



Mental Health and Disability Services Redesign

Overview of Mental Health & Disability Services System Redesign Legislation

Source: Iowa Department of Human Resources (DHS), SF 525 and SF 2315

Revised: July 24, 2012

MENTAL RETARDATION TO INTELLECTUAL DISABILITY – SF 2247

- ❖ It is now the State of Iowa's policy to refer to persons diagnosed with mental retardation as a person with an intellectual disability.
- ❖ Iowa Code has been changed.
- ❖ Administrative rules will be changed to match.
- ❖ Federal government programs will still refer to mental retardation.

JUDICIAL BILL – SF 2312

- ❖ Law enforcement officers must complete training on mental health once every four years.
- ❖ Nursing facilities and RCF administrators may decline a court ordered commitment.
- ❖ Clarifies the definition of mental health professional.
- ❖ Creates optional commitment pre-screening.
- ❖ Sets the agenda Judicial Workgroup next year (see below).

MHDS REDESIGN POLICY BILL – SF 2315

- ❖ Eligibility for non-Medicaid services – Effective July 1, 2013
 - Persons covered:
 - Persons with mental illness with some exceptions; and
 - Persons with an intellectual disability.
 - Income eligibility:
 - 150 percent of the federal poverty level (FPL) with no co-pay or fees;
 - May service those above 150 percent of FPL with approved co-pay and sliding fee schedules;
 - Must meet resource limitation rules;
 - Persons eligible for federally funded services or other support must apply for that support; and
 - DHS/Commission will establish rules for:
 - Co-pay and sliding fee schedule; and

- Resource limitations that will exclude retirement, burial, medical savings, or assistive technology accounts.
 - Age – Adults 18 years of age or older:
 - Exception for persons 17 years of age, receiving children’s services may be eligible for adult services three months prior to turning 18 years of age.
 - Not have private insurance or be eligible for Medicaid funded services.
 - Eligibility for individual services shall be determined through the use of standardized assessments:
 - Functional Assessment processes are being developed. The assessments will begin sometime in FY2013.
 - Future:
 - Evaluate the fiscal impact of serving persons with a developmental disability who do not have an intellectual disability; and
 - Evaluate the impact of providing non-Medicaid funded services to persons with a brain injury.
- ❖ Residency – Effective July 1, 2013
- The county in which the person is living and has established an ongoing presence with the declared good faith intention of living for an indefinite time, including those who are homeless.
 - The person maintains residency in the county in which they last resided while the person is receiving services in a: hospital, correctional facility, halfway house for community based corrections or substance use disorder treatment, nursing facility, ICF/ID, RCF, college or university. This includes persons who come from out-of-state directly to these facilities.
 - Separate dispute resolution process for residency is specified in the act.
- ❖ Services
- Regions shall ensure that services are available regardless of funding source.
 - Providers must:
 - Provide services only within the boundaries of their education, training, license, certification, consultation received, and supervised experience.
 - Engage in appropriate study, training, consultation, and supervision before providing new techniques or interventions.
 - Exercise careful judgment and take responsible steps to ensure competence in emerging areas of practice that do not have generally recognized standards.
 - Regions must ensure access to providers that can:
 - Provide services for persons with co-occurring conditions;
 - Providing evidenced based services; and
 - Provide trauma informed services.

- Core services include – Effective July 1, 2013:
 - Treatment services such as
 - Assessment and evaluation
 - Mental health outpatient therapy
 - Medication prescribing and management
 - Mental health inpatient
 - Basic Crisis Response such as
 - 24 hour access to crisis response
 - Evaluation
 - Personal emergency response
 - Support for community living such as
 - Home health aid
 - Home and vehicle modifications
 - Respite
 - Supportive community living
 - Support for employment such as
 - Day habilitation
 - Job development
 - Supported employment
 - Prevocational services
 - Recovery oriented services such as
 - Family Support
 - Peer support
 - Service coordination such as
 - Case management
 - Health home
 - Sub-acute and crisis services
 - Sub-acute Services
 - ◆ Definition:
 - Community-based or facility-based wrap-around services for a person having or at imminent risk of having acute or crisis mental health symptoms that threatens successfully remaining in the community, but does not require inpatient level of treatment;
 - Intensive recovery oriented treatment and monitoring with direct or remote access to psychiatry;
 - Outcome focused, interdisciplinary treatment; and
 - Time limited to 10 days or less unless otherwise approved.
 - ◆ Facility-based sub-acute:
 - General expectations are described in the bill;

- Publicly funded beds are limited to 50 beds spread geographically across the state from existing Certificate of Need beds; and
- DHS and DIA will collaborate to establish appropriate rules based on expectations described in the bill.
 - ◆ Community-based sub-acute services.
 - Crisis pilot will allow DHS and DIA to establish appropriate regulations.
- DHS/Commission to provide further service definitions as needed.
- Expanded Core Services Regions will provide when funds are available:
 - Comprehensive crisis response
 - 24 hour crisis hotline
 - Mobile response
 - Crisis residential services
 - Sub-acute services
 - Facility based
 - Community based
 - Justice involved services
 - Jail diversion
 - Crisis intervention training for law enforcement
 - Civil commitment prescreening
 - Evidence based practices
 - Positive behavior support
 - Assertive community treatment
 - Peer self-help drop in centers
- Services can be provided beyond the Core and Expanded Core:
 - May be provided once the Core and Expanded Core are in place;
 - Person centered planning demonstrates the need for such services;
 - Demonstrated efficacy of such practices; and
 - An effective alternative to existing services.

❖ Regional Management:

- Regional Formation
 - DHS shall encourage all counties to join into regions.
 - Requirements:
 - Counties that form a region must be contiguous;
 - Consist of at least three counties;
 - Have the capacity to provide require core services;
 - Have a community mental health center or federally qualified health center with providers capable of providing mental health services or other similar services;
 - Have inpatient psychiatric services reasonably available; and

- A regional administrative structure with clear lines of accountability.
- Timelines
 - April 1, 2013 regions identify:
 - ◆ Which counties are forming into a region and have submitted a letter of intent; and
 - ◆ DHS agrees the region meets the requirements above.
 - ◆ Technical assistance is then available.
 - April 2 through July 1, 2013 DHS assists counties to join regions and assigns regions to counties if not exempted from joining a region.
 - December 31, 2013 counties meet initial requirements of regions and have joined a region unless exempted.
 - June 30, 2014 counties meet all requirements of regions.
- Counties may be exempted from joining a region:
 - DHS must approve all exemptions of counties joining into regions;
 - DHS/Commission will establish rules for a county being exempted from joining into a region;
 - Counties planning to apply for an exemption from joining a region must submit a letter of intent by May 1, 2013;
 - Counties wanting to be exempted from joining a region must submit application for an exemption by June 30, 2013;
 - Must meet the following regional requirements:
 - ◆ Provide all required core services;
 - ◆ Have a community mental health center or federally qualified health center with providers capable of providing mental health services or other similar services;
 - ◆ Have inpatient psychiatric services reasonably available; and
 - ◆ A regional administrative structure with clear lines of accountability;
 - Must have outcomes that are as good as regions; and
 - Must be as cost effective as regions.
- Regional Governance:
 - Counties must form under a 28E.
 - Must have a regional advisory committee.
 - At least one county supervisor per county as a voting member.
 - Consumer or actively involved relative designated by the advisory committee as an ex officio non-voting member.
 - Provider designated by the advisory committee as an ex officio non-voting member.
 - Regional administrator:
 - Under the control of the governing board; and

- Administrative staff shall include coordinators of disability services that meet minimum required qualifications.
- 28E Agreement shall include:
 - Purposes, goals, and objectives of the agreement.
 - Identification of governance board membership, terms, methods of appointment, voting procedures, and other provisions including weighted voting if part of the agreement.
 - Process for selecting executive staff.
 - Counties participating in the agreement.
 - Term of the agreement and methods for renewal or termination of the agreement.
 - Methods for dispute resolution and mediation.
 - Methods for termination of a county's participation in the agreement.
 - Provisions for formation and responsibilities of advisory committees.
 - Administrative provisions shall include:
 - Methods for appointing and evaluating the CEO;
 - Functions and responsibilities of the CEO; and
 - Specifications of the functions of parties to the agreement including administrative subcontractors.
 - Financial provisions of the agreement shall include:
 - Methods for pooling (or not pooling), managing and expenditures of funds;
 - Methods for allocating administrative funding and resources;
 - Contributions and uses of initial funding;
 - Process for use of savings for reinvestment; and
 - Performance of an independent annual audit.
- Regional Finances:
 - Maintained in a combined account, separate county accounts or other arrangements.
 - Meet the requirements of Office of Management and Budget (OMB) Circular A-87 that establishes principles and standards for determining costs for state, local government, and federally recognized Indian tribal governments.
 - Must provide a separate account for:
 - Administration;
 - Purchase of services;
 - Services that are directly provided; and
 - DHS, in consultation with LSA, shall make recommendations regarding an acceptable administrative load.
 - Funds provided through the MHDS Regional Services fund shall be provided through a performance based contract with DHS.
- Regional Services Management Plan including counties exempted from joining a region:

- DHS/Commission shall determine plan requirements and plan format.
- Components:
 - Annual service and budget plan;
 - Policies and procedures manual; and
 - Annual report.
- Initial plan shall be submitted by April 1, 2014.
- Annual services and budget plan shall be approved by the governance board and the Director of DHS based on rules adopted by the Commission. It will include:
 - Budget and financing provisions to meet the service needs in the region;
 - Scope, cost and funding of services in addition to core services;
 - Location of local points of access;
 - A plan for assuring effective crisis prevention, response, and resolution;
 - Provider reimbursement;
 - Financial forecasting measures; and
 - Designation of targeted case managers.
- The annual report shall include the actual number of persons served, moneys expended and outcomes achieved. The annual report is due on December 1st each year.
- Policies and procedures shall be approved by the Regional governance board and the Director of DHS in consultation with the Commission and include:
 - Financing and service delivery including the annual service and budget plan administration;
 - Enrollment and eligibility;
 - Method for developing annual service and budgeting plan;
 - Managing utilization and access to services;
 - Quality assurance and improvement processes;
 - Risk management processes; and
 - Process for designating targeted case management providers.
 - ◆ Qualifications for TCM shall be established in rule and include:
 - Implementation of evidenced based models;
 - Qualifications of TCM providers;
 - Performance based outcomes related to health, safety, work performance, and community residency;
 - Standards for service delivery; and
 - Methods for complying rules including electronic record keeping and internet based training.
 - A Regional plan for systems of care.
 - Measures for providing services in a decentralized manner utilizing the strengths of administrators and service providers.

- Plan for provider network formation.
 - Service provider payment provisions.
 - A process for resolving grievances.
 - Measures of interagency and multisystem collaboration and care coordination.
 - The Regional Plan must include provisions for providing services to persons with co-occurring conditions.
 - Counties exempted from joining a region must meet all requirements under this chapter for a regional service system, management plan, governance board, regional administrator, and any other applicable provisions.
 - Regions may also:
 - Subcontract for management/administration.
 - Provide assistance to persons not covered by the bill if the county provided such services before joining a region, if funding permits.
 - Implement a services waiting list if sufficient funds are not available.
- ❖ Administrative Appeals
- Expedited Administrative Appeal of Regional Administrators' Decisions once Regions are formed:
 - A person can request an expedited appeal of a regional administrator's service related decision that could cause an immediate danger to the person's health or safety.
 - DHS hears the expedited appeals immediately and renders a decision.
- ❖ Modifies the functions and duties of MHDS and the Commission as follows:
- Clarifies planning activities and the need to take into account what other entities are doing;
 - Adds assisting regional governance boards;
 - Requires emphasis be placed on evidence-based practices and community supports as preferable to inpatient services and institutional settings;
 - Clarified a system of identifying, collecting, analyzing, and publishing outcome data to measure service effectiveness;
 - Emphasized collaboration with DIA in rule making for disability services;
 - Added a MHDS fund through which money is distributed in accordance with a performance based contract;
 - Added posting the establishment of waiting lists on the internet;
 - Clarified the role of the Commission in adopting rules; and
 - Using a standardized functional assessment to determine eligibility for individualized services.

FY 2013 WORKGROUPS

- ❖ Children's Workgroup
 - Recommend a service system for children with disabilities to develop services in Iowa needed to bring out-of-state children home.

- ❖ Judicial
 - Study and make recommendations regarding consolidation of involuntary commitment process for persons with substance-related disorders, intellectual disability, and mental illness.
 - Study and make recommendation for the feasibility of establishing an independent statewide patient advocate program.

- ❖ Data and Statistical
 - Implement an integrated data and statistical information system.
 - Include examination of the current ISAC system for use in gathering data.

- ❖ Outcomes
 - DHS shall identify, collect and analyze service outcome data to assess service effectiveness.
 - Outcomes Workgroup shall recommend specific outcomes and incorporate those previously established by the Commission.
 - Performance based contracts shall include, but not be limited to:
 - Access standards;
 - Penetration rate for the number of persons served;
 - Utilization rates for inpatient and residential treatment;
 - Readmission rates for inpatient and residential services;
 - Employment of persons receiving services;
 - Administrative costs;
 - Data reporting; and
 - Accurate and timely claims processing.

- ❖ Workforce Workgroup
 - Led by the Iowa Department of Public Health.
 - Address issues to ensure an adequate and well-trained work force.
 - Review training, level of competency, core curricula, and certification.

- ❖ Transition Committee
 - Consult with DHS on the transition from the current MHDS system to a regional service system.
 - Use data to consider whether improvements are warranted.
 - Consult with DHS regarding rules for transition funding.

- ❖ Interim Study Committee
 - Analyze viability of MHDS financing provisions during 2012 and 2013 legislative interims.
 - Will consider recommendations from the Transition Committee.

- ❖ Regulatory Requirements: DIA, DHS, and DPH shall streamline provider requirements.

FINANCING

- ❖ MHDS Redesign
 - Reinstates the county MHDS levy.
 - Addresses disputed billings.
 - Forgives disputed billings for services through FY 2011.
 - DHS is developing an analysis of these disputes and will be communicating with counties regarding how to formally complete this process.
 - Establishes a separate appeals process for billings for FY 2012 and beyond.
 - Establishes a Transition fund.
 - A transition fund is established for FY 2013 for one time assistance for services that are not funded by Medicaid.
 - DHS/Commission establishes rules for recommending eligibility to receive transition funding. Eligibility provisions include:
 - Application by the county board of supervisors.
 - A county must have a certified levy at the maximum amount allowable.
 - Independently verified financial information that includes:
 - ◆ Actual and projected cash;
 - ◆ Accrued fund balances;
 - ◆ Detailed accounts receivable and payable;
 - ◆ Budgeted revenue and expenditures;
 - ◆ Identified amount requested; and
 - ◆ Administrative costs.
 - County service information including:
 - ◆ Type, amount, and scope of services provided compared with other counties;
 - ◆ The extent to which the county subsidizes services it directly provides;
 - ◆ Extent to which services provided are in the county's management plan; and

- ◆ Extent to which the county provides services to persons other than persons with a mental illness or intellectual disability or to persons whose income is above 150 percent of the federal poverty level.
 - A sustainability plan including how funds will be used in the transition year to allow the county to remain within available funding in FY 2014.
 - Counties must apply for transition funds by October 15, 2012.
 - DHS will make a recommendation to the governor and general assembly for the appropriate amount of funding needed for transition by December 1, 2012. Note: no funds are yet appropriated for transition at this time.
- Establishes a method for equalizing the amounts of funding counties receive for non-Medicaid services.
 - The equalization method goes into effect July 1, 2013.
 - Will be included in the part of the interim study committee analysis.
- ❖ DHS FY 2013 Appropriations
 - The state payment program will continue in FY 2013 funded by SSBG/TANF.
 - Buy-out Medicaid.
 - \$40 M new funding.
 - The DHS appropriations bill contains sections that delete codes requiring that counties pay the non-federal share of Medicaid.
 - The following funds were transferred to a MHDS Redesign Fund to be used to pay the non-federal share of Medicaid:
 - Property tax relief including added \$7.2 M;
 - PALO;
 - Allowed Growth;
 - Community Services;
 - State Payment Program; and
 - The following fund was transferred to the Medical Assistance program:
 - ◆ The balance of undistributed funds remaining in the Risk Pool.
 - Changes as a Result of the State Taking Responsibility for the non-Federal Share of Medicaid
 - State Resource Centers (SRCs): SRCs will bill counties for April, May and June 2012 in July for Medicaid ICF/ID services. Counties will receive no further Medicaid bills for SRCs after July 2012.
 - Medicaid Billing: Last FY 2012 Medicaid bills for Medicaid funded services for which counties provide the non-federal share will be sent early August 2012 for bills processed through the last week in July 2012. Counties will receive no further Medicaid bills for FY 2012 after August 2012.
 - IME is in the process of changing ISIS work flows effective July 1, 2012. Specific information will be sent out once completed.

- At this time continue to approve the service plan
 - Do not end service plans already approved.
 - CPCs will continue to approve service plans through June 30, 2012.
 - IME will authorize new plans beginning July 1, 2012
 - ◆ IME is open to hearing more from CPCs about the processes they have used to approve service plans.
 - CPCs continue to have a critical role as the local point of access to all services both Medicaid and county funded. CPCs are critical in assuring people receive needed, effective services in the least restrictive setting.
- ❖ Counties are responsible for non-Medicaid funded services consistent with the counties' management plan.
 - Counties should continue to contract for individuals without Medicaid and for services not covered by Medicaid.
 - Cash flow issues: Counties will not receive their first county funding until October 1st.
 - Provision allows counties to transfer moneys from other funds to the MHDS fund for cash flow purposes provided the other funds are repaid by the end of the fiscal year.
 - Allow counties who received Risk Pool funding in FY 2012 to use it in FY 2013.
 - Balance incentive program.