

House File 2402 - Reprinted

HOUSE FILE 2402
BY COMMITTEE ON HEALTH AND
HUMAN SERVICES

(SUCCESSOR TO HSB 502)

(As Amended and Passed by the House February 21, 2024)

A BILL FOR

1 An Act relating to behavioral health services for children
2 including psychiatric medical institutions for children.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. PSYCHIATRIC MEDICAL INSTITUTIONS FOR CHILDREN
2 — ENHANCED MEDICAID REIMBURSEMENT — COMPETITIVE BIDDING
3 PROCESS. No later than January 1, 2025, the department of
4 health and human services shall utilize a competitive bidding
5 process and issue an invitation to bid to select one or
6 more currently licensed psychiatric medical institutions for
7 children (PMICs), as defined in section 135H.1, located in the
8 state, to provide access to PMIC services for children with
9 specialized needs including problematic sexualized behaviors,
10 a history of aggression, or a diagnosis of intellectual or
11 developmental disability. The invitation to bid shall offer a
12 payment structure that provides enhanced reimbursement for a
13 PMIC that meets the selection criteria and which may be used to
14 provide increased staffing ratios, ongoing training of staff in
15 specialized programs that provide evidence-based treatment, and
16 appropriate services and modalities, including but not limited
17 to telemedicine, for children and their families.

18 Sec. 2. REDUCTION OF REGULATORY BARRIERS AND RESTRICTIONS
19 — PSYCHIATRIC MEDICAL INSTITUTIONS FOR CHILDREN. The
20 department of health and human services shall review the
21 department's administrative rules regarding psychiatric medical
22 institutions for children (PMICs) and shall update the rules,
23 informed by the findings of the association of children's
24 residential centers' most recent nationwide survey and scan
25 of psychiatric residential treatment facilities, and the
26 recommendations of the coalition for family and children's
27 services in Iowa, to do all of the following:

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

32 2. Allow a physician assistant or advanced registered
33 nurse practitioner to be a member of the team to complete
34 the certification of need for services for a PMIC placement
35 pursuant to 481 IAC 41.9.

1 3. Remove the reserve bed day limitations for
2 hospitalizations and expand the number of other therapeutic
3 absences beyond thirty days to allow for skill acquisition,
4 stabilization, and continuity of care as deemed necessary by
5 the child's medical providers and in accordance with a child's
6 discharge plan.

7 4. Allow licensed professionals, based on competencies
8 rather than license type, to order the use of restraints
9 or seclusions and to conduct post-restraint or seclusion
10 assessments, including via telehealth, to increase response
11 times and expand access to care.

12 5. a. Allow therapy and behavioral health intervention
13 services to be included as billable services provided during
14 a placement at a PMIC to provide continuity of care, maintain
15 established clinical relationships, and avoid disruption in
16 services or delays in reestablishing care post discharge.

17 b. 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 c. 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 6. 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 7. Notwithstanding any provision of law to the contrary,
19 including certificate of need requirements, allow a previously
20 licensed PMIC that has the capacity to provide up to an
21 additional four intermediate care facility for persons with an
22 intellectual disability beds, and which additional beds meet
23 all other licensing and state fire marshal requirements, to
24 increase their licensed capacity to include the additional
25 beds without further review including by the health facilities
26 council.

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

31 Sec. 3. HAWKI PROGRAM — BENEFITS INCLUDED IN QUALIFIED
32 CHILD HEALTH PLAN — REVIEW. The department of health
33 and human services shall review the benefits included in a
34 qualified child health plan under the Hawki program and shall
35 specifically address the inclusion of applied behavior analysis

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1 services as a covered benefit. The department shall report the
2 findings of the review to the general assembly by December 1,
3 2024.