

2009 Legislative Request

PROTECT CHILDREN'S MENTAL HEALTH CLINIC RESOURCES AND SAFEGUARDS FOR CHILDREN ~

What:

A massive undertaking to comply with HIPPA, federal Medicaid rule changes and Department of Health directives has resulted in restructuring outpatient mental health clinic rates and services. The restructuring may have unintended consequences for the children and families who need access to mental health clinics and compromise the public health mission of these clinics.

Why:

Beginning this year and through 2013, the Office of Mental Health will implement a comprehensive restructuring of children's clinic rates and services to maintain compliance with new federal Medicaid rules and reinterpretation of financing practices. As a result, children's clinic services will be asked to adhere to a strict menu of billing and procedure codes that may or may not allow children's mental health outpatient clinics to continue to meet the broad public health mission, a role that has allowed for the following clinic practices and services:

- Using unique mental health professionals and paraprofessionals who assist in innovative services for children and their families;
- Offering outreach and engagement by family advocates;
- Providing operation during child and family friendly hours;
- Supplementing underpayment by third party payers and absorbing bad debt, inadequate rates; and
- Providing clinic services when children who are uninsured or members of families unable to meet health insurance co-payment and deductible obligations.

Without adequate rates going forward, and without rate supplements, children's clinic

providers will not be able to take responsibility to screen, treat and attend to ANY child who presents need at the clinic, regardless of payor source. The long-standing practice of chronic underpayment by Medicaid managed care and other third-party payers for community behavioral healthcare services must be addressed. Currently, the average managed care payment for clinic services is about half (1/2) of the actual cost of service provision. This clinic restructuring effort may result in a narrowing of Medicaid service options if the only payment option that actually covers providers' costs is Medicaid Fee For Service.

Action

- Support creation of child and family clinic indigent care pool to supplement the Medicaid indigent care pool in the DOH budget so that children's clinics receive the appropriate amount to avoid children becoming victims of billing and payment complications,
- Hold hearings jointly with the Insurance committees once rates are developed to allow children's clinic providers the ability to explain the adequacy or inadequacy of the rates, billing and procedure codes; and
- Mandate an Insurance Department Review of behavioral health network and rate adequacy of third party insurers to be completed prior to implementation of final OMH Clinic Rates in 2013 and which speaks to whether third party payors have been offering rates that are sufficient to support adequate behavioral health care services or whether the public mental health system has been supplementing their ability to maintain profitable operations.