# Kansas Behavioral Health Landscape – Summer 2018

Behavioral Health System is undergoing incremental reform:

Legislature committed significantly more time and funding

* Mental Health Task Force reconvened by Legislature with additional charge and meaningful buy-in from Legislature and Kansas Dept. on Aging and Disability Services (KDADS)
  + Mental Health Task Force Report,
  + Adult Continuum of Care Report,
  + Children’s Continuum of Care Report

Governor Colyer established Executive Order 18-09 Executive Order creating the Governor’s Task Force to Address Substance Use Disorders. The duties of the Task Force are the following:

o Gather information regarding substance use disorder within the state of Kansas, particularly regarding the growing number of opioid and heroin overdoses in the state;  
o Evaluate and leverage existing resources, tools, and initiatives already established in the Kansas healthcare continuum, especially the work and recommendations of the Kansas  
Prescription Drug and Opioid Advisory Committee;  
o Investigate various response options, including distributing naloxone to first responders, more comprehensively utilizing prescribing data, and otherwise revising state policy as appropriate;  
o Examine best practices for prevention, treatment, and recovery of at-risk individuals through early detection and education for patients;  
o Advise and make recommendations to the Governor; and  
o Assist in implementing and executing a statewide response.

Kansas has multiple new statutory initiatives:

* + Crisis Intervention Act – 2017 – Establish community beds for 72 hour involuntary holds
  + K-12 Funding Plan 2018 – Includes $6 million for pilot project contracts with community mental health centers to provide mental health professionals in schools
  + Juvenile Crisis Centers – 2018 – Establish community crisis centers for juveniles to fill a gap left from juvenile justice reform act of 2017.

Problem Gambling and Addictions Fund – the fund that receives a portion of casino gaming income has been the focus of a Legislative Post Audit and this was the first year some of the funds that have been directed away from treatment were redirected back to fill the shortfall of block grant treatment dollars. Expect more attention next year.

Housing – for the first time, the Kansas Legislature has committed funding to expand housing options, through Medicaid and through regional crisis stabilization programs. Additionally, the agency has issued a grant pilot project.

State Hospitals Crisis – the ongoing crisis at the state mental health hospitals is a focus of the Task Force, but will almost certainly see dramatic changes in the next year as policymakers are ready to act after the November elections.

KanCare / Medicaid Contracts – The new RFP for KanCare 2.0 was rejected by the Kansas Legislature in part, but the new contracts (due by the end of the year) will include changes for behavioral health. The new leadership at the Dept. of Health and Environment, the Medicaid lead agency, has been publicly supportive of change and the November elections are likely to reinforce that.

Community Based Programs – Kansas relies heavily on the community mental health centers, substance use disorder treatment providers, and safety net clinics with an inconsistent record of supporting their systemic needs or trusting their policy objectives. At one point, the community hospitals were virtually at war with the Brownback administration. These relationships have improved dramatically, but nursing homes, psychiatric residential treatment facilities and some developmental disability providers who could not sustain extended cash flow shortages are unlikely to bounce back. Those with strong central organizations have seen their legislative support grow.

Elections - Current KDADS leadership has been actively seeking new solutions, but has been somewhat hamstrung with the pending elections. It is possible that the elections will result in major changes at these agencies, but the momentum for seeking new options will continue. The only question is whether or not the winning candidate for Governor will be someone with an established vision. There is a chance that Kansas will be one of the red states that carries on the Trump momentum and elects conservatives to statewide offices, and also removes some of the moderate legislators who were carried into office in 2016 on a wave of anti-Brownback sentiment, but now have voting records raising taxes. It is also very possible that the organization of the moderate base from 2016 will be able to swing the general election away from ultra-conservative candidates that win in primaries.

Agency Programs - KDADS has begun projects to address housing, crisis needs for children outside of the crisis center legislation, and expanding peer support options. At this point, these initiatives are very limited, but they represent a shift from 4 to 8 years ago when all agencies were limiting new initiatives and avoiding new federal grant opportunities. It will continue to be a challenge to hire state employees with any degree of institutional memory or agency expertise. Contract management and oversight are also an area of concern.

**Kansas Legislative Recap** - Abbreviated

Budget breakdown – Governor vetoed the PRTF 60 day pre-approval and the KanCare funding penalty for implementing any significant new policies NOT approved by the Legislature

* Funding to begin a Medicaid supported housing program ($4.8 m AF/$2.2 m SGF),
* Funding for new / recreated Medicaid “health homes” model program ($2.5 million SGF),
* Line item funding for crisis stabilization centers for RSI, Valeo, ComCare and new services in Salina,
* Stops a $1 million sweep from the problem gambling and addictions fund to the state general fund and redirects that money to supplement substance use treatment block grant services in FY 18,
* $6 million funding for three juvenile community crisis centers in response to recommendations from the Judicial Council, to address gaps from juvenile justice reform and the child welfare system (from the Evidence Based Juvenile Programs Account of the State General Fund),
* Directs the proceeds from selling Rainbow building to RSI debt and emergency housing and assistance through RSI, Valeo and ComCare Community Crisis Centers,
* Add $425,200 including $152,600 SGF to administratively implement a Medicaid reinstatement policy for individuals being released from corrections facilities, state hospitals, or other institutional placements as detailed in SB 195 for FY 19,
* Add $350,000 SGF for Medicaid tobacco cessation policy changes for FY 19,
* Funds for mental health first aid training,
* Reinstates the mental health task force with additional members and directs the group to provide recommendations regarding state hospitals and regionalization, as well as other topics,
* Adds line item funding for clubhouse programs ($500,000),
* Directs KDHE to address concerns with the federal Medicaid institutions for mental disease (IMD) exclusion, behavioral health access, and telehealth options in FY 18,
* Includes language to postpone KanCare 2.0 policy changes – new language similar to SB 300 – and requires legislative approval of Medicaid policy changes (~~KanCare funding lapsed if this provision is violated~~) *penalty vetoed*,
* Add $9.6 million, including $4.8 million from the State General Fund, to provide Administrative Case Management services for individuals on the Physical Disability (PD), Traumatic Brain Injury (TBI), and Frail Elderly (FE) Medicaid Home and Community Based Services (HCBS) waivers for FY 2019. This amount includes $4.4 million, including $2.2 million from the State General Fund, for individuals on the PD waiver; $589,462, including $294,731 from the State General Fund, for individuals on the TBI waiver; and $4.5 million, including $2.3 million from the State General Fund, for individuals on the FE waiver for FY 19,
* Adds supplemental funding to Osawatomie and Larned State Hospitals to make up for increased costs and reduced federal revenues, and
* Adds significant new money and state employee positions for expansion of the sexual predator treatment program.

Other funding items include:

* Enhanced funds for various child welfare services,
* Enhanced Medicaid reimbursement for nursing facilities and hospitals,
* Adds $200,000 for meals for the senior nutrition program,
* Additional funds for Parents as Teachers and Tiny K programs,
* TANF funds for foster children to participate in Boys and Girls Clubs, YMCA, and municipal parks and recreation programs for FY 19,
* Adds $300,000 TANF funds for Communities in Schools - case management services to at risk students,
* Adds funds to increase payments for foster care kinship placements,
* Adds $1 million TANF fund for the Kidzlit program for FY 19 – reading skills and social development skills, and
* State employee wage increases - the amount depends on whether or not they received a raise in 2017 and the value of those raises.

Bill Listing

* SB 38 - Medicaid Expansion**–**Not passed
* SB 109 – Budget Bill including the Senate Mega-Budget, House Omnibus and Senate Omnibus items - Passed
* SB 195 - Suspension of Medicaid Benefits for Incarcerated Individuals**– implemented through budget**
* SB 304 - Step Therapy parameters for private insurance coverage – Not passed
* SB 316 - Improve Medicaid tobacco cessation services **– implemented through budget**
* SB 333 - Rescinding portions of Jason Flatt Suicide Prevention Act – Not passed
* SB 438 - removes prior authorization requirements for behavioral health medications prescribed within the scope of public mental health system facilities – will be a continuing dispute through KDHE and the Mental Health Medication Advisory Committee.  Not passed.
* HB 2308 - suicide evaluation upon admission to certain treatment facilities.  House amendment relates to repeated judicial orders to hold individuals awaiting hospital admission. Not passed.
* HB 2517 - Lottery Vending Machines to fund mental health and crisis services – Passed Conference Committee Report on HB 2194 - a gut and go maneuver to pass the Lottery Vending Machine legislation that was passed in 2017 but vetoed by Governor Brownback.  Once implemented, Lottery vending machines will be the designated funding source for clubhouse programs and crisis services.  These expenditures are capped, and replace the state general fund allocations in CCR on SB 109.
* HB 2549 - State Hospital Catchment Areas Removed, amendments to competency statutes – Amended to retain catchment areas, but will allow State to move competency beds from Larned State Hospital or add competency / forensic beds elsewhere.
* HB 2674 – Telemedicine, as amended, would establish the Kansas Telemedicine Act - Passed
* HB 2704 - Seniors and Antipsychotics, Require written consent before administering an antipsychotic meds to adult care home resident.  Not passed – KDHE will implement a P.A. for all seniors in nursing facilities.
* HB 2745 - Establishing a task force that would draft a transition bill of rights to educate parents and students regarding their rights and resources related to transition services for students receiving special education
* HB 2787 - Creating juvenile crisis centers DCF/KDOC – Passed.
* KanCare Delay Legislation:  Senate Bill 300 and House Bill would delay KanCare 2.0 - and have significant implications for the current bidding process for the next three years contract with MCOs. Not passed – restrictions implemented through budget.
* IMD Exclusion - Federal Waiver to allow Medicaid reimbursement for inpatient care at free standing behavioral health facilities. Not a bill, but Legislature has directed KDHE and KDADS to implement. It is not clear if KDHE will pursue outside of the KanCare Renewal process.
* State Hospitals – There was no new legislation regarding privatizing OSH, but the Mental Health Task Force is directed to study the topic along with making specific recommendations about number of beds and location. KDADS currently has a draft RFP for hospital regionalization.

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