



*Integrating Behavioral Health Services for
Louisiana's Medicaid Recipients*

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Initial Concept



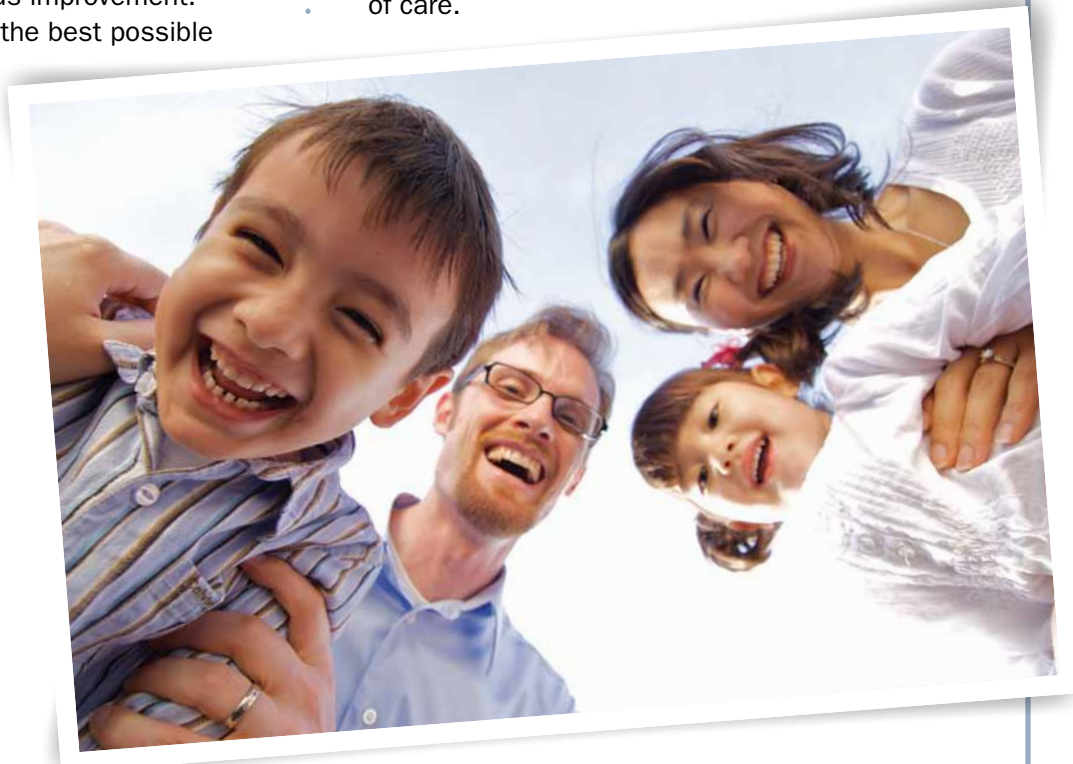
Our Vision and Principles

Over the past several years, the Department of Health and Hospitals (DHH) has worked carefully to develop a comprehensive transformation of the state's Medicaid program. Our top priority throughout the development and implementation of Bayou Health and the Louisiana Behavioral Health Partnership (LBHP) has been the improvement of health outcomes for our recipients. Bayou Health and the LBHP place a stronger focus than was possible in the legacy Medicaid fee-for-service model on the coordination of health care, the management of chronic conditions and diseases and the encouragement of healthy behaviors. This is an important change meant to improve the health and quality of life of the more than 920,000 Louisiana residents who are enrolled in our Medicaid and LaCHIP programs. Bayou Health was crafted by a team of professionals dedicated to the promotion of our enrollees' health. These professionals spent years researching similar Medicaid models in more than two dozen states while working in close collaboration with our stakeholder community.

Like all of our programs, Bayou Health and the LBHP are subject to continuous improvement. We've always recognized that the best possible outcomes are achieved when the care of the whole patient is effectively managed. By coordinating primary care and behavioral healthcare, providers will be able to look at the whole person, identifying behavioral health issues that need treatment and helping to prevent problems before they occur. Behavioral health services include treatment and prevention for both mental health and substance abuse disorders.

This is an important concept. People with serious mental illness

(SMI) have disproportionately high rates of mortality from the preventable conditions that are among the leading causes of death in the general population, including cardiovascular and pulmonary disease. People with SMI also have higher rates of modifiable risk factors for these conditions, such as smoking and obesity. They experience higher rates of homelessness, poverty and other causes of vulnerability, and they face symptoms associated with SMI that impair compliance and self-care, such as disorganized thought and decreased motivation. According to the Agency for Healthcare Research and Quality's Healthcare Cost and Utilization Project report, "Three of the top 10 diagnoses for hospital stays for Medicaid super-utilizers were mental and behavioral health conditions. Mood disorders, schizophrenia and other psychotic disorders, and alcohol-related disorders were the first, second, and sixth most common reasons for hospitalization, respectively, for Medicaid super-utilizers." A data summary of the top ten super-utilizing groups based on diagnosis is provided below for reference. These data indicate how vital it is that Louisiana move toward integrated care in order to prevent unnecessary, high-cost hospitalization through the coordination of care.



Top 10 principal diagnoses for super-utilizers with Medicaid coverage, 2012¹

Rank	Principal diagnosis _a	Number of hospital stays		Share of super-utilizers among all Medicaid patients (%)
		Medicaid super-utilizers _b	All Medicaid patients	
1	Mood disorders	55,061	312,711	18
2	Schizophrenia and other psychotic disorders	47,831	170,190	28
3	Diabetes mellitus with complications	40,153	125,444	32
4	Maintenance chemotherapy; radiotherapy	37,181	50,119	74
5	Sickle cell anemia	33,880	59,517	57
6	Alcohol-related disorders	31,121	95,148	33
7	Septicemia (except in labor)	27,641	116,272	24
8	Congestive heart failure; nonhypertensive	26,963	73,932	36
9	Chronic obstructive pulmonary disease and bronchiectasis	25,476	78,714	32
10	Complication of device; implant or graft	25,159	79,173	32

a Clinical Classifications Software (CCS) categories based on International Classification of Diseases, Ninth Revision, Clinical Modification (ICD-9-CM) diagnoses

b Super-utilizers are patients with four or more hospitals stays per year.

Source: Weighted national estimates from a readmissions analysis file derived from the Agency for Healthcare Research and Quality (AHRQ), Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project (HCUP), State Inpatient Databases (SID) from 18 States, 2012

Despite the high rate of substance use comorbidities that are also prevalent among people with SMI, the mental health and substance use systems are often entirely separate, and both are segregated from the physical health system. To improve outcomes, Louisiana is joining many other states and providers in moving toward the integration of behavioral and medical health care. Integration can lead to fewer readmissions and lower costs, as well as improved health outcomes for members. As we work collaboratively to integrate specialized behavioral health services (including both mental health and substance use services) within the Bayou Health program, there are four key principles that we consider as important guide posts.

- ▶ Behavioral healthcare needs have a significant impact on both an individual's overall well-being and healthcare costs and should therefore be integrated into and coordinated by one accountable entity.
- ▶ Information should flow smoothly between payers and all provider types to ensure effective and informed clinical decision making by multi-disciplinary care teams.
- ▶ Every effort should be taken to reduce unnecessary administrative burdens on providers, allowing them to focus on delivery of services, care coordination and case management.

¹ Jiang HJ (AHRQ), Barrett ML (M.L. Barrett, Inc.), Sheng M (Truven Health Analytics). Characteristics of Hospital Stays for Nonelderly Medicaid Super-Utilizers, 2012. HCUP Statistical Brief #184. November 2014. Agency for Healthcare Research and Quality, Rockville, MD. <http://www.hcup-us.ahrq.gov/reports/statbriefs/sb184-Hospital-Stays-Medicaid-Super-Utilizers-2012.pdf>

- ▶ Contracts must promote accountability for delivering needed care, improving quality and outcomes and lowering overall healthcare costs without restricting needed access.

The Case for Integration

Prior to the implementation of Bayou Health and the LBHP, Louisiana's Medicaid service delivery system operated almost exclusively as a fee-for-service system that had little to no coordination, uneven quality of care, inequitable access to care and unpredictable costs. Our healthcare system had been designed to provide episodic and acute care for heart attacks, pneumonia, appendicitis, stroke, flu, accidents and other conditions where people break but then mend. In building Bayou Health and the LBHP, DHH carefully studied the experiences of dozens of other states to identify both best practices as well as practices to be avoided, all while consulting with experts and stakeholders across both the state and the country. The Department used the lessons learned from this research to develop a program that has continuously evolved based on evidence-based practices. The program is designed to improve health outcomes for our population, increase access to quality care and provide fiscal sustainability. The program took significant steps forward through the development of two models for physician health management (traditional capitated managed care plans and a shared savings primary care case management (PCCM) program) and the contracting of a separate managing entity for behavioral health (the LBHP). While these changes have helped Louisiana meet many of its health care goals, we know that unmet behavioral health needs still have a significant impact on both the physical health of Louisianians and the associated costs and that little has yet been done to effectively align those needs.

However, our models are continuing to evolve. Beginning on February 1, 2015, Bayou Health will consist of five, full-risk plans that are paid a per-member-per-month (PMPM) capitated rate as the shared savings model is phased out. These plans will be fully responsible for coordinating and paying for the majority of Medicaid covered services for

their enrollees. These plans have more flexibility to offer benefits and services beyond the scope of legacy Medicaid. Upon the planned integration of specialized behavioral health services on Dec. 1, 2015, the plans will then manage the delivery of those services in their patients' care plans. This integration of specialized behavioral health into managed care will not only allow Louisiana to move further toward our goal of achieving better health outcomes, but it will also allow health plans to better manage the overall cost of care for their enrollees through realigning the focus of care on preventative health and disease management. This will reduce emergency room visits and hospital admission rates while increasing the utilization of community services where the client is supported with minimal disruption to their everyday life.

There are several important benefits of an integrated approach. By integrating specialized behavioral health services into Bayou Health, the health plans will be able to improve care coordination for their enrollees by managing a broader and more complete spectrum of health care services. Integration will provide more opportunities for seamless and real-time case management of health services, and it will allow for better transitioning and use of all resources provided by the system. Through integration, we will be able to build upon the successes we have realized over the last three years through the LBHP, such as enrolling an entirely new behavioral health provider network and expanding Medicaid-allowable services to include addiction treatment and high-risk populations. Through the coordination between behavioral health and primary care, we will continue to expand services and resolve network deficiencies through the competitive market strategies employed by the Bayou Health plans. This will also serve to improve the experience of providers, who will then have access to the vast array of tools that the Bayou Health plans have available.

DHH will ensure that each health plan offers an adequate network of behavioral health providers. The health plans will be required to meet network adequacy standards, inclusive

of the present network of behavioral health providers currently providing services in the existing established network.

Continued Commitments

When Bayou Health was designed, certain protections were built into the rules and contracts for patients, providers and the state. Many of these safeguards will carry forward to the behavioral health benefit, including, but not limited to, those listed below.

- ▶ Network adequacy requirements
- ▶ Requirements to make good faith effort to contract with significant, traditional providers from legacy Medicaid
- ▶ Robust appeals and grievances processes
- ▶ Prompt pay standards for clean claims
- ▶ Medical loss ratio
 - In Bayou Health, Plans must spend at least 85 percent of all available funding on direct patient care. If MLR is less than this, the difference must be refunded to the state.
- ▶ Outcomes and performance reporting
- ▶ Financial transparency requirements
- ▶ Monthly, quarterly and annual reporting
- ▶ Transition of care requirements
- ▶ Standards for timely submission of encounter data

DHH is also considering additional patient protections that are more specific to behavioral health including, but not limited to, those listed below.

- ▶ Increased or specific monitoring to ensure compliance with the Mental Health Parity and Addiction Equity Act (MHPAEA)
- ▶ Development of particular safeguards for children with special health care needs to ensure that that plans adequately care for individuals with more complex mental and physical health needs
 - This may include standards for access; quality of care standards, including fidelity monitoring of evidence-based practices and

frameworks; and utilization tracking and reporting.

- ▶ Creative strategies to expand the service array and provide the full complement of services in all regional areas
- ▶ Internal monitoring of waiver assurances
- ▶ Cross-agency analysis and input from state partners, including the Office of Juvenile Justice, the Department of Children and Family Services and the Louisiana Department of Education
- ▶ Behavioral health-focused staffing additions to the health plans with direct participation in utilization and care management
- ▶ Behavioral health-readiness review of all health plans prior to Dec. 1, 2015

Seeking Feedback

Over the course of the next several months, the Department will invite interested stakeholders to provide feedback in order to better inform the design of contractual requirements as well as the policies and rules that will govern the provision of specialized behavioral health services in the Bayou Health program. Specifically, DHH has named a diverse advisory group that will meet to discuss these specific issues.

The areas of solicited feedback are divided into the three categories below.

Provider Partners and Access to Care

DHH is seeking suggestions for how it can simplify to the greatest extent possible the administrative burden that providers face without negatively impacting the ability for health plans to effectively manage the care for their enrollees. Specifically, DHH is seeking input on the questions listed below.

- ▶ How can the provider credentialing process be improved or standardized among the five plans?
- ▶ In what ways can DHH ensure that health plan utilization management policies, including authorization requests and document requirements, are consistent and rational?

- ▶ What information sharing requirements and standards should exist between health plans and providers?

DHH is also committed to ensuring that providers are able to successfully participate in the integrated model and deliver services to their patients. To that end, DHH seeks feedback on the questions listed below.

- ▶ What provider education and training opportunities would be most valuable, and how can they best be delivered to ensure their effectiveness?
- ▶ How can DHH ensure that health plans have adequate networks of a diverse set of provider types?
- ▶ What special requirements or protections should exist for non-private provider partners, such as local governing entities and other statewide agencies?

Members, Benefits and Care Coordination

What special provisions should exist for health plan requirements for treating individuals with serious mental illness (SMI) or at-risk youth who have been served in the Coordinated System of Care (CSoc)?

- ▶ What technology requirements should exist for the health plans for care coordination and data transmission?
- ▶ How can we promote the use of multidisciplinary care teams to use methods such as co-management and co-rounding for patient care needs?
- ▶ What protections are necessary to ensure continuity of care during the transition?

Quality, Outcomes and Accountability

- ▶ Which quality metrics specific or ancillary to behavioral health should be added to health plan monitoring requirements?
- ▶ Are any additional reporting requirements necessary as it relates to behavioral health and integrated services?
- ▶ What local staffing requirements should exist for health plans?

Moving Forward

This concept paper represents a first step in the discussion of how Louisiana can best integrate behavioral and physical health within Bayou Health. With a planned implementation of Dec. 1, 2015, there are still many important steps ahead of as we move to implement these changes to improve the model of delivering behavioral health services to our Medicaid population. Some of these steps are listed below.

- ▶ Reviewing the relevant federal authorities, including waivers and the state plan, and submitting amendments as needed to CMS.



- ▶ Issuing a Request for Information and developing a final strategy regarding the non-Medicaid population
- ▶ Developing and executing the Bayou Health contract amendments, including rate setting effective Dec. 1, 2015
- ▶ Public updates and education, including:
 - public forums across the state;
 - online resources, including a website targeted to the general public and webinars;
 - a regular newsletter with updates;
 - regular legislative communications, including briefings on the progress of the integration; and
 - routine media updates, including press releases for major milestones
- ▶ Developing training and education for providers working with the health plans

- Resources available will include technical assistance and trainings/webinars.

Process for Feedback

DHH is publishing this concept paper as a catalyst for public comment and discussion. Pertinent materials related to the pharmacy transition will be posted to www.dhh.la.gov/ihc. There, individuals will also be able to submit feedback directly to DHH. Additionally, questions, comments and other feedback can be submitted by email to IntegratedHealthCare@la.gov.

DHH will hold advisory group meetings to engage in a meaningful dialogue, answer questions and promote candid discussion. That schedule of meetings is available on MakingMedicaidBetter.com.

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