



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE

June 9, 2005

Dear Colleague:

Last year the Department of Public Welfare (Department) undertook the Integrated Children's Services Initiative to begin the process of having all child-serving systems plan together for one system. An integrated system allows children access to all appropriate services regardless of what "door" the child enters. The three reasons that the Department is moving toward integrated children's services are: 1) to be child and family focused by enhancing access; 2) to build systems that serve and protect children through increased accountability; and 3) to maximize the use of federal rather than state or local funding for services that are eligible for federal reimbursement.

As part of the next phase of the Integrated Children's Services Initiative, over the past several months, the Department has been working with counties and providers to identify behavioral health treatment services that are eligible for Medical Assistance funding. The purpose of this phase of the initiative is to identify behavioral health treatment services, both residential and community-based, that are eligible for Medical Assistance funding and determine how those services can be paid by the Medical Assistance Program. However, it is neither the intent, nor proposed in the Governor's budget, that all services currently reimbursed through the child welfare and juvenile justice systems will be transitioned to the Medical Assistance Program.

In fact, the proposed budget for 2005-06 provides that only 4% (or \$77 million) of the proposed \$1.8 billion budget for 2005-06 for child welfare/juvenile justice will be transitioned to Medical Assistance funding. As such, the same funding mechanisms will remain available to county children and youth and juvenile justice agencies to pay for necessary services within their systems.

Currently, Department regional office staff from the Offices of Mental Health and Substance Abuse Services (OMHSAS) and Children, Youth, and Families (OCYF) has been meeting with counties and providers to begin the process of identifying and transitioning eligible services and providers. The Office of Medical Assistance Programs is providing support to the regional offices. This will be an ongoing process for the next several months. The intent of these meetings is to identify those services that should be and can be transitioned to Medical Assistance funding. In a few counties, this transition has already begun. Effective July 1, 2005, the transition will begin in all counties. Services that the Department does not identify as appropriate Medical Assistance services will continue to be reimbursed through the child welfare program funding process.

Attached to this letter is a bulletin that describes this phase of the Children's Integrated Services Initiative. We appreciate your continued collaboration and assistance with this important project to better serve children in Pennsylvania. If you have questions, we encourage you to contact your regional offices in OMHSAS and OCYF for further assistance.

Sincerely,

Handwritten signature of Joan Erney in black ink.

Joan Erney

Handwritten signature of Harriet Dichter in black ink.

Harriet Dichter

Handwritten signature of David S. Feinberg in black ink.

David S. Feinberg