

MINUTES

HOUSE & SENATE INTERIM COMMITTEES ON PUBLIC HEALTH, WELFARE AND LABOR

November 17, 2016

The House and Senate Interim Committees on Public Health, Welfare and Labor met Thursday, November 17, 2016, at 2:30 p.m. in Committee Room B of The Big MAC Building, Little Rock, Arkansas.

Public Health Senate Members Attending Were: Senators Cecile Bledsoe, Chair; Stephanie Flowers, Vice Chair; John Cooper, Scott Flippo, Missy Irvin, and Gary Stubblefield.

Public Health House Members Attending Were: Representatives Deborah Ferguson, Acting Chair; Mary Bentley, David Branscum, Charlene Fite, Jack Fortner, Kim Hammer, David Meeks, Josh Miller, Betty Overbey, John Payton, Dan Sullivan, Jeff Wardlaw, and Richard Womack.

Members-Elect Attending Were: Representatives Jimmy Gazaway, and John Maddox.

Other Legislators Attending Was: Senator Alan Clark. Representatives Charles Armstrong, Bob Ballinger, Nate Bell, Lance Eads, George McGill, James Sorvillo, and DeAnn Vaught.

Comments by the Chairs

Senator Cecile Bledsoe called the meeting to order. Representative Deborah Ferguson introduced Jack Fortner, a new member of the House of Representatives who was elected to fill the vacancy on the Public Health Committee, left by former Representative Kelley Linck.

Informal Preliminary Discussion of Exhibits D, E, and F

The discussion panel consisted of Kelley Linck, Legislative Intergovernmental Affairs, Dawn Stehle, Deputy Director, DHS, and Director, Division of Medical Services; Paula Stone, Assistant Clinical Director, Behavioral Health Services Division, Charlie Green, Director, Behavioral Health Services Division, and Melissa Stone, Director, Division of Developmental Disabilities Services; all with the Department of Human Services.

Mr. Linck explained that the rules on today's agenda have to be in place, regardless of what health care model is selected, so the providers may begin the new treatment plans. These rules will also give structure and balance to the program.

Mr. Green stated that the first rule (Item D) is a very comprehensive overhaul of the mental health system and substance abuse treatment programs. Ms. Paula Stone explained the system overhaul in more detail, and stated that things which save money in behavioral health care are:

- ◆ Easily accessible services
- ◆ High quality services
- ◆ Services targeted to a specific population
- ◆ Services that are provided in a home and community-based setting.

This new system will provide for a three-tiered level of service, with care coordination being a key factor.

Mr. Green stated the fiscal impact will generate about \$83 million in savings. Infrastructure costs will be about \$7 million and Independent Assessments will cost about \$2.5-\$3 million, leaving a net of \$77 million.

Melissa Stone explained the rule in Exhibit F, and stated that DHS would like to move forward on implementing a threshold for occupational, physical, and speech therapies for developmentally delayed children. Ms. Melissa Stone stated that DDS has attempted to ensure that all therapists, including independent therapists, have been notified of the proposed changes. Ms. Melissa Stone clarified that UAMS is not and has not been part of the work group.

These thresholds will provide quality control measures and save the state approximately \$16 million annually. Ms. Melissa Stone specifically stated that the medical necessity criteria will not be changed. The 72-hour turnaround that DDS has formally committed to, will ensure there will be no interruption in services to children.

Courtney Salas-Ford, Deputy General Counsel, Arkansas Department of Education, said that she fully supports this proposal.

Discussion for Clarification by the Bureau of Legislative Research (BLR)

Jessica Sutton, Administrator, Rules & Review Division, BLR, stated the Public Health, Welfare & Labor Committee's responsibility, under the law, is as a review process and it is limited to review pursuant to the law. The approval authority over rules rests solely with the Administrative Rules Committee under The Legislative Council. Therefore, regardless of whether the Public Health Committee reviews or does not review this proposed rule change, it will still go before the Administrative Rules Committee, who will determine whether or not to approve the rule.

Consideration to Adopt the October 31, 2016 Meeting Minutes (EXHIBIT C)

Without objection, the minutes from the October 31, 2016, meeting were adopted.

Department of Human Services, Division of Medical Services, Review of Rule Regarding Establishing the Outpatient Behavioral Health Services Program While Also Amending the Inpatient Psychiatric Services for Under Age 21 Program and School-Based Mental Health Program in Arkansas Medicaid. (State Plan Amendment 2016-008) (EXHIBIT D)

Charlie Green, Director, Behavioral Health Services Division, DHS, and Paula Stone, Assistant Director for Clinical Systems, Behavioral Health Services, DHS; led the discussion.

Ms. Stehle said that Dennis Smith, Special Advisor for Medicaid, DHS, is holding a Webinar on the changes to Arkansas' health care system. Senator Bledsoe asked Ms. Stehle to send the details of the time and place of the Webinar to Phil Price, the committee analyst, so he can notify the task force members.

The following people signed up to testify regarding Item D:

- ◆ Joel Landreneau, an Arkansas attorney, representing 10 providers
 - Testifying against 'D' - Not enough information on care coordination
- ◆ Mike Grundy, representing the Arkansas Behavioral Health Provider Association
 - Testifying against 'D' - Concerned about access and the projected savings of \$83 million
- ◆ Robin Roveendran, Executive Director, Arkansas Alliance for Health Improvement
 - Testifying for 'D'
- ◆ Shane Frazier, Representing Pinnacle Pointe Behavioral Health Services (*Handout #3*)
 - Presenting information on 'D'

Senator Stephanie Flowers requested to be on record as saying that Arkansas's federal tax payer dollars go to fund the Arkansas Disability Rights Council, and she feels it is shameful they are not represented here at this meeting today to speak their opinion on this rule.

Following committee discussion, the chair stated the rule will stand as reviewed by the committees. After the chair ruled that the item was reviewed, Senator Flowers requested her objection be noted.

Representative Ferguson recognized Representative-Elect John Maddox, who will be filling the vacancy left by Representative Nate Bell.

Department of Human Services (DHS), Division of Medical Services, Review of Rule Which Deals with Rehabilitative Services for Persons with Mental Illness (RSPMI), Update #2-16 & State Plan Amendment #2016-005 and Eliminates Speech Therapy, Collateral Interventions and Reduces Daily Maximum Units for Mental Health Professionals in the RSPMI Program (EXHIBIT E) (HANDOUT #1)

Tami Harlan, Chief Operating Officer, Medical Services Division, DHS, gave a brief introduction of this rule. Ms. Stehle presented the opening comments with some brief background information of this issue. Mr. Linck offered more detailed information for clarification purposes.

Senator John Cooper and Senator Flowers voiced objection to sending this rule out as reviewed. The committees agreed to send it out as *not* reviewed.

Department of Human Services, Division of Medical Services, Review of Rule Regarding Establishing a Limit on the Weekly Amount of Medicaid Funded Speech Therapy, Occupational Therapy and Physical Therapy That May Be Provided to an Eligible Individual Without Prior Authorization. (State Plan Amendment 2016-009) (EXHIBIT F) (HANDOUT #2)

Melissa Stone, Director, Division of Developmental Disabilities Services, DHS, opened the discussion. Ms. Melissa Stone clarified the fiscal impact information that was presented earlier, and stated the misinformation was due to the wrong codes mistakenly being entered. After the right codes were entered, the savings were projected as \$16,281,000.

Following committee discussion, the chair stated the rule will stand as reviewed by the committees. Senator Flowers raised her objection after the Chair made her ruling.

The following people signed up to speak against this rule. Mr. Landreneau and Mr. Grundy are in agreement that there is not enough information on these rules to make an informed decision.

- ◆ Scott Harmon, representing Therapy 4 Kids
 - Against Item F and requested this item not be reviewed (35% of his patients need more than the 90 minute threshold of services).
- ◆ Merilee Booker, representing the Academy of Pediatric Physical Therapy
 - Presenting information on Item F
- ◆ Lainey Morrow, representing Medicaid Saves Lives
 - For Item F – stated that she has been included in the work group, and she is in favor of these proposed rule changes
- ◆ Priscilla Faulkner, representing Priscilla Faulkner Counseling, Inc,
 - Speaking out on Item D in support of her clients
 - Need more information to make an informed decision of Item D
 - Concerned about access to services for children in outlying areas
 - Need more information on Independent Assessment

Senator Bledsoe announced that the next Senate and House Public Health meeting will be November 28, 2016.

The meeting adjourned at 4:45 p.m.