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Iowa Mental Health and Disability Services Commission

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January 2014

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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 2013, and (2) recommendations formulated by the Commission for changes in Iowa law.

PART 1:

OVERVIEW OF COMMISSION ACTIVITIES DURING 2013

Meetings. The Commission held twelve regular meetings and one telephone meeting in 2013. The meetings included two sessions held jointly with the Iowa Mental Health Planning and Advisory Council. Meeting agendas, minutes, and supporting materials are distributed monthly to an email list of over 250 interested persons and organizations and are made available to the public on the Iowa Department of Human Services website. Commission meetings and minutes serve as an important source of public information on current mental health and disability services issues in Iowa; most meetings are attended by 20 to 25 guests in addition to Commission members and DHS staff.

Officers. In May, Jack Willey (Maquoketa) was re-elected Chair of the Commission, and Susan Koch-Seehase (Sumner) was re-elected Vice-Chair. Patrick Schmitz (Kingsley) was selected to represent the Commission on the Risk Pool Board.

Membership. In May, five new appointees joined the Commission: Betty B. King (Cedar Rapids) was appointed to represent consumers of services; Sharon Lambert (Buffalo) was appointed to represent parents of children who are consumers of services; Brett McLain (Ames) was appointed as a representative of military veterans; Rebecca Peterson (Clive) was appointed to represent service advocates; and Marilyn Seemann (Woodward) was appointed as a representative of the Association of Federal, State, County, and Municipal Employees.

Richard Crouch (Malvern) and Gary Lippe (Dubuque) were reappointed to serve second terms. Lynn Crannell (Slater), Richard Heitmann (Manchester), Laurel Phipps (Marshalltown), Dale Todd (Cedar Rapids), and Gano Whetstone (Des Moines) completed their membership terms in April and were honored for their combined 30 years of service on the Commission.

Administrative Rules. The Commission has continued to devote significant time to Committee work and deliberation in consulting with the Division of Mental Health and Disability Services on the development, review, and approval of new administrative rules to implement MHDS redesign legislation. During 2013 those rules packages included the following:

- County Exemption Rules - In January, the Commission reviewed the proposed administrative rules establishing criteria for county exemption from joining into regions and for forming regions of less than three counties to administer mental health and disability services. The Commission voted to approve the rules for both emergency filing and for filing Notice of Intended Action, pending final approval by the Administrative Rules Review Committee. In April, following the public comment period, the Commission voted to adopt these administrative rules.

- Transition Funding Rules – Also in January, the Commission voted to adopt the Redesign Transition Fund rules, which it had previously reviewed in August of 2012. These rules established standards for gathering information and guiding the development of recommendations for the MHDS Redesign Transition Fund for SFY 2013.

- Core Services Rules – In June, the Commission reviewed and voted to approve the Core Services administrative rules to be noticed for public comment. In September, the Commission reviewed the comments received, and voted to adopt the rules. These rules define core services that MHDS regions must offer to eligible individuals, and established access standards and provider practice standards for these services and other services regions may provide.

- MHDS Regional Service System Rules – In July, the Commission reviewed the second rules package based on Senate File 2315, which repealed the MHDS system county management provisions of Iowa Code Chapter 25 and replaced them with a regional management structure, and voted to approve the rules for public comment. In October, following public comment, the Commission voted to adopt these administrative rules for the MHDS Regional Services System, which define the regional service system, regional governance structure and agreements, and establish criteria for functional assessment, eligibility, and regional management plans.

- Autism Support Program Rules – Also in October, the Commission reviewed and voted to approve the Autism Support Program Rules, created pursuant to Iowa Code Chapter 225D, to be noticed for public comment. These rules contain standards and guidelines for benefits, cost

sharing, and other factors necessary to implement the new Autism Support Program created by Senate File 446.

County Plan Review. In January, the Commission recommended to Director Palmer that proposed changes to the Delaware County Management Plan be approved. Also in January, the Commission began a review of proposed changes to the County Social Services (CSS) Management Plan. Commission members asked for clarification and discussed the changes further in February. After careful consideration, the plan amendments were recommended to the Director for approval at the March meeting.

Transition Fund Recommendations. In January, the Commission composed a letter outlining its recommendation and rationale for Mental Health and Disability Services Redesign Transition Fund, and urging the Governor and the Mental Health and Disability Services Redesign Fiscal Viability Committee to:

- Act quickly to get needed transition funds into the hands of counties to avoid more cuts and support services to consumers;
- Approve an amount of transition funding no less than the $11.6 million described under Scenario One in the DHS Transition Fund Report;
- Assist counties in identifying strategies to address unpaid State Medicaid bills and in resolving any other outstanding financial issues that could negatively impact regionalization; and
- Make fullest use of the available Transition Funds to ensure that needed services are kept in place or restored in the interest of service consumers.

Service Cost Increase Recommendation. In August, the Commission was challenged with formulating a non-Medicaid expenditures growth funding recommendation to the Department and the Council on Human Services. Commission members felt strongly that due to the many uncertainties during this time of transition to a regionally based MHDS system, any recommended growth amount would be little more than a guess. Instead, the Commission proposed maintaining status quo non-Medicaid funding by postponing the implementation of the planned 80% Medicaid offset to the State until the actual cost savings to the non-Medicaid regional services population and other financial factors can be more accurately and reliably determined. The Commission continues to support that recommendation for the reasons explained more fully in Part 2 of this report.

Recommendation Regarding SF 415. In March, the Commission communicated with the Chair of the Legislature's Human Resources Committee to recommend changes to Senate File 415, which called for the MHDS Commission to "review options for the mental health and disability services regions to coordinate substance-related disorder funding provided by counties and other such disorder funding provided by counties in place of county coordination" and report its findings. The members of the Commission expressed their opinion that they were not the group best suited to carry out such a review, and, recommended vesting this responsibility in a group with a broader base of expertise in the area of substance-related disorders, which might include some MHDS Commission members.

Coordination with Other Statewide Organizations. 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. Mental Health Planning and Advisory Council Chair, Teresa Bomhoff, regularly attends Commission meetings, reports on MHPAC activities and relays information between the Commission and the Council. In May, Executive Director Becky Harker presented an update on the activities and goals of the Iowa Developmental Disabilities (DD) Council.

Committee Workgroups. Commission ad hoc committees devoted significant workgroup time to the development and review of administrative rules during 2013:

- Regional Committee members met with MHDS staff and contributed input and feedback on the development of the administrative rules for establishing criteria for county exemption from joining into regions and for forming regions of less than three counties.

- Core Services Committee members met with MHDS staff and contributed input and feedback on the development of the administrative rules for MHDS Regional Core Services, including definitions, the review of public comments received, and the formulation of responses to those comments.

- Regional Service System Committee members met with MHDS staff and contributed input and feedback on the development of the administrative rules for the MHDS Regional Service System and the review of public comments received, and the formulation of responses to those comments.

REPORTS AND INFORMATIONAL PRESENTATIONS

During 2013, 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:

Care Coordination. In February, Rick Shults, MHDS Administrator, presented an overview of care coordination plans and some of the more significant changes that are anticipated for adults with Serious Mental Illness and children with Serious Emotional Disorder with the introduction of Integrated Health Homes, as well as changes in the use of Targeted Case Management services.

Office of Consumer Affairs. Also in February, the OCA Director and three of the five regional OCA coordinators presented an overview of the Office of Consumer Affairs and the work they do in their local communities to keep people informed about the progress of mental health and disability services redesign, help them understand the issues, and make them aware of opportunities for providing input.

Children's Mental Health Report. In March, Laura Larkin, Children's Mental Health Specialist for MHDS, presented an overview of the DHS Implementation Status Report Regarding the Mental Health Service System for Children, Youth and their Families.

Integrated Health Homes. In April, Theresa Armstrong, MHDS Bureau Chief for Community Services and Planning, spoke to the Commission about the use of Integrated Health Homes to provide care coordination, physical and mental health care, employment, community living, and other needed services for individuals with Serious Mental Illness using a team approach. In September, Jim Rixner, director of Siouxland Mental Health in Sioux City, shared his experiences working with one of the four programs in Iowa that began integrated health homes as pilot programs. He reported that since the IHH program has been implemented, people are receiving better health care because they are keeping their appointments more often, and the community mental health center is seeing fewer cancellations and no-shows, which also results in better financial viability for the center.

State Resource Center Barrier Report. In May, Glenwood State Resource Center Superintendent Zvia McCormick and Woodward State Resource Center Superintendent Marsha Edgington-Bott presented an overview of the Glenwood and Woodward Resource Centers Annual Report of Barriers to

Integration for the calendar year 2012. This report originated as part of a settlement with the U.S. Department of Justice in 2004 to explain the reasons that people stay at the Resource Centers and identify the barriers to moving into more integrated settings. The five major barriers have been identified as: (1) interfering behaviors, (2) under-developed social skills, (3) health and safety concerns, (4) lack of vocational opportunities or day programming, and (5) individual, family, or guardian reluctance. Annual planned reductions in number of SRC beds continue, with a focus on planning transition back to the community from the first day of admission and reducing the need for SRC admissions. Iowa's Money Follows the Person grant project has been an effective tool in supporting former SRC residents in their transition to community living.

Iowa Health and Wellness Plan. In June, Rick Shults shared preliminary information on the Iowa Health and Wellness Plan, discussed how IowaCare program participants would be included, and the process for submission and approval of required waivers from the federal government. In August, Medicaid Director Jennifer Vermeer presented a more detailed overview of the Iowa Health and Wellness Plan, explaining more about eligibility, plan benefits, and costs.

Autism Support Program. In June, Laura Larkin presented an overview of the new Autism Support Program created by Senate File 446 to pay for Applied Behavioral Analysis services for eligible children with Autism who are not otherwise covered by Medicaid, State health insurance, or private insurance. Gary Lippe was named to represent the Commission on an Expert Panel called for as part of the legislation and convened by the Regional Autism Assistance Program.

Veteran's Mental Health. In August, Commission member and Story County Veteran's Officer Brett McLain presented information on Veteran's Administration Mental Health Services and Post Traumatic Stress Disorder in military veterans.

Peer Support Services. In September, Renee Schulte spoke to the Commission about the future of Peer Support and Family Peer Support in Iowa, both as a service and as one aspect of care coordination. The Commission heard about and discussed definitions, components, service criteria, provider qualifications, eligibility criteria, and utilization for each of the peer support functions.

State Innovation Model. In September, the Commission heard from Rick Shults about the State Innovation Model (SIM) Grant and workgroup process. The federal grant a collaborative effort, led by Iowa Medicaid, is intended to assist states in coordinating with public and private insurers. Iowa's work will focus on how Accountable Care Organizations (ACOs) could operate in Iowa to ensure that healthcare is appropriately coordinated and what approaches and models should be developed in Iowa.

SAMHSA Site Visit. In October, the Commission was updated on the September site visit by representatives of the Substance Abuse and Mental Health Services Administration (SAMHSA) to review Iowa's use of federal Community Mental Health Service Block Grant funds. The discussions focused on the collaborative work between Iowa's mental health authority and Medicaid authority and the changes to the mental health services system associated with MHDS redesign.

Regional Development. In December, Commission members Suzanne Watson and Richard Crouch shared information about their experiences with the regional formation progress and challenges for the nine counties that are a part of their Southwest Iowa MHDS Region.

County Technical Assistance Activities. The Commission received regular updates throughout the year from the MHDS Division leadership on county technical assistance activities related to financial and regionalization issues and transition activities. This information helped inform the Commission's input on the development of administrative rules and recommendations for changes in Iowa law.

PROFESSIONAL DEVELOPMENT ACTIVITIES

The Commission holds an annual two-day meeting each May, with the second day focused on training and development, which included:

Commission Duties. The Commission reviewed its statutory duties, with particular attention to rule making and other specific responsibilities related to MHDS redesign and regionalization.

Ethical Considerations. Assistant Attorney General Gretchen Kraemer presented a review of Iowa's open meetings and open records requirements, and discussed conflict of interest, lobbying, communications, and other ethical considerations for Commission membership.

The Administrative Rulemaking Process. Harry Rossander, DHS Bureau Chief for Policy Coordination, presented an overview of the Department of Human Services administrative rulemaking process with particular attention to the Commission's role in it.

Administrative Rules Development. Julie Jetter presented an overview of areas that require the Department, in consultation with the Commission, to develop rules. The Commission is specifically identified in recent legislation as the body responsible for adopting new rules for regional governance structure, regional governance agreements, regional service management plans, financial eligibility for regional MHDS services, and diagnosis/functional assessment eligibility.

COORDINATION WITH MHDS

DHS Director Chuck Palmer, MHDS Division Administrator Rick Shults, Community Services and Planning Bureau Chief Theresa Armstrong, along with other staff from 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. A significant portion of each Commission meeting has been devoted to updates and discussion on variety of relevant issues and initiatives, notably including:

- MHDS Redesign Legislation
- Legislative Session & Interim Committee Reports
- Regional formation
- County financial issues
- Transition funds
- Equalization funding
- DHS budget, staffing, and services
- DHS facilities operations
- Crisis Stabilization Services
- Out of State Placements
- Mental Health Community Services Block Grant
- Mental Health workforce issues
- Iowa Medicaid Program changes
- Targeted Case Management
- Iowa Juvenile Home
- Children's Services Workgroup & Report
- MHDS Requests for Proposals
- Supports Intensity Scale Assessments
- Balancing Incentives Payment Program

PART 2:

RECOMMENDATIONS FOR CHANGES IN IOWA LAW IN 2014

IMPLEMENTING THE PROMISE OF MHDS REDESIGN

The MHDS Commission wishes to express its appreciation for the bipartisan efforts that legislators and executive branch policymakers have invested in the redesign of Iowa's mental health and disability services system. Stakeholders with diverse interests and points of view have worked together over the last several years to contribute to the creation of a well-considered, collaborative plan for change.

The redesigned system promises comprehensive statewide access to a basic set of cost-effective community-based mental health and disability services, offers Iowans greater opportunity for choice, and has the potential to reduce the demand for the most intensive, highest cost services by minimizing emergency room visits, emergency psychiatric hospitalizations, and involvement with law enforcement, corrections, and the courts.

The Commission values the progress made toward redesign, including the expansion of Medicaid coverage to more low-income Iowans, but recognizes that more work remains to be done. Regional structures will soon be in place, yet some counties are coming into the regional system with residual funding challenges, most areas of the state continue to struggle with workforce and provider capacity issues, and many unknowns remain. If the promise of redesign is to become a reality, it is critical that the plan is supported by a stable and predictable long-term funding formula, an adequate workforce, and sufficient provider capacity.

PRIORITY 1: PROVIDE APPROPRIATE, PREDICTABLE, AND STABLE FUNDING

Follow through with the implementation of a comprehensive system of mental health and disability services by establishing a stable and predictable long-term funding structure for mental health and disability services that is appropriate to fully implement the vision of redesign, and support growth and innovation over time.

1.1 Suspend the 80% reversion of projected savings from the Iowa Health and Wellness Program to the State and retain the funds in the regional services system.

The MHDS Commission recommends this action because:

- More time is needed to review and fully evaluate the impact of the change from legal settlement to residency, the adequacy of the new per capita levy formula, the effect of the introduction of Integrated Health Homes, and to determine the actual savings from the new Iowa Health and Wellness Plan.

- The newly formed regions must have the necessary resources to provide services, manage their responsibilities to residents, and to make important decisions connected with regional formation during this transitional time.

- To manage their resources wisely, regions need to be able to rely on predictable and stable funding for long-term planning and budgeting purposes.

- Redesign envisions a system with the capacity to more comprehensively meet the needs of persons with developmental disabilities, brain injury, or physical disabilities, which will require growth in capacity.

- The availability of some source of risk pool funds should be retained as a safety net for the system.

1.2 Ensure that provider reimbursement rates can be set at a level adequate to preserve service stability for consumers, build community capacity, and strengthen the ability of safety net providers (including community mental health centers and substance abuse agencies) to grow and offer services that meet the complex needs of individuals served by the MHDS system.

The MHDS Commission recommends this action because:

- The successful implementation of MHDS redesign relies on the use of rate-setting methodologies that compensate providers for increasing their capacity to address the complex services needs of individuals and serving individuals with challenging behavior or support needs.

- The long-term success of MHDS redesign relies on the development of the expanded core services domains identified in Senate File 2315, including comprehensive crisis response, sub-acute care, and justice involved services, and the expansion of evidence-based practices such as positive behavior supports, assertive community treatment, peer support, and recovery centers.

1.2 Place all employment responsibilities for the judicial mental health advocates with the State to improve consistency, provide for uniform training, supervision, and accountability, and save taxpayer-supported resources.

The MHDS Commission recommends this action because:

- The current sharing of responsibilities by the counties/regions and the Judicial Branch is inefficient and wastes taxpayer dollars on travel time and travel costs that could be avoided through centralized management.

- This change would align with the redesign goals of providing services that are consistent statewide, cost effective, and efficient.

PRIORITY 2: BUILD WORKFORCE CAPACITY

Follow through with the implementation of a comprehensive system of mental health and disability services by expanding the availability, knowledge, and skills of professionals, paraprofessionals, and direct support workers as an essential element in building community capacity and enhancing statewide access to quality mental health and disability services.

2.1 Require state and regional cost settlement reimbursement methodologies to designate the cost of training and education as a direct cost, allowable as a reimbursable expense.

The MHDS Commission recommends this action because:

- Limitations in provider capacity are a barrier to increasing community inclusion and access to training is a key factor in building capacity.
- Including training costs as a direct expense supports access to statewide training and technical assistance that will assist providers in attaining the skills to capably serve individuals with complex and challenging needs.
- On-going training is critical to maintaining high quality standards and effectively utilizing research-based and evidence-based practices.
- Providers must be able to adequately support staff training as they adapt to the use of new practices, such as trauma informed care, and to serve new populations, such as persons with brain injury or developmental disabilities.

2.2 Support the training of mental health Peer Support Specialists and Family Peer Support Specialists utilizing nationally reviewed and accepted curricula based on proven service delivery models, and support the increased utilization of Peer Support and Family Peer Support Specialists by providing flexibility for part-time workers and opportunities for credentialing and advancement along a career path.

The MHDS Commission recommends this action because:

- The adoption of core services statewide creates a new demand for peer support as a service.
- The introduction of Integrated Health Homes creates a new demand for peer support and family peer support specialists as a component of care coordination teams.
- The MHDS system will rely on building and maintaining an adequate peer workforce that is trained to uniform professional standards and is supported in career advancement.
- The increased utilization of peer support and family support specialists is a cost-effective method of addressing the workforce shortage of mental health professionals.

2.3 Implement incentive programs to train, recruit, and retain professionals and paraprofessionals qualified to deliver high quality mental health, substance abuse, and disability services.

The MHDS Commission recommends this action because:

- Tax credits or other special incentives are needed to encourage and support Psychiatrists, Psychiatric Physician Assistants, Advanced Registered Nurse Practitioners, and other mental health and substance abuse treatment professionals who are trained in Iowa to stay and practice here.
- Tax credits or other special incentives could attract professionals trained elsewhere to practice in Iowa and encourage their retention.

SUMMARY

Finally, as Iowa moves closer to the implementation of a new regionally-administered mental health and disability services system, the Commission would like to acknowledge everything that has been accomplished, while recognizing that all stakeholders must continue to work together to ensure that the redesigned system has adequate resources to meet the challenges of transition and develop into a statewide network of effective and sustainable services that support Iowans with mental health and disability-related needs in being healthier, more productive, and fully integrated citizens.

This report is respectfully submitted on behalf of the members of the Mental Health and Disability Services Commission.

John J. Willey

John (Jack) Willey
Chair, MHDS Commission

Cc: Michael E. Gronstal, Senate Majority Leader
Bill Dix, Senate Minority Leader
Kraig Paulsen, Speaker of the House
Mark D. Smith, House Minority Leader
Senator Joni Ernst
Senator Jack Hatch
Senator David Johnson
Representative David Heaton
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