

# NAMI GREATER DES MOINES LEGISLATIVE FORUM

Sunday, September 7, 2008  
Westminster Presbyterian Church  
Gymnasium  
4114 Allison Avenue  
Des Moines, Iowa 50310

**WHO WILL  
BE OUR  
CHAMPION  
VOICE?**

**NAMI Greater  
Des Moines Officers  
and Board of Directors**

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**We Support  
Mental health parity  
Jail Diversion  
Code changes**

## **Legislative priorities**

- 1. Adequate funding for the mental health system**
- 2. Take Action to Address inadequate workforce, beds, and services**
- 3. Education mandates**

## **A Meditation for Advocates of Persons with Mental Illness**

Give us forbearance when ignorance about mental illness causes the afflicted shame or denies them opportunities to better their lives.

Gift us with the creativity to find new ways to eliminate the stigma fed by lack of information and outdated rules.

Help us model calm resolve as we encounter the people, organizations and officials who can encourage and build fair systems for everyone.

Soften the hearts of all so that our dear ones are fully accepted by society and the systems meant to support it.

## NAMI GREATER DES MOINES LEGISLATIVE PRIORITIES

### The contents of this booklet are as follows:

1. Brief version of NAMI GDM priorities.
2. Position paper on each priority with our thanks for your efforts in the 2008 Legislative session.
3. Recent history of your efforts to improve the mental health system in Iowa since the infamous “F” that NAMI gave Iowa.

**We applaud your efforts but please forgive us when we urge you to step higher and move the reform faster.**

**This is the brief version of our priorities.**

#### **Priority 1 - Adequately fund the mental health system in Iowa**

- ✓ No cuts in funding
- ✓ Put enough money in the present MH system.

#### **Priority 2 - Take ACTION to Address an inadequate workforce – beds - services**

- ✓ There are an insufficient number of mental health professionals to treat Iowa's population
- ✓ There are an insufficient number of acute care beds.
- ✓ These are very basic needs for an adequate mental health system in Iowa.

#### **Priority 3 - Institute Mental Health Education Mandates**

- ✓ Legislate education mandates to help reduce stigma and dispel myths about mental illness.
- ✓ Adequately fund the Center for Clinical Competence and Training Institute (CCTI) within DHS.

#### **We Support improved Mental Health Parity Law.**

- ✓ Expand the state mental health parity bill.
- ✓ Support the passage of the federal mental health parity bill presently before Congress

#### **We Support Jail Diversion efforts.**

- ✓ Expand the use of mental health courts.
- ✓ Implement re-entry programs
- ✓ Invest in housing and supported employment programs.
- ✓ Reform how jails and prisons treat persons with mentally illness.

#### **We Support Code Changes.**

- ✓ Change “chronic mental illness” to “Serious mental illness”.
- ✓ Ease access to services for youth with mental illness who transition to adult services.
- ✓ Complete the transition to county of residence and remove references to county of legal settlement.

**On the next 6 pages**

**Additional information on each Priority  
with our thanks for your efforts  
in the 2008 Legislative session.**

**The solutions are not easy.**

**They require resources.**

**More than anything, a solution requires the political will  
for a commitment to place mental illness on the front  
burner of public policy.**

**We're paying for it in jail costs; homeless services;  
in lost wages; in anguish of loved ones and in lost lives.**

**Priority 1 - Adequately fund the mental health system in Iowa**

- ✓ No cuts in funding – We know this summer has been a series of disasters but never has the need for mental health services been higher.
- ✓ Put enough money in the present MH system.
  - to remove the waiting lists and restore services in the adult system  
 Polk County has 350 waiting for services – it has been taking up to a year to access services – other counties in our 4 county service are turning people away for services and not maintaining a waiting list.
  - to continue to reduce the waiting lists for waivers (this means more care in the home or in a community setting rather than in an institution),
  - to establish a streamlined children’s MH system, and
  - and a statewide mental health crisis response system (safety net).

This is a public health crisis and has been – for a long time. This disaster hasn’t had the TV coverage – people are suffering needlessly.

1. Remove the cap on the dollar levy on county property taxes to support mental health funding frozen in 1996 (12 years ago)- this has been recommended since the 2004 MHDD redesign report.  
 In FY 08, there were 47 counties with a fund balance below 10%, 19 of those counties have a negative fund balance. Some counties where severe flooding has occurred have lost much of their tax base and therefore will be further strapped for MH/MR/DD/BI cash. Allow the counties who choose to – the flexibility for alternative methods of generating additional MH/DD funds.  
 and/or  
Increase the allowed growth funding for mental health services, not just for a cost of living increase.
2. As per the juvenile court judges request – continue to increase funding for children’s mental health waivers and HCBS waivers.



Last year \$750,000 was authorized to reduce the waiting list for children’s mental health waivers and \$2,000,000 was authorized to reduce the waiting list for HCBS waivers. \*See note below.

3. Continue funding for a more streamlined children’s mental health system.



Last year, the legislature authorized \$500,000 for ½ year’s funding as of Jan. 1, 2009. \*See note below.

4. Continue funding for a statewide mental health crisis response system.



Last year, The legislature authorized \$1,500,000 for ½ year’s funding as of Jan. 1, 2009. \*See note below

Emergency mental health crisis services system" or "services system" means a coordinated array of crisis services for providing a response to assist an individual adult or child who is experiencing a mental health crisis or who is in a situation that is reasonably likely to cause the individual to have a mental health crisis unless assistance is provided.

The purpose of the services system is to provide a statewide array of time-limited intervention services to reduce escalation of crisis situations, relieve the immediate distress of individuals experiencing a crisis situation, reduce the risk of individuals in a crisis situation doing harm to themselves or others, and promote timely access to appropriate services for those who require ongoing mental health services.

The services system shall be available twenty-four hours per day, seven days per week to any individual who is determined by self or others to be in a crisis situation, regardless of whether the individual has been diagnosed with a mental illness or a co-occurring mental illness and substance abuse disorder, and shall address all ages, income levels, and health coverage statuses.

\*The 3 appropriations were funded from the \$6 million in interest from payments made to Magellan for the managed mental health contract.

**Priority 2 - TAKE ACTION to Address Inadequate Workforce – Beds - Services**

- ✓ Inadequate monetary resources directly affect workforce – beds – services.
- ✓ There are an insufficient number of mental health professionals to treat Iowa's population.
- ✓ There are an insufficient number of acute care beds to treat Iowa's population. Stop the closing of acute care beds and take steps to increase the number of beds available.
- ✓ The shortage of mental health professionals hits those without insurance and those on Medicaid particularly hard. Many psychiatrists and therapists have opted out of Medicaid (Magellan) contracts due to poor reimbursement and a sometimes burdensome authorization process; this particularly affects children due to the higher percentage receiving Medicaid. There is at least 1 inpatient unit in Des Moines that is not accepting patients on Medicaid.
- ✓ Scholarships, loan forgiveness and other programs need to be targeted and marketed toward individuals seeking careers in this field.
- ✓ Organize a bipartisan partnership with federal legislators and MH stakeholders across the state to push for an increase in Federal Medicaid reimbursement rates.

At least 3 studies have been done (U. of Iowa, Iowa Dept. of Public Health, Annapolis Coalition) to show workforce shortages and offer solutions. There is a significant lack of psychiatrists, therapists, psychologists, social workers, and direct care workers which directly affect access to services, availability of services and availability of beds. This is a public health crisis which has all the earmarks of getting much worse before it can get better.

Iowa is 47<sup>th</sup> in the nation for # of psychiatrists  
 46<sup>th</sup> in the nation for # of psychologists  
 46<sup>th</sup> in the nation for # of psychiatric beds

Nationally, private psychiatric beds 1990 to 2000 dropped from 45,000 to 27,000 --SAMHSA

In Des Moines, there are now under 100 acute care beds between Iowa Lutheran, Broadlawns Hospital and Mercy-Franklin. Woefully short sighted for a community of an estimated 400,000 persons. Mental illness affects 1 in 4 families. Families, health professionals, crisis response teams, law enforcement, and the court system are all alarmed at the **lack of acute care beds**.

It is not unusual for families utilizing the commitment laws to seek assistance for their loved one to find there are no beds available in the entire state of Iowa. Admittance requirements to access a hospital bed are becoming narrower. It has been reported that it is no longer enough to be suicidal – they must also have a plan for committing suicide before they can be admitted for treatment.

Consider

- Increase the psychiatry residency positions at the U. of Iowa and have incentives in place to practice in Iowa upon graduation as well as marketing to past graduates. We have a shortage of 63 full time psychiatrists and 20 part-time. There are only 147(e) psychiatrists in private practice in Iowa. Based on age, about 50% of currently practicing psychiatrists will retire within the next 10 years.
- Increase psychiatric physician assistant positions at the Cherokee Mental Institute and U. of Iowa (1 at each).
- Increase training programs for psychiatric nurse practitioners.
- Establish a psychiatric social worker program in Iowa.
- Increase the number of beds in Polk County for acute care and for recovery purposes (for ex: dual diagnosis, substance and drug abuse).



In the 2008 legislative session, \$500,000 was authorized to give grants to community colleges that award tuition assistance to students enrolled in a health care workforce training course and working part-time at a health care facility that provides services to adults with mental illness or mental retardation.



In the 2008 legislative session, HF 2425 maintains the charge to the Iowa Dept. of Public health to enhance workforce competencies of behavioral health staff in various areas, including treatment of persons with serious mental illness, veterans, children with mental health or substance abuse disorders and persons with co-occurring mental health and substance abuse disorders.

The Iowa Dept. of Public Health was directed to work on a curriculum and standards for direct care workers. Unfortunately, curriculum on mental illness and mental health care did not make it into the recommended package.

### Priority 3 - Institute Mental Health Education Mandates

✓ Legislate education mandates to help reduce stigma and dispel myths about mental illness.

- Annual mental health/illness education in upper elementary, middle school, and high school
- Mental health/illness education as a general education requirement in colleges and post high school institutions of education.
- Additional required mental health/illness education in critical professions such as direct care workers, nursing, psychology, social work, teaching, law enforcement and corrections.

Mental illness typically strikes young people between the ages of 15 and 25 – a time when they are trying to establish their independence, searching for a career, looking for a marital partner, and establishing themselves as an adult. Shouldn't our children have a keen understanding of what mental illness is and what it is not? It is a brain disorder – a disease of the brain – it is a flaw in brain chemistry, not character.

Mental illness is stigmatized – meaning too many people think there is an “invisible mark of disgrace or dishonor” in having a mental illness. People are being blamed for an illness that is biologically based. Stigma discourages people from getting help – from getting good jobs – adequate housing, etc. Stigma is a barrier to adequate care.

One of the primary ways to begin erasing the effects of stigma is through education – for children and adolescents – early identification means early access to treatment and preventing years of damage to the brain. Post high school education is another opportune time for education and is a critical time for students to potentially develop a disorder.

There are professions where advanced training and methodologies are necessary for the best possible outcomes for persons with mental illness as well as those around them.

✓ Adequately fund the Center for Clinical Competence and Training Institute (CCTI) within the Dept of Human Services – which will provide training for the workforce and the public:

- Functional Assessment training – CAFAS, JIFF, LOCUS, ICAP
- Evidence Based Practices and other best practices training
- Mental Health First Aid Training - the MHFA training course can be taken by any member of the public. Most participants choose to do the course for one of three reasons:
  - their work involves people contact,
  - they have someone close who is affected by a mental health problem, or
  - they see it as their duty as a citizen to learn first aid skills.It's role is to promote first aid—the initial help that is given before professional help is sought.
- Co-occurring Disorders – 10 pilots
- Other best practice training to expand capabilities of peers, families, and providers.

This state run and organized center will help to insure competency training across all disciplines throughout Iowa.

**We support an improved Mental Health Parity Law**

- ✓ Expand the state mental health parity bill - Require a full monetary partnership with the insurance industry to provide adequate mental health coverage by passing an improved mental health parity bill. Include coverage for eating disorders, children’s mental health disorders, anxiety disorders (including post-traumatic stress disorder) and substance abuse as well as for recovery based services. Insurance companies are reimbursing for services at lower rates than Medicaid. Close the exemption loopholes.
- ✓ Support the passage of the federal mental health parity bill presently before Congress.

Separate mental health insurance parity bills have passed the Senate (on September 18, 2007) and the House (on March 5, 2008) by wide bipartisan margins. The bills (S 558 and HR 1424) were never far apart on substance, and in the end negotiations centered on narrow issues such as parity in out-of-network coverage and notice to plan enrollees in cases where a group health plan seeks a temporary exemption from the parity requirement.

The major provisions in the legislation were nearly identical in both bills and are preserved in the agreement:

- Equity for mental illness and substance abuse coverage with respect to numerical limits on inpatient and outpatient services – no more arbitrary limits on inpatient and outpatient coverage that do not also apply to medical-surgical coverage,
- Equity for mental illness and substance abuse coverage with respect to financial limitations – a ban on higher cost sharing, deductibles and out-of-pocket limits that do not also apply to medical-surgical coverage, and
- A parity standard in the federal ERISA law thereby covering the 82 million Americans in ERISA self-insured group health plans (with 50 employees or more) that are exempt from complying with the 42 state parity laws.

The agreement follows the Senate bill with respect to the definition of mental health and substance abuse benefits, deferring to group health plans to define mental health and substance abuse benefits. This excludes the "triggered" coverage mandate for the DSM in the House bill that would have preempted state mandates for covering serious mental illnesses.

Likewise, the House-Senate agreement follows current law (known as HIPAA) with respect to federal preemption of state law. This means that "stronger" state laws on parity and mandated benefits will NOT be preempted and states will be able to enforce higher standards.

The Congressional Budget Office (CBO) projects that enhanced coverage for mental illness and substance abuse treatment will result in insurance premiums increasing (on average) a miniscule 0.4%. This will in turn result in lost revenue to the Treasury as employer paid insurance premiums are not counted as taxable income. In addition, certain health care expenditures that are now excluded from coverage (e.g., because mental illness coverage is unfairly capped or limited) are now paid for with after tax dollars. With parity level coverage (and no arbitrary numerical limits on inpatient days or outpatient visits), many of these expenditures will no longer be counted as taxable income.

In addition, the bill would require private health plans that contract with Medicaid and SCHIP to meet a standard of parity, thereby increasing spending for these programs. The amount of the lost revenue and spending is relatively small in the scope of the overall federal budget -- \$1.1 billion over 5 years and \$3.2 billion over 10 years. Nonetheless, a corresponding "offset" in a separate mandatory program (e.g., Medicare or the tax code) must be found to make enactment of parity budget neutral.



\$4.8 million will be used to expand the children’s health insurance program (hawk-i) for kids living in families with incomes up to 300% of the federal poverty level. Currently, the limit is 200% of the federal poverty level.



**HF 2539** Health Care Reform – declares the intent of the legislature to make progress toward all lowans having health care insurance that meets certain criteria for quality and affordability, starting with children in 2011.

- Allows continued coverage of a dependent child up to age 25.
  - Prohibits the use of pre-existing conditions when moving between plans.
- Establishes groundwork for a medical home, electronic medical records, chronic care management, quality assurance through clinical outcomes and patient surveys and greater transparency in health care.
- Works on strategies to improve direct care worker compensation and benefits, including a demonstration pilot on health care coverage for direct careworkers.

### **We support Jail Diversion efforts.**

- ✓ Expand the use of mental health courts.
- ✓ Adequately staff intensive case management services for assisted outpatient treatment.
- ✓ Implement re-entry programs to facilitate access to benefits, meds, treatment, housing, supported employment, and other needed social programs, etc., - to decrease recidivism.
- ✓ Invest in housing and supported employment programs.
- ✓ Reform how jails and prisons treat persons with mental illness.

Mentally ill inmates spend an average of 15 more months in state prison, at a cost to the system of an additional \$5.7 billion in 2005 – *Bureau of Justice* (this was computed using an average annual cost per inmate of \$22,650 – the actual cost for inmates with mental illness is much higher).

Too many individuals are being put in jails and prisons instead of in treatment programs. The present capacity of Iowa's prisons is 6990 – yet there are 8700 currently incarcerated. There was projected overcrowding of 29% by mid year 2006.

3700(e) or 40% have a diagnosable mental health condition of which 1619 out of 8700 have an Axis I diagnosis. The prisons have become the new mental hospitals.

Train correctional officers to work with and respect inmates with mental illness. Invest in prison rehabilitation programs to curb recidivism. Stop putting persons with mental illness into solitary confinement, which are psychologically devastating for the sane as well as the ill.

America had the world's highest per capita incarceration rate in 2006: 750 per 100,000 people. Russia placed third with 628. England's rate was 149. In the last decade of the 20<sup>th</sup> century, 400 prisons were built and 40 mental hospitals were closed in America.

### **We support Code Changes.**

1. Change Iowa Code definition of "chronic mental illness" for adults to "serious mental illness".  
Reasons: (1) "chronic" is not politically correct in a system that emphasizes recovery,  
(2) "chronic" definition requires two prior mental health hospitalizations, illogical when the need is there but excellent care has kept the individual out of the hospital,  
(3) federal government uses "serious mental illness" as a data reporting category, Iowa is not in line with that, and  
(4) the 2004 MHDD redesign report recommended this change as well.
2. Make individuals turning 19 years of age automatically eligible for county and Medicaid based adult "serious mental illness" services if they had a diagnosis of SED (serious emotional disturbance) as a child. This would ease the transition from child to adult services, in keeping with legislative mandate to address this problem.
3. Complete the transition in the Iowa Code by removing all references to "county of legal settlement" and replace it with "county of residence".
4. Do not suspend Medicaid benefits when someone is in jail so they can immediately access prescriptions upon their release.



The legislature continued "open access" prescribed in state law and left mental health drugs off the preferred drug list for Medicaid, allowing doctors to continue to prescribe the medications they think are best for their patients (rather than the cheapest).

## WHAT IS THE COST OF INACTION?

Continued needless suffering for individuals and families

Continued high rates of suicide

Every year there are more suicides than homicides in America (33,000 vs. 20,000).

Every month 330 young people commit suicide – that's like a jumbo jetliner crashing every month.

Continued high drop out rates (50%) for adolescents and young adults with mental health disabilities

Continued extraordinarily high taxpayer costs by choosing the correctional system as the primary mental hospital – whether it be in local jails or in the prison system. \$130 million in bonds were authorized in the 2008 legislative session to build a new prison.

Continued appearance of our state being one where the emphasis is on punishment and retribution rather than rehabilitation and recovery

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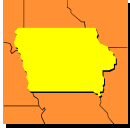
The following is a quote from the President's New Freedom Commission report:

Quote - "The Commission's findings confirm that there are unmet needs and that many barriers impede care for people with mental illnesses. [Mental illnesses are shockingly common; they affect almost every American family at some time in their life.](#) It can happen to a child, a brother, a grandparent, or a co-worker. It can happen to someone from any background – African American, Alaska Native, Asian American, Hispanic American, Native American, Pacific Islander, or White American. [It can occur at any stage of life, from childhood to old age. No community is unaffected by mental illnesses; no school or workplace is untouched.](#)

[People do not choose to have a mental illness. Mental disability is \*\*not\*\* a scandal, it is an illness, it is treatable, especially when treatment comes early.](#)" End of quote

**The next 4 pages contain articles and information beginning with the infamous "F" from NAMI and your accomplishments in the legislature regarding mental health system reform.**

## History of Progress to Redesign Iowa's Mental Health System



### Grading the States 2006

NAMI, the National Alliance on Mental Illness, presents this first comprehensive state-by-state analysis of mental health care systems in 15 years. Every U.S. state has been scored on 39 specific criteria resulting in an overall grade and four sub-category grades for each state. The national average grade is D. Five states receive grades in the B range. Eight receive F's. None received A's.

Iowa's overall score was an "F". There were 4 subcategories:

- ✓ Infrastructure – F
- ✓ Information Access – F
- ✓ Services – D
- ✓ Recovery Supports – F

Recent innovations noted were a mental health parity law and the creation of a multi-stakeholder taskforce to implement evidence-based practices (EBP's).

Urgent needs identified were:

- Remove legal settlement rules
- Statewide dissemination of EBP's
- A uniform data collection system
- Rural services
- More options to address acute or emergency treatment needs

### Grading the States 2006: Iowa – Narrative

Iowa is a prime example of what President Bush's New Freedom Commission on Mental Health meant when it reported that the nation's mental health care system is "fragmented and in disarray." It must be among the most convoluted mental health systems in the country.

*For individuals on Medicaid, Magellan Inc. provides mental health and substance abuse services. For individuals who are not Medicaid eligible, the state's 99 counties provide services, through a combination of state funds and county funds, derived primarily from local taxes.*

Iowa's counties also follow a policy known as "legal settlement" which requires that individuals be county residents, and free of the need for mental health services for at least a year before their new county is responsible for paying. These restrictions often lead to inordinate, potentially catastrophic delays in getting services when they are needed.

Although Iowa's counties are required to collect data, there is no statewide system through which this information can be shared. As a result, Iowa is among a minority of states that cannot provide an unduplicated count of whom they actually serve.

*The state is working to upgrade its data collection system and hopes to have the capacity to provide unduplicated counts by the end of 2006. That will be an important, fundamental step forward. It is hard to design an effective service-delivery system without first knowing the number of people for whom you are responsible.*

Surprisingly, the state mental health authority, called the Division of Mental Health and Developmental Disabilities (DMHDD), does not appear to be actively engaged in strategies to expand access to services for people with serious mental illnesses who live in rural areas of the state.

*Among its many attributes, as presidential candidates discover early in party primary campaigns every four years, Iowa is rural - 89 of its 99 counties are classified as such. Any presidential candidate can not be a serious contender without addressing the distinctive needs that flow from this fact.*

In some respects, Iowa might be the perfect stage for a well-focused comprehensive debate over mental healthcare policy, as the 2006 and 2008 elections approach.

*Iowa also appears to be lagging in its implementation of evidence-based practices (EBPs). To its credit, the DMHD is forthright about the need for better progress and has established a statewide Technical Assistance Center for Evidence-Based Practices to promote their expansion.*

DMHD has identified Assertive Community Treatment (ACT) as one of its top priorities. Currently, four programs exist - in Des Moines, Cedar Rapids, Iowa City, and Fort Dodge.

*Unfortunately, employment and housing, two critical components of recovery, do not appear to be prominent on DMHD's radar screen. Although the state reports that supported employment services are available to people with serious mental illnesses in 91 of 99 counties, DMHD does not seem to be involved with them through funding or coordination with Iowa Vocational Rehabilitation Services.*

*DMHD also was unable to provide any information about supportive housing in Iowa, and does not employ, as many states do, a person responsible for coordinating housing services for people with serious mental illnesses.*

In his 2006 State of the State address, Iowa Governor Thomas Vilsack took credit for significant accomplishments in the 2005 legislative session that benefited people living with mental illness. He referenced the important milestone of enacting mental health parity legislation, a hard-won victory in a state that was home to some of the most assertive anti-parity lobbying in the country.

*Iowa is experiencing significant problems with an overall lack of inpatient psychiatric beds for people with acute treatment needs.*

Nationwide, many community hospitals have gotten out of the business of operating psychiatric units - increasing the burden on state hospitals. The few community hospitals that continue to operate inpatient psychiatric units are overwhelmed by demand and do not have enough beds to meet that demand.

*For example, in Des Moines there are virtually no hospital beds available for people with acute or long-term care needs.*

As acute care beds in community hospitals decrease, the number of state hospital beds decrease as well, worsening the crisis. There are only four state hospitals in Iowa right now that can serve patients with serious mental illnesses, a low number when you consider the geographic size of Iowa.

***Iowa's mental health system is in serious trouble.*** *The state needs to move forward with a bold restructuring of its mental health system, which should include removal of legal settlement rules and increased access to mental health services that work for Iowa's residents with serious mental illnesses.*

2008 update on Urgent needs identified:

- Remove legal settlement rules – *in transition* – the county of residence provides services and seeks payment from the county of legal settlement. No sundown date to finalize the removal of legal settlement rules.
- Statewide dissemination of EBP's – *in process* – primarily through contracts with the Iowa Consortium for Mental Health and the Center for Clinical Competence and Training Institute. Much work remains to be done.
- A uniform data collection system – *efforts have been made but is still a serious shortcoming.*
- Rural services – *still a serious shortcoming.*
- More options to address acute or emergency treatment needs – *lots of planning done – nothing implemented or in place to actually benefit clients yet.*

**More Money for MH/MR/DD/BI Services  
in Iowa in 2007**

May 12, 2006 [www.infonetiowa.com](http://www.infonetiowa.com)

As you may remember, ten years ago legislators decided that the state would become equal partners with counties in funding MH/MR/DD/BI services. They passed a law that required the State and counties to evenly split the cost of services, and the state would pick up the growth in the system (what we call "Allowed Growth").

Back in 2002, the State hit some bad budget years and the economy was bad. The State made all kinds of cuts then, including taking \$18 million out of the MH/MR/DD/BI Allowed Growth funds. They did that because several counties were sitting on very large fund balances (meaning they were taking money and not spending it on services to people).

Legislators created a formula to force these counties to spend down these balances before they are allowed to get state Allowed Growth funding. This formula directed the money to where it was most needed – counties with low fund balances and counties that were already getting as much money as they could from local sources (taxes).

This year, legislators realized their formula worked. Counties spent down their money, so more and more counties were becoming eligible for the Allowed Growth funds. However, as more and more counties became eligible, that meant more money needed to be added back into the pot.

Counties and consumers came to the Capitol this year after word came out that counties would be forced to cut services unless more money was added to Allowed Growth.

Counties were set to get about \$5.3 million in new money this year – but that wasn't enough. It would have led to massive cuts in services in most of the large urban counties and in several smaller counties.

Legislators found another \$5.1 million to add to Allowed Growth this year. That means counties will get \$10.4 million more than last year for MH/MR/DD/BI services.

**MH/MR/DD/BI Redesign – HF 2780**

*(Mental Health/Mental Retardation/Developmental Disabilities/Brain Injury Redesign)*

**What it Means to You** [www.infonetiowa.com](http://www.infonetiowa.com) 5-12-06

- ✓ **Establishes a new Division of Mental Health & Developmental Disabilities in DHS to give some leadership in the area of mental health and disability policy.** DHS Director Kevin Concannon told legislators that the state has missed out on a lot of opportunities at the federal level, and that re-establishing this Division which was eliminated several years ago (the Dept. of Mental Health was originally disbanded by the state legislature in 2002) would help to make sure we do not miss any other opportunities. This should help elevate disability issues for legislators, and make them more comfortable in giving additional resources.
- ✓ **Begins the transfer of state cases to the counties and begins to remove the barriers to eliminating legal settlement.** People without legal settlement served under the State Payment Program (“state cases”) have their services paid for by the state. The state reimburses providers at a lower rate than many counties, and offers fewer services than many counties. In addition, counties and the state spend a lot of time tracking down a person’s legal settlement. Getting rid of legal settlement is one of the first goals of redesign – and this bill starts that process three years earlier than recommended by the MH/MR/DD/BI Commission. The bill does not eliminate legal settlement – it simply eliminates some of the barriers to getting rid of legal settlement.  

Under the bill, counties will assume responsibility for providing and paying for services to persons with state case status not being served by Medicaid (such as MR Waiver state cases), starting October 1, 2006. Legislators will have to come back next year to move the Medicaid state cases (like MR Waiver state cases) to counties at a later date. The Legislature also added \$1.4 million to state cases funding to help address the increased costs to counties.

As a consumer, this is all good news. This means persons without legal settlement will be treated to the same services, paid at the same rates, as others living in their county. There are still a lot of details that need to be worked out this summer related to how to distribute the state case money to counties, but everyone has a seat at the table for those discussions.
- ✓ **Establishes a review committee to look at how we fund MH/MR/DD/BI services in the state and the formula for distributing it** (recommendations are due by January 1, 2008). Only a handful of people understand the MH/MR/DD/BI formula, and with the Redesign effort moving forward, it’s time to take a look at the formula. It’s a great time to remind legislators that funding should follow the person – and that the money distributed to counties isn’t money for counties – it is money for people. They will not likely have a meeting until September at the earliest.
- ✓ **Requires all counties to have the same eligibility guidelines.** This starts to equalize services across the state by requiring everyone to have the same rules to get services. Persons earning up to 150% of the federal poverty level will be eligible for county-funded MH/MR/DD/BI services. Counties may continue to charge co-pays for some services, but few do and all do it on a voluntary basis.
- ✓ **Requires counties of residence to assume responsibility for managing a person’s care (but the county of legal settlement will continue to foot the bill).** Beginning July 1, 2007, counties of residence will manage the services provided to people served in their county but with legal settlement elsewhere. The county of legal settlement will be billed for services, and will have to pay for any services authorized in the county of residence’s management plan. That means if you live in Polk County but have legal settlement in Woodbury County, and Polk County authorizes a service not paid for if you lived in Woodbury County, Woodbury County would have to pay for it. This is an important move in getting rid of the disparities in services offered to people, gives counties time to see how eliminating legal settlement will affect their financial bottom line, and makes sure people living in a county are treated the same way, whether state case, resident, or legally settled elsewhere.
- ✓ **Requires Magellan (managed care) to pay community mental health centers at 100% of their actual costs, and reimburse psychiatrists and inpatient psychiatric providers at the same rate Medicaid pays.** Providers serving people with mental illnesses under the Magellan managed care contract have not received the same increases in provider rates that those who serve persons covered under regular Medicaid. These providers are hurting and in some cases the counties make up for the difference, putting further strains on county budgets. This move could free up county resources, eliminate disparities in the system, and help people get the services they need because funding will no longer be a barrier.

In 2007 – 6 workgroups were formed to study and make recommendations in the following areas.

- |                                     |  |
|-------------------------------------|--|
| 1. Alternative Distribution formula | 4. Community Mental Health Center Plan |
| 2. Standards and Accreditation      | 5. Co-occurring Disorders              |
| 3. Evidence Based Practices         | 6. Core Mental Health Services         |

Many of the findings had already been presented to the state legislature in the Iowa MH/MR/DD/BI Commission 2004 Redesign report.

**Strategic Planning Efforts**  
**Child and Adolescent Mental Health and Disability Services**

*Basis of Information from Iowa Dept. of Human Services  
Division of Mental Health and Disability Services  
Bureau of Child and Adolescent Services*

- 2001 - Creating a System of Mental Health Services for Children in Iowa. A report from the Children's Mental Health Initiative (CMHI), a Partnership of the Iowa Departments of Human Services, Public Health, and Education.
- 2005 – The Iowa Dept. of Human Services contracted researchers to develop a white paper regarding the needs of the disability system in preparation for the 2006 Legislature.
- 2006 – Report of the Children's Redesign Report the SED/MR/DD/BI Oversight Committee submitted to the MH/MR/DD/BI Commission.
- 2007 – Mental Health Systems Improvement Report based on recommendations made through planning workgroups and submitted to the legislature in January 2008.
- 2007-2008 – University of South Florida: Systems of Care Practice Reviews Children's Mental Health
- Similar findings and recommendations among multiple reports over an 8 year period.

Achievements FY 2006 (July 1, 2005 – June 30, 2006)

- Child welfare and children's mental health services are de-linked. Parents no longer have to lose custody of their children to access mental health services for them.
- Iowa Medicaid Plan adds remedial and habilitation services
- Children's Mental Health waiver implemented with limited dollars and limited slots available. A waiting list soon forms. Shows that children can be successfully treated in their homes and communities rather than being institutionalized.

Achievements FY 2007 (July 1, 2006 – June 30, 2007)

- Division of Mental Health and Disability Services established by the legislature.
- Dr. Parks hired as Division Administrator
- Pam Alger hired as Bureau Chief for Child and Adolescent Disability Services.
- Iowa is awarded a federal grant -"Systems of Care – Communities Circles of Care" grant.
  - 10 Northeast Iowa counties
  - Utilizes a "Lighthouse Model" which promotes access through information and referral, care coordination, and direct service provision.
  - Integrates mental health and physical health services through Child Specialty Clinics.

Achievements FY 2008 (July 1, 2007 – June 20 2008)

- Dept. of MH and Disability Services submits another "System of Care – Communities Circles of Care" grant to SAMHSA for 9 counties in central and southeast region of Iowa. Award announcements not till Oct 08.
- Emergency Mental Health Crisis Services Bill passed by state legislature
  - Revises Iowa code to establish emergency mental health services as core safety net services.
  - Includes children among the eligible service population.
  - Appropriated \$1.5 million effective Jan. 1, 2009 in HF 2425
- Children's Mental Health bill passed by state legislature
  - Revised Iowa Code to establish state responsibility for youth with mental health disorders.
  - Requires collaborating with education for school based mental health projects.
  - Appropriated \$750,000 for children's MH waiver in HF 2425
  - Appropriated \$500,000 for children's MH system effective Jan.1, 2009

**THANK YOU FOR TAKING THE TIME TO READ THROUGH  
THE MATERIAL FOR OUR LEGISLATIVE FORUM ON**

**SUNDAY, SEPTEMBER 7,  
at Westminster Presbyterian Church,  
4114 Allison Avenue,  
Des Moines (just off Beaver Avenue).**

We will be meeting in the gymnasium from 2 PM to 4 PM.

We hope you are planning to attend.

The first hour we will present information and our stories to you.  
The second hour you will have an opportunity to speak to us.

**Thank you.**