



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB1099

Introduced 1/12/2023, by Rep. Mary E. Flowers

SYNOPSIS AS INTRODUCED:

New Act

Creates the Children's Mental Health Local Collaborative Transformation Fund Act. Creates local children's mental health collaboratives. Defines "local children's mental health collaborative" as an entity formed by the agreement of representatives of the local system of care, including mental health services, social services, correctional services, education services, health services, and vocational services, for the purpose of developing and governing an integrated service system. Provides that, to qualify as a local children's mental health collaborative and be eligible to receive start-up funds, the representatives of the local system of care and nongovernmental entities (such as parents of children in the target population; parent and consumer organizations; community, civic, and religious organizations; private and nonprofit mental and physical health care providers; culturally specific organizations; local foundations; and businesses) or, at a minimum, one county, one school district or special education cooperative, one mental health entity, and one juvenile justice or juvenile corrections entity, must agree to the following: (1) to establish a local children's mental health collaborative and develop an integrated service system; (2) to commit resources to providing services through the local children's mental health collaborative; and (3) to develop a plan to contribute funds to the children's mental health collaborative. Effective January 1, 2024.

LRB103 04700 RJT 49709 b

1 AN ACT concerning health.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Children's Mental Health Local Collaborative Transformation
6 Fund Act.

7 Section 5. Purpose. The General Assembly finds that
8 children with emotional disturbances or who are at risk of
9 suffering those disturbances often require services from
10 multiple service systems, including mental health, social
11 services, education, corrections, juvenile court, health, and
12 employment and economic development. To better meet the needs
13 of these children, it is the intent of the General Assembly to
14 establish an integrated children's mental health service
15 system that:

16 (1) allows local-service decision makers to draw
17 funding from a single local source so that funds follow
18 clients and eliminates the need to match clients, funds,
19 services, and provider eligibilities;

20 (2) creates a local pool of State, local, and private
21 funds to procure greater medical assistance through
22 federal financial participation;

23 (3) improves the efficiency of use of existing

1 resources;

2 (4) minimizes or eliminates the incentives for cost
3 and risk shifting; and

4 (5) increases the incentives for earlier
5 identification and intervention.

6 In developing this integrated service system, it is not
7 the intent of the General Assembly to limit any rights
8 available to children and their families through existing
9 federal and State laws.

10 Section 10. Definitions. In this Act:

11 "Child" means a person under 18 years of age.

12 "Department" means the Department of Human Services.

13 "Emotional disturbance" means an organic disorder of the
14 brain or a clinically significant disorder of thought, mood,
15 perception, orientation, memory, or behavior that:

16 (1) is detailed in a diagnostic code list published by
17 the Secretary; and

18 (2) seriously limits a child's capacity to function in
19 primary aspects of daily living such as personal
20 relations, living arrangements, work, school, or
21 recreation.

22 "Emotional disturbance" is a generic term and is intended
23 to reflect all categories of disorder described in the
24 clinical code list published by the Secretary as usually first
25 evident in childhood or adolescence.

1 "Family" means a child and one or more of the following
2 persons whose participation is necessary to accomplish the
3 child's treatment goals:

4 (1) a person related to the child by blood, marriage,
5 or adoption;

6 (2) a person who is the child's foster parent or the
7 significant other of the child's foster parent; or

8 (3) a person who is the child's legal guardian or
9 custodian.

10 "Individualized rehabilitation services" means
11 alternative, flexible, coordinated, and highly individualized
12 services that are based on a multiagency plan of care. These
13 services are designed to build on the strengths and respond to
14 the needs identified in the child's multiagency assessment and
15 to improve the child's ability to function in the home,
16 school, and community. "Individualized rehabilitation
17 services" may include, but is not limited to, residential
18 services, respite services, services that assist the child or
19 family in enrolling in or participating in recreational
20 activities, assistance in purchasing otherwise unavailable
21 items or services important to maintain a specific child in
22 the family, and services that assist the child to participate
23 in more traditional services and programs.

24 "Local collaborative transformation fund" means a pool of
25 private resources and local, State, and federal resources
26 consolidated at the local level, to accomplish locally

1 agreed-upon service goals for a target population.

2 "Integrated service system" means a coordinated set of
3 procedures established by the local children's mental health
4 collaborative for coordinating services and actions across
5 categorical systems and agencies that results in:

6 (1) integrated funding;

7 (2) improved outreach, early identification, and
8 intervention across systems;

9 (3) strong collaboration between parents and
10 professionals in identifying children in the target
11 population, facilitating access to the integrated system,
12 and coordinating care and services for these children;

13 (4) a coordinated assessment process across systems
14 that determines which children need multiagency care
15 coordination and wraparound services;

16 (5) a multiagency plan of care; and

17 (6) individualized rehabilitation services.

18 "Local children's mental health collaborative" or
19 "collaborative" means an entity formed by the agreement of
20 representatives of the local system of care for the purpose of
21 developing and governing an integrated service system.

22 "Local system of care" means a coordinated network of
23 community-based services and supports designed to meet the
24 challenges of children and youth with serious mental health
25 needs and their families, including mental health services,
26 social services, correctional services, education services,

1 health services, and vocational services. "Local system of
2 care" includes partnerships of families, youth, public
3 organizations, and private service providers that work to more
4 effectively deliver mental health services and supports that
5 build on the strengths of individuals and fully address
6 children's and youths' needs.

7 "Mental health services" has the meaning ascribed to
8 "mental health or developmental disability services" in
9 Section 1-115 of the Mental Health and Developmental
10 Disabilities Code. As used in Section 30, "mental health
11 services" includes community-based, nonresidential services,
12 which may include respite care, that are identified in the
13 child's multiagency plan of care.

14 "Multiagency plan of care" means a written plan of
15 intervention and integrated services developed by a
16 multiagency team in conjunction with the child and family
17 based on their unique strengths and needs as determined by a
18 multiagency assessment. A "multiagency plan of care" must
19 outline measurable client outcomes and specific services
20 needed to attain these outcomes, the agencies responsible for
21 providing the specified services, funding responsibilities,
22 timelines, the judicial or administrative procedures needed to
23 implement the plan of care, the agencies responsible for
24 initiating these procedures and designate one person with lead
25 responsibility for overseeing implementation of the plan.

26 "Respite care" means planned routine care to support the

1 continued residence of a child with emotional disturbance with
2 the child's family or long-term primary caretaker.

3 "Secretary" means the Secretary of Human Services.

4 "Service delivery area" means the geographic area to be
5 served by the local children's mental health collaborative and
6 must include at a minimum a part of a county and school
7 district or a special education cooperative.

8 "Target population" means children under 18 years of age
9 with an emotional disturbance or who are at risk of suffering
10 an emotional disturbance as evidenced by a behavior or
11 condition that affects the child's ability to function in a
12 primary aspect of daily living including personal relations,
13 living arrangements, work, school, and recreation, and a child
14 who can benefit from:

15 (1) multiagency service coordination and wraparound
16 services; or

17 (2) informal coordination of traditional mental health
18 services provided on a temporary basis.

19 "Target population" also includes persons between the ages of
20 18 and 21 who meet these criteria at the option of the local
21 children's mental health collaborative.

22 Section 15. Local children's mental health collaborative.

23 (a) To qualify as a local children's mental health
24 collaborative and be eligible to receive start-up funds, the
25 representatives of a local system of care and nongovernmental

1 entities (such as parents of children in the target
2 population; parent and consumer organizations; community,
3 civic, and religious organizations; private and nonprofit
4 mental and physical health care providers; culturally specific
5 organizations; local foundations; and businesses, or, at a
6 minimum, one county, one school district or special education
7 cooperative, one mental-health entity, and one juvenile
8 justice or juvenile corrections entity, must agree to the
9 following:

10 (1) to establish a local children's mental health
11 collaborative and develop an integrated service system;

12 (2) to commit resources to providing services through
13 the local children's mental health cooperative; and

14 (3) to develop a plan to contribute funds to the
15 children's mental health collaborative.

16 (b) Two or more children's mental health collaboratives
17 may consolidate decision making, pool resources, and
18 collectively act on behalf of the individual collaboratives,
19 based on a written agreement among the participating
20 collaboratives.

21 (c) Each local children's mental health collaborative
22 must:

23 (1) sign a collaborative agreement and provide the
24 Secretary with a copy of the signed agreement no later
25 than 10 days after formation;

26 (2) identify a service delivery area and an

1 operational target population within that service delivery
2 area. The operational target population must be
3 economically and culturally representative of children in
4 the service delivery area to be served by the local
5 children's mental health collaborative. The size of the
6 operational target population must also be economically
7 viable for the service delivery area;

8 (3) seek to maximize federal revenues available to
9 serve children in the target population by designating
10 local expenditures for services for these children and
11 their families that can be matched with federal dollars;

12 (4) design, develop, and ensure implementation of an
13 integrated service system that meets the requirements for
14 State and federal reimbursement and develop interagency
15 agreements necessary to implement the system;

16 (5) expand membership to include representatives of
17 other services in the local system of care, including
18 prepaid health plans under contract with the Secretary to
19 serve the needs of children in the target population and
20 their families;

21 (6) create or designate a management structure for
22 fiscal and clinical responsibility and outcome evaluation;

23 (7) spend funds generated by the local children's
24 mental health collaborative as required in this Act;

25 (8) explore methods and recommend changes needed at
26 the State level to reduce duplication and promote

1 coordination of services, including the use of uniform
2 forms for reporting, billing, and planning of services;

3 (9) submit its integrated service system design to the
4 Department for approval within one year after notifying
5 the Secretary of its formation;

6 (10) provide an annual report and the collaborative's
7 planned timeline to expand its operational target
8 population to the Department; and

9 (11) expand its operational target population.

10 (d) The members of a local children's mental health
11 collaborative may share data on persons being served by the
12 collaborative or its members if the person gives written,
13 informed consent and the information sharing is necessary in
14 order for the collaborative to carry out its duties under this
15 Act. Data on persons shared under this subsection retain the
16 original classification as to each member of the collaborative
17 with whom the data is shared. If a federal law or regulation
18 impedes information sharing that is necessary in order for a
19 collaborative to carry out duties under this Act, the
20 appropriate State agencies shall attempt to obtain a waiver or
21 exemption from the applicable law or regulation.

22 Section 20. Integrated service system. The integrated
23 service system established by the local children's mental
24 health collaborative must:

25 (1) include a process for communicating to agencies in

1 the local system of care eligibility criteria for services
2 received through the local children's mental health
3 collaborative and a process for determining eligibility,
4 and the process shall place strong emphasis on outreach to
5 families, respecting the family role in identifying
6 children in need and valuing families as partners;

7 (2) include measurable outcomes, timelines for
8 evaluating progress, and mechanisms for quality assurance
9 and appeals;

10 (3) involve the family and, when appropriate, the
11 child in developing multiagency service plans to the
12 extent required by law;

13 (4) meet all standards and provide all mental health
14 services as required in this Act, and ensure that the
15 services provided are culturally appropriate;

16 (5) spend funds generated by the local children's
17 mental health collaborative as required in this Act; and

18 (6) encourage public-private partnerships to increase
19 efficiency, reduce redundancy, and promote quality of
20 care.

21 Children served by the integrated service system must be
22 economically and culturally representative of children in the
23 service delivery area.

24 Section 25. Revenue enhancement; local collaborative
25 transformation fund.

1 (a) A children's mental health collaborative has the
2 following authority and responsibilities regarding federal
3 revenue enhancement:

4 (1) the collaborative must establish a local
5 collaborative transformation fund;

6 (2) the collaborative shall designate a lead county or
7 other qualified entity as the fiscal agency for reporting,
8 claiming, and receiving payments;

9 (3) the collaborative or lead county may enter into
10 subcontracts with other counties, school districts,
11 special education cooperatives, municipalities, and other
12 public and nonprofit entities for purposes of identifying
13 and claiming eligible expenditures to enhance federal
14 reimbursement;

15 (4) the collaborative shall use any enhanced revenue
16 attributable to the activities of the collaborative,
17 including administrative and service revenue, solely to
18 provide mental health services or to expand the
19 operational target population, and the lead county or
20 other qualified entity may not use enhanced federal
21 revenue for any other purpose;

22 (5) the collaborative or lead county must develop and
23 maintain an accounting and financial management system
24 adequate to support all claims for federal reimbursement,
25 including a clear audit trail and any provisions specified
26 in the contract with the Secretary;

1 (6) the collaborative or its members may elect to pay
2 the nonfederal share of the medical assistance costs for
3 services designated by the collaborative; and

4 (7) the lead county or other qualified entity may not
5 use federal funds or local funds designated as matching
6 for other federal funds to provide the nonfederal share of
7 medical assistance.

8 (b) A children's mental health local collaborative
9 transformation fund established under this Act must be used to
10 develop and support the integrated mental health service
11 system. The fund shall be used to help the local children's
12 mental health collaborative to serve the mental health needs
13 of children in the target population by allowing the local
14 children's mental health collaboratives to develop and
15 implement an integrated service system.

16 Section 30. Additional federal revenues. Each local
17 children's mental health collaborative shall report
18 expenditures eligible for federal reimbursement in a manner
19 prescribed by the Secretary. The Secretary shall pay all funds
20 earned by each local children's mental health collaborative to
21 the collaborative. Each local children's mental health
22 collaborative must use these funds to expand the operational
23 target population or to develop or provide mental health
24 services through the local integrated service system to
25 children in the target population. Funds may not be used to

1 supplant funding for services to children in the target
2 population.

3 Section 99. Effective date. This Act takes effect on
4 January 1, 2024.