Preliminary analysis of the Fiscal Year 2003-2004 budget that was approved by the Legislature and sent to the Governor indicates that the biggest impact on children’s behavioral health services is in the area of drug and alcohol services. The elimination of the Behavioral Health Service Initiative (BHSI) funding and the drastic cuts to Act 152 and Human Service Development funds will significantly reduce availability of drug and alcohol related services. In addition, the lack of any cost of living increase may involve reductions to services funded through county contracts.

There appears to be a continuation of the current array of Medical Assistance funded Behavioral Health Rehabilitation Services for children. The proposed budget retains the language from the FY 2002-2003 budget:

“The Department shall not alter the medical necessity criteria for Therapeutic Staff Support, Mobile Therapy, or Behavioral Specialist Consultant services until the Department develops, with public input, a comprehensive plan for children’s behavioral health services and presents this plan to the public health and Welfare Committee of the Senate and the Health and Human Services Committee of the House of Representatives. Any criteria changes shall be published as proposed regulations in accordance with ...the Regulatory Review Act.”

The proposed budget also retains the language that prevents DPW from considering parental income when determining eligibility for children with an SSI level of disability.

PCPA has learned from a presentation done by DPW staff at the Medical Assistance Advisory Committee on March 12, 2003, that there are plans for a 5% reduction in BHRS rates in fee-for-service areas. Consideration is also being given to changes in the pharmacy benefits in Medical Assistance. More information on these and other children’s related issues will be shared with PCPA members as it becomes available.