STATE OF IOWA

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DEPARTMENT OF HUMAN SERVICES
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Iowa Mental Health and Disability Services Commission

January 3, 2012

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ANNUAL REPORT
OF THE
IOWA MENTAL HEALTH AND DISABILITY SERVICES
COMMISSION

This Annual Report of the Iowa Mental Health and Disability Services (MHDS) Commission is being submitted pursuant to Iowa Code § 225C.6(1)(h). The report is organized in two sections: (1) an overview of the activities of the Commission during 2011, and (2) recommendations formulated by the Commission for changes in Iowa law.

Mental health and disability services redesign has been a central theme of the Commission's activities during 2011. Virtually all of our activities can be linked directly or indirectly to system analysis and transformation. The Commission closely followed the progress of redesign legislation through the House and the Senate, and the subsequent workgroup and planning activities undertaken by the Department of Human Services. Half of the members of the Commission also actively served on the DHS Redesign Workgroups. Throughout the year we have worked in close cooperation with the DHS Division of Mental Health and Disability Services (MHDS) and, while much more planning and work remains to be done, we have high hopes for realizing significant system improvements in Iowa.

In addition to the specific activities summarized in Part 1 of this report, a significant portion of each Commission meeting was devoted to hearing information and updates on the redesign process, discussing issues of concern, and sharing input with DHS staff and leadership. Our recommendations for changes in Iowa law, contained in Part 2 of this report, are entirely focused on moving the redesign forward and implementing the necessary steps to configure and fund a coordinated and effective system.

PART 1:

OVERVIEW OF COMMISSION ACTIVITIES DURING 2011

Meetings. The Commission held twelve meetings in 2011, including a two-day retreat and two joint meetings with the Iowa Mental Health Planning and Advisory Council. Meetings are well attended by an average of 22 participants and guests in addition to Commission members. Meeting agendas, minutes, and other information are distributed monthly to an email list of over 150 interested persons and organizations and made available to the public on the Iowa Department of Human Services website. Commission meetings serve as an important source of public information on current mental health and disability services issues in Iowa.

Officers. In May, Jack Willey (Maquoketa) was re-elected Chair of the Commission, and Craig Wood (Cedar Rapids) was re-elected Vice-Chair.

Membership. In May, four new appointees joined the Commission: Gary Lippe (Davenport) and Zvia McCormick (Glenwood) were appointed as DHS Director's nominees; David Hudson (Windsor Heights) was appointed as a brain injury service advocate; and Lynn Grobe (Oakland) was appointed as a county board of supervisors representative. Susan Koch-Seehase (Sumner), Chris Hoffman (Waterloo), and Jack Willey (Maquoketa) were reappointed to new three-year terms. Julie Fidler Dixon (Cambridge), Rick Hecht (Sac City), and Pat Penning (LeMars) completed their membership terms in April.

Statutory Changes in Duties. The Commission developed and supported a legislative proposal concerning the structure and operation of community mental health centers (CMHCs) that was incorporated into Senate File 525, passed by the Iowa General Assembly, and signed into law in 2011. The bill provided for some changes in Commission duties relating to CMHCs, which include:

- The review and approval of:
  - The designation of CMHCs by MHDS to serve particular catchment areas
  - Any substantial non-conformity with federal standard recommended by MHDS
  - The formal accreditation process for CMHCs recommended by MHDS
- The adoption of administrative rules developed by MHDS for:
  - Objective criteria MHDS will use to designate CMHCs to serve a catchment area
  - Clinical and financial eligibility criteria for the CMHC target population
  - Identifying core services all CMHCs must offer
- The adoption of standards recommended by MHDS for designated CMHCs and comprehensive community mental health programs
- Receiving the results of random or complaint-specific on-site accreditation reviews done between full reviews for the purpose of quality review
- Working with the MHDS Division to complete the rules adoption process and implement amendments to Chapter 230A by June 30, 2012

Administrative Rules. No proposed administrative rules changes were presented to the Commission for review and approval in 2011.

County Plan Review. In January, the Commission reviewed and approved proposed amendments to the Grundy County Management Plan, which were intended to bring it into alignment with the plans of four other area counties. The amendments included lowering income guidelines from 185% of the Federal Poverty Level (FPL) to 150% the FPL.

In June, the Commission reviewed and approved the following proposed amendments to the Johnson County Management Plan:

- Changing income eligibility for all county founded services from 200% to 150% of FPL
- Clarifying that exceptions to policy must be requested by medical staff and based on clinical need
- Clarifying the repayment policy when an individual has received resources over the limit

In July, the Commission heard a report on proposed amendments to the Wright County Management Plan as a result of joining the County Social Services Region, to bring it into alignment with the other CSS region member plans. None of the Wright County Plan changes were adverse to consumers.

In December, the Commission reviewed and approved proposed amendments to the Linn County Management Plan eliminating county funded payee services, personal allowance, intensive psychiatric rehabilitation, and non-committal transportation as of January 1, 2012.

The Commission expressed its discomfort in approving the plan amendments that resulted in eligibility and service reduction. Recognizing that counties were faced with immediate budgetary shortfalls that could not be addressed without making service cuts, we reluctantly approved the changes. In doing so, we asked county representatives for their assurance that the reductions were being made in ways designed to minimize the impact to individual consumers, that changes were being communicated effectively to consumers, and that they were being directed to any alternative services or funding sources that might be available. Even so, we remain concerned about the effect that community service reductions have to individuals and the potential costs to other public services. We do not want to see an increased demand for residential services or inpatient hospitalization for lack of access to far less costly community-based services and supports.

CMHC Waiver Approval. The Commission approved requests for waivers from the requirement that counties affiliate with or contract with a CMHC to be qualified to receive community services dollars from the State (IAC 441-25.81). The waiver allows counties to contract with agencies other than CMHCs to provide some or all of their mental health services. Thirteen counties requested and received waivers to contract with agencies other than CMHCs. They are: Bremer, Des Moines, Henry, Jefferson, Lee, Louisa, Lucas, Monona, Muscatine, Sac, Shelby, Sioux, and Van Buren counties.

Allowed Growth. The Commission prepared and submitted its Allowed Growth Factor Adjustment Recommendation for fiscal year 2014 to Governor Branstad pursuant to Iowa Code §331.439(3)(b). The AGF recommendation also included a revised recommendation for fiscal year 2013. The Commission projected that $65 million more will be needed in SFY 2013 (for total growth of $139.7 million) to avoid service cuts, and a similar amount is likely to be required for SFY 2014 to carry our services system through the redesign transition. As we said in our letter, “Making a recommendation for SFY 2014 represents an unusual challenge in addressing costs associated with new consumers entering the service system because of the uncertainties

of system redesign and federal health care reform, yet it is clear that those same factors also present an unprecedented opportunity for making critical long-term investments that will yield returns in economy and efficiency as well as better results for people."

On December 2, the Commission also sent Governor Branstad a follow-up letter in support of emergency supplemental funding for the State mental health and disability services system to address the immediate budget shortfalls. As we said in that letter, "Transforming the system requires investment in a new service infrastructure. During this crucial period of transformation we need to keep the State and county funding streams we have in place and bolster them with new State dollars to reach the goal of a comprehensive 21st century services system. Savings can be realized, but not until we can assure that the basic needs of Iowans for mental health and disability services can be met."

Coordination with Other State Agencies. The Commission held two joint meetings with the members of the Iowa Mental Health Planning and Advisory Council, and the two groups regularly shared information throughout the year.

REPORTS AND INFORMATIONAL PRESENTATIONS

During 2011, the Commission received numerous reports and presentations on issues of significance in understanding the status of services in Iowa and recognizing promising practices for planning and systems change, including:

Iowa Program Assistance Response Team (I-PART) - In January, Susan Smith from Woodward State Resource Center (WSRC) presented an overview and update on I-PART activities. The goal of the Iowa Program Assistance Response Team is to provide assistance and support to community service providers and families in managing challenging and unsafe behaviors that interfere with the long-term goals of the people they serve. Assistance is offered through on-site behavioral consultations and community trainings so that people can retain their residential setting and avoid:

- Involuntary discharge
- Application to State Resource Centers
- Psychiatric hospitalizations
- Arrest or jail
- Out-of-state placements

Crisis Stabilization Services - In February, Kelley Pennington from Magellan Behavioral Health and Karen Hyatt from MHDS reported on a joint crisis stabilization initiative being implemented in two parts of the State: (1) In the Dubuque area, Hillcrest Family Services is working in partnership with Northeast Iowa Mental Health Center, and (2) in the Waterloo area, Black Hawk Grundy Mental Health Center is working in partnership with Pathways Behavioral Services and North Iowa Mental Health Center. The projects are looking at costs in terms of dollars, productivity, and quality of life. The effort is to create stable, consistent crisis stabilization services focused on the outcomes of:

- Decreased mental health commitments
- Decreased hospitalizations of two days or less
- Tracking access to behavioral health assessments in a timely manner
- Tracking access to crisis intervention assessments

Implementing the Affordable Care Act (ACA) in Iowa - Also in February, Jennifer Steenblock, ACA Project Director for the Iowa Medicaid Enterprise (IME), presented an overview of federal health care reform and its impact on the Medicaid program in Iowa. While there continues to be a policy debate and efforts at the national level to repeal or change the Patient Protection and Affordable Care Act (ACA), which was signed into law on March 23, 2010, DHS is working to plan for and implement the existing law. Focus areas for implementation of the ACA include:

- Development of a Health Benefits Exchange (HBE) including tax subsidies
- Development of a "benchmark" plan for Medicaid expansion to 133% of the FPL
- Integration of the HBE and the Medicaid Eligibility Delivery System for coordination of enrollment
- Developing information technology to transform the Medicaid Eligibility Delivery System
- Exploring opportunities for options under ACA to improve or re-balance health care programs

Iowa Co-Occurring Recovery Network (ICORN) - In March, Stephen Trefz, Director of the Community Mental Health Center for Mid-Eastern Iowa, presented an overview of the Iowa Co-Occurring Recovery Network, which he described as a diverse, grass roots group including primary care, substance abuse and mental health service providers, individuals in recovery, funders, insurance companies, judges, educators, law enforcement, corrections, hospitals, DHS, and Iowa Department of Public Health representatives. ICORN has held more than 15 statewide meetings over the last several years to develop capacity, improve clinical skills and teach and learn quality improvement processes for delivering health care, mental health, disability, and substance use services that are welcoming and responsive to the complex needs of individuals.

Mental Health Institute (MHI) Superintendents - In April, three of the State Mental Health Institute (MHI) superintendents met with the Commission to talk about their facilities and how they are involved with their communities and their colleagues at the community mental health centers. Ron Mullen, superintendent at Mt. Pleasant MHS, who also oversees corrections on that campus; Dr. Bhasker Dave, superintendent of the Independence MHI; and Jason Smith, superintendent of the Cherokee MHI, each shared overviews of the programs, services, and staff at their respective facilities. Mark Lund, superintendent at the Clarinda MHI, was unable to attend.

On With Life Tour and Presentation - In April, the Commission toured the On With Life facility in Ankeny, heard a presentation on traumatic brain injury and neuro-rehabilitation, a brain injury survivor's personal story, and met with staff and clients to learn more about issues and best practices in brain injury treatment and observe first-hand the challenging and remarkable progress that rehabilitation can bring about even after devastating injuries.

Disaster Behavioral Health Response Teams (DBHRT) - In May, Emergency Mental Health Specialist Karen Hyatt presented an update on the Disaster Behavioral Health Response Team, which was then starting its second year of services. Iowa has six DBHRT regions statewide and over 420 people have been trained to be members of the teams. They have provided services in some of the rural counties in response to the 2008 flooding, and tornados and flooding in 2010 and 2011. DBHRT also responds to suicides in schools or car accidents, going in as a secondary support when communities request additional help.

State Resource Centers Barriers Report - Also in May, Zvia McCormick, Superintendent of Glenwood State Resource Center, presented an update on the Barriers Report by the State Resource Centers (SRCs). She shared copies of the most recent report and indicated that the

new report being completed will focus on the most significant areas of work that need to be done to strengthen providers in the community so that people now being serviced in the SRCs can be served in other places. The main barriers to successful community integration and living have been identified as:

1. The need for behavioral services, including crisis services and crisis respite
2. The need for development of social skills, which also impacts employment
3. Health and safety issues
4. Guardian reluctance

Community Mental Health Services Block Grant - Also in May, Laura Larkin, DHS Children's Mental Health Block Grant Planner, explained some of the significant changes that have been proposed by SAMHSA (Substance Abuse and Mental Health Services Administration) to the application for federal mental health and substance abuse block grant funds, which provides our state with more than $3 million in federal funds each year. SAMHSA has established four new priorities for the use of block grant dollars:

1. Fund priority treatment and support services for individuals without insurance or for whom coverage is terminated for short periods of time.
2. Fund those priority treatment and support services not covered by Medicaid, Medicare or private insurance for low income individuals and that demonstrate success in improving outcomes and/or supporting recovery.
3. Fund primary prevention – universal, selective and indicated prevention activities and services for persons not yet identified as needing treatment.
4. Collect performance and outcome data to determine the ongoing effectiveness of behavioral health promotion, treatment and recovery support services and plan the implementation of new services on a nationwide basis.

Family to Family Iowa Network (F2FI) - Also in May, Ann Riley, Deputy Director of Iowa's UCEDD at the Center for Disabilities and Development (CDD), presented the historical background and vision for the Family to Family Iowa Network and the work that is currently being done to build an integrated statewide information and referral infrastructure in Iowa to assist individuals with disabilities and their families in accessing up-to-date, understandable, and reliable information to support them in making informed choices. Since 2009, F2FI has been bringing together agencies and organizations that work with families to:

- Convene an 18 member governance council
- Create a network of trained family navigators
- Develop a 40-hour training curriculum for navigators
- Create a web page to connect resources for navigators

Office of Consumer Affairs (OCA) - Also in May, Todd Lange, OCA Project Director, presented an update on the Office of Consumer Affairs, which was re-established in January of 2011 through an MHDS contract with the Iowa Advocates for Mental Health Recovery. The OCA has four main functions:

- To serve as a statewide resource for information, referrals, community education, individual education, one-on-one problem solving and system navigation
- To provide input on the development and implementation of policies and programs impacting behavioral health services and systems in Iowa

- To provide an advocacy voice to stakeholder groups throughout the state with the goal of promoting awareness of the concerns, perspectives and vision of persons and families with behavioral health recovery and disability challenges
- To assist DHS staff and contractors with disseminating information and gathering feedback from users of behavioral health services and systems in Iowa

Legislative Panel Discussion - Also in May, Senator Jack Hatch, Representative Dave Heaton, and Representative Renee Schulte each shared their perspective on the mental health redesign legislation and the legislative session, answered questions, and discussed the implementation of redesign workgroups and the outlook for the Interim Mental Health and Disability Services Study Committee.

Mental Health Services Report for Children and Youth - Also in May, Laura Larkin, DHS Children's Mental Health Block Grant Planner, presented an overview of the Implementation Status Report regarding the Mental Health Services System for Children, Youth, and their Families. In 2008, the Iowa General Assembly identified the need for a children's mental health system and DHS was allocated $500,000 to issue requests for proposals to start to developing a community based mental health system for children and youth. In January of each year the Department reports on the progress. Through an RFP process one project was funded for a local system of care in Polk and Warren Counties. The project is focused on developing local systems of care similar to the 10-county Community Circle of Care project in northeast Iowa and based on the same principles:

- Empowering parents to access all the services that are available
- Making sure that children are receiving those services in their community and in their homes whenever possible
- Supporting children to remain in school and avoid involvement with juvenile justice or involuntary commitment

Community Circle of Care (CCC) - Also in May, Gary Lippe, DHS Service Area Manager, presented an update on the Community Circle of Care project outcomes:

- Most of the children served by CCC remain at home
- A few are placed out of home, but a care coordinator is still available to help them and their families with transitioning in and out of residential services
- Mental health commitments have been drastically reduced

Among families who received CCC services for at least 12 months:

- 41% of youth showed improvement in school performance
- 37% of youth showed improvement in school attendance
- There were more positive reports about the child's ability to complete homework and read at or above grade level
- There were fewer reports of parents missing days from work due to the child's behavioral or emotional problems
- There was a 21% increase in the number of caregivers who had a positive perception of their own functioning as parents

Iowa Plan Services for Children and Adolescents – Also in May, Kelly Pennington from Magellan Health Services presented an overview of services for children and adolescents available through the Iowa Plan. The Iowa Plan is the managed care plan for mental health and

substance abuse services that covers most of Iowa's Medicaid recipients as well as substance abuse services funded by the Iowa Department of Public Health. Sixty-six percent of all enrolled participants are children 18 years of age or younger. The penetration rate for enrollees accessing services was 15.11% for SFY 2010, with more than 41,000 children and adolescents receiving at least one mental health or substance abuse service. There was a jump in total enrollment during SFY 2010, most likely due to more families becoming financially eligible for Medicaid and extra effort by DHS to get all eligible children enrolled.

Remedial services were moved to the Iowa Plan on July 1, 2011 and became known as Behavioral Health Intervention Services (BHIS). Remedial services are supportive, directive, and teaching interventions provide in a community-based or residential group care environment. They are skill building services, designed to improve a child's functioning in his or her everyday life; specifically for youth with a mental health diagnosis to assist them in learning age-appropriate skills to manage their behavior and regain or retain self-control.

Psychiatric Medical Institutions for Children (PMICS) - Also in May, Jim Ernst, CEO of Four Oaks in Cedar Rapids, presented his perspective on the history of PMICs and a new direction of service delivery that is intended to provide a more broad-based approach to children and families. PMICs offer an intensive inpatient program designed to serve the child welfare and juvenile justice system; about 85% of children in the child welfare system are identified as having a mental health issue. Funding for PMICs will become part of the Iowa Plan in 2012, which will place them in the holistic children's mental health system that goes beyond mental or physical health care to position the child be become a successful adult.

Member Ethics and Responsibilities - Also in May, Assistant Attorney General Gretchen Kraemer prepared and presented a refresher course on ethics and responsibilities for State board and commission members, with particular attention to open meetings requirements and conflict of interest issues.

Hillcrest Northeast Iowa Crisis Stabilization Project - Also in May, Carolyn Pettit-Lange, Regional Coordinator, presented an update on the Hillcrest Northwest Iowa Crisis Stabilization project. The project was started in a seven county area, with funding from Magellan Health Services Community Reinvestment program and DHS Division of Mental Health and Disability Services, and includes two separate crisis stabilization programs:

- The Hillcrest Crisis Recovery Team, which provides urgent care walk-in support at a community wellness center
- The 23-hour bed, which provides stabilization and outpatient support through an agreement with a community-based hospital to a person experiencing a mental health crisis who does not need hospital admission

The project also includes community education, promotion and awareness, and Critical Incident Training (CIT) for law enforcement.

Disaster Assistance Efforts at Glenwood State Resource Center - In June, Zvia McCormick shared information on activities undertaken at Glenwood State Resource Center to assist in the Missouri River flooding emergency, which included: setting up a 50-bed emergency center, providing temporary housing for AmeriCorps and other flood assistance workers, and temporarily relocating evacuated residents of a 12-bed ICF/MR (Intermediate Care Facility for Persons with Mental Retardation) from Pacific Junction on the Glenwood campus.

Privacy of Medical Records - Also in June, Gretchen Kraemer shared information on the Iowa Court of Appeals decision in *Mulligan v. Mulligan,* a ruling regarding the confidentiality of mental health records.

Visit to the Center for Disabilities and Development – In June, the Commission met at the Center for Disabilities and Development (CDD), Iowa's University Center for Excellence, in Iowa City and heard a series of presentations about the programs offered by CDD and how they serve as a resource for Iowans, including:

- An overview of **Iowa's LEND Pre-Service Training Program,** which is the core of CDD's pre-service training initiative, by Dr. Lenore Holte, Professor in the Department of Communication Sciences and Disorders and the Department of Pediatrics in the University of Iowa College of Medicine, and director of the Leadership Education in Neurodevelopmental and related Disabilities (LEND) project. During the last academic year, about 250 trainees, including those in the LEND program, participated in a wide variety of interdisciplinary clinical work with staff members of CDD's Healy Clinic. The goals of the LEND training program are:

    - Family centered care
    - Cultural competence
    - Interdisciplinary clinical work
    - Disability information
    - Advocacy and policy
    - Leadership
    - System improvement
    - Community healthcare services

- A report by Bob Bacon, Director of Iowa's University Center for Excellence on Developmental Disabilities (UCEDD) at CDD, on **Olmstead Planning** and technical assistance provided to the Department of Human Services under an intergovernmental agreement.

- An update on **Iowa's Money Follows the Person (MFP) Grant** by Brooke Lovelace, MFP Program Manager. Since 2008, more than 135 Iowans have been transitioned out of the ICFs/MR and many more continue to work toward that goal. In addition to helping people move from facility to community settings, the project also serves as a needs assessment to help the State identify the services necessary to support people effectively in the community. MFP has been reauthorized through 2016 with funds available for use through 2019.

- An update on **Iowa's Employment Initiatives** by Tammie Amsbaugh, CDD Employment Program Specialist. Iowa has been receiving federal funds through the Medicaid Infrastructure Grant (MIG) since 2001 to increase the infrastructure within Medicaid to support employment for Medicaid members. The MIG Grant has been used to implement Medicaid for Employed Persons (MEPD) and other initiatives.

- A report on the **Iowa Direct Care Workforce Initiative** by Ann Riley, Deputy Director of Iowa's UCEDD at CDD. The initiative, under the direction of the Iowa Department of Public Health, has been working to build a consistent curriculum, career opportunities, and increased workforce capacity for the individuals who provide frontline care and support services in Iowa since 2004 and is developing a professional credentialing structure for:
    - Community Living Professionals
    - Personal Support Professionals
    - Health Support Professionals

Thirteen types of specialty endorsements are also being developed in areas approved by the Iowa Board of Direct Care Professionals.

- An overview of the **College of Direct Support** (CDS) by Meredith Field of CDD. CDS is an online curriculum and learning management system based at the University of Minnesota's Institute for Community Integration, which has had a pilot project in Iowa since 2009. CDS has been developing courses specifically for the direct care workforce for about ten years, including:

    - Community inclusion
    - Cultural competence
    - Civil rights and advocacy
    - Direct Support professionalism
    - Positive Behavior Supports

- An introduction to **Evidenced-Based Treatment for Autistic Spectrum Disorders** by Dr. Royann Mraz, Clinical Associate Professor of Pediatrics at the University of Iowa Children's Hospital and Medical Director at CDD.

- A presentation on **Co-Occurring Intellectual Disabilities and Behavioral Issues** by Dr. Joel Ringdahl, Assistant Professor in the Department of Pediatrics and bio-behavioral services provider at CDD.

- A report on the I**mpact of Community Circle of Care on Children and Families** by Vickie Miene, Project Director. Vickie shared information and family stories on the impact of the Community Circle of Care (CCC) project on children and families. The CCC model of care combines medical assessment and social supports and utilizes family team meetings to bring everyone together. The report focused on the cost savings and benefits to the family when out of home placements can be avoided through the systems of care model.

Mental Health and Disability Funding - In July, DHS Community Services Consultants Julie Jetter and Robyn Wilson presented an update on Human Services Appropriations, Risk Pool and Waiting List funding, additional growth and other county funding formulas.

Legislative Session Wrap-Up Report – Also in July, Jennifer Harbison, DHS Legislative Liaison, presented an overview of the major mental health and disability services bills, specifically focusing on the provisions of Senate File 209, Senate File 525, and House File 649.

Update on Legal Issues – Also in July, Assistant Attorney General Gretchen Kraemer presented an update on U.S. Department of Justice enforcement actions, federal guidance, and recent legal decisions of interest, including cases on:

- professional negligence and the duty of self-care in a non-custodial setting
- the nature of consent by a victim of childhood molestation
- statute of limitations on sexual abuse claims
- confidentiality of mental health records
- electronic docket entries

Impact of MEPD on Medicaid Claims - In July, Tammie Amsbaugh, CDD Employment Program Specialist, presented a report on Iowa's Medicaid buy-in program for people with disabilities and its impact on Medicaid claims. The information came from a study and report done by DHS Results Based Accountability in 2009, which compared Medicaid members as a

whole with Medicaid MEPD members and indicated a positive link between employment and Medicaid health claims:

- MEPD members are costing Iowa Medicaid less than the average member
- MEPD member costs are more like those of the general working-age Medicaid population than other members with disabilities who do not work
- MEPD members with greater earnings appear to have lower healthcare costs
- Medicaid members who have been on and off MEPD have lower monthly healthcare costs when on MEPD than when not on MEPD

Pre-Admission Screening and Resident Review (PASRR) - In August, Tammie Amsbaugh, program coordinator, presented an update on the movement toward full implementation Pre-Admission Screening and Resident Review process in Iowa on September 1, 2011. PASRR is a screening process to ensure that prior to admission to nursing facilities, persons with mental illness or mental retardation or related conditions are identified and admitted only if they can be appropriately served in the nursing facility. It also requires that they be provided with any specialized services they need to address their mental illness or disability and that nursing home residents are reviewed if there is a significant change in status. Iowa has contracted with Ascend Management Innovations, a national leader that works with at least seven other states as well as CMS and the PASRR Technical Assistance Center to perform the reviews.

Brain Injury Best Practices and Challenges – In December, Julie Fidler Dixon, Executive Director of On With Life, called attention to the life-long health implications of traumatic brain injury. Brain injury is affecting more people than ever before due to factors including improved survival rates and the high rate of BI among returning combat veterans. The Brain Injury Workgroup convened in accordance with Senate File 525 is continuing to review and plan for how local providers can most effectively offer care and assistance after initial treatment, and how cognitive rehabilitation can impact the quality of life for BI survivors.

Coordination with MHDS. DHS Director Chuck Palmer, MHDS Division Administrators Jeanne Nesbit, Karalyn Kuhns (interim), and Rick Shults, along with the staff of the Division of Mental Health and Disability Services have actively participated in Commission meetings throughout the year, communicated regularly, provided timely and useful information, and been responsive to questions and requests from Commission members. They have provided or coordinated reports and updates to the Commission on a variety of issues and initiatives, notably including:

- Human Services Appropriations
- DHS budget, staffing, and services
- DHS facilities
- Crisis Stabilization Services
- State Payment Program
- Co-occurring training and provider capability
- The Iowa Olmstead Plan
- Accreditation
- Office of Consumer Affairs (OCA)
- Information & Referral Services
- Pre-Admission Screening and Resident Review (PASRR)
- State Employment Leadership Network (SELN)
- Coordination with the Iowa Department of Public Health
- Implementing the Affordable Care Act in Iowa
- System & County Funding
- Mental Health Community Services Block Grant

- Mental Health workforce issues
- Redesign
- Disaster Behavioral Health Response Teams (DBHRT)
- Disaster Mental Health Services
- Legislative Session Wrap-up
- Community Mental Health Center contracts

MENTAL HEALTH AND DISABILITY SERVICES REDESIGN

As noted in the introduction to this report, the Commission has closely followed the development and passage of mental health and disability services redesign legislation and the subsequent workgroup process throughout the year. Nine of our voting members served on workgroups:

- Adult Mental Health Services – Chris Hoffman
- Children's Services – Jan Heikes
- ID/DD Services – Cindy Kaestner, Susan Koch-Seehase, Dale Todd
- Regional Administration – David Hudson, Linda Langston, Jack Willey
- Brain Injury - Julie Fidler Dixon

The Commission wishes to express our appreciation for the time, effort, and dedication that have gone into the development of the recommendations to the Interim Committee for further legislative action. While clear consensus has not been reached on every aspect of redesign, and decisions remain to be made, the Commission supports the overall Redesign Workgroup Interim Report to the Department of Human Services (October 31, 2011) and its recommendations, which reflect and promote:

- individual choice
- local access to community-based services
- services based on individually-determined needs
- responsiveness to multi-occurring needs
- a stable and adequate funding structure
- focus on individual outcomes
- the principles of the DHS *Olmstead* Plan

We also want to acknowledge our appreciation to the Legislature and the Department of the Human Services for the open and participatory process that has included open workgroup meetings, public forums around the State, Interim Committee meetings, and timely distribution of information by web and email. A sincere commitment to engage all stakeholders in the redesign planning process and consider their input has been demonstrated.

We also support the Iowa Department of Human Services System Redesign Final Report (December 9, 2011) and its overall recommendations for management and structure, services, and financing. Our primary concern as the process moves forward and additional legislation is crafted is that adequate funding is made available to support the successful implementation of the redesign goals. We recognize that these are difficult economic times and that every public dollar needs to be spent wisely. We firmly believe that the dollars needed to support mental health and disability services and move Iowa's system into the 21st century are a wise investment that offers a valuable return both in economic terms and in quality of life.

It is critical to pursue a thoughtful and well planned transition, keeping in place the characteristics of our current system that work and that represent our values, while adding improvements and identifying efficiencies. The *Olmstead* principles of choice and community and the importance of adequate funding must be kept at the forefront as the work continues.

PART 2:

RECOMMENDATIONS FOR CHANGES IN IOWA LAW

2011 RECOMMENDATIONS - A year ago, the Commission identified four major areas of recommended legislative action for 2011. They were:

1. Funding - To fund cost-effective mental health, intellectual disability, developmental disability, and brain injury services at a level adequate to meet basic needs.

2. Community Capacity - Take steps designed to build community capacity to serve Iowans with mental health, intellectual and developmental disabilities, and brain injuries in non-institutional settings.

3. Revisions to Chapter 230A - Adopt recommendations for revisions to Iowa Code Chapter 230A, governing the organization and operation of Community Mental Health Centers in Iowa.

4. Revisions to Chapter 229 - Further develop recommendations for revisions to Iowa Code Chapter 229, governing mental health commitments in Iowa.

PROGRESS NOTED - We are pleased that each of these areas were addressed, at least in part, during the 2011 Legislative Session:

- Funding: The Iowa General Assembly appropriated an increase of $16 million for Allowable Growth in SFY 2012, and also appropriated $10 million to the Risk Pool to address existing waiting lists, for a total of $26 million available for counties. An additional $5 million was also appropriated to eliminate the Medicaid Waiver waiting lists for children and state payment cases.

- Community Capacity: The Iowa General Assembly passed legislation repealing the current county-based MHDD levy system in anticipation of a redesign of the entire mental health and disability services system by July 1, 2014 and set in motion a comprehensive process for system transformation.

- Revisions to Chapter 230A: The Iowa General Assembly adopted recommended revisions to the organization and operation of Iowa's community mental health centers as part of the system redesign legislation.

- Revisions to Chapter 229: The Iowa General Assembly authorized the continuation of a joint DHS and Judicial Branch workgroup to address the commitment process in Iowa as part of the system redesign legislation.

Our recommendations for changes to Iowa law during the upcoming 2012 legislative session are intended to build upon last session's legislation and support the continuing mental health and disability services redesign initiative.

2012 RECOMMENDATIONS

We have organized our recommendations into three main priority areas: (1) System Redesign, (2) Adequate Funding, and (3) Workforce Capacity.

1. **SYSTEM REDESIGN – Implement a comprehensive system of mental health and disability services that is consistent with the principles and goals of the Olmstead Supreme Court Decision and Iowa's Olmstead Plan.**

    - Pursue regional administration and retain local delivery
    - End the use of legal settlement and replace it with simple residency
    - Fully integrate mental health and disability services with primary health care and substance use services
    - Base services on individually determined need and individual preferences
    - Provide guidance and technical assistance tor regions and providers
    - Utilize performance base contracting and focus on consumer outcomes
    - Prioritize initial focus on crisis services and sub-acute treatment options
    - Take advantage of federal funding opportunities associated with the Patient Protection and Affordable Care Act
    - Pursue changes to Iowa's commitment laws (Iowa Code Chapter 229) and provide alternatives to commitment such as:
        - Crisis stabilization services and sub-acute care beds
        - Statewide access to Assertive Community Treatment
        - Statewide access to jail diversion programs and special needs courts
    - Align revisions to Iowa Code Chapter 230A with regional administration structure
    - Establish system transformation timeline with measurable short and long term goals

2. **ADEQUATE FUNDING - Adopt a stable funding structure for mental health and disability services that is adequate to maintain the current level of services in the short term, to support the goals for completing system redesign within five to seven years, and to maintain the system over time.**

    - Provide sufficient State funding to prevent service cuts and address waiting lists during system redesign:
    - $65 million is needed for SFY 2013 to:
        - Address the loss of federal American Recovery and Reinvestment Act (ARRA) funds
        - Allow for the increase in Iowa's Federal Medical Assistance Percentage (FMAP)
        - Maintain the current level of non-Medicaid services
    - Establish a stable long-term funding formula for the redesigned mental health and disability services system, including:
        - State assumption of the non-federal share of all Medicaid services
        - Authorizing the use of county funds for non-Medicaid services to provide flexibility to individualized services where cost-effective or needed to fill service gaps
        - Setting provider reimbursement rates that are adequate to maintain and build community capacity

3. **WORKFORCE CAPACITY – Enhance access to quality mental health and disability services by expanding the availability, knowledge, and skills of professionals, paraprofessionals, and direct support workers.**

   - Implement incentive programs to recruit, retain, and train mental health and disability services professionals and paraprofessionals
   - Establish a statewide credentialing and career path program for direct support workers
   - Train more peer support specialists and increase their utilization
   - Utilize technology, such as telemedicine, to increase access psychiatric or specialty services
   - Support statewide training and technical assistance that will assist providers in attaining the skills to capably address co-occurring and multi-occurring conditions

SUMMARY: Iowans need access to a consistent and integrated system of community mental health and disability services. To accomplish that, we must have:

- A sound system redesign plan with measurable outcomes
- A stable and adequate funding structure
- Adequate workforce and provider capacity

The Commission is pleased with the efforts that have been made to bring diverse interests and points of view to the table and develop a well-considered, collaborative plan for system transformation. We urge the continuation of those efforts. Statewide access to a basic set of cost-effective community-based services for people with mental health and disability-related needs will reduce the need to more intensive, higher cost services. An improved system that minimizes emergency room visits, emergency psychiatric hospitalizations, and involvement with law enforcement, corrections, and the courts is both cost effective and very simply the right thing to do for Iowa.

Respectfully submitted on behalf of the members of the Mental Health and Disability Services Commission,

John (Jack) Willey
Chair, MHDS Commission

Cc: Michael E. Gronstal, Senate Majority Leader
Jerry Behn, Senate Minority Leader
Kraig Paulsen, Speaker of the House
Kevin M. McCarthy, House Minority Leader
Legislative Services Agency
Charles M. Palmer, DHS Director
Richard Shults, DHS Administrator of MHDS
Jennifer Harbison, DHS Legislative Liaison