HOUSE FILE 2402
BY COMMITTEE ON HEALTH AND
HUMAN SERVICES

(SUCCESSOR TO HSB 502)

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

[= New Language by the House

* = Language Stricken by the House

A BILL FOR

An Act relating to [behavioral health services for children including] psychiatric medical institutions for children.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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

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

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

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

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

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

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

b. [Allow] family therapy and family behavioral health intervention services to be included in [billable] services during the placement of a child in a PMIC without requiring the child's presence for the family to work on targeted skills essential for the child's success and to prepare the family for the child's return home.

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

6. Standardize all of the following across all managed care organizations as follows:

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

received in a timely manner.]

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

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

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

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

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

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

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

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