### SELECT COMMITTEE ON EFFICIENCY IN GOVERNMENT

# Proposed Changes to Non-Medicaid Laws and Rules

Prepared by Sue O'Connell for the Medicaid Subcommittee January 2012

## **Background**

Over the course of several months in the fall of 2011, the Medicaid Subcommittee of the Select Committee on Efficiency in Government asked for public comment on ways to make the Medicaid program more efficient while maintaining quality of patient care. At its November 15 meeting, the subcommittee narrowed its request to suggestions for specific changes to identified laws or administrative rules involving the Medicaid program.

Some of the suggestions the committee received during meetings or as written public comment involved changes to laws or rules related to non-Medicaid health care matters.

This briefing paper summarizes these suggestions, in order to make the subcommittee aware of the full range of public comment received before the mid-December deadline.

#### Options for Subcommittee Consideration

The suggestions in this briefing paper do not deal specifically with Medicaid, and some do not recommend specific changes to laws or administrative rules. In addition, some of the proposals involve programs funded solely by the general fund or under the authority of agencies other than the Department of Public Health and Human Services (DPHHS).

Given these considerations, the subcommittee may want to:

- 1. Decide against further consideration of the recommendations.
- 2. Recommend that the full committee review one or more of the recommendations and determine whether to pursue any recommendation further.
- 3. Pursue other options identified by the subcommittee.

#### Suggestions Related to Mental Health Programs

Suggestions 1 and 2, on the following page, involve changes to the Administrative Rules of Montana (ARM) for the state's 72-hour presumptive eligibility program for crisis stabilization services for adults who are in a psychiatric crisis. The type of insurance coverage, including Medicaid, that a person may have does not have to be verified before providers who are enrolled in this program offer stabilization services.

If a person is insured or covered by Medicaid, the provider bills the insurer for the services provided. The presumptive eligibility program pays the costs for individuals who are uninsured or underinsured. The program is paid for by the state general fund, with \$1.24 million appropriated in each year of the current biennium. Changes to any rules involving this program may affect the general fund but will not affect the Medicaid program or budget.

Suggestion 1: Amend 37.89.509, ARM, to eliminate the prohibition on payment for mental health crisis stabilization services provided within 7 days of a previous discharge from crisis services. Under this rule, a provider who serves a client within the 7-day time period may not be reimbursed. The provider may ask for a review if payment is denied.

Reason for Change: Stakeholders say the change would allow providers to serve clients without concern about whether the providers will be reimbursed for care they feel is necessary to prevent more serious problems or behaviors.

Suggestion 2: Amend 37.89.521, ARM, to allow reimbursement for up to two psychiatric diagnostic interview examinations during the 72-hour presumptive eligibility period. This administrative rule allows reimbursement for only one psychiatric diagnostic interview during the time that crisis stabilization services are provided.

Reason for Change: Stakeholders say this rule doesn't reflect the possibility that a person's symptoms may be far different on the third day of treatment than they are on initial admission. They say that a second interview may be needed to ensure that the person is correctly diagnosed and that an effective treatment plan is developed.

Suggestion 3, below, involves a state general fund program that provides grants to local communities that establish crisis centers and provide services that may prevent a person from being admitted to the Montana State Hospital or being placed in jail. About \$675,000 is appropriated for the grant program in each year of the current biennium.

Suggestion 3: Ensure adequate state funding of community crisis centers through reimbursement methods, grants, and other means. No specific changes to rules or appropriation amounts were included in this recommendation.

Reason for Suggestion: Stakeholders say financially sound local facilities save the state money by providing effective and adequate services.

#### Suggestions Related to Licensing of Health Care Facilities

Suggestions 4 through 6 involve licensing requirements for mental health facilities. They would affect all licensed mental health facilities, not just those that serve Medicaid clients.

Suggestion 4: Amend 37.106.1915, ARM, to eliminate the list of elements that must be included in an intake assessment by a mental health center. This rule requires that intake assessments include: the client's presenting problem and history of the problem; mental status; diagnostic impressions; initial treatment plan goals; risk factors to include for suicidal or homicidal ideation; psychiatric history; substance use or abuse and history; current medication and medical history; financial resources and residential arrangements; education and/or work history; and legal history relevant to the history of the illness, including guardianships, commitments, and any criminal history.

The suggested change would eliminate those specific items and instead leave in place

language that the assessments must substantiate the client's diagnosis and provide sufficient detail to allow for development of an individualized treatment plan.

Reason for Change: Some stakeholders have said that similar assessments are not required of private providers. In addition, they indicate that some clients don't want to fill out the required paperwork and provide such detailed personal information before being seen by a mental health provider. Clients may instead forgo services.

Suggestion 5: Amend 37.106.1916, ARM, to allow review of mental health treatment plans every 180 days, rather than every 90 days. This rule requires review of treatment plans at least every 90 days and lists the elements the plans must contain. Those include the types of services that will be provided, the measurable objectives for serving the client, the staff members and programs that will provide the services, and criteria for a patient's discharge. The treatment plans also must be reviewed whenever a client's condition changes significantly. The suggested change would amend the 90-day requirement to 180 days. However, it would keep the requirement that the plan be reviewed whenever a significant change occurs in a client's condition.

Reason for Change: Stakeholders say that developing a treatment plan is a time-intensive process. They question the need for reviewing and filing a treatment plan every three months if the client's condition has not changed significantly.

**Note:** If this change is approved, it may also require legislation to change 53-21-162, MCA. That statute requires review of treatment plans every 90 days for people who are at an inpatient mental health facility, which includes the Montana State Hospital. Further review would be needed to determine whether 53-21-162 or other laws would need to be changed.

Suggestion 6: Amend 37.106.1906, ARM, to eliminate the requirement that mental health centers provide five specific services in order to be licensed. Under this rule, licensed mental health centers must provide, at a minimum: crisis telephone services; medication management services; outpatient therapy services; community-based psychiatric rehabilitation and support; and chemical dependency services.

Reason for Change: Stakeholders say the requirement to provide the five listed services prevents some providers from becoming licensed mental health centers. They say that some providers cannot offer certain services. Others must try to provide services they are not equipped to offer, in order to obtain licensure.

### Suggestions Related to Licensing of Health Care Professionals

Suggestions 7 and 8, on the following page, involve changes to statutes or administrative rules governing the licensing of health care professionals. At least a dozen health-related occupations require state licensure by boards that are housed in the Department of Labor and Industry. Because these recommendations are not specific to the Medicaid program, the Department of Labor was not asked to formally respond to them. However, staff notified the department that the recommendations were submitted to the subcommittee.

Suggestion 7: Amend 24.189.620, ARM, to establish a time limit for completion of the required oral examination for a psychologist applying to have licensure from another

state recognized in Montana. This administrative rule allows a psychologist licensed in another state or a Canadian jurisdiction to be licensed in Montanan without a written exam if their qualifications are substantially equivalent to or greater than Montana's requirements. The applicant must also pass an oral examination. Stakeholders suggest that the rule should be amended to require the licensing board to conduct an oral examination within a week of receiving a person's completed application.

Reason for Change: Stakeholders note that the administrative rule does not include any time frames for scheduling or completing an oral examination. They say this has created delays for individuals seeking licensure under this rule and also created barriers for health care facilities trying to hire psychologists.

Suggestion 8: Allow a broad policy of reciprocity to recognize health care professionals who are licensed in neighboring states. Stakeholders suggest that Montana health care licensing boards should recognize licenses issued in other states and allow those licensed professionals to practice in Montana without obtaining a license from a Montana licensing board. This change would require the drafting of legislation.

Reasons for Change: Stakeholders say reciprocity would allow Montana to better compete with other states in hiring health care professionals, reduce delays in hiring, and reduce administrative hurdles for health care facilities.

### Suggestions Related to Health Care Workforce Development

Suggestions 9 and 10 involve matters related to the Office of the Commissioner of Higher Education. Because these suggestions do not involve Medicaid, the Commissioner's Office was not asked to formally respond to them. However, staff notified the office that the recommendations were submitted to the subcommittee.

Suggestion 9: Reform the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) medical education program to provide incentives for students to practice in Montana.

Reasons for Suggestion: Stakeholders say WWAMI has offered additional slots for Montana students, but state funding would be required. Hospitals would like to discuss incentives and/or requirements for WWAMI students to return to Montana to practice in exchange for the additional slots.

Suggestion 10: Encourage the Board of Regents to better align its strategic goals to serve employers who have jobs immediately available to graduates.

Reasons for Suggestion: Montana's hospitals report that they have more than 400 job openings. Stakeholders would like the Montana University System to offer courses that would create a workforce trained for jobs in the medical community.

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