



Telephone: (517) 373-5383

Fax: (517) 373-1986

House Bill 5832 (Substitute H-3 as passed by the House)

Sponsor: Representative Mary Whiteford

House Committee: Health Policy

Ways and Means

Senate Committee: Health Policy and Human Services

Date Completed: 9-17-20

#### **CONTENT**

The bill would add Chapter 9A (Crisis Stabilization Units) to the Mental Health Code to do the following:

- -- Require the Department of Health and Human Services (DHHS) to provide for certification of crisis stabilization units to provide crisis services, including clinical services as a short-term alternative to inpatient psychiatric hospitalization, in a community-based setting.
- -- Allow a psychiatric hospital or general hospital to establish and operate a crisis stabilization unit.
- -- Require the DHHS to establish certain minimum standards and requirements for certifying a stabilization unit.
- -- Prohibit an entity from operating as a crisis stabilization unit without having a certification issued under Chapter 9A.
- -- Require an application for certification to operate a crisis stabilization unit to be submitted to the DHHS, and require the Department to issue a certification to an applicant who met all the standards and requirements set forth by the Department.
- -- Allow the DHHS to deny an application for certification that did not meet all the standards and requirements set forth by the Department, and allow it to suspend or revoke a certification if an applicant or certified crisis stabilization unit violated a provision of Chapter 9A or a standard or requirement set forth by the Department.
- -- Prohibit a crisis stabilization unit that also was not a preadmission screening unit from providing substance use disorder services without first obtaining the required license.
- -- Require a crisis stabilization unit to obtain and maintain accreditation from certain organizations.

The bill also would amend the Code to do the following:

- -- Require a preadmission screening unit to be available on a 24-hour basis to provide crisis services on a voluntary basis.
- -- Allow a preadmission screening unit to operate a crisis stabilization unit and provide crisis services to an individual who was found to be a person requiring treatment or who was seeking crisis services on a voluntary basis.

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- -- Require crisis services at a crisis stabilization unit to entail an initial psychosocial assessment by a master's level mental health professional and a psychiatric evaluation within 24 hours to stabilize the individual.
- -- Allow crisis services to be provided for up to 72 hours, after which the individual would have to be provided with the appropriate level of care.
- -- Specify that a cause of action would not be cognizable against a preadmission screening unit or crisis stabilization unit, or its employees or contractors, except for gross negligence or willful or wanton misconduct.

#### Crisis Stabilization Unit

The bill would require DHHS to provide for certification of crisis stabilization units to provide crisis services in a community-based setting. An individual receiving services in a crisis stabilization unit would be a recipient of mental health services under Chapter 7 (Rights of Recipients of Mental Health Services) of the Code and would be afforded all rights afforded to a recipient of mental health services. "Crisis stabilization unit" would mean a prescreening unit or a facility certified under Chapter 9A that provides unscheduled clinical services designed to prevent or ameliorate a behavioral health crisis or reduce acute symptoms on an immediate, intensive, and time-limited basis in response to a crisis situation. (The Code defines "facility" as a residential facility for the care or treatment of individuals with serious mental illness, serious emotional disturbance, or developmental disability that is either a State facility or a licensed facility. Under the bill, the term would include a preadmission screening unit established under Section 409 that was operating a crisis stabilization unit.)

Crisis services would include clinical services as a short-term alternative to inpatient psychiatric hospitalization provided by a mental health professional under the supervision of a psychiatrist in the least restrictive environment as determined by the mental health professional. The primary objective of crisis services would be prompt assessment, stabilization, and determination of the appropriate level of care. The main desired outcome of crisis services would be to avoid unnecessary hospitalization for an individual whose crisis could resolve with time, observation, and treatment.

A psychiatric hospital or general hospital could establish and operate a crisis stabilization unit under Chapter 9A. As used in this provision, "general hospital" would mean hospital as that term is defined in Section 20106 of the Public Health Code. (That section defines "hospital" as a facility offering inpatient, overnight care, and services for observation, diagnosis, and active treatment of an individual with a medical, surgical, obstetric, chronic, or rehabilitative condition requiring the daily direction or supervision of a physician. The term does not include a mental health hospital licensed or operated by the DHHS or a hospital operated by the Michigan Department of Corrections.)

# Certification

The bill would require the DHHS to establish minimum standards and requirements for certifying a crisis stabilization unit. Standards and requirements would have to include the following:

- -- A standard requiring the capacity to carry out emergency receiving and evaluating function but not to the extent it would bring the crisis stabilization unit under the provisions of Section 1867 of the Social Security Act (which generally governs the examination and treatment for emergency medical conditions and women in labor).
- -- Standards requiring implementation of voluntary and involuntary admission consistent with Section 409.

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- -- A prohibition from holding itself out as a hospital or from billing for hospital or inpatient services.
- -- Standards to prevent inappropriate referral between entities of common ownership.
- -- Standards regarding maximum length of stay at a crisis stabilization unit with discharge planning upon intake to a clinically appropriate level of care consistent with Section 409.
- -- Standards for billing for services rendered at a crisis stabilization unit.
- -- Standards for reimbursement of services for uninsured individuals, underinsured individuals, or both, and Medicaid beneficiaries, including formal agreements with community mental health services programs (CMHSPs) or regional entities for services provided to individuals using public behavioral health funds, outreach and enrollment for eligible health coverage, annual rate setting, proper communications with payers, and methods for resolving billing disputes between providers and payers.
- -- Physician oversight requirements.
- -- Nursing services.
- -- Staff to client ratios.
- -- Standards requiring a minimum amount of psychiatric supervision of an individual receiving services in the crisis stabilization unit that were consistent with the supervision requirements applicable in a psychiatric hospital or psychiatric unit setting.
- -- Standards requiring implementation and posting of recipients' rights under Chapter 7.
- -- Safety and emergency protocols.
- -- Pharmacy services.
- -- Standards addressing administration of medication.
- -- Standards for reporting to the DHHS.
- -- Standards regarding a departmental complaint process and procedure affording patients the right to file complaints for failure to provide services in accordance with required certification standards.

The complaint process and procedure would have to be established and maintained by the DHHS, would have to remain separate and distinct from providers delivering services under Chapter 9A, and could not be a function delegated to a CMHSP or an entity under contract with a CMHSP. The complaint process would have to provide for a system of appeals and administrative finality.

An entity could not operate as a crisis stabilization unit without having a certification issued under Chapter 9A. An application for certification to operate a crisis stabilization unit would have to be submitted to the DHHS in the manner prescribed by the Department.

The DHHS would have to issue a certification to an applicant who met all the standards and requirements set for by the Department for certifying a crisis stabilization unit. A certification under Chapter 9A would not be transferable to another crisis stabilization unit for the purpose of facilitating a change in location or a change in governing body.

Each certified crisis stabilization unit would have to allow an authorized Department representative to enter upon and inspect all of the premises for which a certification had been granted and applied for.

The DHHS could deny an application for certification that did not meet all the standards and requirements set for by the Department for a crisis stabilization unit. The DHHS could suspend or revoke a certification if an applicant or a certified crisis stabilization unit violated a provision of Chapter 9A or a standard or requirement set forth by the Department. Before an order was entered denying a certification application or suspending or revoking a certification granted previously, the applicant or party with a certification would have an opportunity for a hearing. A hearing would be subject to the provisions governing a contested case under the Administrative Procedures Act.

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A certified crisis stabilization unit would be exempt from the requirement of obtaining a certificate of need.

# Provision of SUD Services

Under the bill, unless licensed under Part 62 (Substance Abuse Services) of the Public Health Code, a crisis stabilization unit that also was not a preadmission screening unit could not provide substance use disorder services described in Chapter 2A (Substance Use Disorder Services) of the Mental Health Code without first obtaining the required license. If substance use disorder rehabilitation services, or both, were provided, the crisis stabilization unit would have to obtain a license as required under Section 6233 of the Public Health Code.

# <u>Accreditation</u>

A crisis stabilization unit would have to obtain and maintain accreditation from one of the following within three years after initial certification or within three years after the bill's effective date:

- -- Behavioral health care accreditation for crisis stabilization from the Joint Commission on Accreditation of Healthcare Organizations.
- -- Behavioral health accreditation for crisis stabilization by the Commission on Accreditation of Rehabilitation Facilities, CARF International.
- -- Accreditation from an organization with similar standards as the organizations described above that was approved by the DHHS Director.

# Preadmission Screening Unit

Section 409 of the Code requires each CMHSP to establish one or more preadmission screening units with 24-hour availability to provide assessment and screening services for individuals being considered for admission into hospitals or assisted outpatient treatment programs.

Under the bill, the preadmission screening units also would have to be available on a 24-hour basis to provide crisis services on a voluntary basis.

Additionally, the bill would allow a preadmission screening unit to operate a crisis stabilization unit. A preadmission screening unit could provide crisis services to an individual, who by assessment and screening, was found to be a person requiring treatment. Crisis services at a crisis stabilization unit would have to entail an initial psychosocial assessment by a master's level mental health professional and a psychiatric evaluation within 24 hours to stabilize the individual. In this event, crisis services could be provided for up to 72 hours, after which the individual would have to be provided with the clinically appropriate level of care, resulting in one of the following:

- -- The individual was no longer a person requiring treatment.
- -- A referral to outpatient services for aftercare treatment.
- -- A referral to a partial hospitalization program.
- -- A referral to a residential treatment center, including crisis residential services.
- -- A referral to an inpatient bed.
- -- An order for involuntary treatment of the individual had been issued.

A preadmission screening unit operating a crisis stabilization unit also could offer crisis services to an individual who was not a person requiring treatment, but who was seeking crisis services on a voluntary basis.

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### Cause of Action

Under the bill, a cause of action would not be cognizable against a preadmission screening unit or its employees or contractors or a crisis stabilization unit or its employees or contractors, who in good faith made a determination as to whether an individual was a person requiring treatment or not, unless the determination was the result of an act or omission amount to gross negligence or willful and wanton misconduct.

MCL 330.1100a et al.

Legislative Analyst: Stephen Jackson

### **FISCAL IMPACT**

The bill would permit a preadmission screening unit to establish a crisis stabilization unit. The Department of Health and Human Services would have to certify these units and so would face minor administrative costs. The bill is permissive; crisis stabilization units would not be mandated. To the extent that these units were established and used, there would be an indeterminate fiscal impact. The fiscal impact would be indeterminate because the services provided by the crisis stabilization unit would supplant or supplement other services and could lead to increased overall costs in some cases and cost savings in other cases. The costs and savings would be shared by the State and local government.

Fiscal Analyst: Steve Angelotti

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.