



House of Representatives

General Assembly

File No. 372

February Session, 2000

Substitute House Bill No. 5529

House of Representatives, April 3, 2000

The Committee on Human Services reported through REP. GERRATANA of the 23rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

An Act Promoting And Enhancing Behavioral Health Services For Children.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (a) The Commissioner of Social Services and the
2 Commissioner of Children and Families shall develop and administer
3 an integrated behavioral health service delivery system for children
4 and youth with serious emotional disturbances who are eligible to
5 receive services from the HUSKY Plan, Part A or Part B, the HUSKY
6 Plus program for intensive behavioral health needs or voluntary
7 services provided through the Department of Children and Families.
8 All necessary changes to the IV-E, Title XIX and Title XXI state plans
9 shall be made to maximize federal financial participation.

10 (b) Said commissioners shall enter into a memorandum of
11 understanding for the purpose of the joint administration of an
12 integrated behavioral health service delivery system. Such
13 memorandum of understanding shall specify that (1) the Department

14 of Social Services, which is the agency designated as the state agency
15 for the Medicaid program pursuant to Title XIX of the Social Security
16 Act, administer combined funding, manage all Medicaid and HUSKY
17 Plan modifications, waiver amendments, federal reporting and claims
18 processing and provide financial management, and (2) the Department
19 of Children and Families, which is the state agency responsible for
20 administering and evaluating a comprehensive and integrated state-
21 wide program of services for children and youth who are seriously
22 emotionally disturbed, define the services to be included in the
23 continuum of care, establish standards, monitor implementation and
24 develop state-wide training programs on the systems of care approach
25 for providers, families and other persons.

26 (c) Not later than October 1, 2000, said commissioners shall
27 complete the memorandum of understanding, establish fiscal and
28 programmatic eligibility guidelines, develop fiscal and programmatic
29 outcome measures and develop a plan to evaluate the administration
30 of behavioral health services.

31 (d) Said commissioners may, through a request for proposal
32 process, select contractors to serve as lead service agencies and an
33 administrative service organization. The commissioners may
34 commence a project of limited scope and duration in the state fiscal
35 year commencing July 1, 2001, to implement the provisions of this
36 section in those locations where the commissioners determine that
37 services are well-developed and a high degree of cooperation exists
38 among providers.

39 (e) Said commissioners shall consult with the Commissioner of
40 Mental Health and Addiction Services during the development of the
41 integrated behavioral health service delivery system in order to ensure
42 coordination of a delivery system of behavioral health services across
43 the life span of children, youth and adults with behavioral health
44 needs.

45 (f) The Commissioner of Social Services and the Commissioner of
46 Children and Families may apply for any federal waivers necessary to
47 implement the provisions of this section.

48 Sec. 2. (NEW) Not later than January 1, 2001, and annually
49 thereafter, each local system of care shall (1) complete a local needs
50 assessment which shall include objectives and outcome measures, (2)
51 specify the number of children requiring behavioral health services, (3)
52 specify the number of children actually receiving community-based
53 and residential services and the type and frequency of such services,
54 and (4) complete an annual self-evaluation process and a review of
55 discharge summaries. For the purposes of this section, "local system of
56 care" means community-based organizations that work in teams to
57 deliver behavioral health services in a manner that assists children and
58 youth with behavioral health problems and provides their families
59 with access to the full range of services tailored to the physical,
60 emotional, social and educational needs of each individual in or near
61 the communities in which they reside.

62 Sec. 3. Not later than October 1, 2000, the Commissioner of Social
63 Services and the Commissioner of Children and Families shall submit
64 a report to the joint standing committees of the General Assembly
65 having cognizance of matters relating to appropriations and the
66 budgets of state agencies, human services and public health that
67 specifies a behavioral health program plan to: (1) Determine the
68 clinical and functional criteria that will be used to identify those
69 children and youth in the target population specified in subsection (a)
70 of section 1 of this act who will receive services from the integrated
71 behavioral health service delivery system; (2) estimate state and
72 federal funds for behavioral health services under the HUSKY Plan,
73 Part A and Part B and Title IV-E according to the criteria to be
74 developed under subdivision (1) of this section; (3) enhance the local
75 systems of care established under section 17a-127 of the general
76 statutes as the primary providers of services under the integrated

77 behavioral health service delivery system; (4) define and establish lead
78 service agencies to coordinate the local systems of care; (5) contract
79 with an administrative services organization to provide data and
80 fiduciary management for the lead service agencies; (6) deliver high
81 quality care in the least restrictive environment; (7) determine the
82 feasibility of allowing for a hardship exemption under the provisions
83 of section 17b-299 of the general statutes for eligible children who meet
84 the criteria to be developed under subdivision (1) of this section; (8)
85 determine the feasibility of allowing eligible children whose parents
86 have a household income which exceeds three hundred per cent of the
87 federal poverty level to purchase health insurance coverage under the
88 HUSKY Plan, Part B; (9) develop a strategy for enhancing home and
89 community-based services in order to allow children and youth in out-
90 of-home placements to return to their families and communities; (10)
91 establish mechanisms for the continuous evaluation and quality
92 improvement of the integrated behavioral health service delivery
93 system, including periodic evaluation of behavioral health programs
94 and services and research on child outcomes; (11) establish a program
95 for training staff and providers regarding the changes in the system of
96 care principles and structures and in all aspects of the delivery of care
97 under the integrated behavioral health service delivery system; and
98 (12) establish procedures for compiling all data and conducting all
99 needs assessments as are necessary for planning an integrated
100 behavioral health service delivery system.

101 Sec. 4. This act shall take effect July 1, 2000.

HS Committee Vote: Yea 18 Nay 0 JFS

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Yes

Affected Agencies: Department of Children and Families, Social Services, Mental Health and Addiction Services

Municipal Impact: None

Explanation

State Impact:

Integrated Children’s Behavioral Health System

The executive branch released a report on the delivery and financing of children’s behavioral health services in Connecticut in February of 2000. This study included recommendations that the state pursue development of a blended funding approach and explore the feasibility of maximizing federal reimbursement. The second phase of this study, which will culminate with the release of a strategic plan to implement its recommendations, is currently underway. A consultant report, which would form the basis of the report required in Section 3 of the bill, is anticipated in the Fall of 2000.

It is assumed that finalization of a memorandum of understanding between the Departments of Children and Families (DCF) and Social Services (DSS) will not occur until after the release of the consultant

report and receipt of public comment on the same. Therefore, it is uncertain whether the agencies will be able to meet the October 1, 2000 deadline specified in Section 1(c).

The sum of \$3.5 million has been included within the DCF's budget in the House version of the Revised FY 01 Appropriations Act to support a new Community KidCare program. A minimum of two-thirds (or \$2.33 million) of these dollars has been earmarked for expansion of community-based behavioral health services. The remainder (\$1.17 million) is available for start-up costs, including program design and evaluation. As this funding is expected to be ongoing, it is anticipated that a pilot program involving lead service agencies and an administrative service organization can be accommodated within anticipated FY 02 appropriations. However, should final legislative action on the FY 01 budget not provide funding for the Community KidCare program, it is uncertain whether existing DCF or DSS funds would be sufficient to implement the pilot program without requiring redeployment of significant funding currently devoted to other purposes.

To the extent that the state is successful in obtaining federal waivers that result in additional reimbursement, a potential significant General Fund revenue gain would result. The magnitude of this revenue gain and its timing cannot be determined at this time.

It is anticipated that the Department of Mental Health and Addiction Services will consult on the children's behavioral health initiative within its anticipated budgetary resources.

Local Systems of Care

Section 2 requires, by January 1, 2001 and annually thereafter, each local system of care to complete a comprehensive local needs assessment, self-evaluation and review of discharge summaries. As the bill does not require submittal of the information gained during

this review process to any governmental entity, it is uncertain how compliance would be monitored.

The DCF currently provides \$694,026 in total funding to fifteen local system of care contractors. Individual grant awards vary from \$24,332 to \$81,000. The ability of these organizations to perform the duties specified in Section 2 within these funding levels is uncertain.

OLR Bill Analysis

sHB 5529

AN ACT PROMOTING AND ENHANCING BEHAVIORAL HEALTH SERVICES FOR CHILDREN.

SUMMARY:

This bill requires the Department of Social Services (DSS) and Department of Children and Families (DCF) commissioners to develop and jointly administer an integrated behavioral health service delivery system. The system is for children and youth with serious emotional disturbances (SED) who are eligible for HUSKY A (Medicaid), HUSKY B, HUSKY Plus Behavioral Health (HUSKY Plus), or DCF's voluntary services program.

By October 1, 2000, DCF and DSS must:

1. submit a behavioral health program plan to the Appropriations, Human Services, and Public Health committees and
2. agree in writing which tasks each agency will perform, establish fiscal and programmatic eligibility and outcome guidelines, and develop a plan to evaluate the administration of behavioral health services.

The bill also requires local systems of care (family-centered, community-based teams of service providers) annually, beginning January 1, 2001, to:

1. complete local needs assessments, including objectives and outcome measures;
2. specify the number of children that need behavioral health services, how many are receiving community-based and residential services, and the type and frequency of such services;
3. conduct self-evaluations; and

4. review discharge summaries.

EFFECTIVE DATE: July 1, 2000

DUTIES OF COMMISSIONERS

The commissioners must consult with the Department of Mental Health and Addiction Services (DMHAS) commissioner while developing the plan to ensure coordinated transitions among behavioral health delivery systems for children, youth, and adults. They must amend the state’s foster care (IV-E), Medicaid (Title XIX) and HUSKY B (Title XXI) plans, if needed, to maximize eligibility for federal matching funds. And they can apply for federal waivers.

They may also select contractors to serve as lead service agencies for community-based service teams and an administrative service organization. If they do so, they must use the state’s competitive bidding process.

In FY 2000-01, they may implement a partial, time-limited project in areas with well-developed behavioral health services and provider cooperation.

BEHAVIORAL HEALTH PLAN PROGRAM REPORT

The behavioral health plan must specify:

1. clinical and functional eligibility criteria;
2. an estimate of state and federal funding for children’s behavioral health services in the state’s Medicaid, children’s health insurance (HUSKY B and HUSKY Plus), and foster care plans;
3. how it will enhance the local systems of care as the primary service providers;
4. how it will define and establish lead service agencies to coordinate the local systems of care;

5. contracting plans for an administrative services organization to provide data and fiduciary management for the lead service agencies;
6. how it will deliver high quality care in the least restrictive environment;
7. whether it is feasible to allow inadequately insured or recently uninsured children who meet the HUSKY plan's financial, and the bill's clinical and functional, eligibility criteria to enroll in HUSKY B (currently, most of these children are ineligible until they have been uninsured for six months);
8. whether it is feasible to allow uninsured children living in households with incomes over 300% of the federal poverty level (currently \$42,450 for a three-person family) to buy into the HUSKY B program (they may already do this under existing law);
9. a strategy for enhancing home and community-based services to allow children and youth in out-of-home placements to return to their families and communities;
10. mechanisms for the continuous evaluation and quality improvement of the integrated service delivery system, including periodic evaluation of specific programs and services and research on child outcomes;
11. a training program for staff and providers regarding differences between traditional service delivery models and the systems of care model, and in all aspects of care delivery under the integrated system; and
12. procedures for compiling the data and conducting needs assessments needed to plan an integrated behavioral health service delivery system.

Under the bill, it appears that the commissioners may select lead service agencies and an administrative services organization before submitting the report.

MEMORANDUM OF UNDERSTANDING

The DSS and DCF commissioners must sign an agreement specifying that:

1. DSS will administer combined funding, manage all Medicaid and HUSKY modifications and waiver amendments, provide federal reporting and financial management, and process claims and
2. DCF will define services, establish standards, monitor implementation, and develop statewide programs to train providers, families, and others on the systems of care approach.

BACKGROUND**SED**

SEDs are disorders that severely disrupt a child's daily functioning in home, school, or the community. They include depression, attention-deficit/hyperactivity, anxiety, schizophrenia, and conduct and learning disorders. Children with SED diagnoses are often involved with several state agencies (*i.e.*, DCF, DSS, DMHAS, the Department of Mental Retardation, or the State Department of Education) and need services at varying intensity levels over extended periods.

HUSKY and DCF Voluntary Services Programs

HUSKY A is the state's Medicaid managed care program for children living in households with incomes up to 185% of the federal poverty level (\$26,178 for a three-person family). HUSKY B's subsidized portion covers uninsured children between 185% and 300% of the federal poverty level (some premium and co-pay charges are assessed, depending on income). Uninsured children with higher family incomes can also enroll, but must pay full premium and co-pay charges.

The HUSKY plans cover a range of behavioral health services, including hospitalization, residential treatment, and community-based care. Children eligible for subsidized coverage who have intensive behavioral health needs may also be eligible for more services through

the HUSKY Plus program. The federal government provides matching funds for most HUSKY expenditures.

DCF's voluntary services program gives children access to DCF-funded case management, family advocacy, and a variety of community-based mental health services without requiring their parents to give up their parental rights. DCF may also pay for their residential treatment if all other community options have been exhausted or are not available. This program operates within DCF's existing appropriations, and the agency may require parents who are financially able to contribute to care costs.

Systems of Care

Under the system-of-care model, state and local agencies including schools, community service providers, families, and advocacy groups collaborate to deliver family-centered services to meet children's emotional, behavioral, and educational needs. One entity (the "lead service agency") usually takes on the chief administrative and fiduciary role for the system. Currently, there are 19 systems of care in various stages of development throughout Connecticut.

Related Bill

SB 315, favorably reported by the Children's and Human Services committees, establishes treatment planning principles for the state's voluntary system of mental health care for children at risk of out-of-home placement. It includes SED children among those the system can serve. It requires the development of outcome-based performance measures for the system and a financing structure that pools existing state and federal mental health treatment funds to pay system costs. The bill appropriates \$900,000 in FY 2000-01 to DCF to pay for mental health clinical support at Healthy Families sites. It requires the Department of Education to report to the Children's Committee by January 1, 2001 on expanding its school-based mental health detection and prevention program to more schools and more grades.

COMMITTEE ACTION

Human Services Committee

Joint Favorable Substitute

Yea 18 Nay 0