

1 HOUSE BILL NO. 645

2 INTRODUCED BY S. KERNS

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR PSYCHIATRIC OPPORTUNITY ZONES;
 5 REQUIRING THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES TO DESIGNATE
 6 PSYCHIATRIC OPPORTUNITY ZONES AND TO EVALUATE EXISTING AND POTENTIAL INCENTIVES FOR
 7 INCREASING MENTAL HEALTH SERVICES IN THE OPPORTUNITY ZONES; ALLOWING LOCAL
 8 GOVERNMENT INCENTIVES FOR MENTAL HEALTH PROFESSIONALS PRACTICING IN A PSYCHIATRIC
 9 OPPORTUNITY ZONE; PROVIDING AN INCOME TAX CREDIT FOR MENTAL HEALTH PROFESSIONALS
 10 PRACTICING IN A PSYCHIATRIC OPPORTUNITY ZONE; REQUIRING A REPORT; PROVIDING A
 11 DEFINITION; PROVIDING AN APPROPRIATION; AMENDING SECTIONS 53-21-1001 AND 53-21-1002,
 12 MCA; AND PROVIDING EFFECTIVE DATES AND AN APPLICABILITY DATE."

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

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16 **Section 1.** Section 53-21-1001, MCA, is amended to read:

17 **"53-21-1001. Definitions.** As used in this part, the following definitions apply:

18 (1) "Community mental health center" means a licensed mental health center that provides
 19 comprehensive public mental health services in a multicounty region under contract with the department,
 20 counties, or one or more service area authorities.

21 (2) "Licensed mental health center" means an entity licensed by the department of public health and
 22 human services to provide mental health services and has the same meaning as mental health center as
 23 defined in 50-5-101.

24 (3) "Psychiatric opportunity zone" means a defined geographic area that:

25 (a) meets the criteria established in [section 3]; and

26 (b) is established to increase the availability of mental health services in the geographic area.

27 ~~(3)~~(4) "Service area" means a region of the state as defined by the department by rule within which
 28 mental health services are administered.

1 ~~(4)~~(5) "Service area authority" means an entity, as provided for in 53-21-1006, that has incorporated
2 to collaborate with the department for the planning and oversight of mental health services within a service
3 area."
4

5 **Section 2.** Section 53-21-1002, MCA, is amended to read:

6 **"53-21-1002. Duties of department.** The department:

7 (1) shall take cognizance of matters affecting the mental health of the citizens of the state;

8 (2) shall initiate mental health care and treatment, prevention, and research as can best be
9 accomplished by community-centered services. The department shall initiate and operate services in
10 cooperation with local agencies, service area authorities, mental health professionals, and other entities
11 providing services to persons with mental illness.

12 (3) shall specifically address:

13 (a) provider contracting;

14 (b) service planning;

15 (c) preadmission screening and discharge planning;

16 (d) quality management;

17 (e) utilization management and review;

18 (f) consumer and family education; and

19 (g) rights protection;

20 (4) shall collect and disseminate information relating to mental health;

21 (5) shall prepare and maintain a comprehensive plan to develop public mental health services in the
22 state and to establish service areas;

23 (6) must receive from agencies of the United States and other state agencies, persons or groups of
24 persons, associations, firms, or corporations grants of money, receipts from fees, gifts, supplies, materials, and
25 contributions for the development of mental health services within the state;

26 (7) shall establish qualified provider certification standards by rule, which may include requirements
27 for national accreditation for mental health programs that receive funds from the department;

28 (8) shall perform an annual review and evaluation of mental health needs and services within the

1 state by region and evaluate the performance of programs that receive funds from the department for
2 compliance with federal and state standards;

3 (9) shall identify and designate psychiatric opportunity zones as provided in [section 3];

4 (10) shall evaluate opportunities for using incentives to increase the number of mental health
5 professionals in rural and underserved areas of the state. The evaluation must include:

6 (a) identification of existing federal, state, and local incentives;

7 (b) assessment of the effectiveness of the incentives; and

8 (c) a determination of the types of incentives that may increase availability of and access to mental
9 health services;

10 ~~(9)(11)~~ shall coordinate state and community resources to ensure comprehensive delivery of services
11 to children with emotional disturbances, as provided in Title 52, chapter 2, part 3; and

12 ~~(10)(12)~~ shall coordinate the establishment of service area authorities, as provided in 53-21-1006, to
13 collaborate with the department in the planning and oversight of mental health services in a service area."
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15 **NEW SECTION. Section 3. Psychiatric opportunity zones -- designation -- reporting**

16 **requirement.** (1) No later than June 30 of each even-numbered year, the department shall designate specific
17 communities, counties, or other geographic areas as psychiatric opportunity zones. The designation must be
18 based on factors that include but are not limited to:

19 (a) whether a community, county, or area is located in a part of the state that has been determined by
20 the health resources and services administration of the United States department of health and human services
21 to be a mental health professional shortage area;

22 (b) the number of attempted and completed suicides during the past 2 years in the community,
23 county, or area; and

24 (c) the unmet need for mental health services in the community, county, or area. Indications of unmet
25 need include but are not limited to:

26 (i) the number of individuals detained in a city or county jail because community mental health
27 treatment was unavailable;

28 (ii) the number of community, county, or area residents transported to the Montana state hospital for

1 an emergency or court-ordered detention; and

2 (iii) the distance that residents must travel to obtain the services of a mental health professional.

3 (2) Mental health professionals practicing in a psychiatric opportunity zone are eligible for:

4 (a) any local incentives offered pursuant to [section 4]; and

5 (b) the psychiatric opportunity zone tax credit provided for in [section 5].

6 (3) The department shall evaluate the list of psychiatric opportunity zones every 2 years to determine
7 whether a community, county, or geographic area should be:

8 (a) added to the list because it meets the requirements of subsection (1); or

9 (b) removed from the list because sufficient mental health services exist to meet the needs of the
10 community, county, or area.

11 (4) The department shall, in accordance with 5-11-210, report to the children, families, health, and
12 human services interim committee no later than August 30 each interim on:

13 (a) the activities it has undertaken pursuant to 53-21-1002(10);

14 (b) the number and location of designated psychiatric opportunity zones;

15 (c) any state and local incentives, other than the income tax credit provided for in [section 5], offered
16 in psychiatric opportunity zones as a means of increasing the number of mental health professionals in those
17 areas; and

18 (d) the results of the incentives offered in psychiatric opportunity zones, including but not limited to
19 changes in the number of mental health professionals practicing in the zones, the number of attempted and
20 completed suicides, and efforts undertaken to divert people with mental illness from the criminal justice system.

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22 **NEW SECTION. Section 4. Psychiatric opportunity zone incentives.** (1) The governing body of a
23 city, town, or county in an area designated as a psychiatric opportunity zone pursuant to [section 1] may offer
24 incentives as determined appropriate by the local government to obtain and retain the services of mental health
25 professionals in the city or county.

26 (2) The incentives may be made available only to the following mental health professionals:

27 (a) a physician licensed under Title 37, chapter 3;

28 (b) a professional counselor licensed under Title 37, chapter 23;

- 1 (c) a psychologist licensed under Title 37, chapter 17;
- 2 (d) a social worker licensed under Title 37, chapter 22;
- 3 (e) an advanced practice registered nurse, as provided for in 37-8-202, with a clinical specialty in
- 4 psychiatric mental health nursing; or
- 5 (f) a physician assistant licensed under Title 37, chapter 20, with a clinical specialty in psychiatric
- 6 mental health.

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8 **NEW SECTION. Section 5. Psychiatric opportunity zone tax credit -- limitation.** (1) An individual

9 taxpayer who is a mental health professional holding a license as specified in this section is allowed a credit

10 against taxes otherwise due under this chapter if, during the tax year, the individual actively practiced in the

11 mental health field in a psychiatric opportunity zone as defined in 53-21-1001.

12 (2) The tax credit:

- 13 (a) may not exceed 50% of the mental health professional's income tax liability; and
- 14 (b) must be established by the legislature.

15 (3) If the amount of the credit exceeds the taxpayer's income tax liability, the amount of the excess

16 may not be refunded to the taxpayer. The credit may not be claimed if the taxpayer has no tax liability.

17 (4) The following mental health professionals may claim the tax credit:

- 18 (a) a physician licensed under Title 37, chapter 3;
- 19 (b) a professional counselor licensed under Title 37, chapter 23;
- 20 (c) a psychologist licensed under Title 37, chapter 17;
- 21 (d) a social worker licensed under Title 37, chapter 22;
- 22 (e) an advanced practice registered nurse, as provided for in 37-8-202, with a clinical specialty in
- 23 psychiatric mental health nursing; or
- 24 (f) a physician assistant licensed under Title 37, chapter 20, with a clinical specialty in psychiatric
- 25 mental health.
- 26 (5) A taxpayer may claim the tax credit for a maximum of 2 years.

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28 **NEW SECTION. Section 6. Appropriation.** (1) There is appropriated \$178,500 from the general fund

1 to the department of public health and human services for the biennium beginning July 1, 2021.

2 (2) The department may use the money only to hire, at its discretion, an FTE to carry out the activities
3 required under 53-21-1002(10).

4 (3) If the department does not use the money to hire an FTE as provided in subsection (2), the
5 appropriation must revert to the general fund at the end of the biennium.

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7 **NEW SECTION. Section 7. Codification instruction.** (1) [Sections 3 and 4] are intended to be
8 codified as an integral part of Title 53, chapter 21, part 10, and the provisions of Title 53, chapter 21, part 10,
9 apply to [sections 3 and 4].

10 (2) [Section 5] is intended to be codified as an integral part of Title 15, chapter 30, part 23, and the
11 provisions of Title 15, chapter 30, part 23, apply to [section 5].

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13 **NEW SECTION. Section 8. Effective dates.** (1) Except as provided in subsection (2), [this act] is
14 effective July 1, 2021.

15 (2) [Section 5] is effective January 1, 2024.

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17 **NEW SECTION. Section 9. Applicability.** [Section 5] applies to tax years beginning after December
18 31, 2023.

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