July 2017 Update
July 13, 2017

Memorandum

The updates below summarize changes to the behavioral health care delivery system and their effects on providers and patients.

Proposed Rule for the Individual Care Grant Program

On July 7, the Department of Healthcare and Family Services (HFS) proposed “Part 139: Children’s Behavioral Health” to establish new rules for the Individual Care Grant (ICG) program that provides assistance to mentally ill youth and their families.

The ICG program was previously administered by the Department of Human Services and transferred to HFS under Public Act 99-479, effective March 2016. The new rule seeks to operationally rename the ICG program to the Family Support Program (FSP) and update core components of the ICG’s infrastructure:

- Streamlining the application process;
- Establishing a clear clinical eligibility criteria;
- Establishing prior authorization requirements for initial stays of up to 60 days and subsequent, continued stays of up to 30 days in residential treatment; and
- Developing appropriate utilization review processes for the program.

Proposed Rule 139 also seeks to implement Public Act 98-808, the Custody Relinquishment Prevention Act, through a new regulatory framework that establishes a more intensive, Specialized Family Support Program (SFSP).

SFSP provides up to 90 days of assessment services and intensive community-based services, then links youth to the most appropriate clinical services using the infrastructures of multiple child-serving systems, including the ICG and the Screening, Assessment and Support Services (SASS) programs. The program is designed to identify the behavioral health needs of youth at risk of custody relinquishment who are experiencing psychiatric lockout and to link those youth to the most appropriate clinical services.
The proposed rule can be found here (see 7754-7789).

Final Rule on Medicaid Reimbursement for LCPs and LCSWs
Effective June 15, HFS finalized changes to Rule 140 providing guidance on Medicaid reimbursement for Licensed Clinical Psychologists (LCPs) and Licensed Clinical Social Workers (LCSWs).

Unlike the proposed rule released in December, this final rule says practitioners may bill for services they personally provide or that are provided under their supervision. Direct supervision is not required. The final rule can be found here (see 7526-7557). IHAs March memo highlighting the changes and initial HFS guidance can be found here.

Integrated Health Homes
Staff from HFS and the Department of Human Services – Division of Mental Health (DHS-DMH) presented proposed revisions to Medicaid Rule 132 and Rule 140 at an 1115 Waiver Advisory Council Rule 132 Subcommittee meeting on May 18.

The state is attempting to give hospital-based outpatient clinics increased flexibility to bill for behavioral health services so they are on par with community-based health care clinics.

The proposed behavioral health clinic (BHC) model in draft Rule 140 revisions gives providers, such as hospital-based organized clinics, rural health clinics, and maternal and child health centers, a way to provide community mental health services previously only reimbursable to providers affiliated with community mental health centers under Rule 132.

These services include Medicaid Rehabilitation Option (MRO) crisis intervention services:

- Crisis assessment;
- Brief and immediate interventions; and
- Consultation, referral and linkage to other mental health services.

This new reimbursement mechanism would allow these settings to create a delivery system that integrates physical and mental healthcare under a Medicaid payment structure that has more alignment than ever before. Further details on reimbursement will be shared as the rules process proceeds over the next six months. IHAs comment letter can be found here.

NQF Endorsement of Behavioral Health Measures
The National Quality Forum (NQF) Consensus Standards Approval Committee (CSAC) has endorsed nine behavioral health measures. In all, 13 measures were evaluated against NQF’s endorsement criteria, including seven new measures and six existing measures. In
addition, CSAC has endorsed one measure related to care coordination. Of the seven measures evaluated against NQF’s endorsement criteria, two were new and five were maintenance measures. Read more from the NQF.