



AN ACT CREATING A PILOT PROJECT TO IMPROVE OUTCOMES FOR YOUTH IN THE CHILDREN'S MENTAL HEALTH SYSTEM; REQUIRING AN INTERIM STUDY OF EVIDENCE-BASED OUTCOMES; PROVIDING FOR PUBLIC PARTICIPATION IN DEVELOPMENT OF EVIDENCE-BASED OUTCOMES MODELS; REQUIRING COLLECTION AND ANALYSIS OF DATA; PROVIDING FOR DEVELOPMENT OF OPTIONS FOR PERFORMANCE-BASED REIMBURSEMENT; PROVIDING AN APPROPRIATION; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Improved youth outcomes for children's mental health services -- legislative purpose.

(1) The legislature finds that implementing a pilot project for improved youth outcomes may benefit Montana youth who are in the children's mental health system because experiences in other states show that linking provider payments to desired outcomes and quality improvements may result in improved access to care, better integration and coordination of services, child-centered and family-focused planning, earlier and less restrictive interventions, and a reduced number of treatment days.

(2) The department of public health and human services shall establish a pilot project for improving and tracking evidence-based outcomes for providers of children's mental health services and developing performance-based reimbursement options for providers that are identified by an interim study on improved youth outcomes. The department shall develop the pilot project in accordance with the provisions of [sections 1 through 3].

(3) The department of public health and human services shall collect and analyze existing performance data from existing providers and data related to the pilot project in order to determine its effectiveness and to evaluate whether the use of performance-based reimbursement for services should be extended to other services, geographic regions, or populations.

(4) The purpose of the pilot project is to:

(a) improve youth outcomes by stabilizing youth and their families with appropriate services and

supports;

(b) improve the partnership and collaborative efforts between the department of public health and human services and providers of children's mental health services; and

(c) link documented outcomes to performance-based reimbursement options for providers, including but not limited to improvements in:

(i) achieving quality benchmarks;

(ii) integration and coordination of care;

(iii) individualized treatment and care plans;

(iv) focus on community-based services;

(v) efforts to ensure recovery and permanent placement for children who are receiving medicaid mental health services or who are in foster care under the supervision of the state; and

(vi) cost control.

(5) The legislature shall review the results of the pilot project to determine:

(a) if the project should be continued or expanded; and

(b) whether modifications are needed before the use of any evidence-based outcomes model is expanded to include additional children, providers, or services.

Section 2. Scope of pilot project. (1) The pilot project for improved youth outcomes provided for in [sections 1 through 3] may be designed to include services to children who are:

(a) enrolled in medicaid or the healthy Montana kids plan; or

(b) in foster care under the supervision of the state.

(2) Providers are eligible to participate in the pilot project if they:

(a) offer services to youth with serious emotional disturbance as defined by the department of public health and human services by rule;

(b) are licensed as:

(i) a mental health center as defined in 50-5-101;

(ii) a psychiatric residential treatment facility as defined by the department by rule; or

(iii) a child-placing agency under Title 52, chapter 8, part 1.

(3) (a) The pilot project may be limited in scope to a specific:

- (i) number of children; and
 - (ii) geographic region.
- (b) The geographic region must include both rural and urban populations.

Section 3. Interim study on improved youth outcomes -- study activities. (1) The children, families, health, and human services interim committee shall recommend to the legislature a system for evidence-based outcomes for services provided to youth and options for performance-based reimbursement for providers.

(2) In recommending an evidence-based outcomes model for children's mental health services, the committee shall take into consideration:

(a) the current array of children's mental health services allowed for under the Montana medicaid state plan and any data the department of public health and human services has collected regarding the effectiveness of the services;

(b) the degree to which the array and effectiveness of services offered by a provider may factor into the reimbursement the provider receives under the pilot project;

(c) potential incentives for and risks of the evidence-based outcomes model under review;

(d) existing data that may be relevant to development of the model;

(e) the types of data that must be collected to evaluate the effectiveness of the model; and

(f) the need for changes to the state's information technology systems in order to collect and analyze data.

(3) The committee shall solicit information, research, and recommendations from interested parties, including but not limited to the department of public health and human services, providers of children's mental health services, the mental health program of the western interstate commission on higher education, organizations representing the interests of children with mental health disorders, and family members of children with mental health disorders.

(4) The committee shall hold at least one meeting outside of Helena during the interim to meet with medicaid providers and other interested parties to obtain comment on the elements of an evidence-based outcomes model that:

(a) will best meet the needs of Montana children; and

(b) takes into account the geographic and demographic features of the state.

(5) The committee shall recommend a model after reviewing, in conjunction with the department of public health and human services:

(a) the current medicaid reimbursement system for the services covered by [sections 1 through 3];

(b) the department's system for collecting data related to children's mental health services and payments for the services;

(c) evidence-based outcomes and performance-based reimbursement models used by other states, including enhanced tier payment systems; and

(d) research, recommendations, and other public comment submitted to the committee.

(6) The committee shall make a recommendation to the 2017 legislature on the scope of the pilot project as determined under [section 2(3)] including proposed legislation that contains an evidence-based outcomes model and identifies other elements of a pilot project, including performance-based reimbursement options, to be implemented on July 1, 2017.

Section 4. Codification instruction. [Sections 1 through 3] are intended to be codified as an integral part of Title 53, chapter 6, and the provisions of Title 53, chapter 6, apply to [sections 1 through 3].

~~**Section 5. Appropriation.** There is appropriated \$5,000 from the general fund to the legislative services division for the biennium beginning July 1, 2015, to carry out the interim study provided for in [section 3].~~

Section 6. Effective date. [This act] is effective July 1, 2015.

Section 7. Termination. [This act] terminates June 30, 2019.

- END -

I hereby certify that the within bill,
HB 0422, originated in the House.

Chief Clerk of the House

Speaker of the House

Signed this _____ day
of _____, 2015.

President of the Senate

Signed this _____ day
of _____, 2015.

HOUSE BILL NO. 422

INTRODUCED BY R. EHLI

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