Specialty Care Matters
Behavioral Health-Grounded Strategies for Systems Transformation: Challenges, Opportunities, and Optimism

NJ Association of Mental Health and Addiction Agencies Annual Conference
April 13, 2016
Who We Are

Integration

Transformation

VALUEOPTIONS®

BEACON

beacon
health options
Beacon’s Mission and Values

We help people live their lives to the fullest potential.

**INTEGRITY**
We earn trust.

**DIGNITY**
We respect others.

**COMMUNITY**
We thrive together.

**RESILIENCY**
We overcome adversity.

**INGENUITY**
We prove ourselves.

**ADVOCACY**
We lead with purpose.
Beacon Health Options was created to provide the expertise, policy insight and operational experience necessary to serve State and Local Medicaid behavioral health (BH) programs for high-risk children, families and adults.
Beacon’s New Jersey Footprint

**AT A GLANCE**

**YEAR STARTED** 2014

**COVERED LIVES** 2.5 Million

**GEOGRAPHY** Statewide

**SCOPE OF SERVICES**

- Management of Behavioral Health Services for Horizon’s Medicaid, Medicare Advantage, MLTSS and HNJH DDD Program members
- Administers Horizon’s Employee Assistance Program (EAP)
Why Specialization Matters
Ours is a High Need, High Risk Target Population

Prevalence of Co-Morbid Conditions Among those with Serious Mental Illness

- Cardiac & Metabolic Illness: 70%
- Pulmonary: 26%
- Joint & Connective Tissue Disease: 19%
- Endocrine: 11%
- Liver Disease: 6%
- Cancer: 4%
- Neurological Condition: 4%
- Traumatic Brain Injury: 3%
- Kidney Disease: 3%
- Alzheimer’s/Dementia: 2%
The Impact of Serious Mental Illness on the Cost of Medical Care

Note: Reflects PMPM for all physical health care services, after excluding the PMPM costs for behavioral health services

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The Presence of a BH Diagnosis Significantly Impacts Hospital Admission Rates, Lengths of Stay and Readmission Rates

Across all member cohorts, readmission rates are 400% higher for those living with behavioral health issues.
Specialty Care Matters:
The Case for Behavioral Health Grounded Strategies

- Outreach and Engagement
- Diversionary Strategies and Services
- Cross-Systems and Network Development imperatives
- Beware of the pitfalls of claims of integration
- If health plans and ACO’s can’t get a handle on these behavioral health challenges, they (we) will never address the poor health status and preventable medical costs of these individuals.
Public Health Challenges Present a Significant Opportunity to Support, Invest in, and More Effectively Target our Behavioral Health Resources

- Impact of poverty, joblessness, drugs and alcohol, inadequate housing, and homelessness
- Multi-systems involvement: Justice System, DCF, CPS, JJC, etc.
- Impact of trauma on:
  - Children who are victims of abuse and neglect
  - Victims of domestic violence and violent crime
  - Those returning from military service with devastating injuries
- Those who are in and out of jail for reasons directly related to their mental illness
Over the last decade, in an effort to improve health outcomes, improve patient care experiences, and reduce costs, more than 20 state Medicaid agencies have embarked on reform initiatives to integrate coverage and financial accountability for physical and behavioral health care services through:

- Accountable Care Organizations (ACOs)
- Health Homes: a new Medicaid option for states under the Affordable Care Act
- Primary Care Case Management (PCCM) and Patient-Centered Medical Homes (PCMH): Emphasizing the integration of physical and behavioral health care as part of enhanced PCCM or PCMH initiatives
- Managed Care Entities: Combining physical and behavioral health benefits, consolidating funding streams, and entering into contracts with managed care organizations (MCOs) or behavioral health organizations (BHOs) to provide access to comprehensive physical and behavioral health services
Carve-in Trends and Medicaid Expansions Continue to Accelerate Across the Country

State-based Medicaid BH carve-outs continue to erode, but with new requirements for coordination and integration.

County-based BH systems remain intact, but with new requirements for coordination and integration.

*Exploring LTSS Carve-Ins (Including IDD)
Some States are Advancing Managed Care Models that Create Heightened Requirements Related to Behavioral Health

- NH
- FL
- NY

States with specific MCO requirements prioritizing the needs of plan members living with serious behavioral health conditions
Consider New York: Not exactly the Center of the Universe!

- Fragmented public behavioral health system/primarily FFS
- Little care coordination, uneven accountability, no continuity of care
- Minimal integration at any level
- Governor’s Medicaid Redesign Team (MRT) charged to:
  - Effectively integrate behavioral health and physical health care services
  - Advance the concept of health homes and other innovations to ensure service integration, particularly for those with serious behavioral health needs
  - Explore opportunities for service co-location, peer support, and enhanced and integrated managed addiction treatment services
  - Embark on a transition to fully integrated Medicaid managed care in a phased process that preserves the integrity of the public behavioral health system and protects the interests and well being of New York’s most vulnerable residents
### The Vision: Guiding Principles of New York’s Medicaid Redesign (aka, the Carve In)

<table>
<thead>
<tr>
<th>Guiding Principle</th>
<th>Details</th>
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<tr>
<td>Person-centered care management</td>
<td>Responsive, accessible, and comprehensive networks of care</td>
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<td>Integration of physical and behavioral health services</td>
<td>Plan and provider payments tied to outcomes</td>
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<td>Recovery-oriented services</td>
<td>Physical and behavioral health spending tracked separately</td>
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<td>Patient/consumer choice</td>
<td>Reinvestment of savings to improve services for behavioral health target populations</td>
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<td>Protection of continuity of care</td>
<td>Address the unique needs of children, families, and older adults</td>
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Raising the MCO Bar: New Standards for Behavioral Health Care: Get it Right or Leave the Medicaid Program

- Raising the bar on behavioral health management for all members:
  - Required Plan expertise and experience: clinical direction, network development and management, outreach and engagement, responsive care coordination, and preserving the integrity of the public behavioral health system
  - Quality Measures “beyond HEDIS”
  - Engaging the disengaged
  - Promoting consumer empowerment

- Assured reinvestment of savings in services and supports for people with behavioral health needs

- Ongoing monitoring by the entire behavioral health community (RPC)
- Incentive payments based on performance (Value-Based Purchasing)
- Minimum Medical Loss Ratio (MLR) requirements
The Governor’s MRT created Health and Recovery Plans (HARPs) – a new LOB managed by mainstream Medicaid Health Plans to more responsively serve individuals living with significant behavioral health conditions.

- Plans may operate services directly only if they meet rigorous standards.
- Plans that do not meet rigorous standards **must** partner with a BHO which meets these standards.
- Enhanced benefit package with specialized medical and social necessity/utilization review approaches for expanded recovery-oriented benefits reflected in unprecedented capitation rates.
  - Integrated health, behavioral health (MH and SUD), and pharmacy services.
  - Additional quality metrics and incentives.
  - Enhanced access and network standards.
  - Enhanced care coordination expectations.
Enhanced Services for HARP Members

HCBS 1915(i)-like Waiver Services – Access based on functional/clinical assessment for targeted populations

- **Services in Support of Participant Direction**
  - Information and Assistance in Support of Participant Direction
  - Financial Management Services

- **Crisis**
  - Crisis Intervention/Respite

- **Support Services**
  - Community Transition
  - Family Support
  - Advocacy/Support
  - Training and Counseling for Unpaid Caregivers

- **Empowerment Services**
  - Peer Supports

- **Service Coordination**

- **Rehabilitation**
  - Pre-vocational
  - Transitional Employment
  - Assisted Competitive Employment
  - Supported Employment
  - Supported Education
  - Onsite Rehabilitation
  - Respite
  - Habilitation
Were There Challenges (Piece of Cake …Not!)?

- Beyond bringing about City-Wide systems management, the laudable goal and expectation of total systems transformation is especially daunting.
- Implementing this visionary transformation through ten competitive health plans, with uneven network management capacity; few, if any of whom have the experience to confidently deliver on the high bar expectations established by the City and State.
- Overcoming the historical fragmentation and the “silos of excellence” that characterize much of the City’s public behavioral health system.
- Ensuring critical and largely absent cross-systems communication, collaboration and integration (child welfare, criminal justice, homelessness services), particularly crucial for many of our most vulnerable and marginalized residents.
Challenges….There’s More

- Building an accessible and responsively integrated delivery system that begins to meet the needs of 3 million Medicaid beneficiaries, including more than 60,000 individuals with immensely challenging behavioral health issues and needs.

- Establishing a rich array of services never managed by health plans, including Crisis Teams, MAT and HCBS 1915 (i)-like services critically important to achieving expected recovery-relevant outcomes…also totally new to the plans.

- Adapting to multi State and City agency oversight of this initiative, new partners (SOMH and OASAS, NYC DOH/MH), none of whom have significant experience in managing health plans.

- Doing so with providers many of who are struggling financially, and many others inexperienced with the vagaries of managed care; indeed some who are only now experiencing the challenge of FFS medicine.
Plan-specific behavioral health expenditure targets
Claims testing, provider cash flow concerns, advance payments
Providers unnerved by standard, complex and unalterable managed care contracts
Parity concerns and related transitional UR and Continuous Episodes of Care concerns
Unlicensed practitioners, un-contracted providers (OTPs, ACT, CPEPs, etc…)
Lifting of OTP capacity restrictions
General uncertainty related to rate issues, premium adequacy and related risk adjustment, risk sharing and risk mitigation considerations
Minimum expense targets and limits on profit and loss
Elusive CMS approval
But….It’s Happening!

- Daily meetings continue to identify and resolve complex issues.
- A single BHO (Beacon) has behavioral health management responsibilities for members of five of the City’s ten Medicaid Health Plans.
- Experienced systems-savvy City leaders are moving from provider and State and City behavioral health agencies to the plans.
- The Regional Planning Consortium (RPC) for the City provides a unique forum for communication, guidance and collaboration among City and State leadership, policy makers and system stakeholders.
- Other states, nearby and far from NY (Massachusetts, Rhode Island, Connecticut, Arizona) have brought about meaningful systems management…and survived.
- State and City agencies, the plans, providers, advocates and system stakeholders have stepped up and leaned in to take on these daunting challenges.
- Truly visionary leaders are working together to advance a shared, highly ambitious and nationally recognized vision of a City/Regional public behavioral health system, stronger, more accountable and more responsive than ever.
In Closing, Key Elements of a Responsive Systems Transformation

Regardless of a single or multi-plan strategy, it is critical to recognize that specialty care matters in regards to the engagement and responsive treatment and support of high risk individuals and families that are inextricably linked to their future wellbeing.

The required cross systems challenges are daunting and inherently NOT in the “comfort zone” of most managed care entities.

Leading edge clinical direction, based on an understanding of the invariable trauma that has impacted many or our high risk members, is critically important.

The ability to translate that clinical direction of trauma-informed, person-centered care into a network development and management strategy is essential to success on this front.

Individual and family empowerment and the related use of peer partners are directly tied to improved outcomes.

Value-Based Purchasing that drives those outcomes is essential to address the challenges facing our provider partners.
New Jersey Medicaid Behavioral Health Redesign

- Standard MCO models and simple integration narratives risk compromising years of progress in building a responsive behavioral health continuum

- Managed care must turn its focus to mechanisms that promote delivery system transformation and meaningful outcomes

- Data demonstrate that organizing around expenditures for high cost behavioral health groups and high volume behavioral health providers makes good policy sense

- MCO contract requirements will reflect the “raising of the bar” for our health plan partners in relation to collectively assuring the growing integrity and responsiveness of our public behavioral health systems

- Provider-plan partnerships will strengthen our State’s public behavioral health systems and services with an integrated behavioral health solution for individuals with serious behavioral health conditions that aligns with the State’s financial and policy objectives
Thank you