

# DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES MCA 52-2-311: OUT-OF-STATE PLACEMENT ANNUAL REPORT SFY 2022

**Children, Families, Health, and Human Services Interim Committee**

**August 26, 2022**

## Overview

The following statutorily required report is completed by the Department of Public Health and Human Services (DPHHS) Children’s Mental Health Bureau (CMHB), in coordination with the Child and Family Services Division (CFSD), the Youth Services Division of the Department of Corrections (DOC), and Youth Court or Juvenile Justice (JJ).

The following report is organized according to MCA 52-2-311 reporting requirements by section with findings under each section.

### **52-2-311. Out-of-state placement monitoring and reporting.**

*(1) The department shall collect the following information regarding high-risk children with multiagency service needs:*

- (a) the number of children placed out-of-state;
- (b) the reasons each child was placed out-of-state;
- (c) the costs for each child placed out-of-state;
- (d) the process used to avoid out-of-state placements; *and*
- (e) the number of in-state providers participating in the pool.

*(2) For children whose placement is funded in whole or in part by Medicaid, the report must include information indicating other department programs with which the child is involved.*

*(3) On an ongoing basis, the department shall attempt to reduce out-of-state placements.*

*(4) The department shall report annually to the children, families, health, and human services interim committee concerning the information it has collected under this section and the results of the efforts it has made to reduce out-of-state placements.*

## **Definitions**

“Psychiatric Residential Treatment Facility (PRTF)” means a facility accredited by the Joint Commission on Accreditation of Health Care Organizations (JCAHO), Council on Accreditation (COA), or the Commission on Accreditation of Rehabilitation Facilities (CARF) or any other organizations designated by the Secretary of the United States Department of Health and Human Services as authorized to accredit psychiatric hospitals for Medicaid participation, and which operates for the primary purpose of providing residential psychiatric care to persons under 21 years of age. The youth must meet the Montana Medicaid Serious Emotional Disturbance (SED) criteria for PRTF services. The federal definition of Inpatient Psychiatric Services for Individuals Under Age 21 can be found in the Code of Federal Regulations, Title 42, Part 441, Subpart D, and the specific service requirements for Psychiatric Residential Treatment Facilities can be found in the Children’s Mental Health Bureau Medicaid Services Provider Manual.

“Therapeutic Group Home (TGH)” means a treatment facility providing therapeutic services licensed and under contract with the department as a youth care facility with the supervision and intensity of

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treatment required to manage and treat up to eight youth who meet the SED diagnosis and functional impairment criteria as determined by the department. The definition of Therapeutic Group Home can be found in the Administrative Rules of Montana, Title 37, Chapter 97, subchapter 102 and the specific service requirements can be found in the Children’s Mental Health Bureau Medicaid Services Provider Manual.

## Process

This report includes youth whose treatment is paid by all State agencies and divisions, though the report is compiled by the Children’s Mental Health Bureau (CMHB), which is a Medicaid bureau within DPHHS. The report distinguishes between youth whose treatment is funded solely by Medicaid, those whose treatment is funded by Medicaid, but the Child and Family Services Division (CFSD), Juvenile Justice (JJ), or the Department of Corrections (DOC) was the custodian and/or had placement authority, and those whose treatment is funded solely by CFSD, JJ, or DOC.

This is the annual report to the Legislature covering SFY 2022 (July 1, 2021, through June 30, 2022), and includes only children who were in treatment out-of-state (OOS) on or after July 1, 2021, and on or before June 30, 2022. During this reporting period there were youth who received treatment in more than one out-of-state facility. These youth are only counted once regardless of the number of unique out-of-state facilities.

## Results

*MCA 52-2-311. Out-of-state placement monitoring and reporting.*

*(1) The department shall collect the following information regarding high-risk children with multiagency service needs:*

*a) The number of children placed out-of-state*

The following table represents the total number of youth who received treatment in an out-of-state residential program, by agency, during the reporting period, July 1, 2021, through June 30, 2022, as well as the results from the annual report for SFY 2021 for reference.

Table 1: Number of Youth who Received Treatment in an Out-of-State Residential Program

Reporting Agency	SFY 21 (07/01/20-06/30/21)		SFY 22 (07/01/21-06/30/22)	
	PRTF	TGH	PRTF	TGH
Children’s Mental Health Bureau/ Medicaid (Parent/Guardian Placement)	158	59	102	10
Child and Family Services Division (CFSD)	46	39	63	37
Juvenile Justice	12	49	24	30
Juvenile Justice & CFSD	2	6	4	14
Department of Corrections	0	2	1	0
<b>Totals</b>	<b>218</b>	<b>155</b>	<b>194</b>	<b>91</b>

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To provide context to these numbers, the CMHB served 21,169 youth in SFY 2021. In addition to receiving mental health services from primary care providers and local qualified health centers, Montana Medicaid youth received the following community-based mental health services:

Service	Youth Served
Licensed Professional Counselor (LCPC)	7,745
Licensed Clinical Social Worker (LCSW)	5,782
Comprehensive School and Community Treatment (CSCT)	3,831
Case Management – Mental Health	3,439
Psychiatrist	2,172
Mental Health Center	1,409
Psychologist	1,250
Home Support Services / Therapeutic Foster Care	597

***b) The reasons each child was placed out-of-state***

The Children’s Mental Health Bureau is not a placing agency. Medicaid funding is only available if a youth placed out of state has been determined to meet medical necessity criteria for PRTF level of care *and* has been denied admission by all in-state PRTFs. To meet medical necessity criteria for PRTF, a youth must exhibit behaviors or symptoms of serious emotional disturbance of a severe and persistent nature requiring 24-hour treatment under the direction of a physician. In addition, the prognosis for treatment at the PRTF level of care must reasonably be expected to improve the clinical condition/serious emotional disturbance of the youth or prevent further regression based upon a physician’s evaluation.

Table 2 shows the denial reasons as reported on initial stay requests for out-of-state PRTF placements. The most common reasons youth are denied admission to in-state PRTFs are:

- No beds available (at max capacity, limited staffing)
- Unable to treat current condition (co-occurring medical conditions, maladaptive sexualized behaviors, requires acute care, in need of substance abuse treatment)
- Aggression (physical, verbal, or combination)
- Does not meet age requirement (too young for program, too old for program)
- Not a good fit for the current milieu
- Elopement risk (runs away)
- Has met the maximum benefit for PRTF treatment

The following table displays the reasons noted by each reporting agency as to why the youth needed an out-of-state placement during the reporting period, July 1, 2021, through June 30, 2022. Information in this section is obtained from prior authorization records for Medicaid funded placements. Reporting agencies using non-Medicaid funding sources did not list denials, as this is not required within their agencies.

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Table 2: Reasons for PRTF Out-of-State Placement

In-State Denial Reasons	Percentage of youth with In-State Denials in SFY 2022 (07/01/21-06/30/22)	
	PRTF 1	PRTF 2
No Beds Available	<b>62%</b>	<b>30%</b>
Unable to meet current condition	<b>4%</b>	<b>17%</b>
Aggression	<b>5%</b>	<b>15%</b>
Does not meet age requirement	<b>7%</b>	<b>11%</b>
Not a good fit for the current milieu	<b>4%</b>	<b>9%</b>
Elopement risk (runs away)	<b>0%</b>	<b>5%</b>
Has met maximum benefit for PRTF treatment	<b>5%</b>	<b>0%</b>
Other (special circumstances or needs the facility cannot address and/or meet)	<b>13%</b>	<b>13%</b>

*c) The costs for each child placed out-of-state*

Table 3 displays the average cost per youth for Psychiatric Residential Treating Facility (PRTF) and Therapeutic Group Home (TGH) for state fiscal years 2021 and 2022. The cost was calculated by multiplying the average days youth were placed by the average cost per day.

Table 3: Cost Per Youth

Average Days and Cost	SFY 21 07/01/20-06/30/21		SFY 22 07/01/21-06/30/22	
	PRTF	TGH	PRTF	TGH
Average Days in SFY	128 days	147 days	123 days	130 days
Average Cost per Youth per Day	\$451*	\$200*	\$467*	\$227*
Average Cost per Youth per Year	\$57,730	\$29,407	\$57,587	\$29,628

\*Average cost per day varies due to variance in daily payment from non-Medicaid funded stays

Table 3a: Montana Medicaid Reimbursement Rates

SFY 21		SFY 22	
Out-of-State PRTF	TGH*	Out-of-State PRTF	TGH*
50% of usual and customary charges, not to exceed \$447.56	\$199.82	50% of usual and customary charges, not to exceed \$452.04	\$201.82

\*In-state and out-of-state TGHs are paid at the same rate.

*d) The process used to avoid out-of-state placements*

The Children’s Mental Health Bureau (CMHB) is not a placing agency; however, CMHB has policies in place to reduce out-of-state placements for youth with Medicaid funding. CMHB requires specific utilization review of medical necessity criteria for both in and out-of-state Therapeutic Group Homes (TGHs) and Psychiatric Residential Treatment Facilities (PRTFs); review of medical necessity every 30 days for PRTFs; and assigned Regional Care Coordinators and Regional Resource Specialists to each out-

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of-state PRTF to ensure that youth are being treated in the least restrictive level of care at the earliest possible time in their home communities.

For a youth to be admitted into an out-of-state PRTF:

- (1) The provider must request admission from all Montana PRTFs and be denied admission. The provider must document the denials in the file of the youth.
- (2) The Montana PRTFs may deny services for one of the following reasons:
  - (a) the facility cannot meet the clinical and/or treatment needs of the youth; or
  - (b) an opening is not available.
- (3) The Montana PRTFs must specify the reasons the facility is unable to meet the needs of the youth or state when the next bed opening will be available for the youth.
- (4) Legal representatives of all Montana Medicaid youth who are admitted to OOS PRTFs must complete an Interstate Compact Agreement before the youth leaves the state as part of the prior authorization process. The form is located on the department's website at: Interstate Compact on the Placement of Children (ICPC)

Reference: [Children's Mental Health Bureau Medicaid Services Provider Manual](#), pg. 18.

In SFY 2022, CMHB implemented additional processes intended to reduce out-of-state placements and support successful discharges from residential care.

### **Challenging Placement Staffing**

CMHB has created a workgroup consisting of CMHB staff and representatives from Montana Medicaid-enrolled Psychiatric Residential Treatment Facilities (PRTF) and Therapeutic Group Homes (TGH). The workgroup has been formed with the intention of collaboration to support treating Montana youth with complex needs, in Montana, as often as possible. The workgroup will function as an additional resource in support of Montana youth and families.

- Workgroup will meet twice monthly and will be facilitated by a member of CMHB.
- Participating providers will complete 'challenging case' form and submit to CMHB prior to meeting.
- Participating providers and CMHB will refrain from utilizing identifying information regarding youth presented.
- Presenting provider(s) will present information to workgroup.
- Workgroup will discuss available resources and capacity to serve the youth with current provider resources, and/or discuss recommendations for additional resources required to meet the needs of the youth.
- Facilitator will note action plans when relevant.

### **Parent Outreach Letter**

In SFY 2022, CMHB began sending letters to parents and guardians when their child began receiving treatment in a PRTF. The letter serves to provide information and resources to family members to help families know what to expect with residential treatment and assist them with services post discharge. Favorable discharge is one component that may reduce readmission to PRTF level of care, including out-of-state PRTF.

### **Policy Change – Warm Hand-Off**

CMHB implemented changes to Home Support Services, intensive in-home behavioral health services, that are focused on assisting youth and caregivers to develop skills necessary to safely remain in school,

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in the home, and in their community while focusing on their social, emotional, behavioral, and basic needs. Historically, Home Support Services could not be provided concurrently with PRTF and TGH. In October 2021, CMHB implemented policy to allow Home Support Services to be delivered concurrent with residential treatment to support families and youth in successful discharge from residential care prior to discharge. Home Support Services providing concurrent with residential care must be coordinated with the TGH or PRTF provider and include psychoeducation, skill development, behavioral interventions, and family system interventions. CMHB is currently working with providers to increase the use of Home Support Services in discharge planning.

**Montana Residential Provider Survey and Site Visits**

In collaboration with University of Montana’s Center for Children, Families, and Workforce Development, CMHB completed a survey of all Medicaid-enrolled organizations providing PRTF or TGH level of care in Montana. The purpose of the survey was to gather information on organization and treatment capacity of our in-state provider pool. Information gathered on organization capacity included:

- Licensed beds
- Census Information – average census, current census, Medicaid census
- Current number of out of state placements
- Age and gender of youth served

Additionally, providers were asked to report on their ability to treat specific conditions, diagnoses, and behaviors. See results of treatment capacity survey in **Appendix B**.

**Guidehouse Study**

Parallel to the Medicaid provider rate study, CMHB engaged with Guidehouse to assess trends underlying the number of youth receiving residential placements. Guidehouse was charged to provide recommendations to incentivize in-state treatment, including non-financial measures to promote in-state PRTF and TGH capacity maximization. CMHB received the Guidehouse report ***Opportunities to Strengthen Montana’s Residential Youth Mental Health System*** on June 30, 2022, and is currently evaluating and prioritizing recommendations.

**Behavioral Health Alliance of Montana Out of State Task Force**

CMHB is working collaboratively with the Behavioral Health Alliance of Montana’s (BHAM) Out of State Task Force to reduce reliance on out of state residential care and maximize Montana’s capacity to serve youth. The taskforce meets monthly and includes CMHB, CFSD, Juvenile Probation, Children’s Providers in BHAM, and CASA.

*e) The number of in-state providers participating in the pool*

See list of provider pool in **Appendix A**.

*2) For children whose placement is funded in whole or in part by Medicaid, the report must include information indicating other department programs with which the child is involved*

Table 4 represents the number of youth placed in an out-of-state placement and which agency funded whole or in part for the reporting period of July 1, 2021, through June 30, 2022.

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Table 4: Funding Source

Funding Source	SFY 21 07/01/20-06/30/21		SFY 22 07/01/21-06/30/22	
	PRTF	TGH	PRTF	TGH
Parent or Guardian placement authority with Medicaid Funding	153	53	96	9
Parent or Guardian placement authority with EPSDT single case agreement funding	4	0	8	1
CFS placement authority with Medicaid Funding	33	60	61	37
DOC placement authority with Medicaid Funding	0	2	0	0
JJ placement authority with Medicaid Funding	14	23	17	22
Child & Family Services Only	11	0	0	0
Department of Corrections Only	0	0	1	0
Juvenile Justice Only	1	11	7	8
Both CFS and either JJ or DOC involvement, funding by Medicaid	2	6	4	14
Placed by and funding with both CFS and either DOC or JJ	0	0	0	0
<b>Total</b>	<b>218</b>	<b>155</b>	<b>194</b>	<b>91</b>

Table 5 displays the instances of Serious Emotional Disturbance (SED) diagnosis for youth being treated in out-of-state residential programs. The primary diagnosis is found in either the Qualitrac database operated by Telligen, in claims data, or as reported by the placement agency.

Table 5: Percentage of Instance of SED Diagnosis 07/1/21-06/30/22

SED Diagnosis	Percentage of Youth with Diagnosis	
	PRTF	TGH
Disruptive and Impulse Control Disorders	32%	24%
Depressive Disorders	26%	32%
Trauma and Stressor Related Disorders	15%	22%
Autism Spectrum Disorders	5%	11%
Anxiety Disorders	3%	8%
Bipolar Disorders	9%	1%
Schizophrenia Spectrum	1%	0%
Other / Unknown	8%	2%

## Appendix A: Provider Pool between July 1, 2021-June 30, 2022

### Number of In-State Providers Participating in Pool as of 7/1/2021 – 6/30/2022

Source: Youth Care Facility Licensing Report OIG, August 2022

#### **In-State Psychiatric Residential Treatment Facilities:**

- Shodair Children’s Hospital, Helena, MT
- Yellowstone Boys and Girls Ranch, Billings, MT

#### **In-State Therapeutic Group Homes:**

##### AWARE

- Lost Creek Group Home, Anaconda
- Clark Fork Group Home, Anaconda
- Pintler Group Home, Anaconda
- Gold Creek Group Home, Anaconda
- Washoe Group Home, Anaconda
- Mount Powell Group Home, Anaconda
- Timberline Group Home, Billings
- Whiteway Group Home, Butte
- Ottawa Group Home, Butte
- Renz Group Home, Butte
- Pinski Group Home, Great Falls
- Castle Pines Group Home, Great Falls
- Gilbert Group Home, Missoula
- Franklin Group Home, Missoula

##### Intermountain

- Intermountain Children’s Home Cottages 1-4, Helena

##### Montana Community Services

- Miles Avenue Group Home, Billings
- Custer Group Home, Billings
- Parkhill Group Home, Billings

##### New Day

- New Day Inc, Units 2, 3, 4, and 7, Billings

##### Partnership for Children

- Gallagher Children’s Home, Missoula
- Sunrise Children’s Home, Missoula

##### Youth Dynamics

- Rimview Group Home, Billings
- S.T.A.R. Group Home, Billings
- Rivers Edge Group Home, Billings
- North Skyline Youth Home, Great Falls
- New Beginnings Group Home, Boulder
- New Journey Group Home, Boulder
- Opportunity Group Home, Boulder
- Lewis & Clark Group Home, Helena

##### Youth Homes

- Radtke Home for Boys, Missoula
- Talbot Boys Home, Missoula
- Talbot Girls Home, Missoula

##### Temporary Closures in SFY22

- Youth Dynamics - Lakeview Group Home, Billings
- Youth Dynamics - Choices Group Home, Boulder
- AWARE - Lost Creek Group Home, Anaconda
- AWARE - Gilbert Group Home, Missoula

##### Closures in SFY22

- Shodair - Jack Casey Bumblebee Home, Helena
- Shodair - Jack Casey Honeybee Home, Helena
- New Day Inc, Units 1, 5, and 6, Billings
- Intermountain - Providence Home, Somers



**Out-of-State Medicaid Enrolled Providers as of 7/1/2021 - 6/30/2022**

**Out-of-State Psychiatric Residential Treatment Facilities:**

- Benchmark Behavioral Health, Woods Cross, UT
- Cathedral Home for Children, Laramie, WY
- Coastal Harbor, Savannah, GA
- Copper Hills Youth Center, West Jordan, UT
- Detroit Behavioral Institute, Detroit, MI
- Devereux Georgia, Kennesaw, GA
- Devereux Texas, League City, TX
- Havenwood Academy / Zion Hills Academy, Cedar City, UT
- Kids Peace, Orefield, PA
- Little Creek Behavioral Health, Conway, AR
- Millcreek of Arkansas, Fordyce, AR
- Millcreek of Magee, Magee, MS
- Norris Academy, Andersonville, TN
- Perimeter Behavioral Health Waynesville, MO
- Perimeter Behavioral of Forrest City, Forrest City, AR
- Perimeter of the Ozarks, Springdale, AR
- Piney Ridge Treatment Center, Waynesville, MO
- Resource Treatment Center, Indianapolis, IN
- Rolling Hills Hospital, Ada, OK
- UHS of Provo Canyon, Inc., Provo, UT
- Wyoming Behavioral Institute, Casper, WY

**Out-of-State Therapeutic Group Home**

- Falcon Ridge Ranch, Virgin, UT
- Lava Heights, Toquerville, UT
- Woodward Youth Corporation, Estherville, IA
- Youth Health Associates, Clearfield, UT

**Appendix B: Residential Provider Survey Results – Treatment Capacity**

