



General Assembly

Amendment

January Session, 2005

LCO No. 6750

HB0664906750SDO

Offered by:
SEN. MURPHY, 16th Dist.

To: House Bill No. 6649

File No. 51

Cal. No. 261

**"AN ACT CONCERNING THE AUTHORITY OF THE
COMMISSIONER OF MENTAL HEALTH AND ADDICTION
SERVICES."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective July 1, 2005*) (a) The Commissioners of
4 Social Services and Children and Families shall develop and
5 implement a specialty behavioral health service system for HUSKY
6 Part A and HUSKY Part B members and for children, adolescents and
7 families served by the voluntary services program operated by the
8 Department of Children and Families, which shall be known as
9 Connecticut KidCare. Connecticut KidCare shall seek to increase
10 access to quality behavioral health services through: (1) Expansion of
11 person-centered, community-based services; (2) maximization of
12 federal revenue to fund behavioral health services; (3) reduction in the
13 use of institutional and residential services for children; (4) capture
14 and investment of enhanced federal revenue and savings derived from
15 reduced residential services and increased community-based services;

16 (5) improved administrative oversight and efficiencies; and (6)
17 monitoring of individual outcomes and program performance.

18 (b) Connecticut KidCare shall operate in accordance with the
19 financial requirements specified in this subsection. Prior to the
20 conversion of any grant funded services to a rate-based, fee-for-service
21 payment system, the Department of Social Services shall submit
22 documentation verifying that the proposed rates seek to cover the
23 reasonable cost of providing services to the Connecticut KidCare
24 Oversight Council established pursuant to section 4 of this act.

25 Sec. 2. (NEW) (*Effective July 1, 2005*) (a) There is established within
26 the Department of Children and Families, within available
27 appropriations, an Office of Behavioral Health. The office shall be
28 responsible for planning, development, administration and evaluation
29 of all behavioral health services of Connecticut KidCare, established
30 pursuant to section 1 of this act. The Commissioner of Children and
31 Families shall appoint a director for said office.

32 (b) The Office of Behavioral Health, in cooperation with the
33 Department of Social Services, shall direct the activities of any
34 administrative service organization, retained in accordance with
35 section 17a-22f of the general statutes, as amended by this act, in the
36 development of a community-based system of care to:

37 (1) Alleviate hospital emergency department overcrowding;

38 (2) Reduce unnecessary admissions and lengths of stay in hospitals
39 and residential treatment settings; and

40 (3) Increase availability of outpatient services.

41 Sec. 3. Section 17a-22f of the general statutes is repealed and the
42 following is substituted in lieu thereof (*Effective from passage*):

43 (a) The Commissioner of Social Services may, with regard to the
44 provision of behavioral health services provided pursuant to a state
45 plan under Title XIX or Title XXI of the Social Security Act: (1) Contract

46 with an administrative services organization to provide clinical
47 management, provider network development and other administrative
48 services; and (2) delegate responsibility to the Department of Children
49 and Families for the clinical management portion of [an] such
50 administrative contract. [pertaining to children under eighteen years of
51 age or individuals who are otherwise receiving behavioral health
52 services from said department.]

53 (b) For purposes of this section, the term "clinical management"
54 describes the process of evaluating and determining the
55 appropriateness of the utilization of behavioral health services,
56 providing assistance to clinicians or beneficiaries to ensure appropriate
57 use of resources and may include, but is not limited to, authorization,
58 concurrent and retrospective review, discharge review, quality
59 management, provider certification and provider performance
60 enhancement. The Commissioners of Social Services and Children and
61 Families shall jointly develop clinical management policies and
62 procedures. The Department of Social Services may implement policies
63 and procedures necessary to carry out the purposes of this section,
64 including any necessary changes to existing behavioral health policies
65 and procedures concerning utilization management, while in the
66 process of adopting such policies and procedures in regulation form,
67 provided the commissioner publishes notice of intention to adopt the
68 regulations in the Connecticut Law Journal within twenty days of
69 implementing such policies and procedures. Policies and procedures
70 implemented pursuant to this subsection shall be valid until the earlier
71 of (1) the time such regulations are effective, or (2) [December 1, 2003]
72 December 31, 2005.

73 Sec. 4. (NEW) (*Effective from passage*) (a) There is established a
74 Connecticut KidCare Oversight Council which shall advise the
75 Commissioners of Children and Families and Social Services on the
76 planning and implementation of Connecticut KidCare.

77 (b) The council shall consist of the following members:

78 (1) The chairpersons and ranking members of the joint standing
79 committees of the General Assembly having cognizance of matters
80 relating to human services, public health, appropriations and budgets
81 of state agencies, or their designees;

82 (2) A member of the Community Mental Health Strategy Board,
83 established pursuant to section 17a-485b of the general statutes, as
84 selected by said board;

85 (3) Thirteen members appointed by the chairpersons of the advisory
86 council on Medicaid managed care, established pursuant to section
87 17b-28 of the general statutes

88 (A) Two of whom are representatives of general or specialty
89 psychiatric hospitals;

90 (B) One of whom is an adult with a psychiatric disability;

91 (C) One of whom is an advocate for adults with psychiatric
92 disabilities;

93 (D) One of whom is either a parent of or an advocate for a child
94 receiving services from the Department of Children and Families;

95 (E) One of who is a primary care provider serving HUSKY children;

96 (F) One of whom is a child psychiatrist serving HUSKY children;

97 (G) One of whom is either an adult with a substance use disorder or
98 an advocate for adults with substance use disorders;

99 (H) One of whom is a representative of school-based health clinics;

100 (I) One of whom is a provider of community-based behavioral
101 health services for adults;

102 (J) One of whom is a provider of residential treatment for children;

103 (K) One of whom is a provider of community-based services for

104 children with behavioral health problems; and

105 (L) One of whom is a member of the advisory council on Medicaid
106 managed care; and

107 (4) Four nonvoting ex officio members, one each appointed by the
108 Commissioners of Social Services, Children and Families and Mental
109 Health and Addiction Services to represent his or her department and
110 one appoint by the Secretary of the Office of Policy and Management
111 to represent said department.

112 (c) All appointments to the council shall be made no later than July
113 1, 2005. Any vacancy shall be filled by the appointing authority.

114 (d) The chairpersons of the advisory council on Medicaid managed
115 care shall select the chairpersons of the Connecticut KidCare Oversight
116 Council from among the members of such oversight council. Such
117 chairpersons shall convene the first meeting of the council, which shall
118 be held no later than August 1, 2005. The council shall meet at least
119 monthly thereafter.

120 (e) The Joint Committee on Legislative Management shall provide
121 administrative support to the chairpersons and assistance in convening
122 the council's first meeting.

123 (f) The council shall make specific recommendations on matters
124 related to the planning and implementation of Connecticut KidCare
125 which shall include, but not be limited to: (1) Review of any contract
126 entered into by the Departments of Children and Families and Social
127 Services with an administrative services organization, to assure that
128 the administrative services organization's decisions are based solely on
129 clinical management criteria developed by the clinical management
130 committee established in section 5 of this act; (2) review of behavioral
131 health services pursuant to Title XIX and Title XXI of the Social
132 Security Act to assure that federal revenue is being maximized; and (3)
133 review of periodic reports on the program activities, finances and
134 outcomes, including reports from the Office of Behavioral Health on

135 achievement of service delivery system goals, pursuant to section 2 of
136 this act. The council may conduct or cause to be conducted an external,
137 independent evaluation of Connecticut KidCare.

138 (g) On or before March 1, 2006, and annually thereafter, the council
139 shall submit a report, in accordance with section 11-4a of the general
140 statutes, to the joint standing committees of the General Assembly
141 having cognizance of matters relating to human services, public health
142 and appropriations and budgets of state agencies, on the council's
143 activities and progress.

144 Sec. 5. (NEW) (*Effective July 1, 2005*) There is established a clinical
145 management committee to develop clinical management criteria to be
146 used for Connecticut KidCare. The committee shall consist of two
147 members selected by the Commissioner of Children and Families, two
148 members selected by the Commissioner of Social Services and two
149 members selected by the Connecticut KidCare Oversight Council,
150 established pursuant to section 4 of this act. Members of the committee
151 shall have requisite expertise or experience in behavioral health
152 services.

153 Sec. 6. (NEW) (*Effective July 1, 2005*) The Departments of Children
154 and Families and Social Services shall develop consumer grievance
155 procedures and shall submit such procedures to the Connecticut
156 KidCare Oversight Council for review and comment.

157 Sec. 7. (NEW) (*Effective July 1, 2005*) On or before January 1, 2006,
158 and annually thereafter, the Commissioners of Children and Families
159 and Social Services shall conduct an evaluation of Connecticut KidCare
160 and shall report, in accordance with section 11-4a of the general
161 statutes, to the joint standing committees of the General Assembly
162 having cognizance of matters relating to appropriations and the
163 budgets of state agencies, public health and human services on the
164 provision of behavioral health services under Connecticut KidCare,
165 including information on the status of administrative services
166 organization implementation, the status of the collaboration among the

167 Departments of Children and Families and Social Services, the services
168 provided, the number of persons served, program outcomes and
169 spending by child and adult populations.

170 Sec. 8. (NEW) (*Effective July 1, 2005*) Any savings derived from
171 implementation of Connecticut KidCare shall be reinvested into
172 Connecticut KidCare.

173 Sec. 9. (NEW) (*Effective July 1, 2005*) (a) The Departments of Children
174 and Families and Social Services may establish provider specific
175 inpatient, partial hospitalization, intensive outpatient, and other
176 intensive service rates. Such rates shall not be less than each provider's
177 blend of rates from the HUSKY Plans in effect sixty days prior to the
178 implementation date of Connecticut KidCare. Within available
179 appropriations, the departments may provide grant payments, where
180 necessary, to address provider financial impacts. The departments may
181 establish uniform outpatient rates allowing a differential for child and
182 adult services. The Department of Social Services shall establish future
183 rate increases for all providers in amounts at least equal to the
184 increases established for HUSKY Plan contractors. Notwithstanding
185 the provisions of sections 17b-239 and 17b-241 of the general statutes,
186 rates for behavioral health services shall be established in accordance
187 with this section.

188 (b) All proposals for initial rates, reductions to existing rates and
189 changes in rate methodology within Connecticut KidCare shall be
190 submitted to the Connecticut KidCare Oversight Council for review. If
191 the council does not recommend acceptance, it may forward its
192 recommendation to the joint standing committees of the General
193 Assembly having cognizance of matters relating to public health,
194 human services and appropriations and budgets of state agencies. The
195 committees shall hold a joint public hearing on the subject of the
196 proposed rates, to receive the partnership's rationale for making such a
197 rate change. No later than ninety days after submission by the
198 departments, the committees of cognizance shall make
199 recommendations to the departments regarding the proposed rates.

200 The departments shall make every effort to incorporate
201 recommendations of both the council and the committees of
202 cognizance when setting rates.

203 Sec. 10. (NEW) (*Effective from passage*) (a) The Departments of
204 Children and Families and Social Services shall contract with one or
205 more administrative service organizations operating under separate
206 contracts with the departments to perform eligibility verification,
207 utilization management, intensive care management, quality
208 management, coordination of medical and behavioral health services,
209 provider network development and management, recipient and
210 provider services and reporting. The contracts shall provide for the
211 organization to commence such activities on or after October 1, 2005.

212 (b) Claims under Connecticut KidCare shall be paid by the
213 Department of Social Services' Medicaid management information
214 systems vendor, except that the Department of Children and Families
215 may continue to use existing claims payment systems, if necessary, at
216 the discretion of the Secretary of the Office of Policy and Management.

217 (c) Clinical management and administration of behavioral health
218 services for HUSKY Plan Part A and Part B and Department of
219 Children and Families' residential services shall be included under
220 Connecticut KidCare on or after October 1, 2005, under a single
221 contract with an administrative service organization. Clinical
222 management and administration of behavioral health services for the
223 Department of Children and Families' voluntary services program
224 shall be included under Connecticut KidCare on or after October 1,
225 2005. Any recommendations by such administrative service
226 organization for improvements in the administration or delivery of
227 behavioral health services under Connecticut KidCare shall be made to
228 the Connecticut KidCare Oversight Council, established pursuant to
229 section 4 of this act.

230 (d) Each administrative services organization shall authorize
231 services, based solely on criteria established by the clinical

232 management committee, established pursuant to section 5 of this act.
233 Decisions regarding the interpretation of such criteria shall be made by
234 the Departments of Children and Families and Social Services. No
235 administrative services organization shall have any financial incentive
236 to approve, deny or reduce services. Each administrative service
237 organization shall ensure that service providers and persons seeking
238 services have timely access to program information and timely
239 responses to inquiries, including inquiries concerning the clinical
240 criteria for services.

241 (e) The Departments of Children and Families and Social Services
242 shall: (1) Establish time frames for appealing decisions made by the
243 administrative services organization, including an expedited review in
244 emergency situations; and (2) develop, in consultation with
245 Connecticut KidCare, a comprehensive plan for monitoring the
246 performance of the administrative services organizations which shall
247 include data on service authorizations, individual outcomes, appeals,
248 outreach and accessibility, and comments from program participants
249 compiled from written surveys and face-to-face interviews.

250 (f) Connecticut KidCare shall establish policies to coordinate
251 benefits received under the partnership with those received through
252 Medicaid managed care organization for persons covered by both a
253 Medicaid managed care organization and Connecticut KidCare. Such
254 policies shall specify a coordinated delivery of both physical and
255 behavioral health care. The policies shall be submitted to the
256 Connecticut KidCare Oversight Council for review and comment.

257 Sec. 11. (*Effective July 1, 2005*) (a) The sum of \$1,000 is reallocated
258 from the Medicaid account in the Department of Social Services to a
259 new behavioral health account within the Department of Social
260 Services for the fiscal year ending June 30, 2005, for the purposes of
261 implementing Connecticut KidCare.

262 (b) The sum of \$1,000 is reallocated from the individualized family
263 supports account in the Department of Children and Families to a new

264 Office of Behavioral Health account within the Department of Children
 265 and Families for the fiscal year ending June 30, 2006, for the purposes
 266 of implementing Connecticut KidCare.

267 (c) For the fiscal year ending June 30, 2006, for purposes of
 268 implementation of Connecticut KidCare, the Secretary of the Office of
 269 Policy and Management shall have the authority to transfer funds from
 270 existing accounts to Connecticut KidCare accounts within each agency
 271 without approval of the Finance Advisory Committee. Whenever the
 272 secretary transfers funds for such purposes, the secretary shall notify
 273 the chairs and ranking members of the joint standing committees of the
 274 General Assembly having cognizance of matters relating to
 275 appropriations and the budget of state agencies, public health and
 276 human services."

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2005	New section
Sec. 2	July 1, 2005	New section
Sec. 3	from passage	17a-22f
Sec. 4	from passage	New section
Sec. 5	July 1, 2005	New section
Sec. 6	July 1, 2005	New section
Sec. 7	July 1, 2005	New section
Sec. 8	July 1, 2005	New section
Sec. 9	July 1, 2005	New section
Sec. 10	from passage	New section
Sec. 11	July 1, 2005	New section