

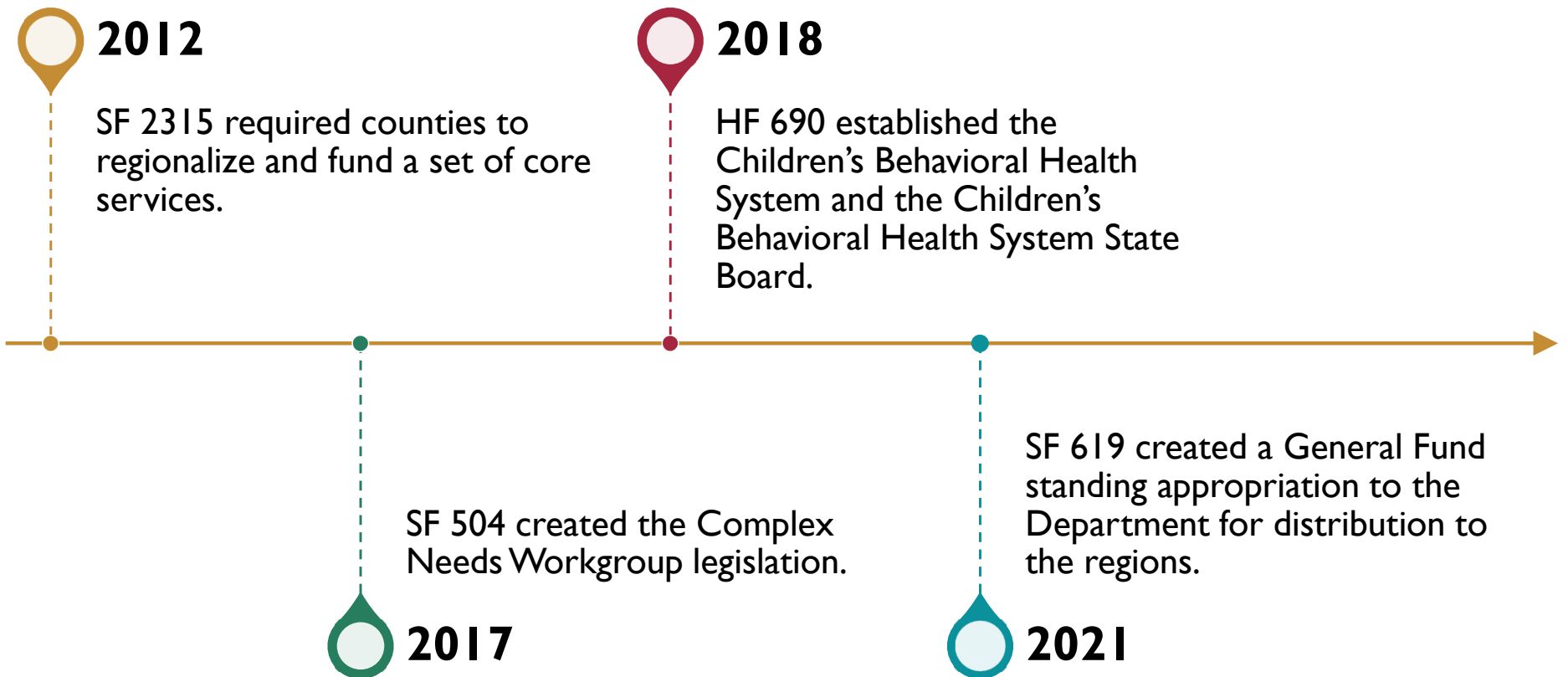
Behavioral Health and Disability Services

January 31, 2023

Mental Health and Disability Services Regions

History, Region Study Report – Findings,
Opportunities, Recommendations

History: Counties to Regions



MHDS Regions Study Report Findings

Core Service Implementation

Additional Core Service Inconsistency

Service Disparities for Kids and Adults

Variable Interpretation of Intensive Mental Health and Crisis Services

MHDS Region Study Report Opportunities

Define Services
and Monitor for
Fidelity

Create
Consistency in
Eligibility

Align
Governance and
Administration

Data Integration

MHDS Regions Study Report Recommendations

1	Move and Clean Up Code
2	Revise Governance Structure
3	Include Community-Based Competency Restoration as a Regional Core Service
4	Eliminate Quarterly Legislative Reporting and Allow Regions to Retain 10% Fund Balance

Opportunities and Recommendations

HHS Legislative Proposal and System Opportunities

HHS Legislation

Regions

Community Based
Competency Restoration

MHI Specialization

Key System Opportunities

Maximize
Value

Reduce
Duplication and
Improve System
Coordination

Improve
Equity

Address
Inconsistency
to Improve
Outcomes

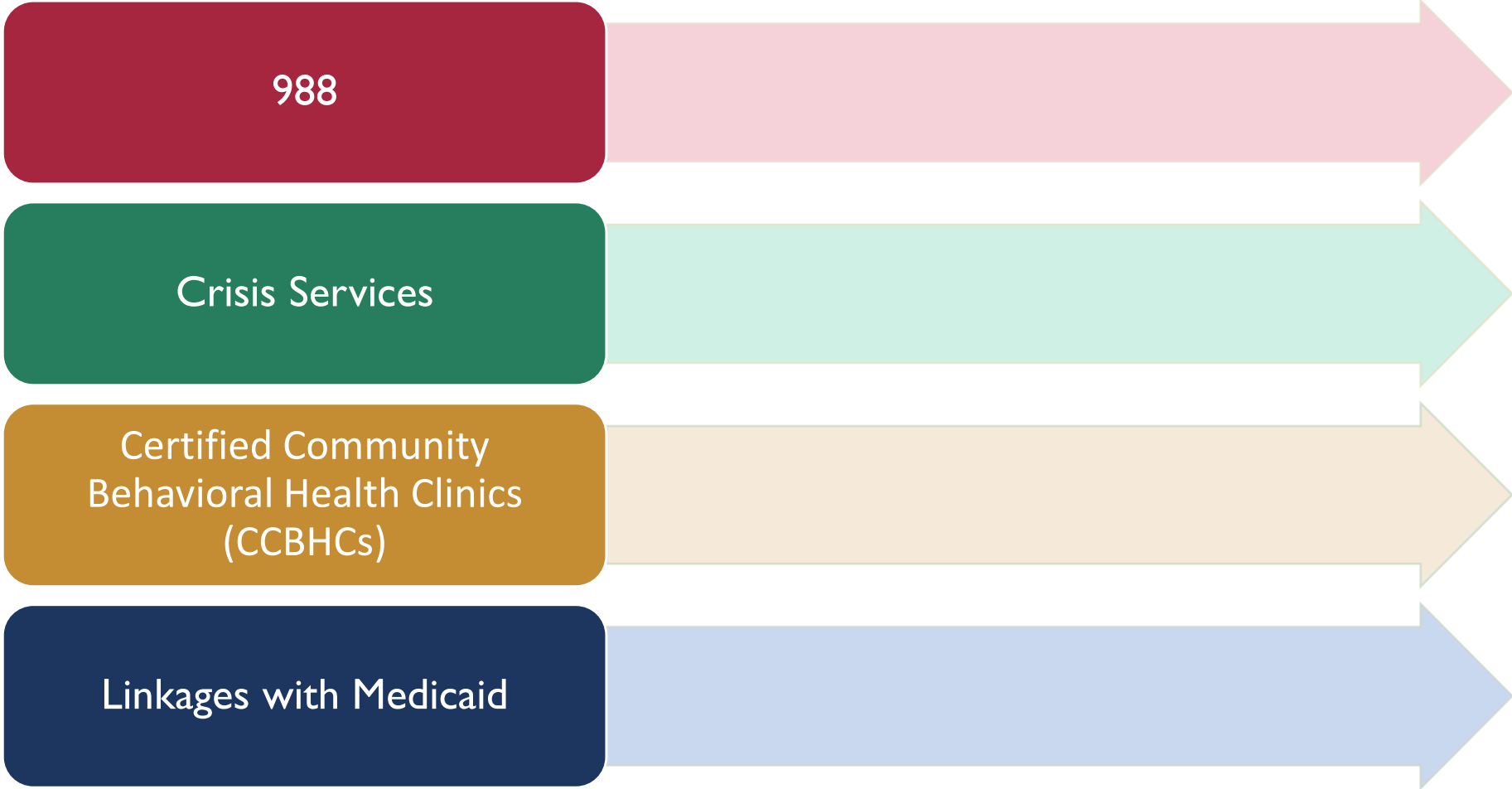
Reduce
Disparity

Behavioral
Healthcare
Services for
Children and
Adults

Ensure Access
to Care

Develop a Full
Continuum of
Behavioral
Health and
Crisis Services

Opportunities Through Connections



Medicaid and Behavioral Health

Psychiatric Intensive Care, Reimbursement Rate Review

Psychiatric Intensive Care Rates

Legislation

Development Team

Administrative Rules

Medicaid Rate

Implementation

Summary

- Iowa Medicaid has not have a regular process established to review reimbursement rates for all providers.
- Typically rates have only been adjusted as required by state or federal law or when there is a specific appropriation.
- The result of not having regular rate reviews is that Medicaid provider reimbursement lags with changes in the cost of providing the service and can also result in reimbursement for services being misaligned with other services that may have received a targeted rate change. These misalignments can have an impact on access to services and ability to accomplish key goals including, but not limited to:

Adequate behavioral health services in the state such as psychiatric services, evaluations, counseling and substance use treatment

Balanced funding between facility and community-based options

Sufficient discharge care to create more seamless flow through the health care continuum

Early identification and prevention of medical challenges that threaten child development and family stability

Access to services supports that divert incarceration and law enforcement involvement

Example of Current Rate Disparity

Mental Health Service	IA	Medicare	IL	MO	KS	NE	SD	MN
Individual Psychotherapy (60 min) Master's Level	\$74.00	\$136.95	\$76.14	\$86.46	\$102.00	\$145.80	\$114.98	\$122.24
Individual Psychotherapy (45 min) Master's Level	\$67.09	\$91.18	\$50.93	\$72.05	\$68.00	\$109.35	\$76.76	\$82.73
Psychiatric Diagnostic Evaluation MD	\$120.80	\$180.75	\$122.11	\$96.37	\$120.00	\$193.95	\$118.52	\$145.27
Peer Support (15 min)	\$12.50	Not Covered	Not Covered	\$21.97	\$10.30	\$11.50	Not Covered	\$15.02

Appropriation Variances Across Provider Groups

- Some provider groups have regular appropriation increases, **while others have had one or very few in the past decade.**

Appropriated Increases by Year

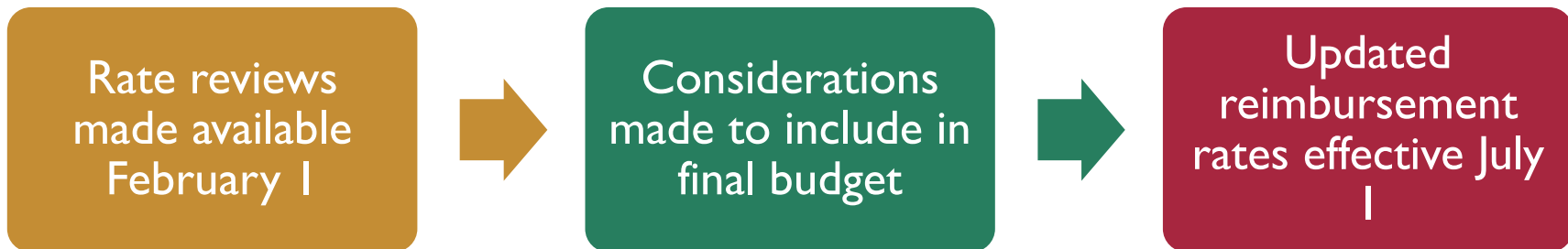
Provider Type	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Nursing Facilities		\$15.3m	\$1.3m	\$13.4m		\$2.5m		23.4m*		\$19.1m		\$74.9m
HCBS	\$2.2m	\$9.3m		\$1.0m	\$2.2m		\$3.0m	\$1.0m		\$11.0m		\$29.5m
Hospitals								\$1.5m (CAH)			\$1.5 PIC	\$3m
Mental Health												
Home Health	\$800k	\$2.8m		\$1.0m	\$1.0m		\$1.0m			\$2.0m	\$1.8m	\$10.3m
Across the Board		\$4.5m										\$4.5m
Other	358k ABA	10% EMS	10% EMS							100k Air Amb.	\$1.3 ICF/ID	

* Of the increase, \$21.9 million was appropriated from the Quality Assurance Trust Fund.

** Dollar amounts are rounded to nearest 100k and not inclusive of all Medicaid updates, not all rates are included

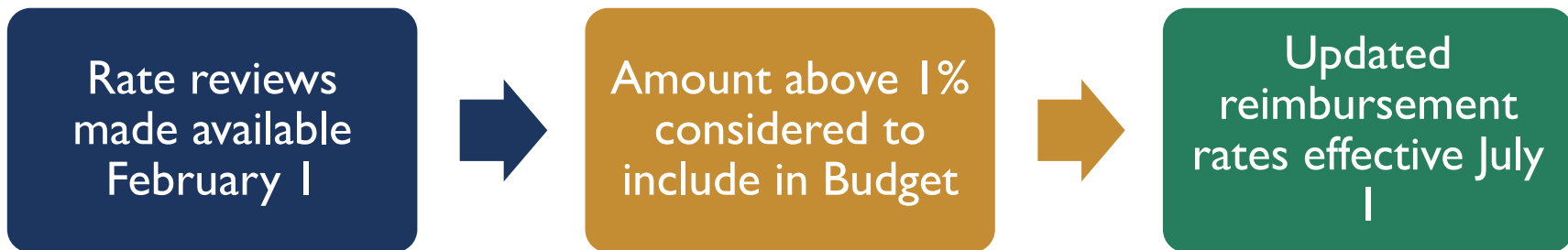
Possible Pathways for Rate Review Implementation

- **Package rate review information** to the Governor's Office and Legislature for each appropriation. Rate updates would be available in February of each year.
 - Each year rate review process would show net increase/decrease to be incorporated into final appropriations.
 - Decisions to be made during budget process.



Possible Pathways for Rate Review Implementation - Continued

- Annual Health and Human Services **Appropriations bill to include a percentage of anticipated rate growth each year.**
 - Medicaid agency would adjust rates within those thresholds.
 - 1% threshold = approximately \$24M state funds
 - Anything above 1% would require Governor and Legislative approval
 - Requires no additional action within the Governor or Legislative budget process up to the 1%.



Questions?

For more information contact:

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