

History and Next Steps for Adult Mental Health System Redesign in Iowa

– 5-7 years to complete

updated 7-11-15

2011 Legislative session – bipartisan – the “Vision” year – Year 1

- \$25 million to reduce waiting lists
- SF 525 – outlines the process to undertake redesign of the mental health system
- 6 Workgroups met during the summer and fall to establish the VISION of what a redesigned system would look like
- Each workgroup provided recommendations in a report
- Holistic treatment, state oversight and standards, regional management, local services

2012 Legislative session - bipartisan – the “Framework and Timeline” year – Year 2

- SF 2312 – judicial bill – required mental illness training for law enforcement
- SF 2315 – redesign bill – outlined the FRAMEWORK and TIMELINE for a redesigned mental health system based on workgroup recommendations
- 6 Workgroups met to put more details on the framework of SF 2315
- State assumed payment of Medicaid services 7-1-12
- Disputed billings with counties prior to July 1, 2011 are forgiven
- \$47.28 per capita basis for consistent county mental dollars across the state

2013 Legislative session – the “Funding” year – Year 3

- Version of MEDICAID EXPANSION- Iowa Wellness Plan, Marketplace Choice plan
- Recommendations from 6 workgroups introduced in various pieces of legislation
- Counties required to pay remaining outstanding Medicaid bills
- Equalization funds of \$30 million appropriated – but initially only 12 counties receive payments, 32 counties can’t access since they still owe old Medicaid bills and 10 counties in NE Iowa have a separate agreement
- Transition funds of \$11.6 million distributed to 26 counties
- Governor vetoes a second transition fund of \$13 million in risk pool funds approved by legislature (counties now in financial jeopardy as well as clients due to lack of safety net
- Governor vetoes \$8.7M approved by legislature to delete HCBS waiting lists
- Governor vetoes Mental health advocate office and funding
- 1 Crisis stabilization project begins
- DHS provides technical assistance to counties for regional development
- \$47.28 per capita county levy stays
- Medicaid Integrated health home projects implemented in 5 counties
- Legal settlement changes to county of residence effective 7-1-13
- MHI’s required to provide co-occurring services effective 7-1-13
- New eligibility rules for non-Medicaid services effective 7-1-13
- Core service administrative rules approved
- Regionalism administrative rules in the process of approval
- Counties now identified into 15 Regions
- Federal 1115 waivers - Iowa Wellness plan and Marketplace Choice plan developed –approved for implementation

2014 Legislative session – the “Regionalism” year – Year 4

- The 15 regions are now developing the regional organization and documents to be ready to start operations 7-1-14.
 - Governing Board
 - Annual service and budget plan
 - Regional governance agreement by counties
 - Policies and procedures manual
 - Regional advisory committee
 - Accounting system and financial management
 - Chief Executive officer and staff
- \$47.28 county levy stays till 6-30-16
- Medicaid Integrated health home projects statewide by 7-1-14
- Iowa Health and Wellness Plan sign-up begins as well as Iowa Insurance Exchange – by end of fiscal year 100,000 enrolled
- Regionalism administrative rules completed
- Autism program administrative rules completed
- Crisis services administrative rules in process by DHS
- Sub-acute administrative rules in process by DIA
- Bed availability tracking system funds vetoed by Governor
- Standardized functional assessments implemented for ID, MI and BI?
- 1% increase in reimbursements to providers approved July 2014 effective back to July 2013
- Unintended consequences - stop waiting lists and persons losing services and safe places to reside

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2015 Legislative Year – the “Building – Part 1” Year – Year 5

- Crisis Stabilization administrative rules finalized
- Sub-acute Care administrative rules finalized
- Persons involuntarily committed can be admitted to a sub-acute care facility
- The number of allowable sub-acute beds in Iowa is raised from 50 to 75
- Acute care bed availability tracking system bill approved and funded
- Mental health advocate bill passed for uniformity of duties – advocates are county employees
- “Clean up” bill to correct old language in Iowa Code passed - ex: county to region, legal settlement to county of residence
- Each insurance company implements a 2 page prior authorization medication form
- Guardianship communication clarified - a guardian is not able to restrict visits or interfere with communications
- SA/MH Interstate contract law passed - allows counties or regions to contract with a public or private entity in a bordering state to provide substance abuse or mental health treatment for persons being civilly committed on a voluntary or involuntary basis.
- Iowa ABLE Savings Plan Trust created. The trust will be administered by the State Treasurer. \$250,000 allocation SF 490
- Home Modification Assistance program – requires the Aging and disability Resource Center (ADRC) and MHDS Commission to develop a plan for a Home Modification Assistance program. *The assistance program proposal is due by December 15.* The program will include grants for those under 250% FPG and tax credits for those above between 250% and 450% FPG.
- Medicaid Special Needs Trust – eliminates the restrictions on how funds can be disbursed from a Medicaid Special Needs Trust and sets new standards that are no more restrictive than the federal law.
- Directs IDPH to work with DHS to provide appropriate substance abuse treatment services at the Eldora Training School in the wake of reduced federal funding for such purposes.
- Directed DHS to submit an application to CMS/SAMHSA for the certified behavioral health clinics 2 year pilot program in collaboration with other partners.
- Directs DHS to work with the Southern Hills MHDS region to determine if merging with an adjacent region is appropriate.
- Children’s Health and Wellbeing Workgroup (SF 454) DHS, IDPH, IDE to facilitate a workgroup of stakeholders to study and make recommendations concerning the health and wellbeing of children in Iowa including crisis response:
 - Strategic plan for data systems
 - Comprehensive system of care that incorporates ACES, extreme poverty, MH services, building interdepartmental awareness of ACES and poverty, childcare quality and affordability and community partnerships. Children’s Defense Fund report to be reviewed. Develop proactive strategies across state systems to address the most complex needs of children’s health and wellbeing. *A report is due to the Governor 12-15-15.*
- **HF 632** - The commissioner shall adopt rules pursuant to chapter 17A that provide requirements, not to exceed seventy-two hours for urgent claims and five calendar days for non-urgent claims, for a health carrier or pharmacy benefits manager to respond to a health care provider’s request for prior authorization of prescription drug benefits or to request additional information from a health care provider concerning such a request.

The Closing of the two MHI’s was not part of the redesign plan. It was the Governor’s decision to close them, not the redesign stakeholders. Stakeholders would have expected the replacement services to be built prior to any closure.

Funding

- Higher % of FMAP (Federal Medicaid Assistance Percentage) - Iowa’s matching fund requirement (Fed – 53% to Iowa 47%) due to excellent financial health of Iowa (loss of BIPP and Health Home FMAP incentives cause additional \$56 million gap)
- Long term funding formula disregarded in FY 15– equalization funds not authorized (loss of \$30 million to regions)
- There remains an anticipated \$40 million shortfall in Medicaid in FY 16.
- Extends the equalization payment formula through FY 17.
- Freezes MHDS per capita levy rates at FY 15 levels (no more than \$47.28 per capita)
- Eliminates the Medicaid offset
- \$2 million for 1 region who does not have the 25% carryover for meeting bills till new income received 10-1-15 (*\$1.04 million of the \$2 million comes from the one time funding bill – the balance from SF 505*)
- \$ 2 million appropriation to Broadlawns (part of a multi-year commitment)
- Acceptance of cost containment strategies
 - Pre-payment editing of submitted claims
 - Implementation of complex pharmaceutical oversight program
 - Change drug reimbursement methodology to the national average drug acquisition cost.
 - Increase the nursing facility quality assurance assessment fee to 3%.

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- Change the refusal to pay for hospital costs associated with a readmission for the same condition from within 7 days of discharge to within 30 days (same as Medicare)
- Utilization of new functional assessments for certain Medicaid waiver services
- Increased the allocation for the system of care program in Cerro Gordo and Linn counties by \$100,000.
- \$571,000 funds to expand the 1st Five program to an additional 13 counties, bringing the total number of counties served by this program to 62. 1st Five ensures that all children from birth to age 5 can access screening for developmental and social emotional delays, and receive referral for support and health services.
- Increase in rates for:
 - increases provider rates for nursing homes (Medicaid rebase)
 - Increases provider rates for home health services (Medicaid rebase)
 - .5% increase for Medicaid HCBS service rates
 - 10% increase for supported employment provider rates
- Reduces copays and coinsurance amounts to access physical therapy, occupational therapy and speech pathology services so they are no more than the amounts charged for primary care services for the same or similar diagnosed conditions. No longer designates these services as “specialists”. This change was made for chiropractic care a few years ago. (SF 202)
- Increased EMS Services by \$200,000
- No change in funding Youth Suicide prevention program (\$50,000) in IDPH
- No change in funding for study of children that experience adverse childhood experiences (ACES - \$50,000),

Medicaid Managed Care

- RFP advertised for 2-4 private managed care companies to handle Medicaid population
- Permits DHS to utilize emergency rules to implement Medicaid managed care.
- Requires 2.00% of the Medicaid capitation payment to be withheld by the state to be used to provide for Medicaid program oversight, including for a health consumer ombudsman function, and for quality improvement.
- Provides requirements for funds dedicated to meeting the minimum medical loss ratio and sets the minimum ratio at no less than 85.00%.
- Permits only expenditures for medical claims to be considered in computing the minimum medical loss ratio as specified in the contract.
- Prohibits administrative costs to exceed 4% and profits are limited to 3%.
- Requires the managed care contractor to remit funds if they do not meet the minimum medical loss ratio.
- Requires DHS, in partnership with stakeholders, to convene monthly statewide public meetings to receive input and recommendations on managed care.
- Creates Legislative Health Policy Oversight Committee to receive updates, review data, public input and concerns, and make recommendations for improvement to the General Assembly. The Legislative Council appoints members.
- Allows the Office of Long Term Care Ombudsman to provide assistance and advocacy services to recipients of long term services and supports provided through the Medicaid Program. \$220,000 to add at least two long term care ombudsman who will focus primarily on Medicaid members in anticipating the transition Medicaid to managed care. The LTCO is authorized to hire additional staff if successful and as funding allows. Expands authority to waiver populations, too.
- Requires the Office of Long-Term Care Ombudsman to collaborate with the various Departments and Agencies to develop a proposal for the establishment of a health consumer ombudsman alliance. A proposal to be developed to establish a health consumer ombudsman alliance to provide a permanent, coordinated health plan system navigation and complaint resolution system. *Report is due by Dec. 15, 2015.*
- Requires provider rates to be no lower than current rates.
- Cuts the Medicaid Health Home Contract by \$3 million (because it will become part of managed care), but continues level funding (\$900,000) for the children’s mental health home initiative.

Workforce

- IDPH directed to issue an RFP for an independent statewide direct care worker organization for recruitment, promotion, and education for direct care workers.
- \$157,000 funding given for a program to improve mental health treatment (psychiatric training) in primary care settings at the U. of Iowa hospitals and clinics.
- Allocates \$250,000 from the autism treatment program for grants to train additional Board Certified Behavior Analysts and Board Certified Assistant Behavior Analysts to increase the number of autism service providers in the state (available to Iowa resident and nonresident applicants. Added licensed psychologists and psychiatrists to the list of qualified providers.
- Allows reimbursement for services provided by a Board Certified Assistant Behavior Analyst (BCaBA) who is supervised by a Board Certified Behavior Analyst (BCBA).

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- The Dept. of Aging to convene an interagency taskforce to review recommendations for a standard curriculum model for dementia education, identify staff in settings that interact with individuals with dementia that should have some level of training, analyze gaps in existing training and education requirements, and develop an implementation plan that outlines dementia training that achieves proficiency across a broad care continuum.
- Directs the Alzheimer's Association of Iowa, IDA, IDPH, and other agencies to review the recommendations of the Dementia Workforce Task Force and develop recommendations that will ensure a dementia-prepared workforce.
- Requires Medicaid to reimburse psychologists that obtain a provisional license in the State.
- Requires Board of Medicine and Board of Physician Assistants to jointly establish by Administrative Rule specific minimum standards for physician supervision of physician assistants.
- Health Care Loan Repayment/Forgiveness – Iowa College Student Aid Commission: No change in funding for registered nurse/nurse educator loan forgiveness (\$80,852), rural Iowa primary care physician loan repayment (\$1.6 million), and rural Iowa ARNP/PA loan repayment (\$400,000)- (*Education bill*)
- Level funding for the following IDPH workforce programs:
 - University of Iowa and Cherokee MHI mental health workforce shortage program (\$210,560),
 - home health care and public health nursing services (\$1,164,628),
 - psychological postdoctoral internship program (\$50,000),
 - volunteer health care provider program (\$58,175),
 - Rural Iowa Primary Care Loan Repayment Program (PRIMECARRE - \$105,823),
 - medical residency training program (\$2 million).
- A physician assistant can sign involuntary commitment papers in addition to a physician.

Could not find

\$2.5 million for School-based Mental Health Services Pilots run by AEA's

FY 2016 Legislative Year – the “Building –Part 2” year – Year 6

- Implementation of incentives for the expansion of MH workforce capacity
 - Establish a department within the Iowa Dept. of Public Health focused on building the Mental Health and Disability workforce capacity.
 - Establish a loan forgiveness program specifically for Mental Health and Disability professionals
 - Double the investment in IDPH workforce programs and add a program at Broadlawns for midlevel providers.
 - Implement the legislative priorities from the mental health professional groups to increase their numbers
 - Help providers become more viable
 - Make insurance companies more accountable
- Continued implementation of multiple levels of care outside of the corrections system
 - Need additional core service domain administrative rules – for jail diversion and other add'l core service domains
 - Legislation to combine core and core plus services so all domains are mandated. Iowa needs continued implementation of multiple levels of care outside of the corrections system.
- Long term funding fix still needs to be determined (\$47.28 formula exists till 6-30-17)
- Need children's MH system framework legislation
 - Core service domains to include prevention and early intervention – such as FEP First Episode Psychosis: Components of Coordinated Specialty Care (CSC) and RAISE (Recovery After an Initial Schizophrenia Episode)
 - Legislation for anti-bullying, suicide prevention, trauma informed care, and mental health education in the schools for staff and students
 - School based mental health services
- Determination of outcomes and performance measures for providers, regions and managed care companies
- Implementation of Medicaid managed care
- Update the Olmstead Plan – the 18 month work plan expired in 2012. What are we not doing?
- Legislation requiring 50% participation by families and persons with disabilities on legislative workgroups.
- Refueling Assistance bill – is in House Ways and Means Committee – eligible for debate at beginning FY 16 legislative session.
- Reduce HCBS waiver waiting lists – there are over 10,000 people on the waiting lists