



# Senate

General Assembly

**File No. 155**

*January Session, 2005*

Senate Bill No. 688

*Senate, April 5, 2005*

The Committee on Human Services reported through SEN. HANDLEY of the 4th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT CONCERNING INTENSIVE BEHAVIORAL HEALTH SERVICES FOR CHILDREN.***

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

- 1 Section 1. (NEW) (*Effective July 1, 2005*) (a) As used in this section:
- 2 (1) "Behavioral health services" means services for mental or
- 3 nervous conditions and substance abuse treatment services;
- 4 (2) "Mental or nervous conditions" has the same meaning as
- 5 provided in section 38a-488a of the general statutes;
- 6 (3) "Substance abuse treatment" means treatment for alcoholism or
- 7 drug dependence;
- 8 (4) "Drug dependence" has the same meaning as provided in section
- 9 21a-240 of the general statutes;
- 10 (5) "Intensive community-based services" means emergency mobile

11 psychiatric services, extended day treatment and intensive home-  
12 based services, all provided to children and adolescents under  
13 eighteen years of age;

14 (6) "Emergency mobile psychiatric services" means services for  
15 children and adolescents that (A) provide immediate, mobile  
16 assessment, early intervention and stabilization services to individuals  
17 in a state of crisis, and (B) are provided in community settings such as  
18 the home, school, emergency department, or practitioner's office;

19 (7) "Extended day treatment" means a community-based level of  
20 care for children and adolescents and their families that provides an  
21 array of services designed to support the family in maintaining at  
22 home a child or adolescent who (A) is at risk for out-of-home  
23 placement due to behavioral health issues, or (B) has returned from  
24 out-of-home placement; and

25 (8) "Intensive home-based services" means rehabilitative services of  
26 at least four hours per week provided as part of an individualized  
27 service plan and using a treatment model that is designed for treating  
28 the child's or adolescent's particular behavioral health problem.

29 (b) Each health insurance policy issued for delivery or renewed in  
30 accordance with the provisions of chapter 700c of the general statutes  
31 that provides coverage for behavioral health services for children and  
32 adolescents under the age of eighteen shall provide benefits of at least  
33 forty per cent of the annual costs for intensive community-based  
34 services for children and families enrolled in the voluntary services  
35 program operated by the Department of Children and Families. No  
36 payment made pursuant to this section shall be applied by the insurer,  
37 health care center or plan administrator against any maximum lifetime  
38 or annual limits specified in the policy or health benefits plan.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2005	New section

**KID**      *Joint Favorable C/R*

HS

**HS**      *Joint Favorable*

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:**

Agency Affected	Fund-Effect	FY 06 \$	FY 07 \$
Department of Children and Families	GF - Cost & Savings	See Below	See Below
Comptroller Misc. Accounts (Fringe Benefits)	GF - Cost	Potential	Potential

Note: GF=General Fund

**Municipal Impact:**

Municipalities	Effect	FY 06 \$	FY 07 \$
Various Municipalities	Cost	Potential	Potential

**Explanation**

This bill requires private health insurance plans issued in Connecticut to cover at least forty percent of the annual costs of emergency mobile psychiatric, extended day treatment, and intensive home-based services<sup>1</sup> on behalf of children enrolled in the Department of Children and Families (DCF) voluntary services program, effective July 1, 2005. There are currently about 850 children and youth receiving a variety of state funded services under the voluntary services program who remain at home.

Approximately \$29.7 million has been recommended under the DCF’s budget within HB 6671 (the Governor’s Recommended FY 06-07 Biennial Budget) for behavioral health services identified in the bill.<sup>2</sup> However, this reflects the aggregate cost of serving all clients under

<sup>1</sup>Estimated average costs for these service types, per child are: Extended day treatment, \$15,180; Multi-systemic therapy, \$7,575; Multi-dimensional family therapy, \$9,000; Intensive In-Home Child and Adolescent Psychiatric Services, \$7,000; and Emergency Mobile Psychiatric Services, \$550.

<sup>2</sup> Includes \$11.6 million for contracts that encompass both care coordination and emergency mobile psychiatric services (EMPS). Contractual amounts are not separable into the two service types.

the department's oversight (child welfare, juvenile justice and voluntary services) as well as other children in the community with complex behavioral health needs.

Comprehensive data on service utilization, as well as insurance status of voluntary services clients is not available. Therefore, the resulting increase in insurance reimbursements cannot be estimated with certainty. However, it is likely that the bill's provisions would generate at least \$400,000 in revenues to private providers on an annual basis.

Enhanced insurance payments would afford the opportunity to DCF to achieve budgetary savings. However, voluntary enrollment is currently restricted, with children and youth waiting for services. If future appropriations to the agency for the named service types remain stable, it is anticipated that voluntary services participation would increase and/or service utilization would be broadened to meet current unmet needs.

It is uncertain how insurers will determine that a covered child is participating in the voluntary services program. If the department has to respond to requests to verify program enrollment, additional staffing and systems development resources may be required and result in significant costs. Implementation of the Connecticut KidCare Initiative may mitigate potential costs, to the extent that a new administrative services organization (ASO) may facilitate the provision of client information.

It is not known at this time if services requiring reimbursement under the bill are covered under the state or municipal employee health plans. To the extent that such services are not currently covered under state and municipal health plans, there would be costs associated with the forty percent reimbursement. Based upon the limited number of children receiving the services, the potential impact to the state or municipal health plans is not expected to be significant relative to the magnitude of the total plan costs.

**OLR Bill Analysis**

SB 688

**AN ACT CONCERNING INTENSIVE BEHAVIORAL HEALTH SERVICES FOR CHILDREN****SUMMARY:**

This bill sets conditions under which Connecticut-issued health insurance policies must cover some of the cost of intensive community-based services for youngsters under 18 years old. These policies must cover 40% of that cost if they cover diagnosed nervous conditions, alcoholism, and drug dependence and their insureds (children and families) are enrolled in the Department of Children and Families voluntary services program. This program provides casework, community referrals, and treatment services for youngsters who are not committed to the department but need its services due to emotional or behavioral difficulties. .

The bill prohibits insurers, health care centers, and health plan administrators from applying these benefit payouts against any maximum or annual coverage limits.

EFFECTIVE DATE: July 1, 2005

**INTENSIVE COMMUNITY-BASED SERVICES**

The bill defines "intensive community-based services" as:

1. emergency psychiatric services that provide immediate mobile assessment, early intervention, and stabilization services in community settings such as homes, schools, emergency rooms, or doctors' offices for youngsters in crisis states;
2. community-based extended day treatment for youngsters and their families to support keeping youngsters at home when they are at risk of, or discharged from, residential placements; and
3. at least four hours per week of intensive home-based

rehabilitative services as part of a plan tailored to the youngster's particular behavioral health problem.

**COMMITTEE ACTION**

Select Committee on Children

Joint Favorable Change of Reference  
Yea 11 Nay 1

Human Services Committee

Joint Favorable Report  
Yea 16 Nay 0