



MONTANA LEGISLATIVE BRANCH

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Legislative Fiscal Analyst
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DATE: November 3, 2000

TO: Legislative Finance Committee

FROM: Lois Steinbeck

RE: Mental Health Oversight Advisory Council Recommendations

The 1999 legislature passed Senate Bill 534 (SB 534) dealing with various aspects of mental health managed care and mental health services and administration generally. One of the changes made by SB 534 was creation of the Mental Health Oversight Advisory Council (MHOAC – section 53-21-701(6)(a), MCA). The Department of Public Health and Human Services (DPHHS) must form the MHOAC and the MHOAC is to provide DPHHS input in the development and management of any public mental health system.

MHOAC must provide a summary of each meeting and a report of any recommendations to DPHHS. Copies must be provided to the Legislative Finance Committee (LFC) and any other designated legislative interim committee, and DPHHS must provide its rationale for rejecting or not accepting each recommendation (53-21-701(6)(d), MCA). MHOAC recommendations and DPHHS responses were delivered to the House Joint Resolution 35 subcommittee (Subcommittee), on behalf of the LFC, during the course of the Subcommittee study of public mental health services. Since the Subcommittee has concluded its study and is no longer meeting, the MHOAC recommendations and DPHHS responses are being forwarded directly to the LFC.

The MHOAC made four recommendations since the September 27 and 28 meeting of the Subcommittee. Three of the recommendations deal with school-based mental health services and one deals with the transfer of the Xanthopolous Building on the Montana State Hospital campus to the Department of Corrections. DPHHS will provide its response to each recommendation at the LFC meeting. The recommendations are summarized and the full text of each is attached to this memorandum.

SCHOOL-BASED MENTAL HEALTH SERVICES

Recommendations 19, 23, and 24 request that DPHHS take several actions with regard to school-based mental health services:

- Retain school-based services as a distinct category of care within the administrative rules that define the state funded Mental Health Services Plan (MHSP);
- Develop a standard, yet flexible model, for school-based services;

- Continue to work with MHOAC to develop a reimbursement model for school-based mental health services;
- Adopt minimum standards of care and clinical management guidelines that were developed by the Intensive Outpatient Services Provider Task Force and extend the operation of the Task Force to address certain issues such as development of outcome measures, better program data, and step down service linkages; and
- Develop an interagency agreement with the Office of Public Instruction that clarifies roles and responsibilities in supporting school-based mental health services.

DISCUSSION

Some of these recommendations respond to proposed changes in administrative rules that eliminate the “bundled” reimbursement rate for school-based mental health services and require providers to begin billing for individual services by discrete units. If MHOAC recommendations have been accepted, the LFC may wish to ask DPHHS what action it has taken to implement the recommendation and whether any changes to proposed administrative rules will be made in response to these recommendations.

TRANSFER OF THE XANTHOPOLOUS BUILDING

The MHOAC recommended that DPHHS go on record as opposing the transfer of the Xanthopolous Building to the Department of Corrections. MHOAC also specifically asked that DPHHS provide its response to this recommendation on or before the November 16 LFC meeting date.

DISCUSSION

On Friday, October 27 the Governor declared that the construction of the new forensic unit at the state hospital is complete. Statute requires that within 20 days of such declaration (November 16), the ownership of the Xanthopolous Building will transfer to the Department of Corrections (DOC) and the building will become a state correctional facility.¹

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¹ Greg Petesch, Director of Legal Services, Legislative Council, prepared a legal analysis on the proposed transfer of the Xanthopolous Building. The analysis concluded that once the construction of the new hospital is declared complete by the Governor, the Xanthopolous Building could not be transferred without consent of the legislature.