,934	264,300,988	271,182,789	

* Note summary of all disabilities

SUBSTANCE ABUSE SERVICES

	Local Management Entity	Single Stream Funding Effective Date	Substance Abuse Services Funding Prior to Single Stream	Substance Abuse Services Value of SFY09 Shadow Claims
1	Centerpoint	7/1/2008	1,743,326	3,251,596
2	Crossroads	1/1/2008	413,568	706,338
3	Durham	11/1/2007	1,052,288	3,096,054
4	ECBH	10/1/2007	1,752,518	2,722,012
5	Five County	7/1/2007	720,605	1,259,364
6	Guilford	4/1/2007	1,315,228	3,444,476
7	Mecklenburg	4/1/2007	2,287,163	6,879,704
8	Pathways	4/1/2008	606,037	1,410,161
9	Piedmont	7/1/2003	1,127,980	2,627,480
10	Sandhills	7/1/2007	2,191,753	3,679,469
11	Smoky Mountain	7/1/2004	1,839,057	2,484,190
12	Southeastern Reg	10/1/2008	906,821	1,405,226
13	Western Highlands	7/1/2008	3,843,349	3,654,560
			19,799,693	36,620,630

* Note large increase in substance abuse services

CONCLUSIONS

- LME's have used Single Stream funding to improve their performance
- Distribution of service dollars has remained relatively constant for MH and DD services
- Substance Abuse services has increased significantly
- Shadow claims data tracking has shown improvements in service access, appropriateness, quality and effectiveness