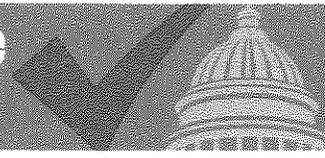




# Mental Health Care gets my VOTE!

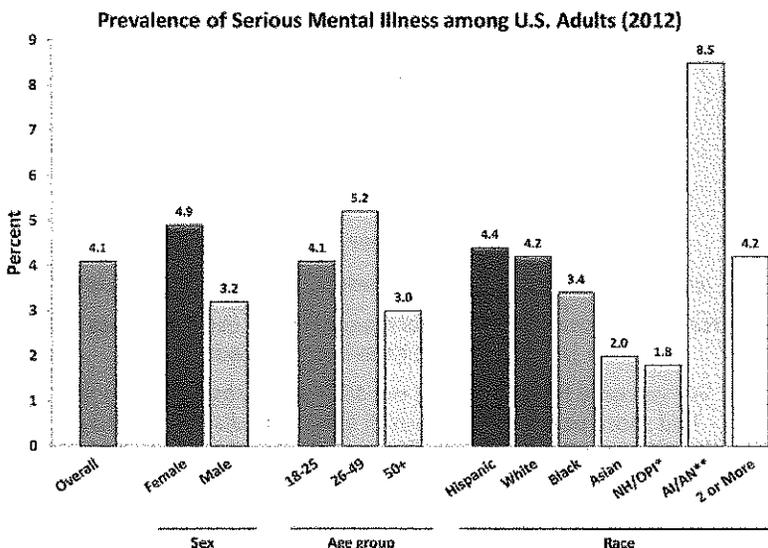


Projected FY 16 Cash Reserve (rainy day fund): \$538.9 million  
 Projected FY 16 Economic Emergency Fund: \$179.6 million  
 FY 16 ends June 30, 2016  
 These numbers provided by LSA Legislative Services Agency

**PLEASE FIND YOUR VOICE!** Please contact the Governor & your legislators, we need more beds, workforce & services, not less!  
 Iowa is at the **bottom** of the 50 states in mental health care.

Mental Health Institutes (MHI)	Total # of Beds	# adult beds	# child & adolescent beds	# geriatric beds	PMIC Beds*	Dual Diagnosis Beds	Substance Abuse Beds	Some of the prison mental health bed numbers compared to bed numbers outside corrections system
Cherokee MHI	36	24	12					100 bed Civil Commitment Unit for Sexual Offenders at Cherokee MHI
Clarinda MHI <i>Governor closed</i>	35 0 <i>Loss of beds</i>	15 0 <i>Loss of beds</i>		20 0 <i>Loss of beds</i>				The entire Clarinda MHI campus is now controlled by Dept. of Corrections – they have a 795 bed prison and a 147 bed minimum security unit.
Independence MHI	60	40	20		15			
Mt. Pleasant MHI – <i>Governor closed</i>	9 <i>Loss of beds</i>	9 <i>Loss of beds</i>				19 <i>Loss of beds</i>	50 <i>Loss of beds</i>	The entire Mt. Pleasant MHI campus is now controlled by the Dept. of Corrections – they have a 914 bed prison at the Mt. Pleasant MHI.
<b>Total MHI beds</b>	<b>140 – 44 = 96</b>	<b>88 – 24 = 64</b>	<b>32</b>	<b>20 – 20 = 0</b>	<b>15</b>	<b>19 – 19 = 0</b>	<b>50 – 50 = 0</b>	<b>Iowa is:</b>
Staffed Hospital Beds Statewide	630	475	90	61				<ul style="list-style-type: none"> <li>• 47<sup>th</sup> in the nation for # of acute care beds based on our population.</li> <li>• 44<sup>th</sup> in the nation for mental health workforce availability</li> <li>• 47<sup>th</sup> in the nation for # of psychiatrists</li> <li>• 46<sup>th</sup> in the nation for # of psychologists</li> </ul>
<b>Total Updated 3-7-15</b>	<b>770 – 44 = 726</b>	<b>563</b>	<b>122</b>	<b>81 – 20 = 61</b>				

4.1% of Iowa's population has severe mental illness or approximately **123,000** people. Listed above are the beds available for acute care. Reduced to **726 vs. 123,000** if MHI's closed - beds are full every day, 365 days a year, access is difficult and will get worse – people are being turned away for treatment.  
<http://www.nimh.nih.gov/health/statistics/prevalence/serious-mental-illness-smi-among-us-adults.shtml>



\*NH/OPI = Native Hawaiian/Other Pacific Islander  
 \*\*AI/AN = American Indian/Alaska Native

### A critical need for Community based services

*These are Medicaid waiver programs Iowa offers eligible residents to allow persons to receive necessary services to remain in their home and community rather than an institutional setting.*

Waiver Programs	# slots there are \$'s for	# on Waiting List May 2015	FY 2013 Ave. Cost per person
Health & Disability	2800	3585	\$10,356
AIDS/HIV	73	0	\$10,889
Elderly	9500	0	\$8824
Intellectual Disabilities	12912	944	\$36,021
Brain Injury	1400	1255	\$22,353
Physical Disability	1250	2707	\$5872
Children's Mental Health	1237	2148	\$11,617
	<b>29172</b>	<b>10,639</b>	

<https://dhs.iowa.gov/sites/default/files/5.7.15%20Monthly%20Slot%20and%20Waiting%20list%20%28public%29.pdf>

Check out [www.infonetiowa.org/](http://www.infonetiowa.org/) for legislative information, too.

**Legislative Branch** [www.legis.iowa.gov](http://www.legis.iowa.gov)  
 Iowa Senate: (515) 281-3271  
 Iowa House: (515) 281-3221  
**Executive Branch** [www.governor.iowa.gov](http://www.governor.iowa.gov) (515) 281-5211  
**MHDS Website** <http://dhs.iowa.gov/>

**More information at [www.namigdm.org](http://www.namigdm.org) and [www.nami.org](http://www.nami.org)**

# A Public Health Crisis

## Iowa Ranks at the Bottom of the 50 states in Mental Health Care

### *Prevalence and Rate of Treatment*

Lifetime prevalence - 1 of 2 people (1.5 M)  
Annual prevalence - 1 of 4 experience a mental illness  
(mild, moderate, severe) - 750,000 people  
4.1% severe mental illness - 123,000 people  
Half of all lifetime cases begin by age 14  
Three-quarters by age 25  
13% of youth age 8-15 live with mental illness causing  
significant impairment in their day to day lives  
This figure jumps to 21% in youth age 13-18.  
Less than half get help.

### *Beds - Acute Care, Sub-Acute, Crisis*

47th in the nation for hospital beds based on our population  
726 Acute care beds statewide (96 at MHI's)  
compared to 123,000 with severe mental illness  
Beds are full every day, people are turned away for  
treatment, tragedies happen  
No facility based subacute beds - only 5 ACT teams  
5 crisis observation centers  
No place outside of criminal justice system to place persons  
with challenging behaviors for which effective treatment has  
not been found  
Southern half of state in extreme need given the closing of  
two MHI's at Mt. Pleasant and Clarinda

### *Suicide*

445 in Iowa in 2013 (17% increase) compared to  
50 homicides  
40,000 nationally compared to 20,000 homicides  
Suicide is now the first cause of injury deaths, followed by car  
crashes, poisoning, falls and murder  
Many who complete suicide have visited their medical doctor  
within one month of their death  
Males complete suicide 4X the rate of females  
Completed suicides are more likely to be men over 45 who  
are depressed or alcoholic.  
Over 4600 youth die from suicide each year  
Over 90% of those who complete suicide have a mental  
disorder - 1/3 have alcohol or other drugs in their system  
In recent wars, there have been more suicides than combat  
deaths  
22 veterans complete suicide every day

### *Stigma - Lack of knowledge about MI*

A mental illness is a medical illness - a disease - a  
neurodevelopmental disorder, not a criminal offense  
Mental illness is an equal opportunity disease. It strikes  
families from all walks of life regardless of age, race, income,  
religion and education.  
A flaw in brain chemistry, not character  
An ambulance won't respond to a request for medical  
assistance, our help comes from law enforcement  
Treatment is needed, not punishment  
Those with severe mental illness die on average 25-30 years  
sooner than the general population

### *Workforce - Services*

Without adequate workforce, there is no mental health  
system, there are no services or beds  
Iowa is: 47th for # of psychiatrists,  
46th for # of psychologists  
44th for overall mental health workforce availability  
316 prescribers in the state  
(150 psychiatrists in private practice, 146 ARNP's and 20 PA's  
with psychiatric emphasis)  
Problems with poor reimbursement, high caseloads,  
frequent burn-out, enough training locations and dollars,  
incentives, loan forgiveness programs  
Nationally, only 55% of psychiatrists accept insurance - they  
want cash and no interference from insurance to treat  
individuals  
Dire need for direct care professionals, peers, home aides

### *Criminalizing a Medical Illness*

Iowa builds prisons instead of recovery centers  
40%+ of male inmates have mental illness  
60%+ of female inmates have mental illness  
70% have a substance use disorder  
Local jails have larger percentages.  
Beds are increasing in prison, reducing in the public sector  
Nationally, there are 10X more people with mental illness in  
jails and prison than hospital beds  
We've come full circle from the 1840's - Dorothy Dix would  
find more persons with mental illness in jails and prisons  
than in hospital beds in 2015, just like she did in the 1840's  
People with mental illness and substance abuse need  
treatment, not punishment  
We need investment in the public sector.

People who have experienced trauma are 3X more likely to experience depression,  
4X more likely to abuse alcohol and 15 times more likely to attempt suicide.

[www.namigdm.org](http://www.namigdm.org)  
July, 2015

# 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
  - Regional governance agreement by counties
  - Regional advisory committee
  - Chief Executive officer and staff
  - Annual service and budget plan
  - Policies and procedures manual
  - Accounting system and financial management
- \$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

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

– 5-7 years to complete

updated 7-11-15

## 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)<sup>60</sup>
- 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%.

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

– 5-7 years to complete

updated 7-11-15

- 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 1<sup>st</sup> Five program to an additional 13 counties, bringing the total number of counties served by this program to 62. 1<sup>st</sup> 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).

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

– 5-7 years to complete

updated 7-11-15

- 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

## Vetoes by the Governor – FY15 State Legislation

### HF 666

Vetoes Section 3 – which cancels an appropriation for \$2.3 million for grants to substance abuse providers for the implementation of electronic health records.

Vetoes Section 12 – cancels an appropriation of \$1.81 million for Clarinda State Mental Health Institute and a six month extension. The Clarinda Mental Health Institute closes in December 2015.

Approved - \$1.04 million for Mental Health and Disability Services Regional Funding – this will help Polk County

### HF 505

Vetoes Section 12, subsection 17, lettered paragraph c. Would have required DHS from implementing certain cost containment strategies for Medicaid transportation costs and later implementation of consumer directed attendant care option to be provided by an agency or consumer choices option.

Vetoes Section 12, subsection 17, lettered paragraph d. which would have required the Department of Human Services to report on cost containment strategies. *DHS, Dept of Management and the Legislative Services Agency meet on a monthly basis to determine projections for the Medical Assistance appropriation. Information relating to cost containment strategies is shared during these meetings. This information is already available within the State's accounting and budgeting systems.*

Vetoes Section 12, subsection 20. Would have required the DHS to execute the State Innovation Model grant and submit a report on the progress of the grant by 9-1-15. *The State is already implementing the State Innovation Model grant. The information requested is available upon request by the General Assembly.*

Vetoes Section 12, subsection 25. Would have restricted the number of HCBS waivers slots available during FY beginning 7-1-15 to not be reduced below the number of such slots available on 1-1-15. The Governor felt it restricted Medicaid waiver management flexibility for DHS. *"The Department must have the tools and flexibility to effectively manage a program so critically important to so many vulnerable Iowans. Such a restriction on the management and oversight authority of the Department of Human Services while facing a potentially underfunded Medicaid budget is inappropriate."*

Vetoes Section 23, subsection 3 which would have required DHS to adopt rules to provide for coverage of telehealth under the Medicaid program. The rules shall provide that in person contact between a health professional and patient is not required as a prerequisite for payment for services appropriately provided through telehealth in accordance with generally accepted health care practices and standards in the applicable professional community at the time the services are provided. Health Care services provided through in person consultations or through telehealth shall be treated as equivalent services for the purpose of reimbursement.

Today, more Iowans than ever before have access to mental health treatment. Through the bipartisan Mental Health Redesign signed into law in 2012, Iowans are accessing care locally through mental health regions. The mental health regions are investing substantial resources into increased access to home and community based substance abuse and mental health services. This is new favorable talk about the regions and their financial resources. They were criticized early in the FY 16 legislative process for not spending their money and had too much cash on hand. Therefore, the Governor did not see it necessary

## Vetoed by the Governor – FY15 State Legislation

to live up to his end of the bargain in the long term funding formula and did not provide \$30 million in equalization dollars to the regions.

In the 1800s, Iowa opened four mental health institutions. At their peak, they served more than 6,600 people on any given day combined. However, modern mental health care has come a long way and best practices rightfully no longer include the warehousing of mental health patients. In fact, the average daily bed census at the Mount Pleasant Mental Health Institute over the past four years is only 61 patients. The reason the MHI's are down to 61 beds is because the governor and DHS has steadily cut their funding and forced a reduction of beds over the last 5 years in order to make their case now.

In fiscal year 2014, this came at the high cost to state taxpayers of \$126,791 per patient. These resources can best be used to provide better, more modern mental health services to more Iowans. Other states have already gone down this path by closing their outdated institutions and offering innovative mental healthcare options. Minnesota once operated eleven mental health institutes. They now have an array of 16 bed care units through the state. Today they operate one. Wisconsin operates two. Over the past 18 years, states adjacent to Iowa have closed 13 institutes like Mount Pleasant and Clarinda (Illinois closed four state psychiatric hospitals, Minnesota closed four, Missouri closed three, and Nebraska closed two). Like Iowa, these neighboring states have modernized their mental health systems and reduced their use of institutionalization. In 2009, a Department of Human Services report and Governor Culver recommended closure of the Mount Pleasant Mental Health Institute. The Legislature has taken the first steps and closed the Clarinda Mental Health Institute. We can keep moving forward and serve Iowans with two mental health institutions rather than four. Therefore, in keeping with modern best practices and the utilization of our system, it is not in the best interests of our patients, the taxpayers or the mental health system to continue operating an aging, antiquated mental health institution lacking key clinical staff, particularly a psychiatrist. There are psychiatrists in the corrections system on both campuses at Mt. Pleasant and Clarinda. Since the Dept. of Corrections and the MHI institutes are both state agencies – why couldn't they share psychiatric resources?

Vetoed Section 29, subsection 1, lettered paragraph s. For the FY beginning 7-1-15, Medicaid reimbursement rates for substance-related disorder treatment programs licensed under section 125.13 would have been increased by 3 percent over the rates in effect on 6-30-15.

Vetoed Section 29, subsection 12. Methodology for fee for service for providers and reimbursement under a managed care contract.

Vetoed Section 67 in its entirety. DHS shall contract with a conflict free third party to conduct initial level of care assessments and reassessments for Medicaid program members not enrolled in a Medicaid Managed Care plan. "conflict free" means in accordance with the Balancing Incentives Payment Program.

### The Governor's comments:

This item creates a process for assessing the level of care needed for Medicaid patients. Iowa is embarking on an initiative to modernize our administration of Medicaid by partnering with high quality, patient centered health plans. As part of that initiative, these plans will oversee level of care assessments. Therefore, this item would create a redundant assessment system that is best left to our health plan partners.

## Vetoed by the Governor – FY15 State Legislation

Vetoed Division XVI in its entirety. This would have increased the eligibility for the child care assistance program from 145% to 150% of the federal poverty level.

Vetoed Division XXX in its entirety. This item would have created a Polk County-centered pilot project for refugee services.

*More time is needed to study a state-wide solution for refugees and immigrants who originally went to other states and how Iowa, both publicly and privately, can best meet the needs of modern refugees*

Vetoed Division XXXII in its entirety. This item amends the Quality Assurance Assessment already found in Iowa Code by establishing a set three percent assessment on nursing facilities in Iowa. The assessment currently in Iowa Code is meeting the needs of our patients, nursing facility providers and the Medicaid program and a change is inappropriate at this time.

Vetoed Section 132, subsection 17, lettered paragraph c. which would have restricted DHS from implementing certain cost containment strategies. The veto allows DHS to use uniform rates of \$.575 per mile based on the 2015 Internal Revenue Service mileage rate and of \$9.29, the current statewide average, per one-way trip for Medicaid program HCBS waivers recommended by the Governor beginning 7-1-16.

Vetoed Section 132, subsection 17, lettered paragraph d. This item would have require the Department of Human Services to report quarterly on cost containment strategies.

Vetoed Section 132, subsection 22. This would have required that the number of HCBS waiver slots available during the fiscal year beginning July 1, 2016, would not be reduced below the number of such slots available on January 1, 2015.

Vetoed Section 143, subsection 3. Deletes the appropriation for the Mt. Pleasant and Clarinda MHI's.

Vetoed Section 146, subsection 1. This item would have required DHS to fill all the positios authorized in the legislation.

Vetoed Section 147, subsection 1. This item would have required the Department of Human Services to report operational and program expenditures at least monthly to the Legislative Services Agency.

Vetoed Section 149, subsection 1, lettered paragraph s. This item would have required the substance abuse managed care plan to increase reimbursement for licensed substance-related disorder treatment programs serving Medicaid patients.

*Why? Because they received a reimbursement increase two years ago and are benefitting from the Iowa Health and Wellness Plan substance abuse coverage.*

Vetoed Section 149, subsection 12. This would have created restrictions on the reimbursement methods of the health care plans partnering with the state.

Vetoed Section 156 in its entirety. This item would have created a Polk County-centered pilot project for refugee services.

## Vetoes by the Governor – FY15 State Legislation

Vetoed Section 159 in its entirety. This item called for Iowa, after closure of the Clarinda Mental Health Institute by the Iowa Legislature, to request proposals to operate a private, specialized nursing facility on the grounds at Clarinda.

It is important to note that the prisons located at Mount Pleasant and Clarinda will continue in full operation. Additionally, Clarinda will continue hosting the Clarinda Youth Academy and private substance abuse services on the campus without interruption. I am committed to working with these communities to repurpose and redevelop the campuses formerly occupied by the mental health institutes.

To that end, I am convening a workgroup consisting of members from the Iowa Economic Development Authority, the Department of Corrections (who control the campuses), and the Department of Human Services to work with communities and allow for the easiest most efficient transition of the campuses into new development and jobs.

### **SF 510**

Vetoed Division XVIII, in its entirety. Increased transparency, reporting and information requirements of health insurance carriers on internet sites, their internal appeals process and disclosure requirements.

*The Governor said:*

*This item requires health insurance carriers to provide certain disclosures regarding internal appeals processes and prescription drug coverage. These overly burdensome regulations are duplicative and unnecessary because federal law and state law require health insurance carriers to extensively disclose details about their health plans. Additionally, current law already grants the Iowa Insurance Division authority in promulgating administrative rules in order to ensure health insurance carriers provide adequate and proper disclosures regarding their plans.*