

December 31, 2024

Governor Katie Hobbs
Office of the Governor
1700 West Washington
Phoenix, Arizona, 85007

Dear Governor Hobbs,

AHCCCS is providing a report on the Children's Behavioral Health Services Fund, in accordance with ARS §36-3436.01, which requires:

The administration shall compile a report based on the surveys received from participating school districts and charter schools as well as utilization data for behavioral health services received pursuant to the children's behavioral health services fund established by section 36-3436. On or before December 31 each year, the administration shall provide the report to the governor, the president of the senate and the speaker of the house of representatives and provide a copy of the report to the secretary of state.

The report shall include at least all of the following information:

1. The number of students served.
2. The types of behavioral health services provided.
3. The costs of the behavioral health services provided.

Number of Students Served

During the reporting period, October 1, 2023, through September 30, 2024, the total number of students referred by schools for behavioral health services was 8,558. Of those referrals, 1,618 students received services covered by the Children’s Behavioral Health Services Fund (CBHSF), while the remaining 6,940 were determined eligible for services covered by other funding streams. The total number of referrals declined during this reporting period as available funding was exhausted in May 2024; however, the number of youths receiving services through CBHSF increased to 1,618 compared to 840 students during the last reporting period demonstrating the increase in demand for services funded through the CBHSF for uninsured and underinsured children. The average age of the youth served is 12 and can range from 4 – 18 years of age.

The Number of Students Served Under CBHSF

Month	Number of Students Served
October 2023	960
November 2023	1179
December 2023	1294
January 2024	1477
February 2024	1295
March 2024	1268
April 2024	357
May 2024	170
June 2024	0
July 2024	0
August 2024	0
September 2024	0

Individuals may have received services over multiple months and are, therefore, included in the count for each month in which they received services. Individuals transitioned from CBHSF to another funding source following assessment, eligibility determinations, and further diagnosis are not included in the months they did not receive services covered by the CBHSF. Not all individuals who were referred to the CBHSF program received services under the fund, as 81% of the students referred were determined to be eligible for services covered by alternative funding sources.

Types and Costs of Behavioral Health Services Provided

The table below reflects the types and costs of behavioral health services provided to eligible youth through the CBHSF. Treatment services remained the highest service cost during the current reporting period followed by case management

The Type and Cost of Behavioral Health Services Provided and Funded by CBHSF

Cost of Behavioral Health Services ¹		
Service Description	Amount	% of total
Treatment Services	\$ 1,581,231.36	60.41%
Rehabilitation Services	\$ 223,258.00	8.53%
Medical Services	\$ 61,137.55	2.34%
Support Services	\$ 12,785.72	0.49%
Peer Support Services	\$ 10,572.63	0.40%
Family Support Services	\$ 59,915.63	2.29%
Crisis Intervention Services	\$ 1,761.43	0.07%
Case Management Services	\$ 652,526.93	24.93%
Inpatient Services	\$0.00	0.00%
Detoxification Services	\$0.00	0.00%
Behavioral Health Residential Services	\$0.00	0.00%
Behavioral Health Day Program Services	\$0.00	0.00%
Transportation Services	\$ 3,112.74	0.12%
Pharmacy	\$ 11,185.40	0.43%
Subtotal	\$ 2,617,487.39	100%
Reduction for services reimbursed for members retroactively made Title XIX eligible ²	\$ 7,311.96	
Total less reductions	\$ 2,610,175.43	

¹ Claims data reflected may be incomplete due to the reporting period; providers have six months from the date of service delivery to submit claims for processing.

² This number represents the total dollar amount of funds reimbursed to the CBHSF during the monthly reconciliation process due to Title XIX eligibility. Funds reimbursed were then used later in the year to support additional service needs for under insured and uninsured children.

Survey Results

From October 1, 2023, to September 30, 2024, 46 surveys were completed by parents or caregivers of youth receiving services under the CBHSF; responses were received from 23 schools. Results of the required survey include:

- 85% of parents/caregivers reported being “happy” with the process for obtaining consent and/or opting-in to a referral for behavioral health services.
- 91% of parents/caregivers reported being “happy” with how/when they were notified of the behavioral health referral.
- 82% of parents/caregivers reported being “happy” with the services their child received and that the services were appropriate to meet their student’s need.
- 89% of parents/caregivers reported being satisfied with their choice of behavioral health service providers.
- 89% of parents/caregivers reported that they would provide consent or opt-in to a referral for behavioral health services again in the future.

Conclusion of CBHSF

At the time of this report, state financial resources supporting the CBHSF have not been continued. At the direction of AHCCCS, each Arizona Complete Care Contractor with a Regional Behavioral Health Agreement (ACC-RBHA) Contractor took actions to support members with the winddown of the CBHSF by focusing on transition activities to available covered services and community resources. This included seeking additional federal funding and, when that was not available, collaborating with providers and families to transition eligible members to other services and/or funding sources such as the Mental Health Block Grant and Medicaid funded programs. The ACC-RBHAs held group and individual meetings with providers, delivered presentations to providers, and regularly communicated with CBHSF providers about existing funds during the final months of funding availability. ACC-RBHAs also shared information about other funding opportunities and services with families. The CBHSF was exhausted in May 2024. Although AHCCCS has continued to encourage schools to complete referrals for tracking purposes and to identify individuals eligible for alternatively funded programs, reporting will be limited in 2025 due to the depletion of these funds.

Please contact me if I can answer any questions or provide additional information.

Sincerely,



Carmen Heredia
Director

Cc: The Honorable Warren Petersen, President Arizona State Senate
The Honorable Ben Toma, Speaker, Arizona House of Representatives
Sarah Brown, Director, Governor's Office of Strategic Planning and Budgeting
Zaida Dedolph Piecoro, Health Policy Advisor, Office of the Governor