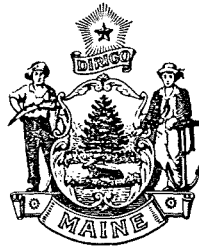


MAINE STATE LEGISLATURE

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STATE OF MAINE

INTERDEPARTMENTAL COUNCIL

Interdepartmental Medicaid Maximization
Plan for Children
March 1988A. INTRODUCTION

The Departments of Human Services, Mental Health and Mental Retardation, Educational and Cultural Services, and Corrections fully support the concept of maximizing third party revenue to help fund existing services for children and to fund needed children's services. Because of the departments' ongoing initiatives in the area of maximizing medicaid, testimony was presented neither for nor against on LD 2103: AN ACT to Improve the Quality of Care for Handicapped Children. The Joint Standing Committee on Human Resources requested further elaboration on interdepartmental efforts in this area before taking action on the bill. This plan has been drafted in response to the Committee's request for additional information.

B. CURRENT INITIATIVES

The Departments of Human Services and Mental Health and Mental Retardation having been actively working on the following initiatives:

1. Early Childhood Case Management

The Bureau of Children with Special Needs has been meeting with representatives of Maternal and Child Health, Bureau of Medical Services, and ICCPHC to develop a case management initiative for developmentally disabled children birth to five years of age. The regulations are currently being drafted.

2. Rural Health Clinics

For the past six months, a small group of Bureau of Children with Special Needs and Bureau of Medical Services representatives have been meeting under the auspices of the Coalition of Ambulatory Health Care Providers. Their efforts have been directed at drafting appropriate regulations that would permit the delivery of certain children's mental health services through the approximately 25 Rural and Community Health Centers in the state. Emergency, outpatient, preventive and community support services are those being detailed.

There appear to be no clinical or technical reasons why such services could not be provided, with Title XIX reimbursement for eligible clients at negotiated rates. Before such a plan can be implemented, however, regional Medicaid officials would have to approve the draft regulations; public hearings and promulgation would have to be conducted; and the Bureau of Children with Special Needs would have to identify the source of the non-federal share of Medicaid reimbursement funds. The earliest that such a "seed" account could be requested of the legislature would be the regular 1989 session; the earliest such funds could become available, if approved, would be after July 1, 1989.

3. Adolescent Case Management

The Bureau of Children with Special Needs is completing draft regulations for establishing a case management system for emotionally disturbed adolescents. This initiative will be completed following the availability of seed money and promulgation of final regulations.

4. Homebased Services

The Bureau of Children with Special Needs is developing an initiative to allow Medicaid reimbursement for the homebased services program. Three of nine programs will be enrolled following regulation changes to be completed by July.

C. PLANNED INITIATIVES

The Departments of Human Services, Mental Health and Mental Retardation, Educational and Cultural Services, and Corrections are interested in exploring the possibility of Medicaid reimbursement in several other areas as follows:

1. Early Childhood Services

The Interdepartmental Coordinating Committee for Preschool Handicapped Children (ICCPHC) is interested in examining how to maximize use of third-party payment sources (including Medicaid) in the development of a comprehensive early intervention system. The committee includes representatives from The Departments of Human Services, Mental Health and Mental Retardation, Educational and Cultural Services and private providers of services. No new initiatives are currently underway.

2. School Based Services

Currently local school districts provide many services to children under PL 94-142: Education of the Handicapped Act which might be Medicaid reimbursable. There is some precedent in other states and the departments have participated in a workshop outlining potential possibilities for Medicaid reimbursement for school delivered services.

3. Child Sexual Abuse Treatment Programs

The primary service providers in the area of sex abuse treatment in the State of Maine have highlighted several of the existing state-wide needs and problem areas faced by service providers attempting to give quality care for this treatment population. One major problem is the funding restrictions of Medicaid reimbursement conflicts directly with the most effective therapeutic approach for this specialty area. Items recommended for consideration are:

- a. Reimbursement for costs of coordination and non face-to-face service.
- b. Reimburse actual costs of co-therapists in group therapy.
- c. Remove the maximum group size limitations.
- d. Include appropriate diagnostic categories for child abuse for Medicaid Reimbursement.

4. The Bureau of Social Services has identified the following areas for possible Medicaid reimbursement:

- a. Funding for therapeutic foster homes for emotionally disturbed children.
- b. Funding for improved diagnosis, assessment and evaluation for abused and neglected children, and children in the care and custody of the Department of Human Services.
- c. Case management for abused and neglected children.

5. Private Non-Medical Institution Services

There is a possibility that current Medicaid reimbursement to residential treatment centers can be increased.

D. KATY BECKETT WAIVER

The committee expressed an interest in the "Katy Beckett Waiver". The Bureau of Medical Services reports that there is no longer a need for a "waiver" for certain disabled children to be eligible for Medicaid coverage. The Medicaid State Plan was amended in 1983 to include eligibility for disabled children age 18 or under who are living at home, who would be eligible if in a medical institution for SSI or a State supplemental payment and therefore for Medicaid. A determination of medical necessity for institutional care must be made by the Bureau of Medical Services in order to establish eligibility. In response to a request from the Bureau of Mental Retardation, the Bureau of Medical Services is researching whether the standard can be broadened to include the ICF/MR classification which would allow these benefits to be extended to more children. The outcome of this inquiry is still pending.

E. INTERDEPARTMENTAL REPORT

We plan to have a final report on our initiatives to maximize third party payments, including Medicaid, and our recommendations to develop new services and to expand existing services needed by our children with special needs in December. We will plan to share our findings with the Committee on Human Resources at that time. The report would minimally include:

1. Description of target populations of children.
2. Description of type of services needed which could be reimbursed from third party payments.
3. Setting for delivery of these services.
4. Funding adjustments for services currently being funded with state dollars.
5. New services which might be developed using third party revenue.
6. Fiscal impact for development of new services.
7. Staff resources needed to implement the plan.