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Principles for Consideration for Iowa's Mental Health System

Individual and family strengths, needs, choices and preferences are the basis for the development of services and systems, and these core values support planning and delivery of services.

There is equitable access, funding, and care for all people with service needs no matter where they live in Iowa.

The system addresses the potential for conflict of interest among funders, providers and those who utilize services

There is an oversight authority which ensures accountability and standardization of systems and processes.

The system promotes the development of evidence based services and best practices.

There is fair and consistent reporting requirements for rate setting and cost reporting that are implemented consistently throughout the state.

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Concerns Faced by Community Providers

- **Accessibility** to services throughout the state is fragmented (medications, services to persons with brain injury and developmental disabilities)
- **Uniformity** of cost reporting (HF 309 to address this passed in 2006 - still has not been completed!)
- **Cost reporting** is currently done retroactively; rates are set 18+ months in arrears with NO ability to carry a margin through the interim period.
 - **Methodology** utilized by CMS/State of Iowa contracts for Medicaid funds are reduced by counties once set by IME.
 - **Administrative costs** in HCBS rules do not reflect Generally Accepted Accounting Principles which separate direct, indirect and administrative costs. This practice has led to staff training being an unreimbursed cost and staff having less opportunity to build greater skills.
- **Accountability** of agencies charged with administering state funding is non-existent. Currently, counties submit management plan to MH/DS division administrator and there is no oversight of the implementation.
- **Community-based services** are encouraged but state institutions and out-of-state placements are funded at much higher rates.
- **Community employment** is being pushed heavily by state departments but services have been decimated due to unsustainable rates for service providers.

Systems Recommendations

- **Increased accessibility:** Development of a regional/statewide system for all Iowans experiencing disability.
- **Increased Uniformity:** Development of single cost reporting system that sets rates prospectively.
- **Simplified Cost Reporting:** Medicaid rates are set based on methodology as outlined in State of Iowa contract with CMMS, and may not be reduced by other local funding agencies.
- **Accountability:** Agencies charged with administering state funds are held accountable to standardized rules and regulations as set forth by Iowa Code and oversight by IME of Medicaid state match dollars and service implementation.
- **Increase viability of Community-based services:** Build the capacity of community based services through fair fiscal policy and technical assistance. The rate of state services may not exceed those of community providers.
- **Increase access to Community employment:** Development of incentives to clients and providers to seek and retain integrated, competitive employment within the community of choice.