

2025-27 State Budget Request

Strengthening Services & Support for Children

Medicaid Waivers for Psychiatric Residential Treatment Facilities (PRTFs) and Children's Behavioral Health Initiative

For more than a decade, Wisconsin has been sending children out of state to receive care and treatment for high-acuity mental health needs. **Between 2017 and 2021, an average of 23 Wisconsin youth were placed in out-of-state per day.**

Wisconsin's current residential care providers are not equipped to clinically treat children diagnosed with severe psychiatric conditions, substance use disorders, or severe emotional disturbance who pose a risk to themselves and/or others. As a result, **there is an inherent "gap" in our children's system of care.**

We need to commit to developing new services, as well as expanding the existing continuum of care in children's behavioral health. **Obtaining two Medicaid waivers** (discussed and recommended through the Legislative Council Study Committee) **will empower Wisconsin to be more responsive to children and families with complex needs.**

What We Need to Strengthen Services & Support for Children

Psychiatric Residential Treatment Facility

Psychiatric residential treatment facilities (PRTFs) are a unique setting capable of meeting the needs of children with high acuity. PRTFs provide services covered by insurance, prioritize increased security and safety, and allow for longer periods of care to stabilize and treat mental health conditions.



Authorize the creation of psychiatric residential treatment facilities in-state, including foundational funding.



Require that PRTFs be reimbursed through Medicaid and private insurance as treatment services.



Specify that grant funding can be used both to *establish and to operate* PRTFs to ensure sustainability of services.

Children's Behavioral Health Initiative

One critical building block for the future system is adoption of the Children's Behavioral Health Initiative. This inter-departmental initiative has been under development for over a year and responds to the **ongoing concerns voiced by providers, hospitals, counties, our workforce, and families.**

The initiative holds great promise for better assessing needs and wrapping services around families to prevent the trauma of family disruption & criminal justice system involvement. A **coordinated state-level response** would fill a crucial system need.



Authorize the Department of Health Services (DHS) to **pursue a federal Medicaid waiver** and draft rules to establish a new youth behavioral health program.