

HOUSE BILL NO. 98

INTRODUCED BY E. FRANKLIN

BY REQUEST OF THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A CHILDREN'S SYSTEM OF CARE ACCOUNT TO REDUCE OUT-OF-HOME PLACEMENTS OF HIGH-RISK CHILDREN WITH MULTIAGENCY SERVICE NEEDS; AUTHORIZING USE OF STATE FUNDS APPROPRIATED FOR MEDICAID SERVICES; REQUIRING A REPORT; AMENDING SECTIONS 52-2-301 AND 52-2-308, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. **Section 1. Children's system of care account.** (1) There is a children's system of care account in the state special revenue fund to the credit of the department. The fund must be used for the purpose of administering and delivering services to high-risk children with multiagency service needs and to provide for the children's care, protection, and mental, social, and physical development.

(2) The children's system of care account must consist of funds:

(a) transferred, to the extent possible within existing resources, by the agencies named in 52-2-303 from their agency appropriation;

(b) designated by the legislature; or

(c) received for the account from any other source.

(3) The department shall use funds from the children's system of care account to reimburse in-state or community-based providers of services for services that allow high-risk children with multiagency service needs to be placed or to remain in the least restrictive and most appropriate setting, to the extent that the services are not eligible for reimbursement from another source.

Section 2. Section 52-2-301, MCA, is amended to read:

"52-2-301. State policy. The legislature declares that it is the policy of this state:

(1) to provide for and encourage the development of a stable system of care, including quality education, treatment, and services for the high-risk children of this state with multiagency service needs, to the extent that funds are available;

(2) to serve high-risk children with multiagency service needs either in their homes or in the least

restrictive and most appropriate setting for their needs in order to preserve the unity and welfare of the family, whenever possible, and to provide for their care and protection and mental, social, and physical development;

(3) to serve high-risk children with multiagency service needs within their home, community, region, and state, whenever possible, and to use out-of-state providers as a last resort;

(4) to provide integrated services to high-risk children with multiagency service needs;

(5) to contain costs and reduce the use of high-cost, highly restrictive, out-of-home placements;

(6) to increase the capacity of communities to serve high-risk children with multiagency service needs in the least restrictive and most appropriate setting for their needs by promoting collaboration and cooperation among the agencies that provide services to children; ~~and~~

(7) to prioritize available resources for meeting the essential needs of high-risk children with multiagency service needs; and

(8) to reduce out-of-home and out-of-community placements through a children's system of care account to fund in-state and community-based services that meet the needs of high-risk children with multiagency service needs in the least restrictive and most appropriate setting possible."

Section 3. Section 52-2-308, MCA, is amended to read:

"52-2-308. Rulemaking. The department shall adopt rules necessary to implement 52-2-301 through 52-2-304 and [section 1]. The rules must be adopted in cooperation with the committee established in 52-2-303."

NEW SECTION. SECTION 4. USE OF MEDICAID FUNDS -- REPORT. (1) THE DEPARTMENT MAY USE UP TO \$500,000 IN STATE FUNDS APPROPRIATED FOR MEDICAID SERVICES IN EACH OF STATE FISCAL YEARS 2008 AND 2009 FOR THE PURPOSES OF [SECTION 1(3)].

(2) THE DEPARTMENT SHALL PREPARE A REPORT TO THE CHILDREN, FAMILIES, HEALTH, AND HUMAN SERVICES INTERIM COMMITTEE AND THE LEGISLATIVE FINANCE COMMITTEE NO LATER THAN SEPTEMBER 15, 2008, SUMMARIZING USE OF THE CHILDREN'S SYSTEM OF CARE ACCOUNT IN THE 2009 BIENNIUM.

NEW SECTION. Section 5. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 52, chapter 2, part 3, and the provisions of Title 52, chapter 2, apply to [section 1].

NEW SECTION. Section 6. Effective date. [This act] is effective July 1, 2007.

- END -