

REMEDIAL SERVICES

Presentation to Health and Human
Services Appropriations Subcommittee
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What are “Remedial Services”

- A type of mental health service.
- Provided to persons with a psychiatric diagnosis.
- The psychiatric disorder must impair the person’s functioning in their relationships and interactions with others in the family or community.
- Remedial Services assist individuals in learning age appropriate ways and skills to manage their behaviors and regain self-control.
- Service is “rehabilitative” per federal law.

History of prior services

- Used to be called “Rehabilitative Treatment Services (RTSS)”
 - Provided only to children in the child welfare system.
 - Children with mental health disorders could not get the service without being adjudicated through the courts into the child welfare system.
 - Medicaid payment bundled with non-Medicaid payments in per diems.
 - Several federal audits identified a number of federal compliance issues.
 - Bundling Medicaid and non-Medicaid services was significant issue, among others.

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CMS required compliance

- Fall 2007, the Medicaid mental health piece was separated out of the other child welfare services.
- Service restructured and renamed “Remedial Services”
- Focus areas for compliance:
 - Licensed mental health professional assessing need and determining need for skill development services
 - Emphasis and monitoring of showing improvement in individual’s functioning
 - Requirement that the service must be available to all children who need the service; cannot be limited to those in the child welfare system.

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Mental Health Services through Iowa Medicaid

- Iowa has a managed care waiver to provide Medicaid covered mental health and substance abuse services through a managed care plan.
- Called the “Iowa Plan”. Competitively bid process. Current vendor Magellan Health Services.
 - Contract size - \$134M in FY 2011
- Per member per month capitation payment to Magellan. Magellan is “at risk”.
- Most mental health services must be accessed through the Iowa Plan (psychiatric hospital, therapy, counseling, etc).
- A few services are fee-for-service outside the managed care plan, including remedial.

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Remedial Services = 5 separate services

- Services to persons age 20 and under
 - Health or behavior intervention provided in an individual, family or group setting
 - Crisis intervention
 - Community Psychiatric supportive services
- Services for adults
 - Rehabilitation program
 - Skills training and development
- Services provided in the home, in group foster care, and in office

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Providers and Rates

- As of December 2010, there were 130 remedial services providers
- Remedial service providers include:
 - Former Adult Rehab Option providers
 - Former RTSS providers
 - Agencies accredited under Chapter 24 of IAC
- Providers receive fee-for-service payment on a cost basis
 - Payment rates have a cap – rates cannot exceed 110% of the statewide average cost
 - A 15-minute interval constitutes one unit
- Because payment is cost-based; providers have no incentive to be efficient

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Current demographics

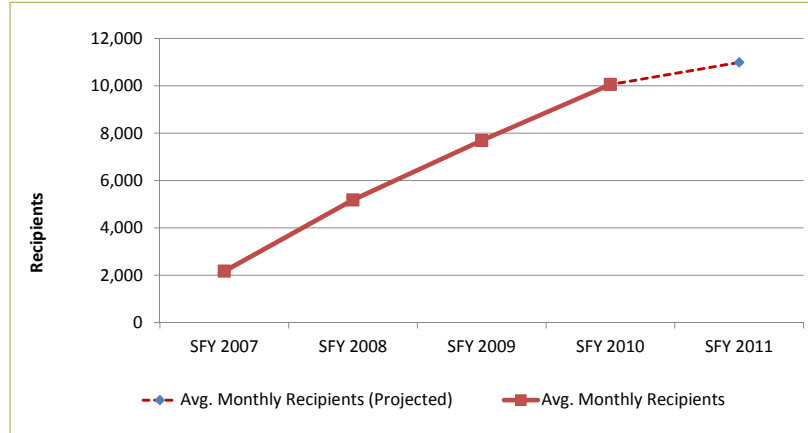
- Remedial Services began in the Fall of 2007.
- Children receive the vast majority (96%) of remedial services.
- Services often delivered by “paraprofessionals”/ unlicensed individuals.
- An average of 10,060 individuals were receiving remedial services at any point in time in FY 2010.
- Majority of the children receiving remedial are age 4-17
- Most common clinical diagnosis are: adjustment disorder, attention deficit hyperactivity disorder (ADHD), and oppositional defiant disorder (ODD).

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Remedial trends – Major growth



- Number served doubled from FY 08 to FY 10.

Growth Exceeded Expectations

Fiscal Year	Total Expenditures
FY 2007 (partial year)	\$13,736,499
FY 2008	\$39,817,139
FY 2009	\$53,318,442
FY 2010	\$66,429,050
FY 2011 (projected as of summer 2010)	\$80,681,535

- Spending grew by over 66% from FY 08 to FY 10.

2010: Program Changes needed

- Growth was expected due to expansion to non-child welfare populations, but....growth significantly exceeded expectations, and was continuing at an alarming rate
- Significant (and onerous) prior and ongoing review of providers, plus other strategies aimed at ensuring integrity were not having sufficient impact
- Deficiencies with rules and lack of resources for provider accreditation
- Program integrity concerns, even among other remedial providers.
- Quality concerns – what are the outcomes for children?
- Concerns about integration of these mental health services and all other mental health services managed through the Iowa Plan
 - Only 14.5% of individuals receiving remedial services were receiving any other clinical mental health services
 - Spending for remedial was 2/3 as large as ALL other spending for mental health services, even including hospital.

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Transition of Remedial to Managed Care

- House File 2526 directs DHS to establish a remedial services transition committee to develop a plan to move remedial services to the Iowa Plan
- Plan due December 31, 2010; transition 7/1/11
- Workgroup vision:
 - Align and integrate care across the Children's Mental Health and Child Welfare Systems that is both individualized and family-centric
 - Improve service quality, through a network of credentialed providers, and focused on promoting evidence-based outcomes
 - Improved program integrity through strengthened education and training, enhanced provider credentialing and monitoring

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Recommendations

- Rename services “Behavioral Health Intervention Services”
- Comprehensive mental health assessment and treatment plan for all services
- Establish increased standards for providers
- Training
- Quality oversight and improvement
- Program Integrity

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Next Steps

- Workgroup continues to meet to provide input on transition planning
- Draft rule changes to implement the changes
- Refine and implement the transition plan
- IME implements regular communication with providers
- The Iowa Plan begins communication with providers.
- Transition work plan

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