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AMENDMENT NO 2 PROPOSED TO**

Cmte Sub for House Bill No. 1008

BY: Representative Hines

1 **AMEND** by adding following new paragraph (2) after line 1612
2 and renumbering the succeeding paragraphs and any references
3 thereto:

4 "(2) Each health maintenance organization, coordinated
5 care organization, provider-sponsored health plan, or other
6 organization paid for services on a capitated basis by the
7 division under any managed care program or coordinated care
8 program implemented by the division under this subsection

9 (H) shall use a clear set of level of care guidelines in the
10 determination of medical necessity and in all utilization
11 management practices, including the prior authorization process,
12 concurrent reviews, retrospective reviews and payments, that are
13 consistent with widely accepted professional standards of care



14 (including the Level of Care Utilization System [LOCUS], Child and
15 Adolescent Level of Care Utilization System [CALOCUS] and the
16 American Society of Addiction Medicine [ASAM], Child and
17 Adolescent Service Intensity Instrument [CASSI]). Organizations
18 participating in a managed care program or coordinated care
19 program implemented by the division may not use any additional
20 criteria that would result in denial of care that would be
21 determined appropriate and, therefore, medically necessary by the
22 following guidelines and principles. The standards of care must
23 incorporate the following eight (8) principles:

24 (a) Effective treatment requires treatment of the
25 individual's underlying condition and is not limited to
26 alleviation of the individual's current symptoms;

27 (b) Effective treatment requires treatment of co-
28 occurring mental health and substance use disorders and/or medical
29 conditions in a coordinated manner that considers the interactions
30 of the disorders when determining the appropriate level of care;

31 (c) Patients should receive treatment for mental
32 health and substance use disorders at the least intensive and
33 restrictive level of care that is safe and effective;

34 (d) When there is ambiguity as to the appropriate
35 level of care, the practitioner and insurer should err on the side
36 of caution by placing the patient in a higher level of care that
37 is currently available;



38 (e) Effective treatment of mental health and
39 substance use disorders includes services needed to maintain
40 functioning or prevent deterioration;

41 (f) The appropriate duration of treatment for
42 mental health and substance use disorders is based on the
43 individual needs of the patient; there is no specific limit on the
44 duration of such treatment;

45 (g) The unique needs of children and adolescents
46 must be taken into account when making decisions regarding the
47 level of care involving their treatment for mental health or
48 substance use disorders; and

49 (h) The determination of the appropriate level of
50 care for patients with mental health or substance use disorders
51 should be made on the basis of a multidimensional assessment that
52 takes into account a wide variety of information about the
53 patient."

