WHERE DO WE GO NEXT IN REDESIGN?
The work groups have made their recommendations, DHS has developed a plan, and the legislative interim committee has decided what will go in a bill to change the state’s mental health and disability services system. But the work of redesign is really just beginning.

SESSION PREVIEW: It’s all about reform.

After a decade of study, years of legislative quick fixes, and a Fall packed with meetings attended by hundreds of advocates, the Mental Health/Disability Services Redesign is now entering a new phase. The legislative session.

Legislators will return to the State Capitol on January 9 to begin the 100-day legislative session. On their “to-do” lists this year are three major reform efforts – property tax reform, education reform, and mental health/disability services reform. That’s a heavy lift, but legislators are optimistic that they can make headway on some of these issues this year.

We know something must get done this year on mental health and disability services. The Iowa Legislature eliminated county mental health/disability services levies starting in 2013. Without these local dollars, or a new system to replace them, thousands of Iowans with disabilities would lose services. Legislators are not going to let that happen, so they are working hard to create a new regional system that will be more equitable and less disconnected, and hopefully have more resources to help meet demand for services. So read on – and get ready to take action in 2012!
Hundreds of advocates volunteered their time this year to participate in one of the six Mental Health & Disability Services Redesign Work Groups. These groups looked at:

- Adult Mental Health System
- Children’s Mental Health System
- Adult ID/DD Services System
- Judicial Mental Health Services
- Regional Service Delivery
- Brain Injury Best Practices

The work groups completed their work, making final recommendations in late October. These recommendations call for:

- Regional system (5-15 regions).
- Continuation of the county levy to fund services (right now it will end in 2013).
- Ending legal settlement – where you live would pay for your services.
- Expanded core services throughout the state.
- Use of standardized functional assessment.
- Use of a “systems of care” approach.

The final 169-page work group report is online at: http://bit.ly/vULORV.

You can read one-page summaries of each work group’s recommendations online at: http://bit.ly/v2KxrA.

When the MH/DS work groups finished their work in October, the work of redesign was really just beginning. The reports then needed to be analyzed by the Department of Human Services, which was to develop a plan to put this proposed new system in place, and decide how much it would cost and now long it would take to do it.

On December 9, the Department of Human Services released this plan, recommending changes be made over a five year period. The plan accepts nearly all of the recommendations that came out of the work groups.

The work group reports provide a great deal of detail, and their recommendations were the product of much hard work. The DHS plan does not change these recommendations; instead, it clarifies some areas where the work groups were not as specific as needed, sets a timeline to change to the new system, puts a price tag on the new system, and recommends how the state should pay for it in the future.

So do not think these two reports recommend two different approaches – the work group reports tell us how the new system will look, and the DHS report tells us how we get there.

The DHS report divides the Redesign Plan into three areas: management/structure, services, and financing. Below are highlights – the entire plan is available at: www.dhs.state.ia.us/Partners/MHDSRedesign.html. A six-page executive summary is available at: http://bit.ly/vmqtbH.

**MANAGEMENT/STRUCTURE**

- The plan states that the move from county to region will not necessarily mean fewer staff – and that existing county staff may keep their jobs in order to serve people more effectively. Decisions on staffing will remain at the local (regional) level. Likewise, the DHS plan states that services, points of service access, and case management would continue to be provided locally (regionalization would not change this).
DHS Redesign Report (from page 2)

- The plan asks for a definition of what is included in the recommended 5% administrative cap. The Legislature directed the work groups to include a 5% cap on regional administrative costs – to make sure that changes to system administration didn’t increase administrative costs. Depending on what is included in the definition, 5% may or may not be enough to ensure quality services.

- Work groups expressed concern about how regions would pool local funds. The DHS plan states that pooling could be done virtually, and would not have to be done in a way that would cause concern to local elected officials (who want to make sure that county funds are used only for residents of that county).

- Work groups recommended that each region have a governing board made up of county supervisors and at least three consumer or family members. DHS is recommending that decisions related to use of tax dollars be made solely by elected officials who are accountable to voters, but flexibility be provided to the Regions to allow consumer/family and provider involvement in other decisions such as service development.

- All work groups recommended ending legal settlement – but there was no agreement on a single definition of “residency.” The DHS plan recommends that the region where a person lives be responsible for the cost of non-Medicaid funded core services. Of note, there is no discussion of who will be responsible for payment of services beyond those considered “core.”

- Work groups recommended regions have a dispute resolution process in place for appeals regarding eligibility for non-Medicaid services. The DHS plan expands on this, recommending appeals be resolved through the Department’s existing appeal process using the Department of Inspections and Appeals administrative law judges, with DHS being allowed to overturn that ruling. This is a point of concern with counties, who do not want DHS being the final word on services that they do not pay for (they will ask for the administrative law judge to have the final say).

- The work groups recommended all regions be formed by July 1, 2013. The DHS plan speeds up this schedule – with regions to be formed by January 1, 2013. However, DHS will “ensure that all counties are in a region” by November 1, 2012. This language could give DHS the authority to begin assigning counties to regions next summer.

- Work groups did not say how regions would set reimbursement rates for non-Medicaid services. The DHS plan recommends that all Regions be required to use the same uniform cost reporting and rate setting process.

SERVICES/ELIGIBILITY

- The work groups made recommendations on eligibility requirements that are the same statewide for adult mental health services (you must be an Iowa resident that is at least 18 years of age with a diagnosable mental illness). The recommendations of the work group exempt “V” codes (a category of mental health diagnoses that is not related to an illness or injury – things like marriage counseling), substance use disorders and developmental disabilities, unless they co-occur with another diagnosable mental illness. The DHS plan also excludes antisocial personality disorder and dementia unless the condition co-occurs with another diagnosable mental illness. DHS recommended this because these conditions do not respond to mental health treatment.

- The work groups recommended DHS continue to look for ways to add people with developmental disabilities to the Home and Community Based Services waiver for Intellectual Disabilities. Expanding this definition would require more
DHS Redesign Report (from page 3)

funding, so DHS agreed to continue working with stakeholders on expanding eligibility for the HCBS ID waiver to include people with developmental disabilities.

- **The work groups recommend using standardized assessment tools to determine eligibility.** DHS suggests using the following beginning July 1, 2012:
  - Supports Intensity Scale (SIS) for persons with intellectual disabilities;
  - LOCUS for persons with chronic mental illness; &
  - Uniform Brain Injury assessment process and tool for people with brain injuries.

- **The work groups recommend expanding eligibility for services from 150% of the federal poverty level to 200%.** This was an important recommendation for individuals with co-occurring conditions, since coverage for substance use treatment is available up to 200% of the federal poverty level. The DHS plan recommends waiting to expand income eligibility after January 2014 when the Affordable Care Act (ACA) is implemented.

- **The DHS plan recommends that providers of non-Medicaid services be allowed to waive co-payments if the provider is able to fully absorb the cost.** This was not addressed in the work group reports.

- **The work groups agreed that quality, performance measures, and individual/family outcomes were very important pieces of the new system.** DHS agreed and will begin publishing preliminary performance outcome data by the end of 2012. They also recommend all system data be submitted to DHS, and shared with regions, providers, legislators, and the public. DHS also recommends establishing a Performance Measures Workgroup to develop a standard tool to measure outcomes and performance.

- **The work groups all voiced concern about the availability of service providers throughout the state.** The DHS plan recommends the Legislature establish an

MH/DS Workforce Development Workgroup made up of workforce experts, consumers and family members. The group would meet beginning July 2012 to recommend key strategies to address workforce shortages, to be considered in the 2013 legislative session.

- **The DHS plan also recommends the following improved workforce practices be undertaken statewide:**
  - Expand use of peer provided services;
  - Increase and improve peer service training including a Peer Support Academy that provides leadership training for peers who provide consumer services; &
  - Expand the use of the nationally recognized College of Direct Supports that provides online training for ID-DD and mental health Direct Support Professionals and supervisors in a proven, competency based and cost effective manner.

**FINANCING**

Work groups did not address the financing of the new system – except to recommend that the local property tax levy be continued. As a part of their five-year plan, DHS has recommended funding that they say will maintain current services and begin the expansion to include the new set of core services. Key parts include:

- State pays all of the non-federal share of Medicaid services currently paid by counties;
- Continued use of $122.6M regardless of source—property tax or state funding—for non-Medicaid services;
DHS Redesign Report (from page 4)

o Recognition of growth of Medicaid and non-Medicaid services; and

o Phased implementation of new core services identified by work groups.

The Legislature originally directed the work groups to create a system that included the state taking over the non-federal share of Medicaid currently picked up by counties beginning July 1, 2013. DHS recommends beginning a year earlier – on July 1, 2012. DHS suggests:

- Redirecting the $171 million in state funds that currently go to the counties to the state’s Medicaid appropriation;
- Adding $47.4 million to the Medicaid appropriation (this does not include money to eliminate the current waiver waiting lists);
- Using $12.3 million in Social Services Block Grant (SSBG) funds for the State Payment Program;

Counties would be left with local property tax dollars to fund non-Medicaid services and populations. There are counties that have questions about this proposed financing, and whether it will be sufficient to meet current needs in all areas of the state.

As the DHS report states, “While we must build upon the strengths in Iowa’s current services, if our problems and shortcomings are not addressed, services will continue to be provided in an inconsistent and inequitable manner and Iowa’s MHDS consumers will not be able to fully achieve their potential. History has taught us that minor tweaks will not work. Addressing these reasons for change requires much more than simply adding money to the system.”

But as in all other redesign efforts – it really does come down to the money – how much and where do we get it. When legislators return to session, we expect to have more discussion on the financing of the system.

Legislative Interim Committee Makes Recommendations

Most interim studies do not include this many layers of recommendations and reports. But not all issues are as complicated and layered as the mental health and disability services system.

The work groups submitted their recommendations in October, and DHS added to them in early December. On December 19, the MH/DS Legislative Interim Committee met for the final time to give bill drafters instruction on what should be included in a bill to be considered in the 2012 legislative session.

This 12-legislator committee decided unanimously to move the work group recommendations and DHS plan forward, with the following considerations and changes:

- **The recommendations for a new system would be drafted in two bills** – one making the policy changes needed and the other tackling funding issues.
- **More discussion is needed on financing the transition.** Several legislators expressed concern that estimates were too low, and should include funding to fully fund existing waiver waiting lists before taking on additional funding responsibilities.
- **More work is needed to equalize local financing, so Iowa property taxpayers are treated more equally.** They discussed ideas like the school aid formula – but did not come to an agreement on what to do about it.
- **The system should include a local funding source that contributes at least as much as is currently in the system ($125 million).** Legislators said they didn’t care if it was generated in the same way (through a capped levy) – just that there be some sort of local funding in the new system.
Legislators expressed concern that the DHS report states that counties will not be responsible for serving people on the Medicaid waiver waiting list. Many counties pay for services to people who are waiting for waiver services, to help bridge that gap. If the regions have no funding to pay for these services and Medicaid waiver services are not fully funded (which they never are), people will fall into an ever-widening gap between the locally funded non-Medicaid services system and the state-funded Medicaid services system. They asked that funding to address waiting lists be included in the bill being drafted.

Legislators agreed that the each region should have an advisory board made up of consumers and family members. There will likely continue to be discussion about whether consumers, family members, and providers could sit on the governing boards.

Lawmakers asked the children’s mental health work group and the brain injury work group to prioritize services, so transition in those systems can begin as funding is available.

DHS will be directed to work with regions to review and recommend funding levels for non-Medicaid services. The plan presented by DHS does not include working with regions in this recommendation.

A final interim committee report will be available sometime after the first of the year. You can find it on our website (www.infonetiowa.com) or on the interim committee website (http://bit.ly/tNmzGi).

What’s Next in Redesign?

The work groups have made their recommendations, DHS has developed a plan, and the legislative interim committee has decided what will go in a bill to change the state’s mental health and disability services system. But the work of redesign is really just beginning.

There are still many issues the interim committee left up in the air – particularly when it comes to the funding of the system. And funding is where many past redesign efforts have fallen short. Here is what legislators plan to do when they return to session in 2012:

- Bills will be ready around the 3rd week of January.
- The same group of 12 legislators will continue on as an ad hoc (temporary) committee to work on the redesign. That way, new legislators won’t have to be brought up to speed.
- Legislators will continue to work out areas where they have disagreement. You can expect to see work on these bills right up until the end of the legislative session (sometime around April 17).

What Can YOU Do?

Legislators want to hear from the people most affected by changes to the MH/DS system - people that use the services, family members, and the providers of the services. They know you are the experts – and they want to know what you think.

Take time to meet with, call, write, or e-mail your legislator AND the legislative interim committee members. Don’t just talk about what is in the report – also what you think is missing. Are there things missing that you need to help you live independently in your community? Do you have concerns about financing of the system?

Your legislators’ names are on the back page, along with their contact information. Contact information for the other members of the legislative committee were included in the last issue of INFONET, and can be found on our website (www.infonetiowa.com).
This summer, teachers, school administrators, parents, elected officials, and students got together to discuss Iowa’s education system. There was a summit, working groups, and dozens of public forums and hearings. There were many opportunities for Iowans to give their thoughts on education reform.

In the coming weeks, the Iowa Department of Education plans to unveil the first phase of a major overhaul of the state’s educational system. Department of Education Director Jason Glass says they will put the restructuring of teacher pay scales on the back burner while they work on bigger issues, including giving schools more flexibility and requiring more time in the classroom.

You can listen to a holiday message on school reform from Director Glass online: http://educateiowa.gov/flash/flvplayback.php.

Interested in education reform? Watch INFONET’s website for more details when the Legislature reconvenes on January 9.

No Child Left Behind Comments

In October, the Iowa Department of Education decided to ask for a waiver from the federal No Child Left Behind Act. States asking to be waived must provide state-developed plans to improve educational outcomes for all students, close achievement gaps, increase equity and improve the quality of the instruction.

This waiver is tied to Iowa’s “Education Transformation Plan,” and state officials want to make sure Iowans have an opportunity to comment on this waiver and the education plan. Public comments may be sent to wilma.gajdel@iowa.gov by Wednesday, February 1.

Former Legislators Join Education Reform Team

Two former legislators will be working on education reform for the Iowa Department of Education this year.

• Mike Cormack, the former State Representative from Fort Dodge, will be the Department of Education’s new lobbyist. Cormack, a Republican, was a State Representative from 1994 to 2002. He was a teacher and a coach.

• Phil Wise, the former State Representative from Keokuk, is now serving as a Policy Advisory to the Director of the Department of Education. Wise, a Democrat who was in the House from 1987 to 2009, will work on the education reform package. Wise was also a teacher.

GOVERNOR’S EDUCATION TRANSFORMATION PLAN: http://bit.ly/p8h8b4

 ✓ Comment on the Plan: http://bit.ly/mYSrCV
 ✓ Ask a Question About the Plan: http://bit.ly/s5L9dt
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2012 Session Calendar

**JANUARY 9, 2012**
Legislative Session Begins

**JANUARY 20, 2012**
Last day for legislators to sponsor bills (*committee chairs may still request bills*)

**MARCH 2, 2012**
First Legislative “Funnel” Deadline (*all bills need to be voted out of their assigned committees in order to stay alive, except bills that spend money or deal with taxes*)

**MARCH 16, 2012**
Candidate Filing Deadline (legislators must file their papers to run for office by 5 p.m. on this day)

**MARCH 23, 2012**
Second Legislative “Funnel” Deadline (*to continue to stay alive, bills need to have passed out of the House or the Senate, and out of committee in the other chamber – so House bills need to have passed out of Senate committees; and Senate bills out of House committees*)

**APRIL 17, 2012**
100th Day of the Legislative Session – Last Day of Session (Final Paid Day)