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Sam Brownback, Governor

To: Senate Public Health and Welfare Committee

From: Kelli Ludlum, KDADS Assistant Secretary

Date: March 16, 2016

Subject: HB 2571, Licensure renewal of community mental health centers

Interim Chairman O'Donnell and members of the Committee:

I appreciate the opportunity to present testimony on HB 2571, legislation which will change the licensure process of community mental health centers (CMHCs). At this time, KDADS licenses 26 CMHCs, two of which are currently accredited by national organizations. Licensure is intended to establish minimum requirements below which licensees are not permitted to operate. KDADS and its predecessor agency have worked closely with CMHCs over many years to ensure that quality care is provided to those individuals in need of mental health services. For purposes of this hearing, I would like to describe KDADS' oversight and enforcement of licensure requirements, to outline some differences between state and national regulations, and to offer suggestions that will clarify and refine the intent of the legislation.

Current Practice

The Licensing Quality Management (LQM) process is designed to maintain consistent compliance with CMHC licensing regulations. CMHCs are presently monitored for compliance with licensing requirements throughout the licensing cycle and not just at a single point in time, such as an annual survey. LQM replaced an earlier process which consisted of a bi-annual site visit lasting two to four days. The previous process required several staff to complete depending on the size of the CMHC.

LQM is designed to prevent the need for formal plans of correction which could temporarily put the CMHC's license in jeopardy by identifying compliance concerns immediately and providing the opportunity for correction well before a license was due to expire. This process has made it possible for the CMHC to continue normal operations while corrections were made without the need for formal enforcement actions through the administrative hearing process. Mental health quality assurance (licensing) and quality improvement (contract monitoring) have been done simultaneously in recent years to efficiently facilitate improvements throughout the CMHC system. The two forms of oversight complement each other by facilitating needed improvements and ensuring accountability for responsible expenditure of State dollars.

State Licensure and National Accreditation

In the past, KDADS staff has compared Kansas licensing regulations with the Commission on Accreditation of Rehabilitation Facilities (CARF) and The Joint Commission (TJC) standards. While there is some overlap, we have also found differences between Kansas regulations and accreditation standards. For example, a set of standards may address parts of a specific regulation but not the entire regulation.

Accreditation in concert with state licensing requirements could help improve the quality of CMHCs beyond what one or the other can accomplish by itself. However, these differences create some issues that would need to be worked through if HB 2571 were enacted. KDADS' preference is to identify the high-level issues during the legislative process, via a cross-walk or similar mechanism, in order to create the best possible legislation that is workable for all parties including the CMHCs, the state, and ultimately the safety and protection of the consumers we all serve. We met March 1 with the Association of Community Mental Health Centers of Kansas and TJC to discuss the potential for operationalizing deemed status in Kansas. The conversation was useful and we intend to have a similar meeting as soon as possible with CARF.

Legislative Considerations

1. Require accredited centers to notify KDADS of survey findings that would lead to any status other than full accreditation

If either CARF or TJC (or another national accrediting body approved by KDADS) issues corrective action to a CMHC, there is no requirement that KDADS be notified so that administrative action can be initiated where appropriate. It is essential that KDADS receive a copy of the full report provided by the accrediting agency.

2. Technical corrections to clarify legislation

KDADS has suggested a few minor corrections to resolve what we believe to be technical issues in the current bill, including the following:

- KDADS only licenses the CMHC as a whole and does not license a specific program or treatment. Thus, the language referencing "Programs and treatment provided" on page 2, subsection (e), line 33, would likely lead to confusion.
- While a CMHC may undergo surveys from an accrediting body, KDADS is still the licensing entity and will still receive complaints or questions, should those arise, regarding CMHCs. Therefore, KDADS needs the authority to continue inspections and investigations for those circumstances or if other changes arise with the licensing process.
- If a CMHC loses accreditation or receives a survey finding that leads to any survey finding other than full accreditation, KDADS needs statutory authority to take any additional action that may be necessary. The current bill does not appear to provide KDADS clear authority to take additional action such as suspending, denying, or revoking the CMHC's license.

Suggested amendment language has been provided to the revisor for all of the items above. We look forward to working with the Committee tomorrow to refine HB 2571. Once these improvements are made, we would support passage of the legislation.

Thank you for your time. I welcome the opportunity to answer any questions you may have for KDADS regarding this bill.