



Illinois Department of Human Services

Bruce Rauner, Governor

James T. Dimas, Secretary

**Division of Mental Health**

600 East Ash • Building 500 • Springfield, IL 62703

June 26, 2017

Dear Community Providers:

DHS/DMH is announcing some changes for the FY18 contract year consistent with the HHS Transformation goals and the move to Medicaid Managed Care. First, the DHS/DMH utilization management program requirement of authorization for ACT or CST services that are reimbursed through the DMH fee for service mechanism is being lifted. As the role of the State Mental Health Authority evolves within the context of HHS transformation, continued operation of a separate utilization management program for the limited number of individuals covered by DMH FFS receiving team services did not appear to be a prudent use of limited state resources. Services to individuals covered through a Medicaid Managed Care Organization will continue to be subject to any authorization/utilization management program of that MCO.

Consistent with the HHS guiding principles of creating a consumer-centric system, modernizing service delivery, paying for outcomes and value, and organizing our service delivery system, the Division will also be discontinuing the Post Payment function of Provider Monitoring, and shifting our focus to the development of a strong, streamlined organization of providers to ensure a skilled workforce that is providing evidence based and informed practices that is capable of demonstrating expected outcomes of care. As the State Mental Health Authority, DHS/DMH intends to develop the necessary policies to guide this transformation as well as the technical assistance and supports to ensure successful implementation at the provider level.

This transition to an outcomes based system will require the development of a new skill set, and a shift in the focus of the State Mental Health Authority. We intend to assist providers through the identification of outcomes measures, and a system for utilizing these to improve services. Consistent with recommended strategies for improving outcomes, the DMH will transition to the monitoring of outcomes, and will utilize strategies such as fidelity monitoring and technical assistance in instances where expected outcomes are not being reached. We value the partnership we have developed with our network of community providers, and envision a future of less administrative burden and increased support by the Division of the important work our providers do in the furtherance of recovery for individuals.

We are excited about these new directions, and look forward to sharing more with you as our work progresses. If you have any questions related to these policy changes for FY18, please send them through your Regional Offices.

Sincerely,

Diana Knaebe, Director  
Division of Mental Health