
Behavioral Health Funding Overview

**House Appropriations Subcommittee on
Budgetary Funding Formulas**

January 25, 2024



AHCCCS Administers \$3.7 Billion Behavioral Health System

AHCCCS Behavioral Health FY 22 (\$ in Millions)

Sources

General Fund	673
Tobacco Funds	71
Federal Medicaid Funds	2,791
All Other	<u>183</u>
Total	3,718

Uses

Medicaid Services - SMI	911
Medicaid Services - All Other	2,525
Non-Medicaid - SMI	119
Non-Medicaid - All Other	<u>163</u>
Total	3,718

- Mostly funded via capitation to contracted health plans
 - Regional Behavioral Health Authorities (RBHAs) cover SMI and Crisis Services
 - AHCCCS Complete Care (ACC) covers Medicaid children and adults
 - DCS/DES cover BHS for foster children and DDD
- RBHAs administer non-Medicaid funding sources
 - State/county monies for non-Medicaid SMI services
 - Federal grants for substance abuse, community mental health

SMI Medicaid Spending on BHS Totals \$911 Million

- Hospitalization is Largest BHS Expense

<u>Medicaid-Covered BHS for Persons with an SMI *</u>	<u>\$ in M</u>	
Inpatient Hospital Services	161.4	17.7%
Pharmacy	143.6	15.8%
Crisis Services (Mobile, Telephone, Facility)	137.0	15.0%
Behavioral Health Residential Facilities	127.0	13.9%
Case Management	100.8	11.1%
Transportation	37.5	4.1%
Counseling	32.8	3.6%
Living Skills Training	29.0	3.2%
Assessment, Evaluation, and Screening	27.9	3.1%
All Other Behavioral Health	<u>114.0</u>	<u>12.5%</u>
Total	911.1	100.0%

* Figures exclude RBHA physical health and administrative expenditures

AHCCCS is Expanding to a \$65 Million Housing Program

- Program Mostly Serves the SMI population

- Current housing program is state-only and serves 2,200 households
 - Housing supports include rental subsidies, eviction prevention, and move-in assistance
- AHCCCS has been approved to receive federal Medicaid funding for an expanded housing program
 - Begins October 1, 2024
 - Eligibility includes not just SMI, but pregnant women, foster-care youth, etc.
 - Services will include homeless outreach and engagement, 18-month transitional housing, and wraparound services such as case management

DHS Administers Arizona State Hospital

- FY 24 Budget Allocates \$98 Million

- Funding Sources:
 - General Fund (\$94.6 million)
 - Medicaid/County Reimbursements (\$3.1 million)
 - Land Trust Earnings (\$0.7 million)
- Average daily patient census is 316, including:
 - 121 in Forensic Unit
 - 100 in Civil Commitment
 - 95 in Sexually Violent Persons (SVP) Program