



## Medicaid Innovation Accelerator Program (IAP)

## IAP Learning Collaborative Substance Use Disorders (SUD)

Increasing Provider Capacity: Encouraging Providers to Become Medicaid Eligible 03/16/15



# **Encouraging SUD Providers to Become**Medicaid Eligible - Objectives

- Transitioning from block grants to billing
- Licensing issues for SUD providers
- Contracting with managed care organizations





#### **Presenters**

- Kim Johnson, PhD, MBA University of Wisconsin
- Bill Labine, Jackie Nitschke Center
- Valerie Harr, Director NJ Division of Medical Assistance and Health Services
- Roxanne Kennedy, LCSW, Project Officer, Managed Behavioral Health Division of Medical Assistance and Health Service State of NJ





<sup>\*</sup>Please note, one presentation has been removed pending approval to be posted on Medicaid.gov

### **SUD Providers Who Accept Medicaid**

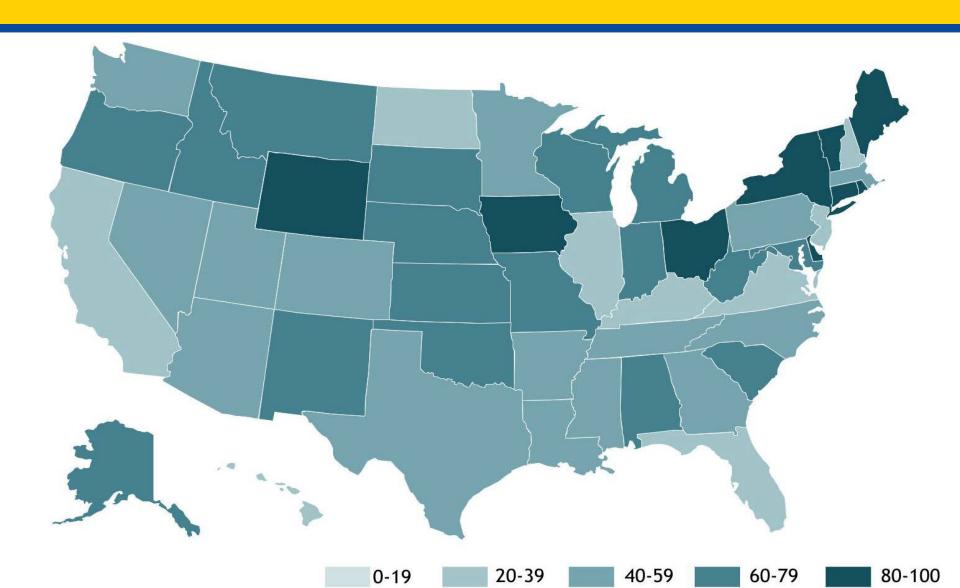
- Nationally, 58%\* of providers accept Medicaid
- Lowest percentage is Hawaii (25%)\*
- Highest percentage is Rhode Island (91%)\*

\* Substance Abuse and Mental Health Services Administration, National Survey of Substance Abuse Treatment Services (N-SSATS): 2012. Data on Substance Abuse Treatment Facilities. BHSIS Series S-66, HHS Publication No. (SMA) 14-4809. Rockville, MD: SAMHSA, 2013.





## Percent of Providers Who Accept Medicaid



## Why the Variation

- Variation in service system design
- Variation in use of Medicaid overall
- Variation in incentives and supports for providers to participate





## Why Providers Do Not Enroll

- Services or staff not covered
- Lack of billing infrastructure
- Lack of capacity to complete UR functions
- Current funding streams provide easier money





# How the Jackie Nitschke Center Survived an Abrupt Termination of Funding

- How we changed revenue streams:
- Preparation: UWGB Course Project
- Crisis: April 2010
  - Began evaluating community needs and possible revenue streams
    - Short-term, long-term
    - Met with local EAP, hospitals, employers
    - Began collecting telephone data
  - Started applying to multiple insurance networks





### **Jackie Nitschke Center**

#### Business Model Transition

- Antiquated book-keeping system/software
- Raised program rates to cover expenses
- Credit card machine
- Simple changes paying for tx- client feedback
- Increasing accounts receivable
- Line of credit
- Insurance companies; coding, discounts, fees
- Invoicing





### Why It Matters

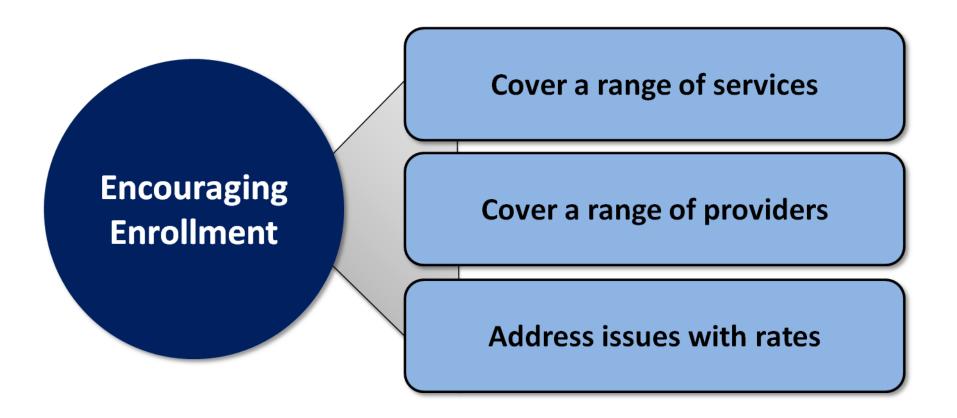
Several studies have indicated that Medicaid beneficiaries with SUD have higher costs (Clark, 2009) and that covering SUD treatment reduces overall Medicaid costs (Walter, 2005; Wickizer, 2006)

...But people need access to treatment for it to work





### **Encouraging Enrollment**







### **Preventing Problems**

Ensuring providers are compliant

Billing system infrastructure

Transition from prospective to retrospective payment

Revenue management

Understanding medical necessity and utilization review criteria

**Efficient service delivery** 









# NJ FamilyCare: Medicaid Comprehensive Waiver and Expansion

Valerie J. Harr, Director

NJ Division of Medical Assistance and Health Services



## New Jersey's Medicaid Comprehensive Waiver

The Medicaid Comprehensive Waiver (CW) is a collection of reform initiatives designed to:

- sustain the program long-term as a safety-net for eligible populations
- rebalance resources to reflect the changing healthcare landscape
- prepare the state to implement provisions of the federal Affordable Care Act in 2014





## Comprehensive Wavier and Behavioral Health Services

The Comprehensive Wavier gives the State authority to create an Administrative Services Organization (ASO) with the intent of transitioning to a risk-based model with a Managed Behavioral Health Organization with the following goals:

- Integrate behavioral health and primary care
- Supports community alternatives to institutional placement
- Provides opportunities for rate rebalancing
- Increased focus on consumers with developmental disabilities and consumers with co-occurring BH and PH conditions





### **Expansion Basics**

#### Timeline

- Oct. 2013 Applications Started
- Jan. 2014 Expansion Population Benefits Started

## Who is Eligible?

- All adults earning up to 133% of federal poverty level (\$26,321 per year for a family of three)
- Those previously eligible also expected to enroll due to federal law's "individual mandate"

### Who Pays?

- Federal government pays 100% of expansion population's benefits through 2016
- Federal share slowly tapers to 90% by 2020





### **2014 Enrollment Headlines**

396,457 (30.9%) Net Increase Since Dec. 2013; Includes 315,593 "Expansion" and 84,401"Woodwork"

18.8% of NJ's population is enrolled in NJ FamilyCare (One year ago: 14.4%)

93% of Individuals Enrolled in Managed Care (One year ago: 90.6% enrolled in managed care)

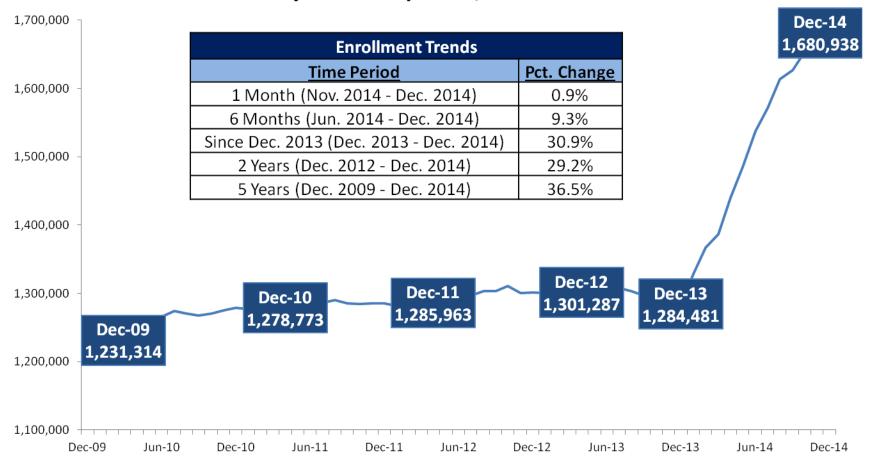
<u>Source</u>: Monthly eligibility statistics released by NJ DMAHS Office of Research (<u>State of New Jersey Department of Human Services</u>); Dec. eligibility recast to reflect new public statistical report categories established in Jan 2014. Total New Jersey population from U.S. Census Bureau

Notes: Net change since Dec. 2013; a small number of "Newly Eligible Adults Enrolled in NJ FamilyCare" were eligible for the former "General Assistance Medicaid Waiver" prior to 1/1/14.



### **Overall Enrollment**

#### Total NJ FamilyCare Recipients, Dec. 2009 – Dec. 2014











# Behavioral Health Benefit in NJ FamilyCare

Roxanne Kennedy, Executive Director of Behavioral Health

NJ Division of Medical Assistance and Health Services



# Behavioral Health (BH) services in the Alternative Benefit Plan (APB)

## BH services currently in the State Medicaid Plan



## Additional BH services to be covered in the ABP

- Targeted Case Management (ICMS)
- Community Support Services (7/15)
- Behavioral Health Home (1/14)
- MH Outpatient
- SUD Outpatient (limited)
- Adult Mental Health Rehabilitation (group homes)
- Inpatient psychiatric services
- Opioid Treatment Services
- Psychiatrist, Psychologist or APN
- Partial Care/Hospitalization
- Medical Detox
- PACT



- Non-medical detox\*
- SUD partial care
- SUD IOP
- SUD Outpatient
- SUD short term residential\*
- Psychiatric Emergency
   Services/Affiliated Emergency
   Services







### **Discussion**

- Do you have a sense of the number of providers that still don't accept Medicaid?
- Are there certain types of providers that are still not accepting Medicaid? If so why?
- Are there state barriers that have to be addressed before these providers can enroll? Or barriers so more providers are available to enroll? (licensing/certification)
- What resources exist in your state that can help providers make the transition?





#### Resources

#### **BHbusiness Plus**

"BHbusiness Plus offers customized, virtual technical assistance and training to behavioral health executives at no cost to help you identify and implement change projects that expand service capacity, utilize new payer sources, and thrive in the changing healthcare environment!."

**BHbusiness Plus** 

#### **Affordable Care Act Implementation FAQs - Set 7**

Frequently Asked Questions (FAQs) regarding implementation of the market reform provisions of the Affordable Care Act, as well as FAQs regarding implementation of the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA).

<u>Affordable Care Act Implementation FAQs - Set 7</u>

#### **Behavioral Health Treatment Needs Assessment Toolkit for States**

Provides states and other payers with information on the prevalence and use of behavioral health services; step-by-step instructions to generate projections of utilization under insurance expansions; and factors to consider when deciding the appropriate mix of behavioral health benefits, services, and providers to meet the needs of newly eligible populations

Behavioral Health Treatment Needs Assessment Toolkit for States



