

111TH CONGRESS
2^D SESSION

H. R. 4787

To amend title XIX of the Social Security Act to improve and protect rehabilitative services and case management services provided under Medicaid to improve the health and welfare of the Nation's most vulnerable seniors and children.

IN THE HOUSE OF REPRESENTATIVES

MARCH 9, 2010

Ms. BALDWIN (for herself and Mr. SULLIVAN) introduced the following bill;
which was referred to the Committee on Energy and Commerce

A BILL

To amend title XIX of the Social Security Act to improve and protect rehabilitative services and case management services provided under Medicaid to improve the health and welfare of the Nation's most vulnerable seniors and children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Medicaid Services Restoration Act of 2010”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REHABILITATIVE SERVICES PROTECTIONS

- Sec. 101. Inclusion of therapeutic foster care as medical assistance.
 Sec. 102. Inclusion of attainment and retention of functional status in rehabilitative services.
 Sec. 103. Reasonable and efficient payment methodologies for rehabilitative services.
 Sec. 104. Clarification of coverage of EPSDT services for children receiving inpatient psychiatric hospital services.
 Sec. 105. Third party liability clarification relating to diagnostic, screening, preventive, and rehabilitative services.

TITLE II—CASE MANAGEMENT AND TARGETED CASE MANAGEMENT PROTECTIONS

- Sec. 201. Third party liability clarification relating to case management and targeted case management.
 Sec. 202. Reasonable and efficient payment methodologies for case management services.
 Sec. 203. Protecting health and safety.
 Sec. 204. Codification of Olmstead standard; protecting children.
 Sec. 205. Assuring appropriate case management.

1 **TITLE I—REHABILITATIVE**
 2 **SERVICES PROTECTIONS**

3 **SEC. 101. INCLUSION OF THERAPEUTIC FOSTER CARE AS**
 4 **MEDICAL ASSISTANCE.**

5 Section 1905 of the Social Security Act (42 U.S.C.
 6 1396d) is amended—

7 (1) in subsection (a)—

8 (A) in paragraph (27), by striking “and”
 9 at the end;

10 (B) by redesignating paragraph (28) as
 11 paragraph (29); and

12 (C) by inserting after paragraph (27) the
 13 following new paragraph:

1 “(28) therapeutic foster care services described
2 in subsection (y); and”;

3 (2) by adding at the end the following new sub-
4 section:

5 “(y)(1) For purposes of subsection (a)(28), subject
6 to subparagraph (C), therapeutic foster care services de-
7 scribed in this subsection are services provided for children
8 who have not attained age 21, and who, as a result of
9 mental illness, other emotional or behavioral disorders,
10 medically fragile conditions, or developmental disabilities,
11 need the level of care provided in an institution (including
12 a psychiatric residential treatment facility) or nursing fa-
13 cility the cost of which could be reimbursed under the
14 State plan but who can be cared for or maintained in a
15 community placement, through therapeutic foster care
16 programs that—

17 “(A) are licensed by the State and accredited
18 by the Joint Commission on Accreditation of
19 Healthcare Organizations, the Commission on Ac-
20 creditation of Rehabilitation Facilities, the Council
21 on Accreditation, or by another equivalent accredita-
22 tion agency (or agencies) as the Secretary may rec-
23 ognize;

24 “(B) provide structured daily activities, includ-
25 ing the development, improvement, monitoring, and

1 reinforcing of age-appropriate social, communication
2 and behavioral skills, crisis intervention and crisis
3 support services, medication monitoring, counseling,
4 and case management, and may furnish other inten-
5 sive community services; and

6 “(C) provide foster care parents with special-
7 ized training and consultation in the management of
8 children with mental illness, other emotional or be-
9 havioral disorders, medically fragile conditions, or
10 developmental disabilities, and specific additional
11 training on the needs of each child provided such
12 services.

13 “(2) In making coverage determinations under para-
14 graph (1), a State may employ medical necessity criteria
15 that are similar to the medical necessity criteria applied
16 to coverage determinations for other services and supports
17 under this title.

18 “(3) The services described in this subsection do not
19 include the training referred to in paragraph (1)(C).”.

20 **SEC. 102. INCLUSION OF ATTAINMENT AND RETENTION OF**
21 **FUNCTIONAL STATUS IN REHABILITATIVE**
22 **SERVICES.**

23 Section 1905(a)(13) of the Social Security Act (42
24 U.S.C. 1396d(a)(13)) is amended by striking “and res-
25 toration of an individual to the best possible functional

1 level” and inserting “, restoration of an individual to the
2 best possible functional level, or attainment or retention
3 of the individual’s best possible functional status”.

4 **SEC. 103. REASONABLE AND EFFICIENT PAYMENT METH-**
5 **ODOLOGIES FOR REHABILITATIVE SERVICES.**

6 Section 1905(a)(13) of the Social Security Act (42
7 U.S.C. 1396d(a)(13)), as amended by section 102, is
8 amended by inserting “(and which reimbursement for, in
9 the case of rehabilitative services, may be made through
10 the establishment of reasonable and efficient payment
11 methodologies, including fee-for-service payments, case
12 rates, daily rates, or other forms of capitated payment”
13 after “status”.

14 **SEC. 104. CLARIFICATION OF COVERAGE OF EPSDT SERV-**
15 **ICES FOR CHILDREN RECEIVING INPATIENT**
16 **PSYCHIATRIC HOSPITAL SERVICES.**

17 Section 1905(h)(1) of the Social Security Act (42
18 U.S.C. 1396d(h)(1)) is amended—

19 (1) in subparagraph (B), by striking “and” at
20 the end;

21 (2) in subparagraph (C), by adding “and” after
22 the semicolon; and

23 (3) by inserting after subparagraph (C), the fol-
24 lowing new subparagraph:

1 “(D) services described in subsection (r) which
2 are provided on an inpatient or outpatient basis to
3 an individual receiving inpatient services described in
4 subparagraph (A), (B), or (C).”.

5 **SEC. 105. THIRD PARTY LIABILITY CLARIFICATION RELAT-**
6 **ING TO DIAGNOSTIC, SCREENING, PREVEN-**
7 **TIVE, AND REHABILITATIVE SERVICES.**

8 Section 1903(c) of the Social Security Act (42 U.S.C.
9 1396b(c)) is amended—

10 (1) by inserting “(1)” after “(c)”; and

11 (2) by adding at the end the following new
12 paragraph:

13 “(2) Nothing in this title shall be construed as pro-
14 hibiting or restricting, or authorizing the Secretary to pro-
15 hibit or restrict, payment under subsection (a) for medical
16 assistance for services provided under section 1905(a)(13)
17 to eligible individuals furnished by qualified providers
18 under non-medical programs, provided, however, a State
19 or local agency administering such plan shall comply with
20 section 1902(a)(25).”.

1 **TITLE II—CASE MANAGEMENT**
2 **AND TARGETED CASE MAN-**
3 **AGEMENT PROTECTIONS**

4 **SEC. 201. THIRD PARTY LIABILITY CLARIFICATION RELAT-**
5 **ING TO CASE MANAGEMENT AND TARGETED**
6 **CASE MANAGEMENT.**

7 Section 1903(c) of the Social Security Act (42 U.S.C.
8 1396b(c)), as amended by section 105, is amended by add-
9 ing at the end the following new paragraph:

10 “(3) Nothing in this title shall be construed as pro-
11 hibiting or restricting, or authorizing the Secretary to pro-
12 hibit or restrict payment under subsection (a) for medical
13 assistance for services provided under section 1915(g) to
14 eligible individuals furnished by qualified providers under
15 non-medical programs, provided, however, a State or local
16 agency administering such plan shall comply with section
17 1902(a)(25).”.

18 **SEC. 202. REASONABLE AND EFFICIENT PAYMENT METH-**
19 **ODOLOGIES FOR CASE MANAGEMENT SERV-**
20 **ICES.**

21 Section 1915(g)(4) of the Social Security Act (42
22 U.S.C. 1396n(g)(4)) is amended by adding at the end the
23 following new subparagraph:

24 “(C) Reimbursement for case management and tar-
25 geted case management services may be made through the

1 establishment of reasonable and efficient payment meth-
2 odologies including fee-for-service payments, case rates,
3 daily rates, or other forms of capitated payment.”.

4 **SEC. 203. PROTECTING HEALTH AND SAFETY.**

5 Section 1915(c)(4) of the Social Security Act (42
6 U.S.C. 1396n(c)(4)) is amended by adding after the sec-
7 ond sentence the following new sentence: “For the purpose
8 of developing and monitoring the implementation of the
9 written plan of care required under paragraph (1), and
10 to assure the health and welfare of individuals, the State
11 may require case management services for each bene-
12 ficiary and may limit the case managers available with re-
13 spect to case management services for eligible individuals
14 in order to ensure that the case managers for such individ-
15 uals are capable of ensuring that such individuals receive
16 needed services.”.

17 **SEC. 204. CODIFICATION OF OLMSTEAD STANDARD; PRO-**
18 **TECTING CHILDREN.**

19 Section 1915(g)(2)(A) of the Social Security Act (42
20 U.S.C. 1396n(g)(2)(A)) is amended—

21 (1) in clause (i), by striking “services which
22 will” and all that follows through the period and in-
23 serting “services furnished to assist individuals, eli-
24 gible under the State plan who reside in a commu-
25 nity setting or are transitioning to a community set-

1 ting, in gaining access to needed medical, social,
2 educational, and other services. Such services may
3 be offered by staff of non-medical programs or those
4 who contract with non-medical programs, so long as
5 such individuals are qualified providers under the
6 State plan under this title and the case management
7 services are distinct from the direct services of the
8 non-medical program.”;

9 (2) by redesignating clause (ii) as clause (iii);
10 and

11 (3) by inserting after clause (i) (as amended by
12 paragraph (1)), the following new clause:

13 “(ii) For purposes of providing case manage-
14 ment services, individuals (other than individuals
15 who have attained age 22 but not attained age 65
16 and are patients in an institution for mental dis-
17 eases or individuals who are inmates of public insti-
18 tutions) may be considered to be transitioning to a
19 community setting for up to the last 180 days of an
20 institutional stay.”.

21 **SEC. 205. ASSURING APPROPRIATE CASE MANAGEMENT.**

22 Section 1915(g)(4) of the Social Security Act (42
23 U.S.C. 1396n(g)(4)), as amended by section 202, is
24 amended by adding at the end the following:

1 “(D) Nothing in this subsection shall be construed
2 as prohibiting a State from providing case management
3 or targeted case management services, as defined in sub-
4 paragraphs (A) and (B), respectively, of paragraph (2),
5 through multiple case managers to any individual who
6 qualifies for medical assistance under the State plan, or
7 to specific classes of individuals, or to individuals who re-
8 side in specified areas, selected by the State pursuant to
9 this subsection.”.

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