



# Medicaid Innovation Accelerator Program (IAP)



**Medicaid Value-Based  
Payment Approaches  
for Substance Use  
Disorders**

National Webinar Series

October 26, 2017

2:00pm – 3:30pm ET

# Logistics

- Please mute your line & do not put the line on hold
- Use the chat box on your screen to ask a question or leave a comment
  - Note: chat box will not be seen if you are in “full screen” mode
  - Please also exit out of “full screen” mode to participate in polling questions
- Moderated Q&A will be held periodically throughout the webinar
  - Questions submitted via the chat box will be prioritized
- Please complete the evaluation in the pop-up box after the webinar to help us continue to improve your experience

# Purpose & Learning Objectives

1

- States will learn about key considerations in developing and implementing value-based payment (VBP) approaches for substance use disorders (SUD)

2

- States will gain a better understanding of other states' VBP approaches

3

- States will be able to apply a framework for planning a new VBP program for SUD.

# Agenda

- Introduction and Overview
- Introducing SUD Examples Across a Continuum of VBP Approaches
  - *Discussion Break*
- Key Considerations for VBP SUD Program Design
  - *Discussion Break*
- Wrap Up & Next Steps

# Facilitator

- **Suzanne Fields, MSW**
- Faculty and Senior Advisor for Healthcare Financing and Policy, University of Maryland School of Social Work



# Speaker

- **John O'Brien, MS**
- Senior Consultant,  
Technical Assistance  
Collaborative



# Speaker

- **Allison Hamblin, MSPH**
- Senior Vice President,  
Center for Health Care  
Strategies



# Speaker

- **Rachael Matulis, MPH**
- Senior Program Officer,  
Center for Health Care  
Strategies





# Overview of Medicaid Innovation Accelerator Program and Value-Based Payment Webinar Series

# Medicaid Innovation Accelerator Program (IAP)

- Commitment by the Centers for Medicare & Medicaid Services (CMS) to build state capacity and support ongoing innovation in Medicaid through targeted technical support\*
- A Center for Medicare and Medicaid Innovation (CMMI)-funded program that is led by and lives in CMCS
- Supports states' Medicaid delivery system reform efforts:
  - The IAP goal is to increase the number of states moving towards delivery system reform across program priorities
- Not a grant program; targeted technical support

\*IAP refers to *technical support* as support, program support, or technical assistance.

# Value-Based Payment Webinar Series



Medicaid Value-Based Payment Approaches and Key Design Considerations

Medicaid VBP Approaches for Children's Oral Health

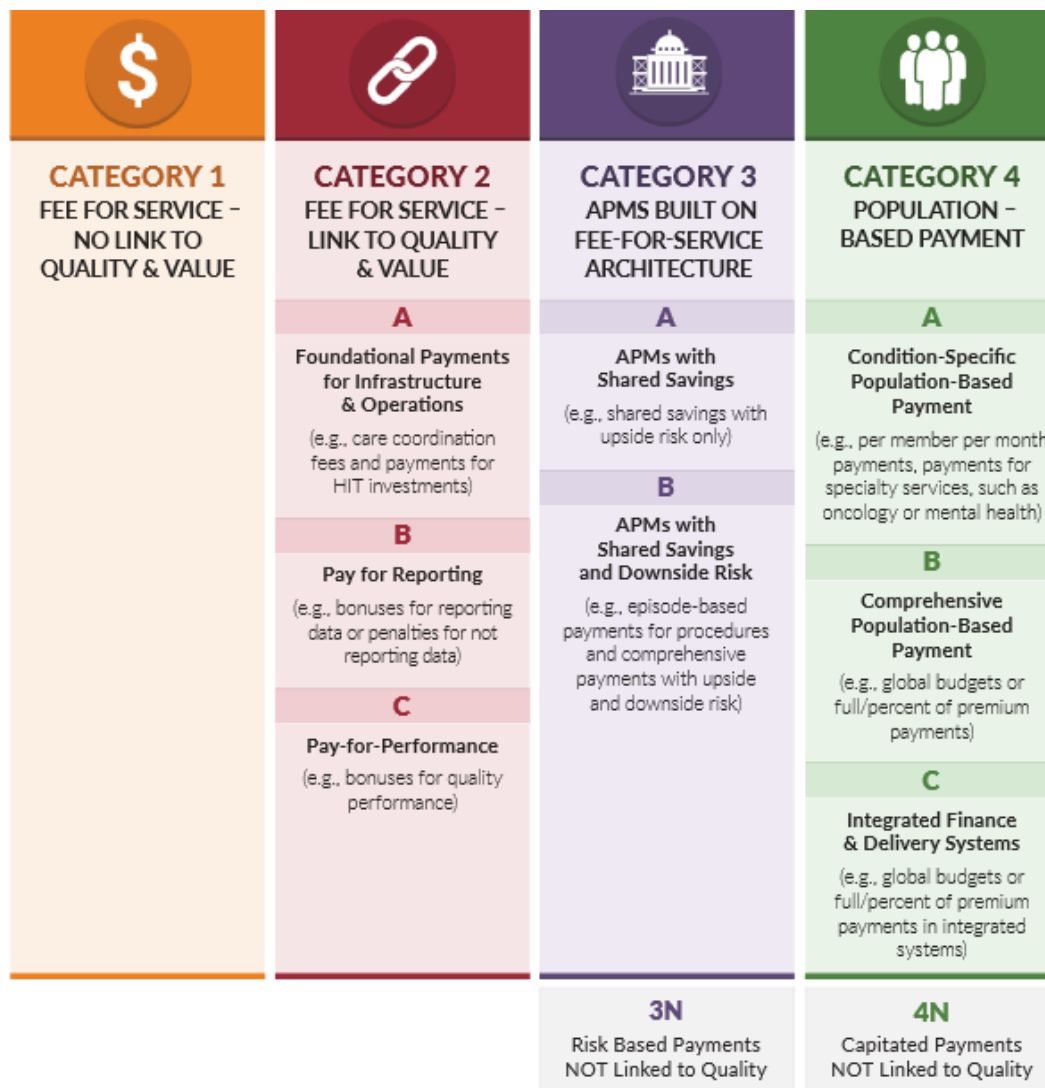
Medicaid VBP Approaches for Substance Use Disorders

Medicaid VBP Approaches for Maternal and Infant Health

# Introducing SUD Examples Across a Continuum of VBP Approaches

John O'Brien, MS

# Health Care Payment Learning and Action Network Alternative Payment Model Framework



# Category 2 Example- SBIRT Incentive

- **What It Is**
  - Oregon's bonus payment based on quality performance
  - Awarded for: 1) Improvement or 2) Achievement of a benchmark
  - Based on an array of measures, including Screening, Brief Intervention, and Referral to Treatment (SBIRT)
- **How it Relates to System Goals**
  - Wanted to promote the full array of integrated care
  - A lot of interest in the state already on improving SBIRT
    - A local university laid ground work
    - Dedicated technical assistance group on SBIRT

# Category 2 Example- SBIRT Incentive

- **Development of the Measure**
  - Literature Review and Convening of Thought Leaders
  - Continued to tweak measure as they gained experience
    - Pilot program
    - Provider input
  - First reported in 2013, currently suspended until 2019

# Category 2 Example- SBIRT Incentive

- **Where They Are Now**
  - Measurement has generated interest and initiative from providers
    - More people implementing SBIRT
  - Taking a step back because of the switch from ICD-9 to ICD-10
  - Re-developing the measure to be tracked through EHR instead of through claims



# Category 3 Example- Bundled Payment for Medication Assisted Treatment (MAT)

- **What It Is**
  - A single monthly payment for labs, psychiatry, group and individual therapy, outpatient
  - Offered by Medicaid health plans such as Beacon, Optum
- **How it Relates to System Goals**
  - Incentivizes providers to offer a full continuum of MAT
    - Not simply detox but access to medication, treatment and transition planning including medication maintenance.
  - Incentivizes an evidence-based practice

# Category 4 Example- Accountable Care Organization (ACO) Model with Shared Savings

- **What It Is**
  - New York's program for incentivizing a total care arrangement for people with 4 chronic conditions
    - Including Serious SUD
  - Developing a set of metrics that reflects high quality, integrated care
  - Plans/ACOs are offered a set of metrics with associated payment arrangements

# Category 4 Example- ACO Model with Shared Savings

- **How Measures are Categorized**
  - Category 1 are reliable and valid
    - Plans must report on all Category 1 measures
    - They are offered a 50-50 shared savings arrangement
  - Category 2 need more testing and validation
    - Plans can elect these measures
    - They are offered a 90-10 shared savings arrangement
  - Category 3 are aspirational and maybe not valid
    - ACOs receive the savings from these measures
- **How It Relates to System Goals**
  - Promotes integrated, whole-person care

# Category 4 Example- ACO Model with Shared Savings

- **Where They Are Now**
  - Pilots with plans to help them contract with providers
  - Providing extra support and assistance with measures
  - Testing elements of the process, working directly with plans on the measures that do not have a national value set established
  - Have gotten good feedback - the plans have been very supportive of their efforts

# Revisiting the Design Elements

- **Presented in first VBP webinar**
- **Provide decision points for developing a VBP model**
  - Patient population of focus
  - Services included
  - Financial performance and benchmarking
  - Quality of performance measure
  - Attribution of patients
  - Risk adjustment

# Discussion & Questions



# Key Considerations for VBP SUD Program Design

Allison Hamblin, MSPH

Rachael Matulis, MPH

# Key Considerations for VBP SUD Program Design

- Assess VBP in context of local market and system goals
- Engage stakeholders in design and implementation
- Consider provider capacity
- Select a quality measurement approach
- Determine how to implement SUD VBP in a managed care environment
- Provide technical assistance



# Assess VBP in Context of Local Market and System Goals

- What are your SUD system goals to address the needs of beneficiaries?
- Are there existing delivery system or payment reform efforts related to your SUD system goals?
- How would a VBP approach fit in with:
  - Existing Medicaid initiatives?
  - Other payers' initiatives?

# Engage Stakeholders in the Design and Implementation Process

- Involve key stakeholders in design and implementation
  - Aim for a transparent payment methodology
  - Recognize reporting burdens
- Use stakeholders to help evaluate how well the program promotes your goals
  - Consider inefficiencies in the VBP model that can be remedied
  - Consider treatment gaps not being addressed
  - Think about unintended consequences
  - Use stakeholders to consider VBP design elements
    - E.g. Financial benchmarking and attribution

# Consider Provider Capacity

- Behavioral health providers may require assistance with:
  - Billing
  - Data collection
  - Reporting
- Allow time for them to:
  - Build infrastructure
  - Gain experience
- Find out what specific questions providers have about measurement and reporting
- Offer technical assistance

# Select Quality Measurement Approach

- Which quality measures will your state use (nationally endorsed, homegrown)?
  - Commonly-used, standardized measures:
    - Initiation and Engagement (IET)
    - Follow-up After Discharge from Emergency Department for Alcohol and Other Drug Dependence (FUED)
  - NQF-endorsed measures
  - Process vs. outcome measures
  - Homegrown SUD measures that match state-specific goals

# Select Quality Measurement Approach

- Examples of homegrown measures:
  - Some states are using the Treatment Episode Data Set (TEDs) and National Outcome Measures (NOMs) to develop performance measures (CT, KS)
  - Some states are using data derived from standardized screening tools (MA)
  - Local data sources are another option (for example, Oregon's SBIRT measure)

# Select Quality Measurement Approach

- What data are available?
- How will you collect data?
  - Administrative claims, record reviews, etc.?
- How will you establish benchmarks?
- What process will you use to obtain measurement feedback from stakeholders?

# Determine How to Implement SUD VBP in a Managed Care Environment

- How flexible or prescriptive should a VBP requirement be within managed care?
  - Require or encourage use of specific delivery system reforms to help advance VBP for SUD?
- How are VBP targets (e.g., % of all payments) for plans determined?
  - Ramp up VBP targets more slowly for SUD providers?
- What counts as a qualified VBP arrangement?
  - States can use HCP-LAN categories to decide what counts.
  - What counts can “evolve” over time and may vary among health plans.

# Implementing BH/SUD VBP in a Managed Care Environment: Examples

Managed Care Requirement to:	State
Adopt an ACO model that incorporates SUD in provider accountability for cost and quality	MN
Adopt episode of care payments for SUD treatment (scheduled for 2020)	TN
Require a specific percentage of provider payments through approved VBP arrangements	AZ, NY
Move toward implementation of more sophisticated VBP approaches over the life of the contract	NY



# State Example: Arizona Gradually Ramps Up BH VBP Targets

- Specialty integrated plans (adults with SMI) pick from a menu of VBP options:
  - (1) incentives to improve BH coordination in primary care; (2) pay-for-performance; (3) bundled or episode payments; (4) shared savings and/or risk; and (5) performance-based capitation
  - VBP initiatives linked to quality measures selected by plan.

Contract Year	Acute Physical	Acute Behavioral – SMI Integrated
2016	20%	5%
2017	35%	15%
2018	50%	25%
2019	60%	35%
2020	70%	50%

Source: Presentation on Arizona's Value-Based Purchasing Initiatives. <http://tahp.org/wp-content/uploads/2016/11/Silver-AZ-Medicaid-VBP-Initiatives.pdf>

# Provide Technical Assistance

- For example, New York offers comprehensive VBP technical assistance to plans and providers
  - The Community Technical Assistance Center of New York and Managed Care Technical Assistance Center of New York offer training, consultation, and educational resources for behavioral health agencies
  - NY also offers a “VBP University”

Semester	Date of Release	Area of Study
Semester One	Released in July 2017	Background and foundational information on VBP
Semester Two	August 2017-Now Live!	Topic specific information such as governance, business strategy, stakeholder engagement, finance, and data
Semester Three	September 2017	VBP Contracting
Semester Four	October and November 2017	VBP Bootcamps

# Early Lessons on VBP Approaches for SUD

- New study on VBP arrangements used to accelerate the integration of SUD treatment in primary care.
- Early findings include:
  - VBP models being implemented
    - Particularly in response to opioid epidemic
  - Most Medicaid VBP arrangements for SUD in primary care are in HCP-LAN category 2 (e.g., infrastructure payments and pay-for-performance)
  - Effective training and adequate payments are essential
    - Particularly for Medication Assisted Treatment in primary care settings
  - There is a need for more robust quality measurement for SUD

# Overall Webinar Key Takeaways

- Developing a VBP program for SUD is a challenging process
  - Requires careful consideration of both program and model design
  - These elements should be considered in the context of state goals and current infrastructure
  - Many states start with a Category 2 program and work their way to Category 4 as they gain experience and sophistication

# Discussion & Questions



# Thank You for Joining Today's Webinar!

We hope to see you for the following Medicaid IAP VBP Webinar that will build off this one:

- Medicaid Value-Based Payments for Maternal and Infant Health-  
November 2<sup>nd</sup>, 2:00-3:00 pm ET

**Please take a moment to complete a short feedback survey.**