



Michigan Initiative Helps Children with Emotional Disturbances

Mental Health Services Program for Youth Replication

SUMMARY

From 1994 to 1997, under the Michigan Interagency Family Preservation Initiative, the State of Michigan Department of Mental Health, Lansing, Mich., piloted innovative models for serving children and families, particularly children with serious emotional disturbances.

The project was part of the Robert Wood Johnson Foundation (RWJF) *Mental Health Services Program for Youth Replication* (MHSPY) national program.

In 17 sites covering 22 counties, the project supported the development of individualized family service planning processes to develop unique treatment and support plans for each child and family served that are comprehensive, family centered, culturally sensitive, and community-based, which are often called wraparound plans¹.

Key Results

- Training was provided in the use of setting case rates and in developing management information systems for operation in a managed care environment.
- Training and technical assistance was provided to various sites around the state including participants from juvenile justice, education, child welfare, mental health, public health, parents, and other community members.
- Two integrated components to the software for operation of wraparound in a case-rate managed care setting were developed, and an automated plan of care was tied into a financial management section.
- Some 389 children were served in 1996; 56 percent were referred for abuse and neglect; 55 percent for delinquency; 20 percent for substance abuse, and 54 percent for emotional disturbance.

¹ **Wraparound services (or programs or plans):** Services that address the youth's total mental healthcare needs. These services "wrap around" core mental health interventions to develop unique treatment and support plans for each child and family served, using services from different agencies.

- The children had an average length in service of 12 months.
- None of the children served had a substantiated abuse/neglect complaint following wraparound services.
- Evaluation results showed that these pilots not only reduced the days of care in institutions for children enrolled in the wraparound case-rate pilot project, but they also reduced county out-of-home placements.

Funding

RWJF provided partial support to the project with a grant of \$75,000 between November 1994 and December 1997.

THE PROBLEM

Since 1990, Michigan's program under the federal 1982 \$1.5 million Child and Adolescent Service System Program (CASSP²) had organized its efforts around three national reform movements: mental health's promotion of the development of integrated systems of care for children with serious emotional disturbances; the family preservation movement; and the wraparound movement.

Following these national reform movements, the state undertook a process of joint planning to implement what is called the Michigan Interagency Family Preservation Initiative (MIFPI) in demonstration sites.

THE PROJECT

The purpose of the Michigan Interagency Family Preservation Initiative (MIFPI) was to pilot innovative models for serving children and families, particularly children with the most serious problems in functioning, such as children with serious emotional disturbances.

MIFPI, with 17 sites covering 22 counties, has changed the way service agencies work with one another and with parents to produce better outcomes for children and families. To promote these systems-reform changes, MIFPI:

- Supported the development of individualized family service planning to develop unique treatment and support plans for each child and family served, often called a wraparound plan.
- Provided comprehensive training, including sending project staff to various national conferences to learn how other states were implementing managed care and providing

² **CASSP:** The Child and Adolescent Service System Program, started by the federal government in 1982, at a total funding level of \$1.5 million.

the opportunity for county and state employees to visit other states to learn how they were implementing their original MHSPY grants.

- Reformed procedures/policies for financing and contracting.
- Completed year two of a three-year outcome and process evaluation.

Individualized family service planning. All MIFPI sites now use an individualized family service planning process to develop unique treatment and support plans for each child and family served.

Families, support teams and support groups, and service professionals partner to develop plans that are comprehensive, family centered, culturally sensitive, and community based. If a family has a need that traditional services cannot meet, new services are developed to meet it.

Currently the sites are providing services primarily to those children at risk of out-of-home placement.

Individualized family service planning processes, now embedded in local governance structures, serve three important functions:

- Establishing child and family teams to direct the development of individualized family plans based on family strengths and needs.
- Establishing an interagency gate keeping and oversight team for these service plans.
- Establishing a director-level multi-purpose collaborating body that serves a community planning and policy development function.

In general, only the children and families most at need receive individualized family service planning. Michigan is now reviewing how all children and families can be served using the individualized family service planning process.

Comprehensive training and technical assistance. Comprehensive training and technical assistance were provided to all the major child serving agencies and institutions within the collaborative, including juvenile justice, education, mental health, child welfare, and public health.

The training focused on how to change systems and the way services are provided. Intensive multi-agency-led training was also provided across the state on how to implement individualized family-service planning processes or the wraparound process.

Reforming finances. MIFPI promoted contracting across public systems, flexible financing, and interagency pooled funding, to promote changes in financing structures. The goal is to deliver better and more flexible services designed to meet the family needs rather than the needs of a system or program.

In two sites, MIFPI piloted the implementation of an interagency-funded case rate. Sites receive a monthly capitation³ amount for eligible children enrolled in wraparound plans⁴.

Evaluation results show these pilots have not only reduced the days of care in institutions for children enrolled in the wraparound case-rate pilots, but they have also reduced county out-of-home placements for all children who are seriously emotionally disturbed (SED).

Public funding of \$4 million from a variety of sources supported this project, including state general fund and general purpose monies and federal mental health block grant funds. Foundation support also includes \$40,000 from The Annie E. Casey Foundation and \$100,000 from the Edna McConnell Clark Foundation.

RESULTS

- **Training was provided in the use of setting case rates and in developing management information systems for operation in a managed care environment.** Case-rate managed care was implemented in two counties in Michigan.
- **Training and technical assistance was provided to various sites around the state including participants from juvenile justice, education, child welfare, mental health, public health, parents, and other community members.**
- **Two integrated components to the software for operation of wraparound in a case-rate managed care setting were developed, and an automated plan of care was tied into a financial management section.** The wraparound resource coordinators in both managed care sites are using the software currently, and it will be available for distribution to the rest of the state in the near future. Training also was provided in the use of the software.
- **A brochure was developed explaining the initiative, with a specific focus on the fiscal and system change innovations of the initiative.**

³ **Capitation:** A method for payment to health care providers that is common or targeted in most managed care arenas. Unlike the older fee-for-service arrangement, in which the provider is paid per procedure, capitation involves a prepaid amount per month to the provider per covered member, and is usually expressed as a PMPM (per member per month) fee. The provider is then responsible for providing all contracted services required by members of that group during that month for the fixed fee, regardless of the amount of charges incurred. In such an arrangement, the provider is now at risk, picking up risk that the payor or employer used to have exclusively in fee-for-service or indemnity arrangements.

Risk sharing: When the provider shares the financial risk for patient care with the payor or employer.

Full-risk, prepaid capitated fee: The capitated fee is paid in advance and the organization providing the treatment is at full financial risk because it commits to providing the treatment whether or not the prepaid fee meets the costs of doing so.

⁴ **Wraparound services (or programs or plans):** Services that address the youth's total mental healthcare needs. These services "wrap around" core mental health interventions to develop unique treatment and support plans for each child and family served, using services from different agencies.

- **Some 389 children were served in 1996; 56 percent were referred for abuse and neglect; 55 percent for delinquency; 20 percent for substance abuse, and 54 percent for emotional disturbance.**
- **They had an average length in service of 12 months.**
- **None of the children served had a substantiated abuse/neglect complaint following wraparound services.**

EVALUATION

MIFPI evaluated the changes that occur in children and families served. Using a social validation process with input from family and professional focus groups across the sites, tools were developed that measure child and family relationships, the child's pro-social behaviors, and negative/unsafe behaviors.

Systems changes were also measured. Over the three-year evaluation, data showed positive outcomes for not only the child and family but also the systems responsible for providing services.

Communications

The brochure, "Michigan Interagency Family Preservation Initiative," was published by the Michigan Department of Health in 1997. In addition, the findings of the evaluation will be presented at various conferences.

AFTERWARD

MIFPI is in the final implementation stages of an automated individualized plan of care in several sites, which ensures clinically sound wraparound plans and fiscal monitoring.

The automated plan of care and financial management software will eventually be available for statewide use. It is one of the first steps to the ultimate goal of developing a single interagency plan of care that will allow for flexible financing while maintaining sound fiscal accountability and monitoring.

Although Michigan has made great strides in improving its service delivery systems, much work remains if it is to continue to improve the service delivery systems.

The systems need to continue to improve their ability to provide high quality, collaborative services; train staff in family-centered, strengths-based, individualized service planning; explore ways to share funding across systems; focus on achieving better outcomes for children and families; and monitor whether achieving them and self correct when not.

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