



AN ACT CREATING AN ENHANCED MEDICAID REIMBURSEMENT RATE FOR PROVIDERS OF CERTAIN CHILDREN'S MENTAL HEALTH SERVICES TO INCREASE ACCESS TO IN-STATE CARE FOR HIGH-RISK CHILDREN WITH MULTIAGENCY SERVICE NEEDS; CREATING A REPORTING REQUIREMENT; PROVIDING A DEFINITION; PROVIDING RULEMAKING AUTHORITY; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.

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

**Section 1. Enhanced rate to increase access to in-state mental health services for high-risk children with multiagency service needs -- reporting requirement -- rulemaking.** (1) In an effort to avoid the placement of high-risk children with multiservice agency needs in out-of-state residential treatment facilities, the department shall pay an enhanced medicaid reimbursement rate when an in-state provider of psychiatric residential treatment facility services provides treatment to a child who meets criteria established by the department. The criteria must be related to:

- (a) the age of the child; or
- (b) the acuity of the child's treatment needs.

(2) (a) For the fiscal year beginning July 1, 2023, the reimbursement rate for psychiatric residential treatment facility services provided to a child meeting the age or acuity criteria established pursuant to this section is the higher of:

- (i) 133% of the rate in effect on July 1, 2022, for an in-state provider of the service; or
- (ii) the rate adopted by the department for an in-state provider of the service for fiscal year 2024.
- (b) The rate provided for in subsection (2)(a) must be increased in each subsequent fiscal year by

the provider rate increase approved by the legislature for children's mental health services for that fiscal year.

- (3) The department shall annually determine, in consultation with providers of psychiatric

residential treatment facility services, the criteria a child must meet for treatment to qualify for the enhanced reimbursement rate. The department shall notify providers of the determination no later than:

- (a) May 15 for fiscal year 2024; and
- (b) March 30 for subsequent fiscal years.
- (4) The department shall adopt rules regarding the manner in which it will make the enhanced payments, including the frequency with which the payments will be made.
- (5) (a) A provider that receives an enhanced reimbursement rate under this section shall:
  - (i) provide to the department a summary of the diagnoses, behaviors, and ages for the medicaid-eligible children receiving services from the provider in fiscal year 2023; and
  - (ii) report annually to the department on the diagnoses, behaviors, and ages of the medicaid-eligible children receiving services from the provider during the fiscal year in which the provider receives an enhanced reimbursement rate.
- (b) The department shall report the information required under subsection (5)(a) to the legislature in accordance with 5-11-210.
- (6) For the purposes of this section, the term "high-risk child with multiagency service needs" has the meaning provided in 52-2-302.

**Section 2. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 53, chapter 6, part 1, and the provisions of Title 53, chapter 6, part 1, apply to [section 1].

**Section 3. Effective date -- contingency.** (1) [This act] is effective on the later of July 1, 2023, or the date that the department of public health and human services certifies to the code commissioner that the centers for medicare and medicaid services has approved a state plan amendment for the enhanced reimbursement rate.

(2) The director of the department of public health and human services shall submit certification within 15 days of receiving notice of approval of the state plan amendment.

**Section 4. Termination.** [Section 1] terminates June 30, 2027.

- END -

I hereby certify that the within bill,  
HB 147, originated in the House.

---

Chief Clerk of the House

---

Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2023.

---

President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2023.

HOUSE BILL NO. 147

INTRODUCED BY J. GILLETTE

BY REQUEST OF THE CHILDREN, FAMILIES, HEALTH, AND HUMAN SERVICES INTERIM COMMITTEE

AN ACT CREATING AN ENHANCED MEDICAID REIMBURSEMENT RATE FOR PROVIDERS OF CERTAIN CHILDREN'S MENTAL HEALTH SERVICES TO INCREASE ACCESS TO IN-STATE CARE FOR HIGH-RISK CHILDREN WITH MULTIAGENCY SERVICE NEEDS; CREATING A REPORTING REQUIREMENT; PROVIDING A DEFINITION; PROVIDING RULEMAKING AUTHORITY; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.