

# **Solicitation of Public Input Regarding the Implementation of a New Specialty Managed Care Plan for Certain Children and Youth Populations**

## **APPENDIX – Background Information on Nevada's Children's Behavioral Health Landscape**

### **Overview of Child and Youth Needs in Nevada**

#### ***Extent of the Problem for Nevada's Children and Youth***

As of 2024, Nevada ranks last in the nation in children's mental health based on prevalence of illness and access to care among children. Regional Consortia charged with developing recommendations for children's mental health services have repeatedly highlighted the lack of access to critical community-based services, and State officials have also documented the issues. The DOJ report documents how the lack of access to community-based services for children and youth who have behavioral health needs in Nevada leads to repeated hospitalizations and lengthy residential admissions for children and youth who could instead be assisted to remain at home, with the right supports. According to the Nevada Behavioral Health Report Card as of April 2022, there were 72,643 pediatric Medicaid members in Nevada, of which 6,192 were receiving outpatient behavioral health care with expenditures totaling \$14,994,811, and 523 were receiving inpatient behavioral health care with expenditures of \$3,744,072.

Between September 2023 through August 2024, Nevada Medicaid financed 674 residential treatment stays for 667 children; 23% of these residential treatment stays were in out-of-state facilities. This number has decreased year over year, down from 26% in September 2021. The average time between prior authorization approval and placement in the facility was 25 days; the average length of stay was 37 days.

Based on a random sample of treatment records, the DOJ investigation found that over 75% of children who were recently discharged from residential placements had current or past involvement in the child welfare and/or juvenile justice systems. In some cases, parents had been advised by physicians and police officers to relinquish custody of children with behavioral health needs to obtain behavioral health care in these institutions, as no alternatives were available. Nevada spends approximately \$11,000 per child for each month in a residential treatment facility; from March 2020 to March 2021, Nevada spent a total of over \$38 million on residential treatment facility services for children.

As of June 2024, there were just over 4,000 children in out-of-home foster care placements. The state has particular interest in individualized planning and intensive community-based services for the approximately 180 children in Child Haven, Clark County's emergency shelter and about 50 children at the Caliente Youth Center (CYC). CYC is the State's only juvenile facility that houses girls and where the DOJ investigators found eighty percent of the children had a behavioral health diagnosis. Three-quarters of the girls and over one-third of the boys at CYC had a history of suicidal ideation or previous behavioral health placements, or both. Those who have behavioral health needs remain incarcerated for longer periods due to the lack of step-down services in their home communities.

## **Nevada's Medicaid Program**

Nevada covers nearly one in two children through its Medicaid and the Children's Health Insurance Program (CHIP), known as Nevada Check-Up. Children born to Medicaid-eligible pregnant women are eligible for coverage for the first year of life regardless of changes in income level of the family. Children involved in the child welfare system, including foster care, are also eligible for Medicaid benefits.

Nevada Medicaid covers a full continuum of behavioral health services, including:

- Community-based behavioral health services
- Inpatient acute hospitalization
- Residential treatment programs
- Crisis intervention, outpatient therapy, partial hospitalization, and intensive outpatient programs
- Medication management, case management, and Psychosocial Rehabilitation (PSR) and Basic Skills Training (BST)

Most Nevada Medicaid services are delivered by private providers, but the state also directly provides certain services:

- The Division of Child and Family Services (DCFS) operates state-run behavioral health services, including Wraparound in Nevada (WIN), Mobile Crisis Response Team (MCRT), and outpatient mental health clinics in Reno and Las Vegas. It also oversees case management for foster care children and youth that reside in rural (non-urban) counties.
- The Division of Public and Behavioral Health (DPBH) provides outpatient behavioral health services in Nevada's 12 rural counties, administers 988 and mobile crisis standards and licensure, and manages the federal funds Nevada receives under the Mental Health Block Grant.
- The Aging and Disability Services Division (ADSD) provides case management and services to children with intellectual and developmental disabilities.
- Clark and Washoe Counties administer case management and crisis response services for foster care children and youth who reside in their county jurisdictions.

Medicaid services for most recipients, including children, living in urban Clark and Washoe Counties are administered by Managed Care Organizations (MCOs). Effective January 1, 2026, Nevada will transition to a statewide managed care system. However, certain populations will remain in Fee-for-Service (FFS), including children in foster care, juvenile justice (i.e., pre-release coverage), tribal members, individuals with disabilities, seniors, and those in home and community-based waiver programs. The goal is to transition eligible children and youth in both MCO and FFS delivery systems to the new specialty managed care plan as of January 1, 2027.

## **Certified Community Behavioral Health Clinics (CCBHCs)**

Currently, Nevada had fourteen Medicaid-enrolled CCBHC locations across the State. These clinics are paid a daily per patient rate regardless of which services are provided, without the need for prior authorization. This daily rate is intended to cover their costs and is adjusted periodically based on cost reports. This payment methodology, which is similar to that used by Medicare and most Medicaid programs for federally qualified health centers, increases both sustainability and access to services. Because these clinics provide safety-net behavioral health services to children who have been

determined to have an SED or substance use disorder, they are an important part of the system of care for children with behavioral health needs in Nevada.

### **Nevada's Indian Health Program**

The Nevada DHCFP adheres to the tribal-state consultation process, upholds Title IV of the Indian Care Improvement Act, and promotes the health care of American Indians and Alaskan Natives within Nevada. In accordance with the American Recovery and Reinvestment Act of 2009, the DHCFP supports eligible Indians in selecting an Indian Health Program as their Primary Care Provider (PCP). These recipients may select an Indian Health Program as their PCP, whether they are enrolled in managed care or fee-for-service (FFS). Eligible Indians are exempt from mandatory enrollment in managed care. In situations where Indians voluntarily enroll in managed care, health care services from Indian Health Programs may be continue to be accessed without restriction.

### **Nevada's Child Welfare Program**

DCFS provides oversight to child welfare and direct child welfare services. Nevada uses a state-supervised and county-administered structure for the management of child welfare services.

The organizational structure of DCFS and program delivery of child welfare services are influenced by the state size and concentration of county population. In counties with a population of 100,000 or more, the county provides all child welfare services. Clark County Department of Family Services (CCDFS) and Washoe County Human Services Agency (WCHSA) provide child welfare services directly to all children and families located in those counties. Clark County is an area the size of New Jersey that includes Las Vegas and is home to 2.3 million residents (70% of the state's population); and Washoe County, where Reno is located, has .5 million residents (5% of the state population). DCFS provides oversight for services in Clark and Washoe counties and operates child welfare services in the remaining 15 counties in the state through its Rural Region offices.

Nevada's Child Welfare system includes direct child protective services, foster care, adoption and independent living services, foster care licensing in 15 rural and frontier Nevada counties, statewide oversight for child welfare, and oversight of the Interstate Compact for the Placement of Children.

According to the DOJ findings, Nevada's statewide Specialized Foster Care Program is reliant on congregate child welfare settings and emergency shelters for a high proportion of children who have behavioral health disabilities. Traditional and therapeutic foster homes are limited due to the lack of community-based behavioral health supports necessary for foster families serving children who have complex needs. Adoption-related counseling and other trauma-informed, culturally competent, and family-driven community-based services are also a need in Nevada. Currently, Nevada has an active benefit for children within the Specialized Foster Care Program via the 1915i State Plan authority to provide intensive in-home services and crisis stabilization.

### **Comprehensive Intensive Care Coordination Pilot**

The Nevada DCFS is currently providing a statewide comprehensive intensive care coordination (ICC) pilot to serve its foster care population and youth who have serious and complex behavioral health needs and are referred by public child- and family-serving agencies, courts, hospitals, residential treatment facilities, and community-based providers and organizations. This pilot is funded through

time-limited ARPA funding. Services are delivered through a contracted care management entity (CME), which is accountable for conducting a robust, evidence-based assessment of need and coordinating and providing for access to ICC using High Fidelity Wraparound (HFW), Intensive Home-Based Treatment (IHBT), emergency and planned respite, and family and youth peer support.

Nevada originally invested in ICC through the development of *Wraparound In Nevada* (WIN), a publicly operated, “in-house” program of DCFS that has provided ICC, via the HFW model, to children and youth statewide. DCFS has also provided intensive in-home supports through its Mobile Crisis Response Team and manages a small pilot program for self-directed, planned respite in the Rural Region.

The CME collaborates with DCFS to expand the availability of home and community-based services statewide through collaboration with DCFS’ existing programs and through the development of partnerships the CME creates with community-based providers. DCFS and DHCFP are collaboratively exploring options for continuance of these services using Medicaid funding when ARPA funding is no longer available, including incorporating CME services into the Children’s Special Needs Plan that is the focus of this RFI.

**Please see additional background resources on the Transformation and implementation to date, including all stakeholder meeting materials at <https://dhcftp.nv.gov/kidsBH/kidshome/>.**