



MEDICAID MANAGED CARE WEBINAR SERIES

New Approaches to Covering and Delivering Adult Substance Use Disorder Services in Medicaid Managed Care Delivery Models



Center for Medicaid and
CHIP Services

September 24, 2014
2:00-3:00 pm ET

For audio, dial: 1-888-504-7962
Attendee access code: 399063

*Webinar series coordinated for CMS by
Mathematica Policy Research in partnership with
the Center for Health Care Strategies, Manatt
Health Solutions, and other partners.*

Agenda

- I. Welcome**
- II. Coverage and Delivery of Adult Substance Abuse Services in Medicaid Managed Care**
- III. Coverage and Delivery of Substance Use Services by Adults in Medicaid: Maryland Case Study**
- IV. Q&A and Discussion**

Speakers

John O'Brien

**Senior Policy Advisor
Center for Medicaid and CHIP Services
Centers for Medicare & Medicaid Services**

Patti Boozang

**Managing Director
Manatt Health Solutions**

Charles Milligan

**Senior Vice President, Enterprise Government Programs
Presbyterian Health Plan and Insurance Company**

Coverage and Delivery of Adult Substance Abuse Services in Medicaid Managed Care

Patricia Boozang

September 24, 2014

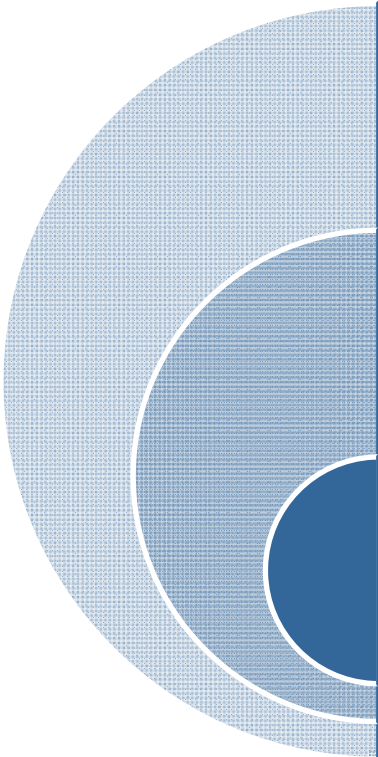
Agenda

- **Background**
- **Emerging Themes**
- **Conclusion**
- **Questions**

Background

The Changing Landscape

Medicaid's role in purchasing and delivering substance use disorder services is changing dramatically as the coverage landscape evolves



Expansion. Nearly 15% of the Medicaid expansion population is estimated to have a substance use disorder (SUD); expansion also brings increased interaction with justice involved populations, which typically have high SUD rates

Benefits. Once optional, SUD services are now covered under the ABP for expansion adults

Parity. And states must cover and manage these services on the same basis as medical/ surgical benefits

Source: Mann, C. January 26, 2013. SHO # 13-001/ACA #24. Application of the Mental Health Parity and Addiction Equity Act to Medicaid MCOs, CHIP, and Alternative Benefit (Benchmark) Plans. <http://www.medicaid.gov/Federal-Policy-Guidance/downloads/SHO-13-001.pdf>.

Many States Are Expanding Through MCOs



Approach to Developing Issue Brief

We reviewed managed care programs in six Medicaid expansion states to better understand their experiences with and approaches to delivering substance abuse services

 **Maryland** Interviewed state official

 **Arizona**

 **Massachusetts** Interviewed representatives from ValueOptions and Beacon Health Strategies

 **New York**

 **New Mexico** Interviewed state officials

 **Washington State**

Other sources included public reports, news articles, waiver documents, State Plan Amendments, and contracts

Emerging Themes

Emerging Themes

State managed care models for substance abuse service delivery continue to evolve




States are investing in substance abuse provider capacity and providing technical assistance to substance abuse providers

States are beginning to develop strategies to integrate social services for beneficiaries with SUDs

States, plans, and other stakeholders have begun to focus on implications of the expansion for individuals coming out of jail or prison, most of whom will be eligible for Medicaid for the first time

Substance Abuse Service Delivery Models Continue to Evolve

Focus is on improving care delivery and coordination, but level of physical and mental health benefit integration vary

Model	Description	State Example
Carve-in 	<ul style="list-style-type: none"> Substance abuse services are integrated into the MCO benefit package 	<ul style="list-style-type: none"> New Mexico: Seeks better coordination and data-sharing and payment innovation from MCOs
Carve-out 	<ul style="list-style-type: none"> Physical health, mental health, and/or substance abuse services are managed and paid for through separate delivery systems 	<ul style="list-style-type: none"> Maryland: Aims to reduce administrative burden for behavioral health providers through contracting with a single ASO for mental health and substance abuse services
Hybrid 	<ul style="list-style-type: none"> Basic behavioral health services are integrated in the MCO benefit package but specialty behavioral services are carved out <i>or</i> A specialized delivery system is created for Medicaid beneficiaries with the most significant mental health and/or substance use needs 	<ul style="list-style-type: none"> Washington: Delivers SUD services on a FFS basis, but received a SIM pre-testing award to integrate physical and behavioral health services through “accountable risk-bearing entities”



Investment in Substance Abuse Provider Capacity

- Less costly alternatives to inpatient care (e.g., diversionary and step-down programs)
 - **New York:** MRT work group recommended that MCOs focus on expanding access to office-based and ambulatory services
 - **Massachusetts:** Structured Outpatient Addiction Programs (SOAPs) for people transitioning back to the community from medically managed detox or acute treatment programs
- Modifying certification and licensing requirements that create barriers to expansion and integration
 - **Arizona:** Revised licensing rules to allow outpatient treatment centers and other provider types to offer both physical health and behavioral health services under the same license



Technical Assistance (TA) to Substance Abuse Providers

- Substance abuse providers have little previous experience with Medicaid or health insurance generally. States are providing TA to improve provider infrastructure and competency
 - **New York:** Encouraging MCOs and vendors to implement comprehensive behavioral health provider training and support: billing, coding, and documentation; data interfaces between providers and MCOs; utilization management requirements
 - **Beacon Health Strategies (Multi-State Vendor):** Provides technical assistance providers to develop new service modalities

Social Service Integration

States are supporting initiatives to coordinate and facilitate access to social services and housing supports for Medicaid beneficiaries with SUDs



MASSACHUSETTS:

Neighborhood Health Plan Social Care Managers assist members with obtaining income assistance, housing, food, and transportation.

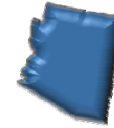
The program is supported by administrative funding.



NEW YORK:

New York State's Health Home program is designed to coordinate care for beneficiaries with multiple chronic conditions including SUDs.

Health Homes are the primary avenue for linkages to social services.



ARIZONA:

Regional Behavioral Health Authorities (RBHAs) in Arizona manage and refer to housing options for people with serious mental illness.

RBHAs also administer vocational, employment, and business development services.



Some states are beginning to make progress in bridging Medicaid and corrections:



Cooperation among MCOs, social service organizations and correctional facilities

- **Maryland:** HealthCare Access Maryland has developed a program to place case managers at Baltimore City Detention Center to assist inmates with applications for benefits (including Medicaid) 45 to 90 days prior to their release



Fostering relationships among local substance abuse agencies, police and jails

- **Washington:** County substance abuse agencies responsible for carved out Medicaid substance abuse services report strong relationships with law enforcement and jails in their communities



Development of protocols addressing crisis services, jail diversion safety

- **Arizona:** Maricopa County RBHA procurement requires collaborative protocols with local law enforcement and first responders

Conclusion

Questions Facing States



States will continue to face important questions with respect to their delivery system models substance abuse services.

- How to achieve better coordination among primary care and substance abuse providers?
- Whether to “carve in” or “carve out” substance abuse services from MCO benefit packages?
- In carve-out states, whether to use a BHO, an ASO, or the FFS Medicaid system to deliver substance abuse services?
- How to ensure that substance abuse treatment providers are prepared to meet Medicaid requirements and contract with MCOs and BHO?
- How to measure the quality of the care that beneficiaries with SUDs receive?
- How to address the social service needs of managed care enrollees with SUDs?
- How to create an interface between managed care and the criminal justice system?

Patricia Boozang
Pboozang@manatt.com



Coverage and Delivery of Substance Use Services by Adults in Medicaid: Maryland Case Study

Chuck Milligan
September 24, 2014

Overview

1. Landscape in Maryland pre-ACA
2. ACA-related implications
3. Problem Statement, circa 2012
4. Behavioral health redesign
5. Anticipated benefits
6. Anticipated challenges

Landscape in Maryland pre-ACA

- Services related to substance use disorders (SUD) were carved-*into* capitated managed care program known as Health Choice, and were administered by 6-8 managed care organizations (MCOs) over the years
- Dual eligibles were excluded from MCOs, so SUD services for that population was in unmanaged FFS
- Specialty mental health services were carved *out* of managed care and were administered by an administrative services organization (ASO)
- An 1115 expansion population of childless adults received a limited benefit package that included outpatient treatment for SUD. This program, known as the “Primary Adult Care” (or PAC) program, was delivered in a carved-in capitated model by the MCOs.

ACA-related Implications

- Maryland's PAC program would convert into a full-benefit Medicaid program
- The qualified health plans (QHPs) that offered insurance on the Maryland exchange would have to provide coverage for mental health diagnoses and substance use disorders
 - To meet network adequacy standards, QHPs would need public behavioral health providers in networks
- The Section 2703 health home option provided an attractive option to create a form of behavioral health home

Problem Statement, circa 2012

- The treatment of mental illness and SUD was not aligned in Medicaid, and this became even more problematic because of the ACA:
 - Management of churn
 - New MCOs entering Medicaid due to expansion (grew by two)
 - Alignment with health home vision
 - Comprehensive Medicaid benefits to former PAC population
- Dual eligibles were not well served with SUD services in FFS
- The mental health ASO contract did not have performance/outcome incentives

Behavioral health redesign

- SUD services will be carved out of managed care effective January 1, 2015, and will be coordinated with mental health services in a new ASO procurement
- The new ASO contract has performance measures and incentives
- The new ASO contract improves data sharing between mental health providers and PCPs and others
- The ASO is a single point of contact for social service programs, QHPs, MCOs, and others

Anticipated Benefits

- Better care for individuals with co-occurring needs
- Better model for Section 2703 health home
- Better alignment for dual eligibles, with all services aligned MCOs
- Single point of coordination with social service programs
- Single point of coordination with QHPs as individuals churn into and out of Medicaid
- Single point of coordination when demographic changes occur (e.g. aging into dual eligible status)
- Reduced burden on providers

Anticipated Challenges

- Disaggregating the “medical home” by separating somatic care from behavioral health services
- Aligning incentives when expanded treatment in behavioral health might reduce costs at the MCOs (e.g. hospital services); i.e. a shared savings model is more difficult
- Disputes about who is accountable for certain bad outcomes (e.g. hospitalizations related to a failure on the behavioral health side), and also related payment disputes

Questions and Discussion

- Type *1 on your telephone key pad to be placed in the queue to ask a live question.
- Please state your name and affiliation before asking your question.
- You may drop out of the queue by typing *2.

Resources

- P. Boozang, D. Bachrach, and A. Detty. Coverage and Delivery of Adult Substance Abuse Services in Medicaid Managed Care. Centers for Medicare & Medicaid Services, Medicaid Managed Care Information Resource Center, May 2014. Available at: <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Benefits/Downloads/CMS-Adult-Substance-Abuse-Services-Coverage.pdf>