

Senate Amendment to
House File 2402

H-8340

1 Amend House File 2402, as amended, passed, and reprinted by
2 the House, as follows:

3 1. By striking everything after the enacting clause and
4 inserting:

5 <Section 1. Section 135H.6, subsection 1, paragraph d, Code
6 2024, is amended by striking the paragraph.

7 Sec. 2. Section 135H.6, subsections 2, 3, 4, and 5, Code
8 2024, are amended to read as follows:

9 2. The department of health and human services shall
10 not give approval to an application which would cause the
11 total number of beds licensed under [this chapter](#) for services
12 reimbursed by the medical assistance program under chapter
13 249A to exceed four hundred thirty beds, unless the director
14 of health and human services determines approval of such
15 an application is necessary for good cause. Good cause
16 is established if the health and safety of Iowans would be
17 adversely impacted if the application for additional beds is
18 not approved.

19 3. In addition to the beds authorized under subsection
20 2, the department of health and human services may establish
21 not more than thirty beds licensed under [this chapter](#) at the
22 state mental health institute at Independence. ~~The beds shall~~
23 ~~be exempt from the certificate of need requirement under~~
24 ~~[subsection 1](#), paragraph "d".~~

25 4. The department of health and human services may give
26 approval to conversion of beds approved under [subsection 2](#), to
27 beds which are specialized to provide substance use disorder
28 treatment. However, the total number of beds approved under
29 subsection 2 and [this subsection](#) shall not exceed four hundred
30 thirty, unless approved for good cause by the director pursuant
31 to subsection 2. Conversion of beds under this subsection
32 shall not require a revision of the certificate of need
33 issued for the psychiatric institution making the conversion.
34 Beds for children who do not reside in this state and whose
35 service costs are not paid by public funds in this state are

1 not subject to the limitations on the number of beds and
2 ~~certificate of need~~ requirements otherwise applicable under
3 this section.

4 5. A psychiatric institution licensed prior to July 1, 1999,
5 may exceed the number of beds authorized under [subsection 2](#)
6 if the excess beds are used to provide services funded from
7 a source other than the medical assistance program under
8 chapter 249A. Notwithstanding [subsection 1](#), ~~paragraphs "d" and~~
9 paragraph "e", and [subsection 2](#), the provision of services using
10 those excess beds does not require a ~~certificate of need~~ or a
11 review by the department of health and human services.

12 Sec. 3. PSYCHIATRIC MEDICAL INSTITUTIONS FOR CHILDREN —
13 ENHANCED MEDICAID REIMBURSEMENT. No later than January 1,
14 2025, the department of health and human services shall select
15 one or more psychiatric medical institutions for children
16 (PMICs) to provide access to PMIC services for children with
17 specialized needs including problematic sexualized behaviors,
18 a history of aggression, or a diagnosis of intellectual or
19 developmental disability. Prior to rendering services, a
20 selected PMIC shall be licensed pursuant to section 135H.4 and
21 offer a payment structure that provides enhanced reimbursement,
22 which may be used to provide increased staffing ratios,
23 ongoing training of staff in specialized programs that
24 provide evidence-based treatment, and appropriate services and
25 modalities, including but not limited to telemedicine, for
26 children and their families.

27 Sec. 4. REDUCTION OF REGULATORY BARRIERS AND RESTRICTIONS
28 — PSYCHIATRIC MEDICAL INSTITUTIONS FOR CHILDREN. The
29 department of health and human services shall review the
30 department's administrative rules regarding psychiatric medical
31 institutions for children (PMICs) and shall update the rules,
32 informed by the findings of the association of children's
33 residential centers' most recent nationwide survey and scan
34 of psychiatric residential treatment facilities, and the
35 recommendations of the coalition for family and children's

1 services in Iowa, to do all of the following:

2 1. Allow a physician assistant or advanced registered nurse
3 practitioner to serve as a member of the plan of care team
4 as a member who is experienced in child psychiatry or child
5 psychology pursuant to 481 IAC 41.13(2).

6 2. Allow a physician assistant or advanced registered
7 nurse practitioner to be a member of the team to complete
8 the certification of need for services for a PMIC placement
9 pursuant to 481 IAC 41.9.

10 3. Allow licensed professionals, based on competencies
11 rather than license type, to order the use of restraints
12 or seclusions and to conduct post-restraint or seclusion
13 assessments, including via telehealth, to increase response
14 times and expand access to care. The department of
15 inspections, appeals, and licensing shall adopt rules pursuant
16 to chapter 17A to administer this subsection.

17 4. a. Allow family therapy and family behavioral health
18 intervention services to be included in billable services
19 during the placement of a child in a PMIC without requiring
20 the child's presence for the family to work on targeted skills
21 essential for the child's success and to prepare the family for
22 the child's return home.

23 b. Provide reimbursement codes to cover services beyond
24 those provided outside the PMIC care team as necessary to
25 adequately treat substance use disorder, sexualized behaviors,
26 autism, and other services needed to support the child.

27 5. Standardize all of the following across all managed care
28 organizations as follows:

29 a. Require that authorization for a PMIC placement shall
30 be retroactive to the date the request for authorization is
31 submitted to the managed care organization not the date the
32 managed care organization responds; or require a managed care
33 organization to respond within five business days from receipt
34 of a request for authorization for a PMIC placement, if the
35 certification of need and independent assessment have been

1 received in a timely manner.

2 b. Prohibit a managed care organization from denying
3 authorization for a PMIC placement based on lack of parental
4 involvement, lack of participation in behavioral health
5 intervention services on an outpatient basis, or based on other
6 perceived behavioral issues.

7 c. Allow a managed care organization to authorize an initial
8 PMIC placement of sixty days upon admission with concurrent
9 stay reviews every thirty days thereafter. A PMIC shall submit
10 a care plan to the managed care organization within thirty days
11 of the admission.

12 d. Require concurrent stay reviews to be standardized
13 and limited to a brief description of progress, or lack of
14 progress, toward the child's goals and objectives.

15 e. Require a managed care organization to offer support to
16 families, including assistance with transportation to and from
17 a PMIC to visit a child.

18 6. Notwithstanding any provision of law to the contrary,
19 allow a previously licensed PMIC that has the capacity to
20 provide up to an additional four intermediate care facility
21 for persons with an intellectual disability beds, and which
22 additional beds meet all other licensing and state fire marshal
23 requirements, to increase their licensed capacity to include
24 the additional beds without further review including by the
25 health facilities council.

26 7. Allow for step-down PMIC placements or supervised
27 apartment living for a child to utilize programming provided
28 in a PMIC while living independently in a smaller residential
29 setting without twenty-four-hour supervision.

30 Sec. 5. HAWKI PROGRAM — BENEFITS INCLUDED IN QUALIFIED
31 CHILD HEALTH PLAN — REVIEW. The department of health
32 and human services shall review the benefits included in a
33 qualified child health plan under the Hawki program and shall
34 specifically address the inclusion of applied behavior analysis
35 services as a covered benefit. The department shall report the

1 findings of the review to the general assembly by December 1,
2 2024.

3 Sec. 6. DEPARTMENTAL REVIEW AND REPORT. The department of
4 health and human services shall review the effectiveness of the
5 reduction of regulatory barriers and restrictions provisions
6 specified in this Act and shall report the resulting costs and
7 savings to the governor and the general assembly by March 1,
8 2025.>