

Testimony for LB 871
Health and Human Services Committee
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Good afternoon, Senator Campbell and members of the Health and Human Services Committee. I am Scot Adams, (S-C-O-T A-D-A-M-S), Director of the Division of Behavioral Health for the Department of Health and Human Services. I would like to thank Senator Gloor for introducing LB 871 on behalf of DHHS, and I am here to testify in support.

Current law requires that consumers receiving behavioral health services within the Division of Behavioral Health/Regional Behavioral Health Authority system are assessed for their ability to contribute to the cost of their treatment received using two distinctly different methodologies.

For consumers seeking services voluntarily, a “financial eligibility” methodology is used, which uses the consumer’s income and family size to determine payment. This methodology is used by providers in the network, who collect such fees and copays from the consumer while in care.

For consumers committed to care by a mental health board, inpatient or outpatient, an “ability to pay” methodology is currently specified in statute, which uses individual and/or family income, liabilities, and assets to determine a consumer’s ability to contribute to the cost of care. The provider serving the consumer would gather such information, submit it to DHHS, who would then assess the consumer’s “ability to pay” and pursue collection of this payment directly from the consumer.

The “ability to pay” statute was created when most persons who were committed to care were served in state institutions. Today, fewer than 5% of all committed persons are served in a state institution; rather they are served by a community-based, private sector provider.

Using two separate methodologies within one system to assess a consumer’s ability to contribute to the cost of their care creates confusion for consumers and providers. It also places an additional burden on the providers to determine the consumer’s commitment status to determine which methodology to use. It also creates an additional burden on DHHS to determine if the correct method was utilized, conduct the verification of assets, determine a consumer’s ability to contribute to the cost of their care, and then pursue payment from these consumers.

The intent of LB 871 is to harmonize the methodologies to be used to determine a-consumer’s ability to pay for services, regardless of mental health board commitment status. LB 871

specifies the term “financial eligibility” to reference a consumer’s expected ability to contribute to the cost of services received, regardless of commitment status.

LB 871 clarifies the expectation of the Regional Behavioral Health Authorities to adopt a financial eligibility policy and schedule of fees created by the Division of Behavioral Health. The Division will specify the methodology to be used by community-based providers to determine a consumer’s financial eligibility, according to statute.

The methodology proposed in LB 871 includes examination of the consumer’s taxable income, family size, and liabilities. The consumer’s financial eligibility determination will be conducted by the provider of the services. The Division of Behavioral Health and the Regional Behavioral Health Authorities will monitor to ensure the consistent use of this methodology across their provider networks.

LB 871 also amends Section 83-368 to exclude the Division of Behavioral Health/Regional Behavioral Health Authorities Network from using the “ability to pay” methodology specified in that section. DHHS does not have the necessary infrastructure or resources – staff, attorney time, court fees, etc ... to pursue payment.

The Department is not attempting to diminish the contribution of consumers to the cost of their Behavioral Health treatment. We are attempting to create a consistent methodology to be applied to all consumers in determining the ability to contribute to the cost of their care, to ensure timely access to services for consumers, and to make the process easier for the providers.