Submitted To:
Louisiana Department of Health and Hospitals

RFP# 305PUR-DHHRFP-SMO-OBH

Subject:
Behavioral Health Services

Submitted By:
Merit Health Insurance Company, an affiliate of Magellan Health Services, Inc.
55 Nod Road
Avon, CT 06001

Submission Date:
August 15, 2011

REDACTED

"The data contained in pages (please see below for complete list of confidential elements) of the proposal have been submitted in confidence and contain trade secrets and/or privileged or confidential information and such data shall only be disclosed for evaluation purposes, provided that if a contract is awarded to this Proposer as a result of or in connection with the submission of this proposal, the State of Louisiana shall have the right to use or disclose the data therein to the extent provided in the contract. This restriction does not limit the State of Louisiana's right to use or disclose data obtained from any source, including the Proposer, without restrictions."

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MAGELLAN HEALTH SERVICES
Getting Better All the Time

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MAGELLAN
HEALTH SERVICES
Getting Better All the Time

August 15, 2011

Mary Fuentes
Department of Health and Hospitals
Division of Contracts and Procurement Support
628 N. 4th Street, 5th Floor
Baton Rouge, LA 70802

RE: RFP# 305PUR-DHHRFP-SMO-OBH

Dear Ms. Fuentes:

Magellan Health Services, Inc. through its subsidiary Merit Health Insurance Company ("Magellan") is pleased to submit this proposal in response to the Department of Health and Hospitals Office of Behavioral Health's ("DHH-OBH's") RFP for a Statewide Management Organization for the Louisiana Behavioral Health Partnership. As demonstrated throughout our response, Magellan offers a multi-year strength based approach to assist DHH-OBH's in its efforts to transform the behavioral health system for children, youth and adults. The following are key themes that run through everything we have proposed:

First, the most important mission of our program is to ***ignite and sustain hope*** for anyone with a behavioral disorder, for everyone who cares for someone who has a behavioral disorder, and for the citizens of Louisiana who support public services through their taxes. Igniting and sustaining hope for us begins with our resolve to keep promises; to make commitments and actually deliver on each and every one of them. A critical component of this is service excellence: doing the basics flawlessly day in and day out: quickly answering the phone; displaying courtesy and respect to the caller; having the right information readily available; paying the claim quickly and accurately; being easy to do business with; communicating clearly; making timely decisions. Execution on commitments is fundamental to achieving system reform.

Second, our mission is to ***facilitate the rapid evolution of a coordinated system of care for everyone***—children and adults. Louisiana has established a community-based framework to support system reform. We propose to build on this framework and to bring to the table experiences and ideas of our own that we believe will move system coordination forward.

Third, our mission is to ***respect and celebrate regional variation*** in service needs and delivery, and to ensure that the system is tailored to the unique needs of local communities. In our proposal, we have underscored the importance to invest in and evolve the LGE structure to facilitate this goal.

Fourth, we have spent a considerable amount of time on the ground listening carefully to Louisiana citizens and numerous stakeholders in the behavioral health system. We are fully aware of the major challenges; we have seen and overcome many of them in other programs, and we have shared this with

you here and in our meetings on the ground. But Louisiana is unique. Therefore, a critical value for us is ***partnership.*** You will find that we are a company committed to transparency, openness, and continuous learning. These values are reflected in the governance structures we have proposed, but it is also the way we do business.

You will find Magellan to be financially strong, clinically sophisticated, administratively efficient, and collaborative. You will also find we have a very strong track record in public behavioral health management and innovation.

As required by Addendum #4, Magellan attests that it has "no financial, contractual or employment relationship with any employee of the Louisiana Department of Health and Hospitals, or person who was employed at any time between January 1, 2010 and July 29, 2011 by the State of Louisiana and who during that period engaged in the drafting or discussion of this RFP." In addition, Magellan attests that it shall "not employ or contract with or have a financial relationship with any employee or, between February 1, 2011 and January 1, 2012 with any former employee, of the State of Louisiana who participated in discussions regarding or assisted in the drafting of this RFP."

Magellan has identified the following individuals as the points of contact for our proposal:

Official Contact (Authorized to negotiate and execute the contract)
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Should you have any questions regarding our proposal, please contact Ms. McCabe or Mr. Stanton. We look forward to bringing our capabilities and our passion to Louisiana.

Sincerely,

Jonathan N. Rubin
Principal Officer, Merit Health Insurance Company and
Chief Financial Officer, Magellan Health Services, Inc.

Enclosures

1. INTRODUCTION/ADMINISTRATIVE DATA

a. The introductory section should contain summary information about the Proposer's organization. This section should state Proposer's knowledge and understanding of the needs and objectives of the Louisiana BH services program for children and adults and the CSoC for children, as related to the scope of this RFP. It should further cite its ability to satisfy provisions of the RFP. This section should discuss how the Proposer will define success at the end of years 1 and 2 of the contract by describing milestones it expects to achieve, specifically addressing milestones for network development. The Proposer should address separately milestones for (1) the CSoC, (2) management of services for other children not eligible for the CSoC, and (3) adults with SMI and/or addictive disorders.

Magellan's Understanding of Louisiana's Needs and Objectives

Magellan is pleased to respond to the Request for Proposal (RFP) #305UR-DHHRFP-SMO-OBH issued by the Louisiana Department of Health and Hospitals Office of Behavioral Health (DHH-OBH). We have the experience and knowledge to partner with the Department to implement a behavioral healthcare system that is regionally structured, strengths-based and that contributes significantly to building a solid and responsive service system by taking a carefully considered and planned multi-year approach to service development and sustainabilty. Recognizing the change implicit in this RFP for different populations of children and adults with behavioral health problems, Magellan is committed to helping transform a Louisiana vision to a Louisiana reality undergirded with both excellence and efficiency over the entire contract term and beyond.

With 13 current public sector behavioral health-specific carve-out contracts covering almost two million members in five states, Magellan offers Louisiana our broad-based public sector experience (both risk and ASO) that builds on our core values of clinical excellence and innovation; voice and choice for consumers/family members; and, accountability supported by superior program outcomes. These programs all offer a core suite of services that includes utilization and care management, provider profiling, multi-system coordination, and services to children with SED, as well as claims payment, network management, quality improvement, and other initiatives. We combine offering these substantive areas with our successful track record of sound and high caliber operations, programmatic and fiscal management. In addition, Magellan has extensive experience providing optional services including all capabilities identified by the State in its RFP.

Beyond the requirements presented in the RFP, Magellan is fully committed to assisting with system transformation of the Louisiana behavioral health care system, and as our response to the RFP will demonstrate, we are willing to go beyond the baseline requirements to invest in several critical areas to support and meaningfully contribute to the success of this transformation effort. Our approach emphasizes the themes of building upon Louisiana's existing strengths coupled with new strategic partnerships, infrastructure development, and system redesign.

Magellan has significant resources and tools that have been honed and refined through behavioral health implementation efforts across the country focused on improving health outcomes for children and adults alike. Our materials and strategies can be adapted and customized to meet Louisiana's unique set of needs and conditions in

partnership with DHH-OBH, constituents of the Louisiana Behavioral Health Partnership (LBHP), and other State and regional stakeholders. As testament to our sincere interest and commitment to conducting this work in Louisiana, several years ago Magellan began to prepare for this complex initiative through establishing a local presence and convening numerous learning and listening sessions in Louisiana with many systems stakeholders. Members of the Magellan team have designed, planned and implemented successful behavioral health data and outcome systems, evidence-based practices, system transformation initiatives. As we consider our prospective work in Louisiana, our thinking has been greatly informed and influenced by our "listening sessions" with consumers, family members, advocates, and providers that we held throughout all regions of the state. Our team includes the expertise of Vijay Ganju, Ph.D. and Gail Hutchings President and CEO of the Behavioral Health Policy Collaborative. Magellan's team has also participated in State-level and regional hearings on the Coordinated System of Care (CSoC) initiative for children and youth and on plans to work with a Statewide Management Organization (SMO). We recognize and respect that different parts of the state vary widely in the following areas: availability of, and access to, services; financial and human resources; the knowledge base and experience of providers; the "voice" of consumers, family members, and advocates; technology and infrastructure, and the capacity to develop and manage productive community partnerships and interagency relationships at the local level. While there are many gaps in services across the state that represents challenges to address, there are also areas of excellence that can serve as models or platforms for system-wide change. At the same time, within the context of such disparities, there is a need at the State level to optimize resources (both in terms of developing new resources and in maximizing use of existing resources), coordination, alignment, and consistency so that there are uniform expectations and levels of performance across the different regions.

Few states have faced the succession of challenges that have buffeted the Louisiana behavioral healthcare system since 2005 with the series of devastating hurricanes, the Gulf oil spill, and recent flooding. In our travels throughout the state, stakeholders report "change fatigue" and frustration with the perceived inability of the system to move "change" from reports and vision statements to actual implementation with tangible results. Nevertheless, these setbacks have brought to the fore leadership, creativity, innovation, community resilience, dedicated staff, and the commitment of stakeholders that will be linchpins in the building of the proposed future behavioral health system. Magellan is poised and ready to build upon these strengths and to contribute to the building of a 21th century behavioral health system that Louisiana will be proud of.

Our solid experience in the field, our information-gathering initiatives, and our visits to Louisiana, as well as the information provided in the RFP, reveal that the key areas of the needs and objectives of the Louisiana Behavioral Health Services Program include the following:

1. Optimization of resources—The RFP reflects an effort by the State to mobilize general revenue funds to draw down Medicaid dollars and maximize available resources for behavioral health care services. Historically, a considerable proportion of resources have been expended on inpatient services for adults and residential treatment services for children and adolescents. A major objective of the RFP is to transform the system so that the service array in the community can address needs earlier and more effectively for both children and adults, increasing both access and quality. To a large extent, the barriers faced by the State in moving forward with its "change" agenda are related to acquiring needed resources. Magellan has both the expertise and experience to help optimize Medicaid resources, as well as to develop resources related to housing, supported employment, vocational rehabilitation, social services and a range of evidence-based

practices. For example, we have worked with states including Iowa to urge inclusion of peer support services and allowance of self directed programs in the Medicaid State Plan. An important aspect of such optimization is the demonstration of payoffs and "return on investment" of the various programs and innovations that are implemented.

2. Access to quality services—A major thrust of the RFP is to develop a broader continuum of accessible, effective and evidence-based programs and services in the community so that appropriate, high quality services are available for children and youth, as well as adults, at different levels and intensity of need. Once approved, State plan amendments will expand the continuum of available evidence-based practices and the potential provider base for children, for adults with serious mental illnesses, and adults with substance abuse problems. Certain evidence-based practices—multi-systemic therapy, family functional therapy, assertive community treatment, motivational interviewing, and peer support services—are already being implemented in certain regions. The challenge is to build on current experiences so that, over time, such services are available and accessible to consumers in all the regions. Magellan has expertise and experience in successfully promulgating evidence-based practices, and in supporting providers through training and technical assistance. Magellan also offers online training and support capabilities to supplement such service expansion and improvement in quality. A major commitment by Magellan is to help establish a Louisiana Behavioral Health Training and Technical Assistance Center envisioned as a legacy of this initiative.

3. Reducing Regional and Provider Disparities—Geographically, a significant proportion of the state is rural. Approximately 25 percent of the state's populations reside in these rural communities. In contrast the majority of the state's residents live in and around metropolitan areas, where resources are more concentrated. There are wide discrepancies in the availability of services and providers in the state. The resource base of different regions varies widely, both in terms of financing and in the availability of behavioral health providers. A major challenge facing the LBHP is how to develop some degree of equity across regions. To address these disparities, Magellan is committed to building on the strengths and capabilities of the Louisiana system regions that already have considerable expertise and experience, the teleconferencing and telemedicine infrastructure, the prescribing privileges of psychologists and advanced nurse practitioners, and the deployment of family members and consumers as resources. Additionally, there are different regional governance structures across the state, with Local Governmental Entities (LGEs) in some regions but not in others. The RFP envisions the expansion of LGEs to all parts of the state so there is increased accountability and responsiveness to needs at the local level. Achieving this vision will require addressing the needs and priorities of each region in specific ways. At the same time, there will be the need to ensure there are alignment and consistency and a degree of standardization across regions and in the State's expectations for the roles and responsibilities of the LGEs.

   Similarly, providers vary widely in terms of program development, clinical expertise, service array, understanding of managed care principles knowledge of evidence-based practices, technology infrastructure, use of data, the monitoring of outcomes, and the ability to submit claims. This is not unusual; Magellan has worked "hand in glove" with provider organizations to address such diversity of needs throughout the country. The SMO must be prepared to work with regions and providers based upon their current situations, capacities, and capabilities – that is, working with them from "where they are." As we will

demonstrate throughout this proposal, Magellan's willingness to commit resources and expertise to strengthen regions and provider systems will be a fundamental theme throughout the response.

4. Building on Youth, Family Member and Adult Consumer Strengths—Magellan staff has had the opportunity and privilege to meet and work with family members and consumers across the state who reflect Louisiana values of community, mutual support, resilience, and optimism. The component of the RFP related to the CSoC explicitly recognizes the need of youth and family involvement in all aspects service delivery, coordination, and the management of systems. We will actively support this approach for serving all children and youth, as well as a similar approach for the delivery of adult services, supporting the expansion of peer support and self-directed care programs, and programs where consumers and family members are integral to management, service delivery, and policy-making. We will work with stakeholders to build and improve a statewide consumer, family member, and advocates "voice" and infrastructure. The RFP creates a context for such an initiative. Magellan will effectuate our commitment to partnering with and nurturing the growth of a durable and vibrant consumer, family member, and advocate infrastructure. In all of the behavioral health programs where we partner with stakeholders throughout the country Magellan has demonstrated considerable leadership and success in contributing to the building of these infrastructures in all of our contracts.

5. Developing the Governance and Management Infrastructure at State and Regional Levels—A key premise of the RFP is the creation of partnerships across State agencies to move forward with the transformation of the State's behavioral health system. At the State level, this premise will need to be proven, nurtured, and refined. At the State level, the maturation of the system will also imply new roles for the State as an "authority" in its governance relationship with the LGEs. At the regional and local levels, the development and evolution of the new LGEs are a priority. For existing LGEs, functions will need to be defined and tested; for those under development, systems of information sharing, training, technical assistance, and planning will need to be introduced. Magellan has already negotiated potential relationships and functions with existing LGEs and has signed letters of intent to offer expertise beyond simply proving services. These models will need to be implemented and tested so that uniform expectations and processes can be implemented to develop the ongoing relationship of the State with these local entities.

6. Augmenting Accountability, Data Reporting, and Outcome Systems—The Department of Health and Hospitals-Office of Behavioral Health and others in the State behavioral health system has implemented several initiatives to move forward with improving behavioral health outcomes, implementing electronic health records systems, and producing reports for federal reporting and management purposes. Magellan will build on the work of these initiatives to develop a user-friendly data dashboard and outcome system, and to meet federal and state reporting requirements. Magellan has implemented similar systems in other states such as Arizona and Iowa. We have considerable experience and success with providers at different levels of knowledge and infrastructure development in implementing such systems. Not only are these systems important for assessing accountability, but also for driving Louisiana's system toward one that utilizes reliable data to inform and support clinical and policy decision making.

7. Lack of a State-based Training and Technical Assistance Infrastructure—Stakeholders—providers, consumers, family members, advocates, and State staff—identified the lack of a State-based behavioral

health training and technical assistance system as a major impediment to making needed innovations. Despite the presence of the State's excellent institutions of higher education, training, and technical assistance opportunities have been sporadic and often dependent on short-lived grants or external technical assistance. Given this major gap, Magellan commits to making an investment in Louisiana to build and develop a Louisiana behavioral health training and technical assistance infrastructure that will be a legacy of this contract. Magellan envisions a collaborative relationship with a Louisiana university or consortium of universities to help establish such an infrastructure.

8. Sustaining System Change—Key to the successful achievement of a vision of systems change, is the ability to build upon and sustain positive changes over time. In the past, Louisiana has had sporadic successes in various areas (i.e., services to persons with co-occurring mental and substance use disorders) but these have often been difficult to sustain, especially when a grant or funding stream ended. As will be addressed in greater detail below, the approach that Magellan intends to take is fundamentally that of system transformation, building layer upon layer of successful implementation, and using the lessons learned in one region and applying the lessons learned in another. Clearly, Magellan has the experience, track record and tools to meet the contractual obligations of service delivery, claims processing, utilization management, LGE development, and CSoC implementation, etc. Above and beyond that, the overarching success of realizing the vision is based on addressing the needs and objectives identified in this section concurrently and synergistically. *Major components of such system change involve building on existing strengths, partnerships at all levels, infrastructure development, and system redesign.* Only then can there be indelible and permanent system transformation at the service delivery, infrastructure development, and organizational cultural and practice levels. This approach is delineated in greater detail below.

THE MAGELLAN APPROACH: SYSTEM TRANSFORMATION IS FUNDAMENTAL

As addressed above, implicit in the RFP is a model of system transformation. For example, the roll-out of the CSoC is based on identifying the regions in Louisiana where stakeholders have the desire, commitment, and tools (regions that are "ready") to move forward with implementation. This is consistent with the theory of the diffusion of innovations where "leaders" move forward, setting an example, demonstrating successes, and showing the way to the other regions that will follow. The role of the SMO is to support the "leaders" to ensure their success and to document outcomes. Barriers and lessons learned will be addressed and documented so that the information can be used for the next generation of implementation. At the same time, the role of the SMO is to develop knowledge and expertise within the State and to facilitate cross-pollination and training across regions. It is through this planful, detailed progressive process that Magellan envisions that system transformation will successfully occur.

The objective of the RFP is to build a behavioral health system that promotes resilience and recovery. Such a system is different from the current environment in which access to care is limited, quality of care is uneven, and care delivery and continuity across agencies and providers is, for the most part, uncoordinated. To move the existing system in the direction of the vision will require broad based commitment, consensus, support, and resources.

Experts on system transformation essentially identify three distinct but overlapping components: (1) building the case and vision for transformation, (2) promoting and learning from the implementation of innovative structures and

practices, and (3) sustaining and disseminating the innovative structures and practices so they are key operational features of the envisioned system. To build the case and vision for transformation, there must be consensus regarding the need and urgency for change and on the broad outlines of the proposed future system. To promote the implementation of innovation, there must be commitment and support for change among many different groups—consumers, families, advocates, providers, legislators and agencies, as well as at the different levels of leadership with demonstrable, measurable results. These results must not only be significant but must also be sustainable so the outcomes achieved are not short-lived but achieve a degree of permanence in how business is accomplished, meaning people live healthier lives. These outcomes also have to become expectations for the larger system. Such a transition has to be supported through development of consumer and family member leadership, clinical and programmatic improvements, policy, technology, training, workforce development, data reporting and analysis, and ongoing user-friendly communication. An important component of building innovations into the system is continuous refinement, quality assurance, and course corrections, if needed, so that implementation is always on an improvement track. Magellan offers expertise in each of these important aspects of successful system transformation.

For statewide dissemination, the alignment of the infrastructural components is essential. From a policy perspective, there needs to be consistent goals and expectations at both the State and regional levels, consistent with funding and financing incentives. Similarly, we realize that management and administrative functions such as resource allocation, contracting, quality improvement, and technical assistance and training must also be brought to bear to support the goals and initiatives related to transformation of Louisiana's behavioral health system. Two basic assumptions that drive system transformation are:

1. Transformation has to occur at both State and local levels. Activities at the State level will not result in improved access or outcomes for consumers and other stakeholders unless transformation also occurs at the local level. In large part, the role of the State-level transformation is to facilitate and support transformation at the local level.

2. Transformation is carefully planned and implemented in a strategic, step-wise manner. Transformation is broad and encompassing, but to make steady progress, especially in an environment of limited resources, actions have to necessarily be judicious and selective. Focusing on certain activities is necessary, not only so that progress towards transformation is made, but also to learn from, and inform, subsequent activities.

In summary, the approach to transformation that Magellan offers Louisiana emphasizes is that:

- transformation will be realized through the actions of partnerships among consumers, youth families, advocates, as well as service providers, other key stakeholders and administrators at State, regional and local levels
- transformation is an evolving process and will take time to be embedded throughout the system
- transformation will take place by focusing on pivotal issues and opportunities
- transformation will be a learning process requiring ongoing modifications, adjustments, and refinement
- transformation will occur simultaneously at State, regional, and local levels

- transformation is not just a redefinition of target populations and services, but a major shift in organizational culture across agencies at State, regional, local, and organizational levels.

BUILDING ON LOUISIANA STRENGTHS

Fortunately, *Louisiana has significant existing strengths on which to build a system transformation initiative*. Clearly, inherent in successful system transformation is the absolutely necessary component of the commitment of leadership, as evidenced by the issuance of the RFP and interagency collaboration at the State level. The experience and expertise of behavioral health personnel at both State and local levels—as evidenced by the implementation of the mental health rehabilitation program, the systems set to respond to hurricanes Katrina, Rita, Gustav, Ike and the Gulf oil crisis, successful grant bids (including a SAMHSA system-of-care grant), and the systems of care and evidence-based practices set up by certain LGEs—are a fundamental building blocks. Initiatives to implement outcomes reporting and electronic health records systems, the State's teleconferencing infrastructure, the presence of world-class universities, and the commitment and energy of consumer and family member leaders, are also assets and strengths on which the proposed system transformation will be based. Louisiana has the strengths, along with the combination of urgent need and energy, to successfully drive transformation. More specifically, some of the Louisiana strengths that bear directly on addressing the requirements of the RFP include the following:

- the commitment of leadership and the interagency collaborative structure in place for CSoC
- the experience of implementing management tools in the Mental Health Rehabilitation program
- the community structures and support systems that have been developed in response to the recent hurricanes and the Gulf oil crisis
- experiences and "lessons learned" from the MacArthur Models of Change program for youth involved with juvenile justice in several Louisiana parishes
- experiences through several grant programs including a SAMHSA Children's system of care grant and the CO-SIG initiative
- state initiatives related to development of Web-based systems and outcomes systems
- regional initiatives to implement evidence-based practices such as Assertive Community Treatment and Multi-Systemic Therapy
- regional initiatives related to implementation of Electronic Health Record Systems
- coordination of consumer and family member "voice" through organizational collaboration under the rubric of the Behavioral Health Coalition.

COMPLEMENTARY MAGELLAN STRENGTHS

Given the challenges faced by the Louisiana behavioral health system, Magellan is uniquely well-positioned to help address any doubts and skepticism of whether meaningful and substantive change can occur. First, Magellan staff and our consultants, Dr. Ganju and Ms. Hutchings, have invested considerable effort in working in Louisiana over the

years to understand the strengths and challenges of the system, and have developed a framework for action that proposes a system transformation approach that is well conceived but is also one that can be implemented in a planned, stepwise fashion. Second, in Magellan's most recent "system transformation" behavioral health program – in Maricopa County, Arizona – many of the challenges faced were similar to those in Louisiana including providers at different levels of capabilities, providers without experience with Medicaid claims submission, a culture that was more program- and service-oriented than recovery- and resilience-oriented, and providers and stakeholders not accustomed to using process and outcomes data. This program is now recognized as an award-winning "model" behavioral health program across the country. Magellan proposes to achieve this same success for Louisiana.

Particular strengths that are unique to Magellan include the following:

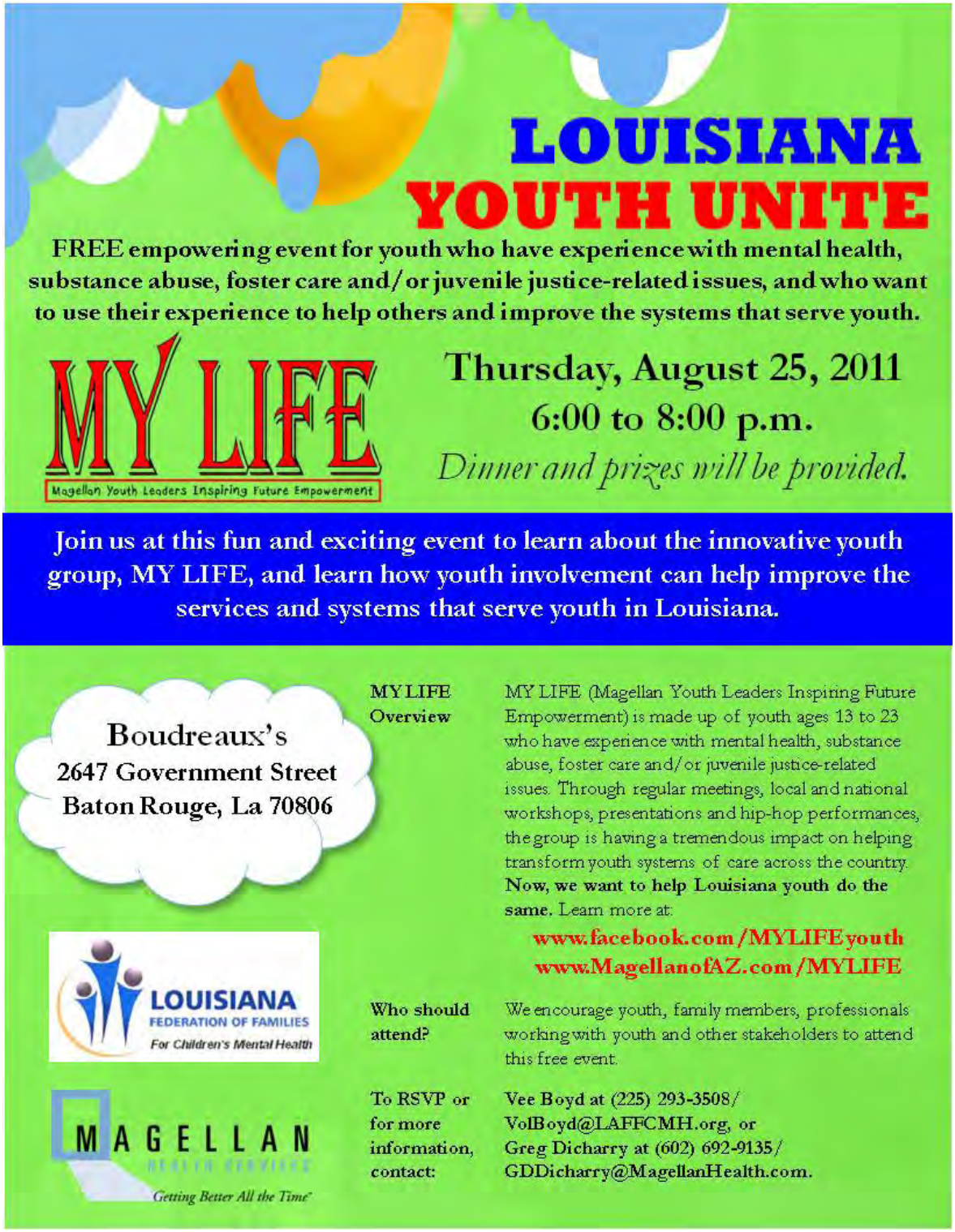
- A history of implementing programs in partnership with a broad array of stakeholders. For example, in Maricopa, Magellan established a partnership Governance Board for SMO operations with broad representation of consumers, family members, advocates and providers.
- Unlike its competitors, Magellan has a stellar record in claims processing. Magellan routinely performs claims processing with 99 percent accuracy. In Maricopa County, Magellan was able to train providers and have the claims processing infrastructure in place within 80 calendar days (59 business days) of contract award.
- Magellan finance and IT systems excel at tracking "braided" funding systems. Such tracking has been proven to be actuarially sound.
- Magellan has a unique and transparent outcomes and "dashboard" system that provides stakeholders and providers information on their progress compared to each other, as well as in terms of progress across time. This system has been recognized nationally.
- In Louisiana, Magellan successfully manages behavioral health services for 550,000 Blue Cross and Blue Shield of Louisiana (BCBSLA) members; we have done so for the last 12 years. This positions us to use our existing network to expand our provider base in response to this RFP and to the benefit of the public behavioral health system.
- Through our contract with BCBSLA, Magellan has experience addressing complex behavioral health needs as Louisiana residents have dealt with the Hurricane Katrina and the BP oil crises. We have established member communications campaigns in response to Katrina, the BP oil spill, and Mississippi River flooding. Magellan is now part of the Our Home, Louisiana Coalition which was started by BCBSLA in response to the BP oil spill.
- Magellan has a track record related to the development of community programs for children and adolescents in out-of-home placements.
- Magellan has a track record for long-term commitments to states that have resulted in positive system transformation. For example, we have been in Iowa continuously through several procurements for the last 17 years where we established the state's first behavioral health training and technical assistance center, expanded the continuum of care, implemented evidence-based programs, fostered consumer and family empowerment, and improved quality of care and outcomes. In Maricopa County, through a phased

approach, provider systems first developed uniform processes for treatment planning, then incorporated outcomes and dashboards to monitor and improve performance, and then, in a third phase, provided consumers, family members and the public information on performance so that informed choices could be made.

- Magellan has a unique program—Magellan Youth Leaders Inspiring Future Empowerment (MY LIFE)—for youth involved with juvenile justice and child welfare that is proven to increase access to services, engagement in care, and positive outcomes. The MY LIFE program and the youth who are involved are dedicated to inspiring and helping others. MY LIFE does this on both a macro and micro level by helping to transform services, programs and systems that serve youth, while having a tremendous positive impact on the individual youth themselves. One of the main goals of MY LIFE is to help inspire youth in other communities to embrace youth involvement and start similar youth leadership groups. Magellan is excited to have the opportunity to introduce the MY LIFE program to Louisiana whether we are awarded the contract or not. An illustration of "Magellan's commitment in action", on August 25, 2011 we will partner with the Louisiana Federation of Families to host a MY LIFE youth involvement forum called Louisiana Youth Unite for youth, families, and professionals who are interested in learning how they can be active supporters of youth involvement initiatives.

  This uplifting and inspiring event will include an engaging MY LIFE workshop lead by MY LIFE youth, as well as present a Louisiana youth forum. This forum will provide the opportunity for youth to share their experiences, insights, and ideas related to improving services, programs, and outcomes for youth in Louisiana. Magellan anticipates that our MY LIFE event will undoubtedly yield valuable information for all concerned. Figure 1.a.1 offers our publicity flyer for the event as an example of our commitment to bringing innovative approaches to systems transformation to Louisiana.

Figure 1.a.1. MY LIFE Event Flyer



PARTNERSHIPS

From an SMO perspective, engaging in mutually beneficial and productive partnerships—at and across all levels of a system—are critical elements for leveraging resources, advocating for change, and avoiding duplication of effort. The biggest barrier to transformation is the lack of a collective belief in an articulated set of common goals. After spending considerable time in Louisiana, our sense is that this lack of consensus exists horizontally across agencies and across stakeholder groups, and vertically between State and local systems. A major objective for Magellan is to partner with the State and the State's stakeholders so that successes are perceived as "wins" by all involved.

INFRASTRUCTURE DEVELOPMENT

Our contribution to the behavioral health system in Louisiana cannot be long lasting or meaningful without a commitment to *develop a modern and sustainable infrastructure.* Our analysis suggests that it is the lack of this infrastructure that has been the major roadblock to making desired changes and advances. A core component of this infrastructure is a State-based training and technical assistance system to support the ongoing development of behavioral health professionals and paraprofessionals so that proposed changes can be perpetuated throughout the State and become business as usual. Toward this end, *Magellan will invest in Louisiana by developing a State-based training and technical assistance system* that will be a value added legacy of the contract. Magellan will set up a funding mechanism to move forward with the establishment of the system that will necessarily evolve over time.

Given Magellan's experience in other settings, there is recognition that there is often tremendous interest and investment in maintaining the status quo – at the level of State agencies, at the local level, and among provider systems. *System redesign* is needed, but it is not enough. System redesign must assure that adverse consequences are avoided or minimized. For example, as Magellan helped the transformation effort in Maricopa, Arizona, the roles and relationships of residential treatment facilities was redesigned so that they did not exist as "silos" but were integrated as part of the community service array of the continuum of care. This was just one aspect of larger system redesign, but reflects the operational detail and sensitivities that need to be considered. The point is: Magellan is eminently equipped and experienced to coordinate and support such system redesign.

This perspective of system transformation is important in the development of this proposal as it provides the strategic framework for the more specific responses that follow. Each section of the proposal will be presented within the context of system transformation: the activities described will both inform and be informed by system transformation.

Figure 1.a.2 presents an overview of how the behavioral health system in Louisiana will be transformed. The section that follows identifies key milestones of this transformation journey.

Figure 1.a.2. Transformation Objectives

Current		Transformed System
Reliance on inpatient and residential	→	CSoC and community EPBs, Statewide
LGEs in part of state	→	LGEs Statewide
Silos of funding dependence on general revenue	→	Resource optimization; coordinated funding strategy
Data compartments/reports to funders	→	Outcomes for clinical care, management, quality
Consumer and family member involvement	→	Consumers, family members integral to care, management and policy
Consumers falling through agency "cracks"	→	Proactive crisis system, seamless continuity of care

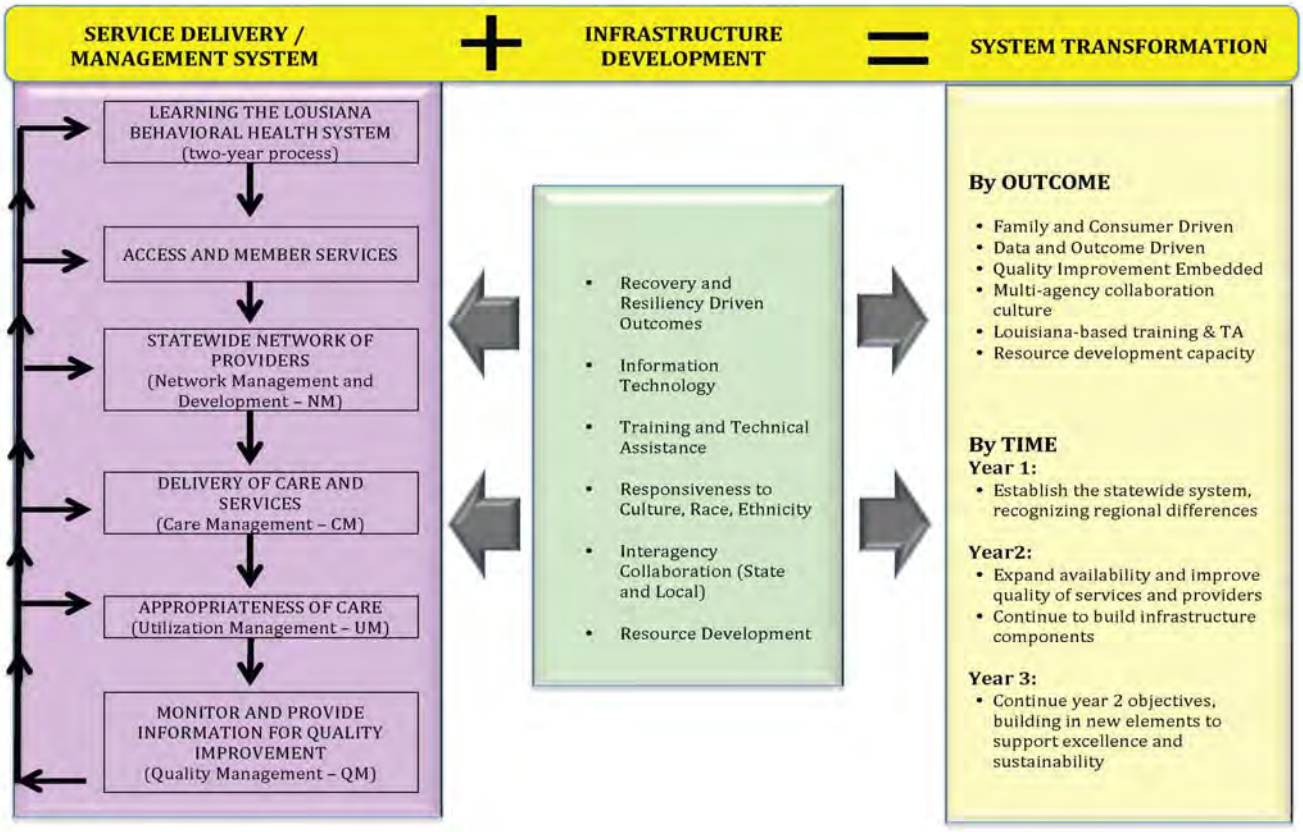
Figure 1.a-2 summarizes the Magellan approach for the Louisiana Behavioral Health Partnership. As shown in the chart on the following page, the approach for Louisiana is premised on the formula:

Service Delivery/ + Infrastructure = System

Management Development Transformation

As described above, a driving tenet is the understanding that the need in Louisiana is for a fundamental restructuring and development of the system, not just the introduction of management tools and techniques. In conjunction with NAMI-Louisiana and MHA-Louisiana, Magellan had listening sessions in January, 2010 in Alexandria, Baton Rouge and Metairie; in February – March, 2011, Magellan staff attended the CSoC public hearings across the state; in June, 2011, Magellan had listening sessions with providers in Shreveport, Alexandria, Baton Rouge and New Orleans. In addition, Magellan staff have met with and provided training on managed care to the Behavioral Health Coalition, and have had a variety of meetings with a range of stakeholders: consumers, family members, State agency staff, LGEs, judges, and juvenile justice program staff. This background and learning has been key to the design of the Magellan response.

Figure 1.a-3. Magellan Approach for Louisiana

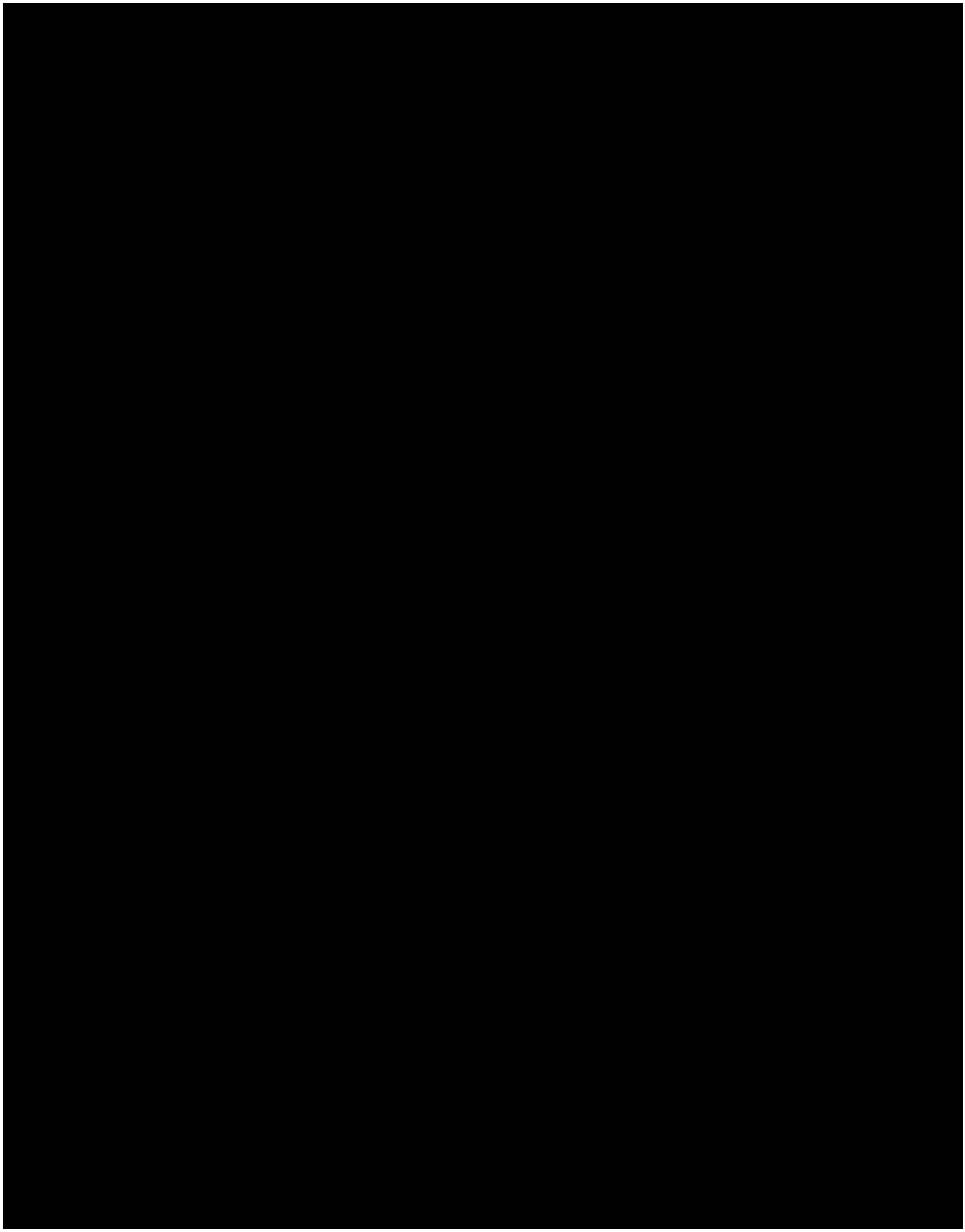


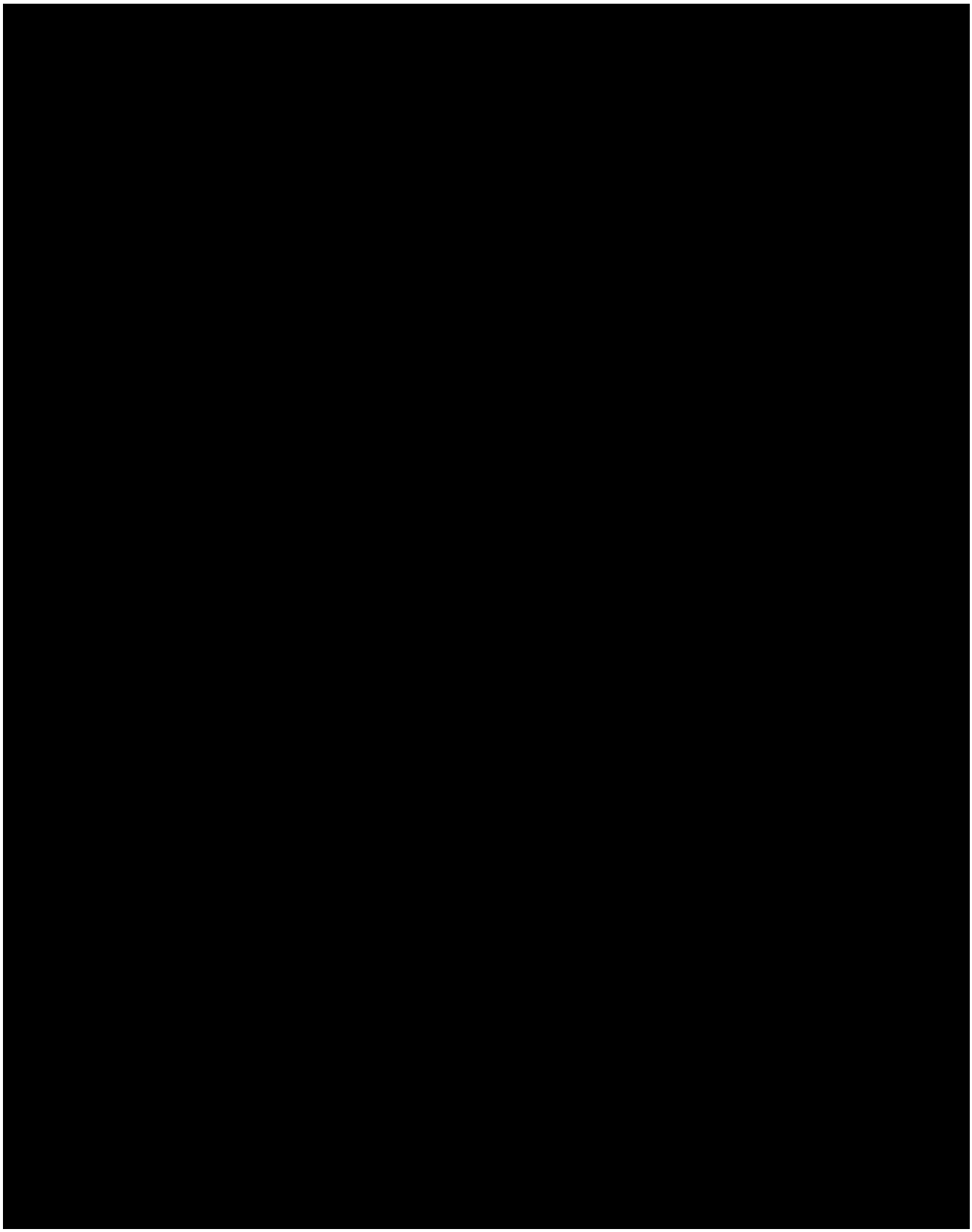
As shown in the chart, the value-add of Magellan will be to complement Louisiana strengths by introducing management tools and techniques for network management, care management, utilization management, and quality management. Each of these functions is described in much greater detail in this response. Even though these are described in separate sections, an important aspect is that these functions exist within a systemic framework, informing each other. In the initial phase, the value-add is that the SMO will establish a statewide network of providers who have core capabilities, increase access and engagement, assure appropriate and individualized care, manage overutilization and underutilization, and monitor outcomes to inform the next generation of activity.

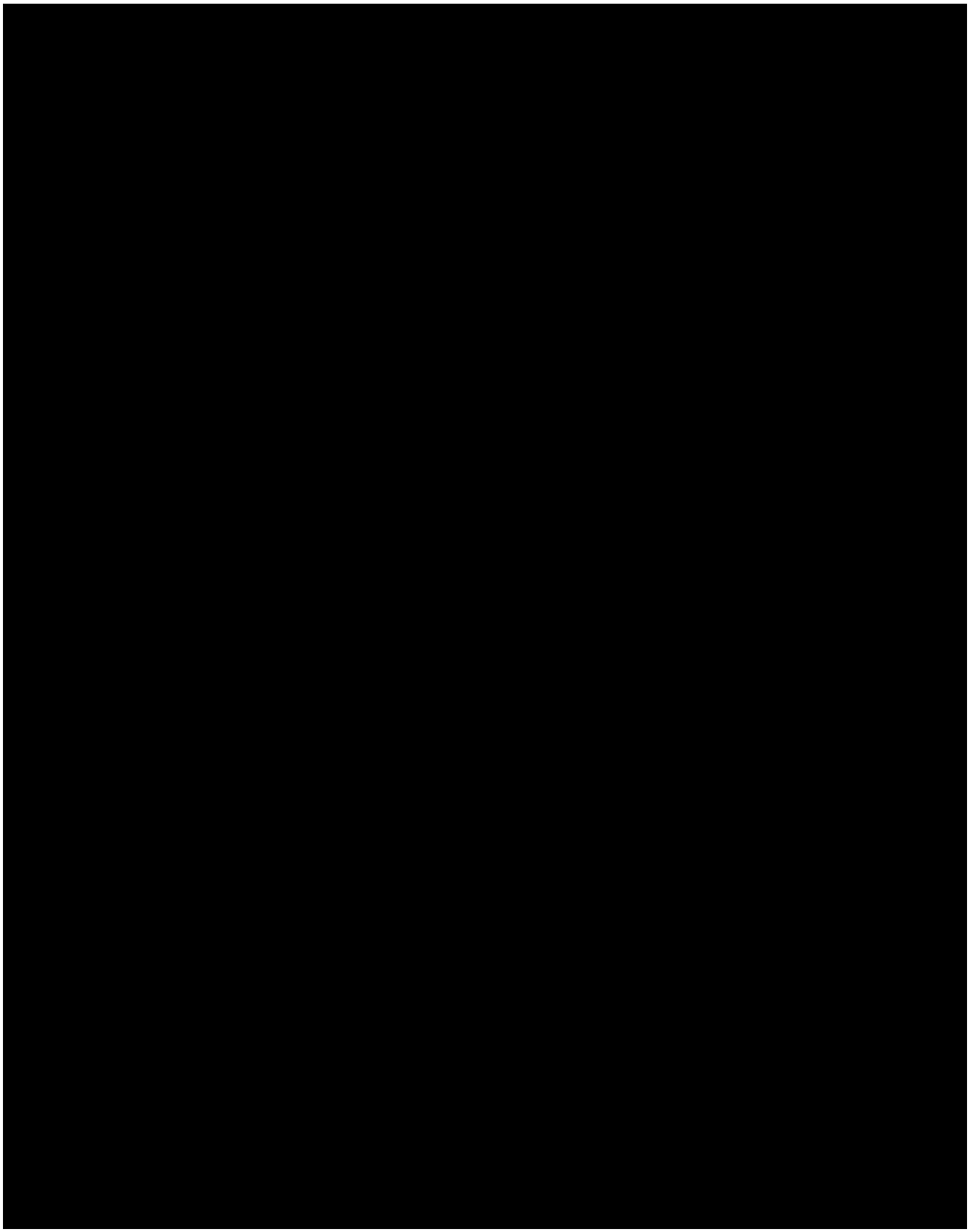
For transformation to be sustainable over time, infrastructure development is critical. Based on the information gathered, significant components of infrastructure development are: continual efforts to promote a recovery and resilience orientation of the system; the development of the information technology infrastructure to support clinical care, as well as other management functions (e.g. claims administration);, a Louisiana-based training and technical assistance center for both providers and stakeholders; a system that is *responsive* to culture, race, ethnicity (not just one that is *competent);* and, the capacity of the system to develop resources and assure sustainability. These components are also addressed in greater detail in the RFP response. That is, infrastructure development is paramount, not only to implement management tools and techniques but also for the system transformation effort.

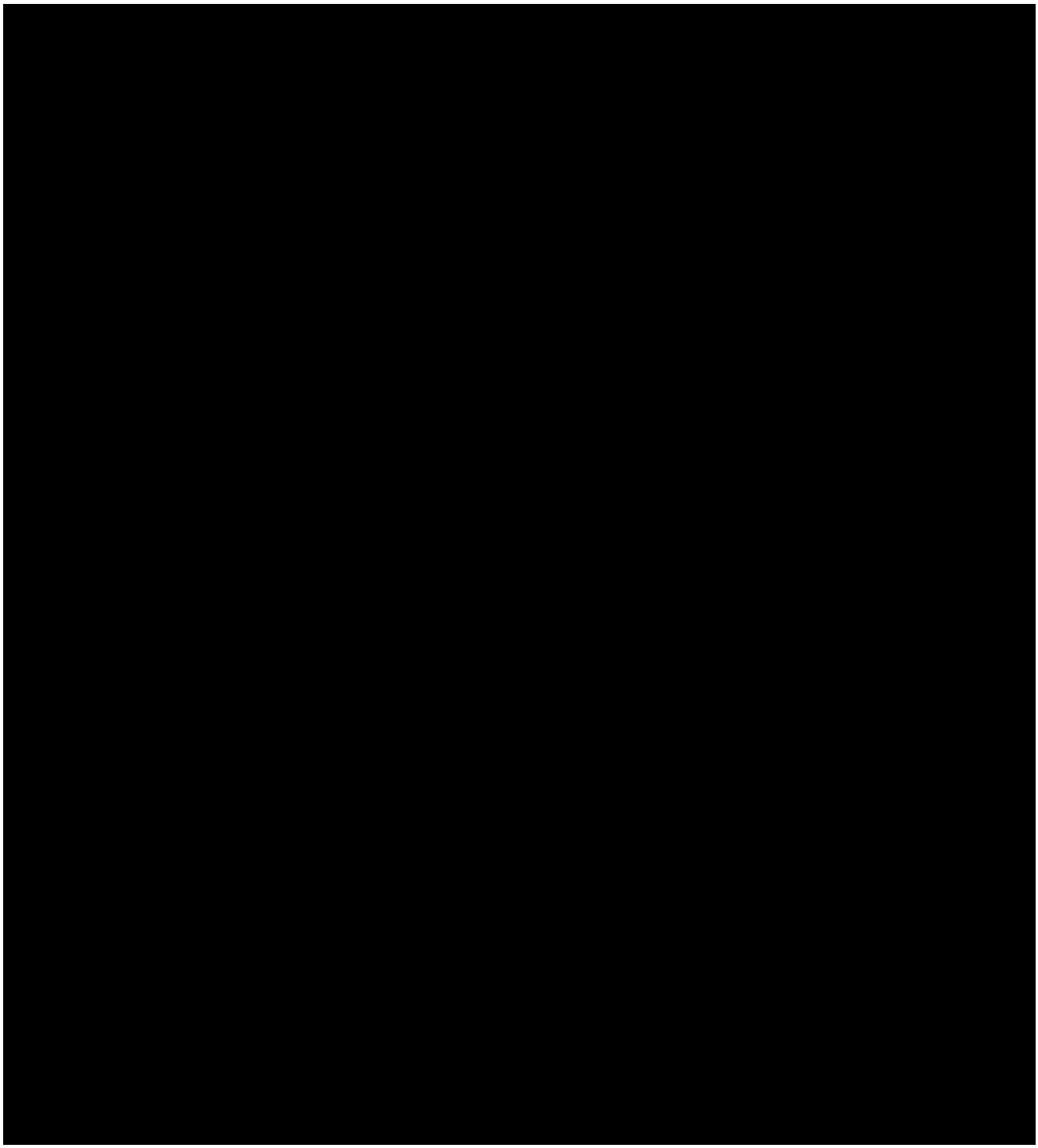
As the initial framework is established and infrastructure development begins, in subsequent phases, objectives will also shift and will be directed to: expansion of the number and types of providers to meet specific needs of each region, increasing the knowledge and capabilities of providers and stakeholders, improving responsiveness and outcomes, and supporting State- and regional-level collaboration and communication.

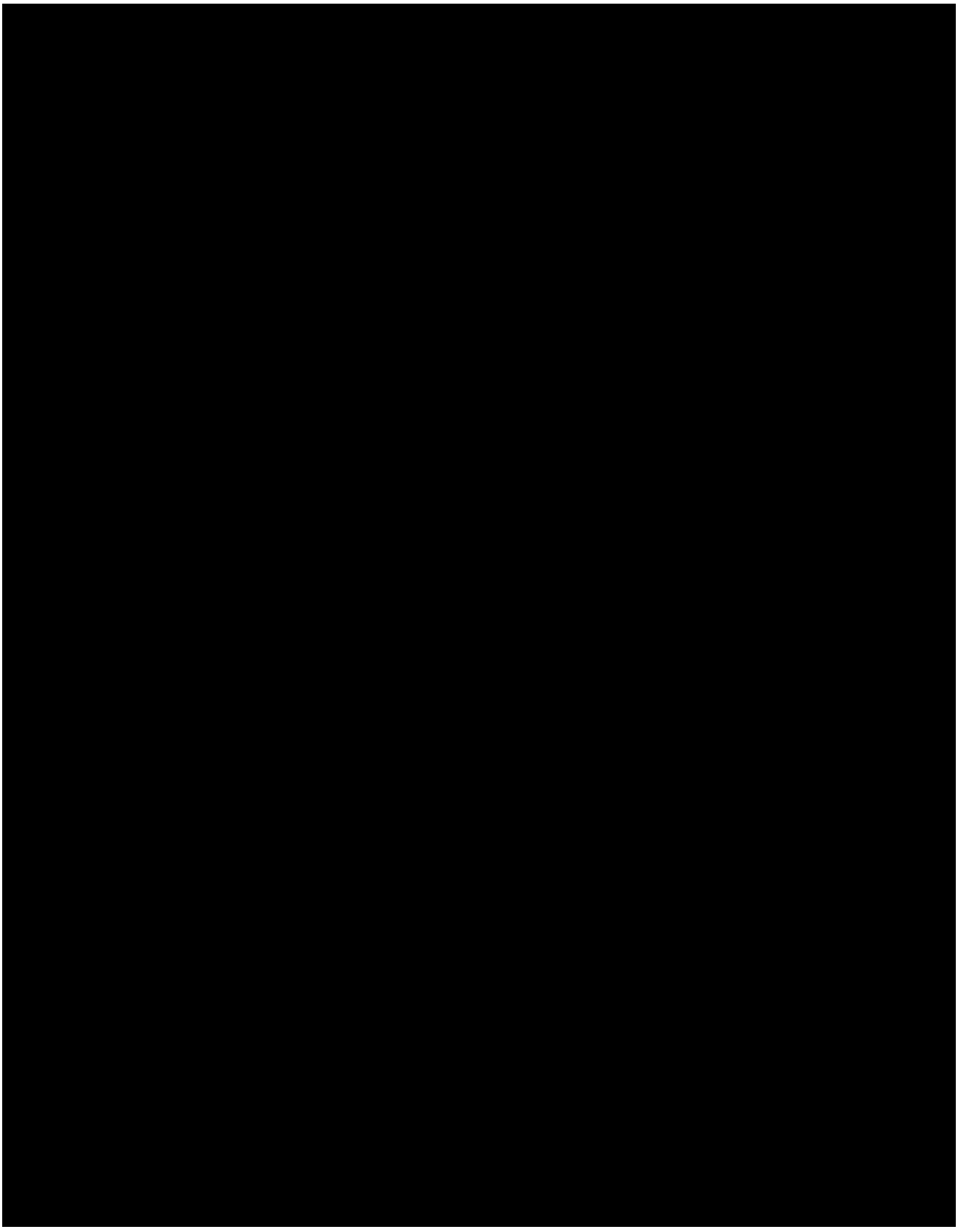
There is recognition that system transformation will be a multi-year process. In Year 1, the objective will be to establish a statewide system, recognizing differences in regional needs and capabilities. In Year 2, the number and range of services will expand; in parallel, infrastructural components will continue to develop. In Year 3, components to support excellence and sustainability will be in place. By Year 3, the Louisiana system will be well on its way to being family and consumer driven, data and outcome driven, quality improvement mechanisms will be embedded, a culture of collaboration will be more mature, the Louisiana training and technical center will be fully functioning, and there will be inbuilt capacity for resource development and sustainability. Milestones for each of the first two years of the SMO program are shown in Table 1.a.1 to 1.a.3. Please note that some milestones apply across all three populations, those children in the CSoC, those children not in the CSoC and adults and are included in each table as appropriate.

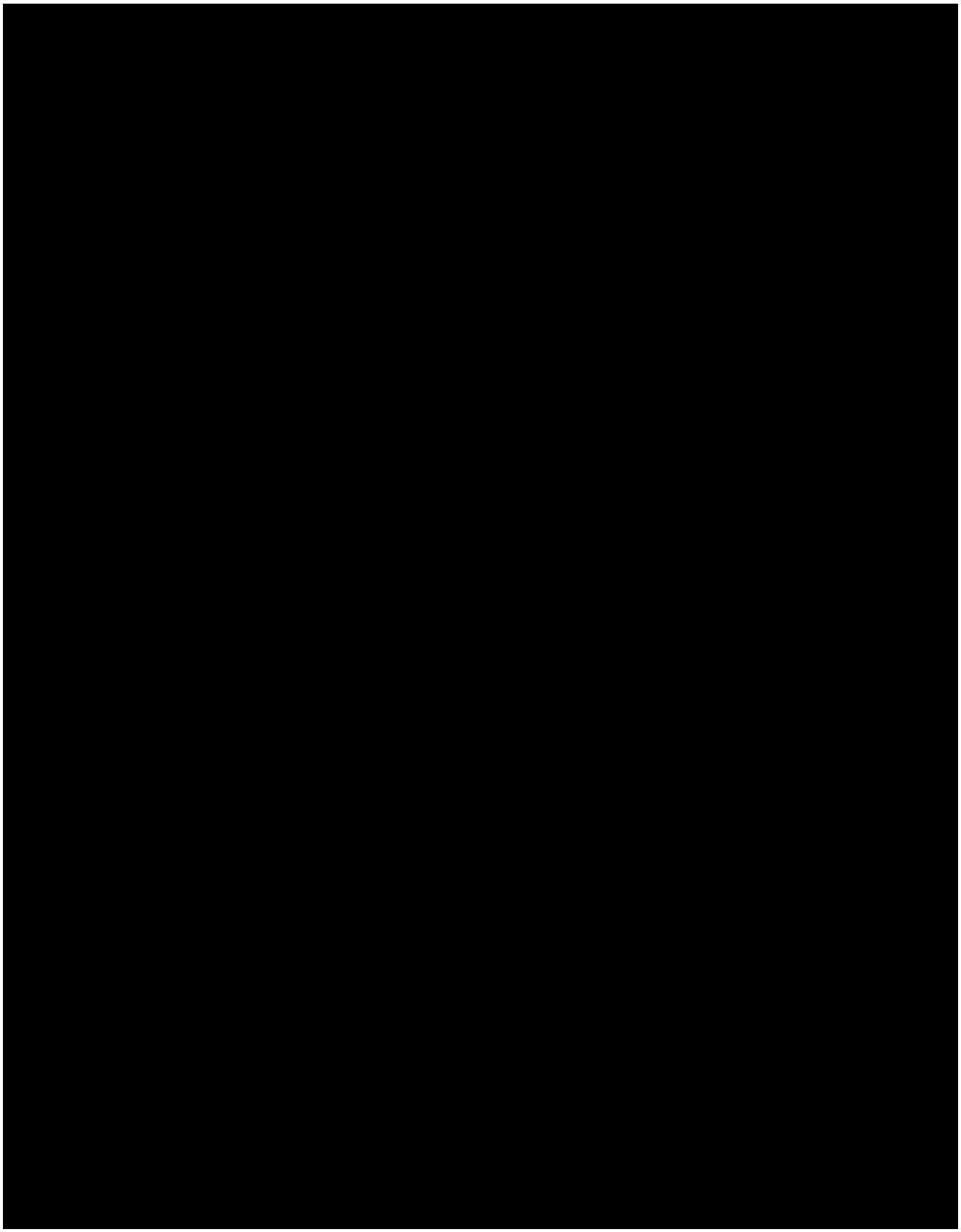












b. This introductory section should include a description of how the Proposer's organizational components communicate and work together in both an administrative and functional capacity from the top down. This section should contain a brief summary setting out the Proposer's management philosophy including, but not limited to, the role of Quality Control, Professional Practices, Supervision, Distribution of Work and Communication Systems. This section should include an organizational chart displaying the Proposer's overall structure including advisory and other related committees the Proposer will establish for this project. Suggested number of pages: 3 exclusive of organizational chart

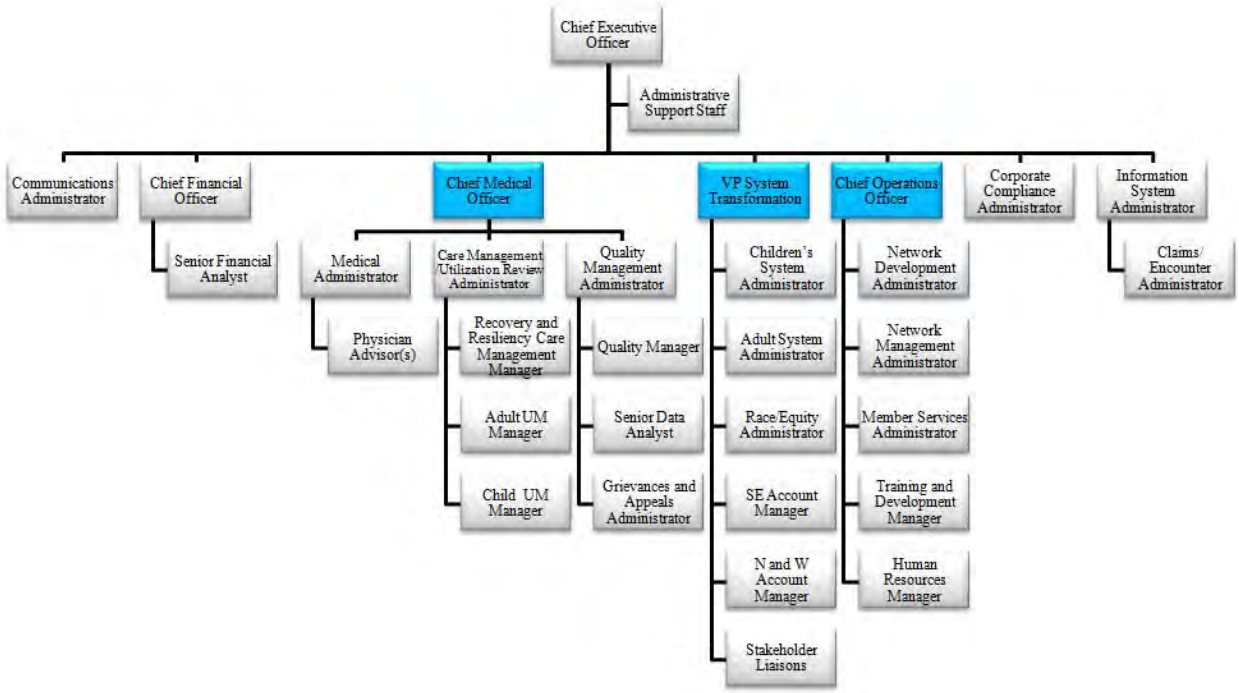
ORGANIZATIONAL COMMUNICATIONS

Magellan will manage the SMO program by dedicating a combination of Louisiana-based personnel including regionally focused staff to meet the contract requirements and proactively identify and address opportunities for program enhancement. We will also bring a national leadership team for additional support, technical assistance, and mentorship. Ongoing communication, transparent sharing of information, system stakeholder involvement, and innovative IT tools measure and summarize performance to ensure all aspects of the program are appropriately managed and communicated in a manner that invites continued quality improvement.

Starting with the chief executive officer (CEO), who will have ultimate accountability for the day-to-day operations of the program, Magellan will dedicate 243 FTE personnel to ensure successful transition, ongoing performance and oversight, and system transformation for the contract term. These personnel will cover all major program functional areas, as well as those dedicated to regionally based community outreach, recovery, and resiliency development; children's initiatives support; outcomes and integration; substance abuse capacity building; and race and equity issues, to name a few. This combination of local input from the community through a SMO Governance Board (described below); decision-making by the leadership and committees of the care management center (CMC) in collaboration with DHH-OBH and community stakeholders; availability of national resources; and actionable data-

reporting enables the SMO to effectively manage the program, advance Louisiana system goals, and ensure program growth and success. The organizational chart below highlights key functional areas identified in the RFP, as well as additional functions we feel are critical to meeting the RFP requirements.

Figure 1.b.1.—Magellan of Louisiana Organizational Chart



Joint responsibility for system development

Magellan's central office for SMO program management will be in Baton Rouge with a satellite office in Shreveport. The Shreveport office will act as a hub for north and west region to develop infrastructure and support in a hitherto underserved area that is the focus of short-term system development (specifically, Regions 7 and 8). It will be staffed to provide local/regional support to LGEs as they develop, to FSOs, to WAAs.

Staff will receive a comprehensive orientation related to all aspects of the contract and contract requirements. They will also receive ongoing supervision, live training, in-service training, computer-based training, webinars, and intranet tip sheets, contract guides, and manuals. All training includes competency tools to ensure mastery of the subject material. In addition, we will implement cross functional team "lunch and learns." These events will be coordinated with the support of the chief operations officer and will include key personnel sharing information and answering questions with front-line staff across organization.

Available to all CMC staff will be a reference manual specific to the LBHP that will be easily accessible via the company's intranet, MagNet. Information available on this site will include policies and procedures, contract summary

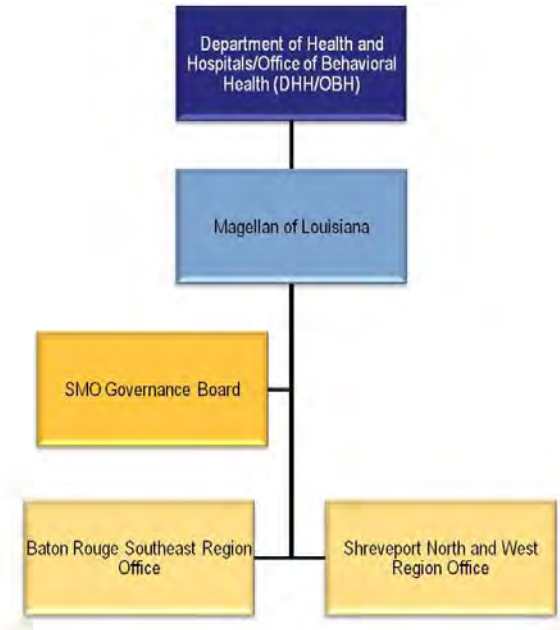
tip sheets, system stakeholder, workflows, online forms, maps, helpful telephone numbers, benefits grids, medical necessity criteria, clinical practice guidelines, member and provider handbooks, and many other useful tools. Call center staff receive ongoing training pertaining to updates to policies, procedures, and systems enhancements as the program evolves. Ongoing training, feedback, and coaching are provided through our standardized process of service observation, monthly and quarterly case audits, inter-rater reliability, physician advisor audits, and clinical case conferences. When errors in performance are identified, specific training is provided immediately.

Quality control is incorporated throughout our CMC's. Training, supervision, monitoring, reporting, sharing of information, and implementation of improvements allow us to evolve our approach and achieve performance excellence. Specifics to this approach and specific practices are described throughout our proposal and embedded in all program operations including, but not limited to, member services, care management, utilization management, quality improvement, and information systems.

MANAGEMENT PHILOSOPHY

Magellan proposes a program governance model that provides equal representation from community stakeholders and Magellan. This structure allows Magellan to communicate information while providing us with real-time feedback on contract performance from individuals impacted directly and indirectly across a number of constituency groups including a LGE provider, adult and children provider, adult service consumer, parent/family member, and a community stakeholder. Data from our day-to-day operations is collected and reported up through operational committees that in turn report to the Governance Board for analysis and recommendations. In Louisiana, we propose a regional, strengths based organizational approach designed to increase access, enhance quality and improve the overall consumer experience. Our structure is depicted in Figure 1.b.2.

Figure 1.b.2.—Magellan of Louisiana Structure



Magellan embraces an open and transparent communication model. Using both bottom-up and top-down practices, we ensure the voice of our employees, providers, stakeholders, and state customers is heard. We employ multiple strategies to ensure optimal communication such as to:

- provide regular, ongoing opportunities for employees to provide feedback such as employee surveys, suggestion boxes, individual or small group meeting with managers, and an organizational culture that supports open, two-way communication
- make the goals and actions of Magellan our state clients clear to employees and providers by communicating key activities, issues, and developments
- assess the needs of service consumers and providers and involving them in the development and implementation of policies and procedures
- use multiple channels (for example, web site, trainings, and meetings) to communicate.

SMO Governance and Quality Improvement Committees

Governance Board

Our shared governance structure is thoughtfully designed to promote transparency, accountability, and collaboration. Details of the structure are provided above in our response to 1.a. Our proposed structure ensures that community stakeholders and providers have a strong voice and participation in the Governance Board, quality improvement committees, councils, and community taskforces. By collaborating with providers and community members in shaping a community-wide vision, strategies, goals, and programmatic priorities, we ensure there is accountability and open communication with all system stakeholders and effective resolution of issues as they arise. For example, the success of Maricopa County's Governance Board is the direct result of the active participation of our community Board members who champion and advocate for change and co-lead community/provider service development efforts.

Our shared governance approach for Louisiana will include regional representation of members/family members, advocates, and providers in the design and ongoing monitoring of the program. The Governance Board will be the central decision-making mechanism for the overall SMO program management. It will also serve as the avenue through which concerns about the program will be systematically identified, performance reviewed, and change recommendation made. Magellan will take this information and, in partnership and collaboration with DHH-OBH and CSoC Statewide Governance Board (SGB), implement changes in a coordinated fashion. The membership of this governance structure for Louisiana will comprise 50 percent Magellan representation and 50 percent community stakeholders as defined in Table 1.b-1.

Table 1.b.1. Governance Board Membership

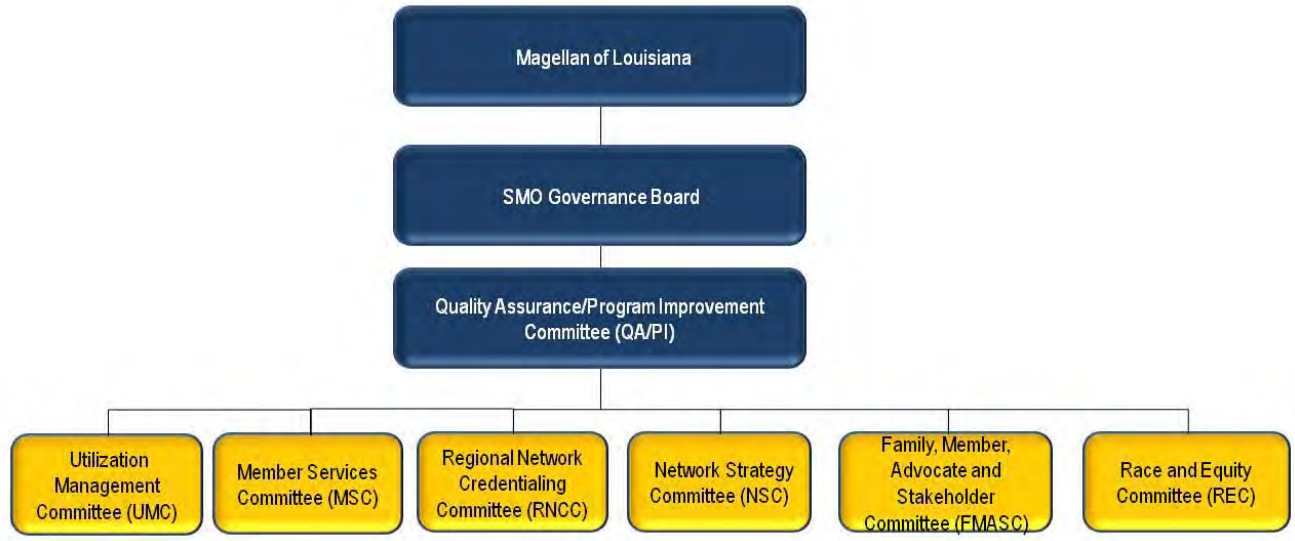
Community Representation	Magellan Representation
LGE Representative	Chief Executive Officer
Child and Youth Provider Representative	Chief Medical Officer
Adult Provider Representative	Chief Operations Officer
Peer/Consumer	Vice President, System Transformation
Parent/Family Member	Quality Management Administrator
Community Stakeholder at Large	Network Development Administrator

The Governance Board will have responsibility for shaping the program vision, strategy planning, decision-making, and oversight of the program. The scope of the board's responsibility will span all areas of policy, program vision, and direction.

COMMITTEE STRUCTURE

As detailed in Section 2.d, Quality Management, we propose six committees all charged with engaging active participation of members and their families; monitoring and evaluating the successful delivery of Magellan's services as they relate to the adult/children; coordination of medical and behavioral health care services; collaboration with the LGE's; LBHP provider; member, and stakeholder satisfaction outcomes; development and implementation of strategic initiatives; and seeking opportunities to improve. Magellan's quality improvement measurement processes address the needs of our state customers, members, and stakeholders while allowing for the objective monitoring of services and care. Through reliance on outcomes-oriented measures and performance indicators and the application of a rigorous, nationally-recognized Six Sigma-based Define-Measure-Analyze-Improve-Control (DMAIC) process through our established quality committee structure, we are able to achieve and demonstrate reliable, sustained continuous improvement. Pertinent data will be captured, trended, and analyzed for root causes of below-goal performance. Information will be shared throughout the organization and LBHP by way of the committee structure and to the community through the Governance Board. Feedback received from the Board and committees is, in turn, shared so that meaningful and measurable interventions can be developed and implemented to improve performance. Over time, this information will feed our provider profiles and ultimately our online provider dashboards. Our committee structure is depicted in Figure 1.b.3.

Figure 1.b.3.Magellan of Louisiana Advisory and Committee Structure



Our organizational structure and communication channels ensures accountability of our leaders to DHH-OBH and provides ample input opportunities to the community and system stakeholders, and empowers our entire organization to have a voice and role in operating and executing the system vision and goals.

c. This section should also include the following information:

i. Location of Active Office with Full-Time Personnel, include all office locations (address) with full time personnel;

Magellan, as a matter of standard practice, establishes operations in the states in which we have public sector contracts. Consistent with the requirements of the RFP, we have identified multiple potential office locations for our SMO program and CMC within 10 miles of the DHH office building in Baton Rouge. We will choose a site from this group of finalists. In addition to our main CMC in Baton Rouge, we will have an additional satellite site in Shreveport. This satellite site will have a large conference room space for holding community meetings, as well as house regional staff to include the north and west regional account manager/system liaison, CSoC staff that support the north and west regions, field network staff for provider relations, LGE support, and claims training/resolution, quality improvement, and adult care manager/regional care management staff.

Our real estate site selection is prioritized to identify MBE/SBE landlords, as well as weighted in its selection towards "green sustained technology" sites as a policy. Our goal is to locate our CMCs at such sites wherever possible. To identify potential properties, we performed a scan of market availability within a 10-mile radius of the city centers to determine availability, cost, and functionality. Space for both sites offers a variety of benefits including location and existing infrastructure, such as telephone and network wiring, all of which are compatible with facilitating a quick

start-up of a call center workspace. Upon notification of award of the SMO contract, Magellan will sign the lease and begin operations.

ii. Name and address of principal officer;

Merit Health Insurance Company's principal officer is Jonathan Rubin, President. His address is as follows:

55 Nod Road
Avon, CT 06001

iii. Name and address for purpose of issuing checks and/or drafts;

Checks and/or drafts may be submitted to the following address:

6950 Columbia Gateway Drive
Columbia, MD 21046
Attention: Treasury Department

iv. For corporations, a statement listing name(s) and address(es) of principal owners who hold five percent interest or more in the corporation;

Merit Health Insurance Company, an indirect, wholly owned subsidiary of Magellan Health Services, Inc. (MHS), is authorized to conduct the business of insurance in the State of Louisiana. Merit Health Insurance Company is a wholly owned subsidiary of Merit Behavioral Care Corporation, which is a wholly owned subsidiary of Magellan Behavioral Health, Inc., which is a wholly owned subsidiary of MHS.

MHS is a publicly traded, for-profit corporation whose stock is registered with the U.S. Securities and Exchange Commission (the "SEC"). Magellan trades actively on the NASDAQ Stock Market under the ticker symbol "MGLN."

Any stockholder that owns more than five percent of the outstanding stock of the Company is required to file a report with the SEC (with a copy to the Company) disclosing the amount of their holdings. Table 1.c.iv provides the shareholders who own five percent or more in Magellan Health Services, Inc. stock (NASDAQ:MGLN) as of July 1, 2011.

Table 1.c-iv.—Shareholders with Five Percent or More Ownership

Rank	Institution	Ownership
1	HealthCor Management, L.P.	9.4%
2	BlackRock Institutional Trust Company, N.A.	8.1%

Rank	Institution	Ownership
3	Vanguard Group, Inc.	5.8%

v. If out-of-state Proposer, give name and address of local representative; if none, so state;

While we do not currently have a local representative in the state, Magellan is committed to having a dedicated chief executive officer (CEO) who will oversee the office at our Baton Rouge care management center (CMC) and at our Shreveport satellite office.

vi. If any of the Proposer's personnel named is a current or former Louisiana state employee, indicate the Agency where employed, position, title, termination date, and social security number;

No employee of Magellan who is named in this proposal is a current or former employee of the State of Louisiana.

vii. If the Proposer was engaged by DHH within the past twenty-four (24) months, indicate the contract number and/or any other information available to identify the engagement; if not, so state;

Magellan has not held any contracts with the State of Louisiana DHH in the past 24 months.

viii. Proposed location and functions of the required Louisiana-based operations in the Baton Rouge area;

As detailed in our response to Question 1.c.i. above, Magellan will locate a care management center in Baton Rouge with a satellite office in Shreveport. To maintain economies of scale necessary to ensure that as much funding as possible is directed to medically necessary care, functions will be primarily conducted locally and but also leverage the efficiency from other Magellan sites as outlined in Table 1.c.viii.

Table 1.c.viii.—Magellan Sites and Functions for SMO Contract

Magellan Site	Functions
Baton Rouge Care Management Center – SMO Functions	▪ Administrative oversight ▪ 24 hour, 7 days a week toll-free telephone access line ▪ Member services ▪ Management of care ▪ Utilization management (UM) ▪ Quality management (QM)

	▪ Grievances and appeals ▪ Complaints resolution ▪ Provider network development ▪ Provider network management ▪ Member rights and protections ▪ Reporting and monitoring ▪ Member rights and responsibilities ▪ Liquidated damages ▪ Fraud and abuse detection ▪ Cultural competence
Baton Rouge Care Management Center – Southeast Regional Functions	▪ Technical support ▪ Community outreach ▪ Recovery and resiliency development ▪ Children's initiatives support ▪ Quality improvement ▪ Member access ▪ Outcomes and integration ▪ Substance abuse capacity building ▪ Race and equity disparity ▪ Provider relations and training
Shreveport – North and West Regional Functions	▪ Technical support ▪ Community outreach ▪ Recovery, and resiliency development ▪ Children's initiatives support ▪ Quality improvement ▪ Member access ▪ Outcomes and integration ▪ Substance abuse capacity building ▪ Race and equity disparity ▪ Provider relations and training

ix. Proposer's state and federal tax identification numbers.

The federal tax identification number for Merit Health Insurance Company ("Magellan") is 36-3856181.

d. The following information must be included in the proposal:

i. Certification Statement: The Proposer must sign and submit (original signature must be signed in ink) the attached Certification Statement (See Attachment I).

Please see a completed and signed Certification Statement immediately following this section.

CERTIFICATION STATEMENT ATTACHMENT I

The undersigned hereby acknowledges she/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.

OFFICIAL CONTACT. The State requests that the Proposer designate one person to receive all documents and the method in which the documents are best delivered. Identify the Contact name and fill in the information below: (Print Clearly)

Date	August 3, 2011
Official Contact Name	Glenn Stanton, SVP of Business Development Magellan Health Services - Public Sector Solutions
Email Address	gastanton@magellanhealth.com
Fax Number with Area Code	410-953-1242
Telephone Number	410-953-1242 (office) 410-591-8085 (cell)
Street Address	3198 Bolero Pass
City, State, and Zip	Atlanta, GA 30341

Proposer certifies that the above information is true and grants permission to DHH-OBH to contact the above named person or otherwise verify the information I have provided.

By its submission of this proposal and authorized signature below, proposer certifies that:

1. The information contained in its response to this RFP is accurate;
2. Proposer accepts the procedures, evaluation criteria, contract terms and conditions, and all other administrative requirements set forth in this RFP.
3. Proposer accepts the procedures, evaluation criteria, mandatory contract terms and conditions, and all other administrative requirements set forth in this RFP.
4. Proposer's technical proposal and cost proposal are valid for at least 120 days from the date of proposer's signature below;
5. Proposer understands that if selected as the successful Proposer, he/she will have 10 business days from the date of delivery of final contract in which to complete contract negotiations, if any, and execute the final contract document
6. Proposer certifies, by signing and submitting a proposal for $25,000 or more, that their company, any subcontractors, or principals are not suspended or debarred by the General Services Administration (GSA) in accordance with the requirements in OMB Circular A-133. (A list of parties who have been suspended or debarred can be viewed via the Internet at www.epls.gov).

Authorized Signature: _____

(Must be an original signature signed in ink)

Typed or Printed Name: Jonathan Rubin

Title: Chief Financial Officer

Company Name: Magellan Health Services, Inc.

2. WORK PLAN / PROJECT EXECUTION

2.A. ACCESS AND MEMBER SERVICES

LOUISIANA STRENGTHS

Louisiana has made tremendous strides over the past several years highlighting the importance of a coordinated and streamlined behavioral health system by implementing system improvements. The state has also been quick to provide support and resources to those in need, especially during times of tragedy. DHH-OBH's leadership is seen in the development of the Louisiana Spirit Coastal Recovery Program which utilizes federal funds to assist individuals, families and groups affected by the oil spill along the Gulf Coast of Louisiana.

The Louisiana Behavioral Health Partnership (LBHP) provides a strong foundation to promote recovery and resiliency for individuals through services and supports that are preventive, accessible, comprehensive, and dynamic. Through these efforts, persons in recovery, children, youth, and family members will benefit from quicker access to coordinated and integrated treatment and cost effective management which in turn will expand services in the places where residents live, work and play.

The realization of the DHH-OBH vision will be challenging as member access to care is currently fragmented. Our Magellan team has been in Louisiana talking with providers, members, and system stakeholders. We have heard first hand of the over utilization of emergency and inpatient services and stand ready to partner in developing a continuum of services that support recovery outcomes for adults and permanency goals for children and their families.

MAGELLAN COMPLEMENTARY STRENGTHS

Magellan's clinical philosophy is one of early recognition and prevention. Receiving the appropriate treatment early and in a manner that fits the cultural preference of the member not only improves outcomes, it reduces costs. On the other hand, when events occur that require immediate intervention, community members at large need quick access to the critical care they deserve. Magellan knows this firsthand via our long standing partnership with Blue Cross and Blue Shield of Louisiana (BCBSLA) and the State in providing support for those impacted by recent disasters in Louisiana.

For example, in 2005, Magellan immediately reached out to BCBSLA after Hurricane Katrina to see how we could help. Magellan deployed experienced counselors on the ground in Louisiana who provided consultation to the human resources (HR) department and management staff at BCBSLA. The counselors also met with BCBSLA representatives who were providing housing to evacuees, or were evacuees themselves, in addition to facilitating other community consultation sessions. Working with BCBSLA, Magellan counselors provided consultation and Critical Incident Stress Management (CISM) services to five groups with nearly 170 attendees. We continued to work closely with BCBSLA and provided 19 additional consultations over the next two months. Magellan is now part of the "Our Home, Louisiana Coalition." This was not a one-time program; Magellan is committed to providing this type of response and support in the future and without State compensation.

MILESTONES

- Access to quality services is necessary for individuals to achieve recovery and resiliency goals. Magellan is committed to ensuring our member services team and access line are fully operational prior to contract go-live.
- While services and providers will expand and access to evidence based practices will increase throughout the contract, we are committed to ensuring services are accessible in the 10 districts/authorities outlined in the contract at go-live and throughout the life of the contract.

REGIONAL AND POPULATION-BASED APPROACH

- Magellan will extend our regional philosophy to expand access through targeted member services.
- We will dedicate personnel to the north and west regions, as well as the southeast regions of the state.
- Our regional staff will work closely with the Baton Rouge member services team to educate them on community needs and priorities, as well as update on new services capacity and expertise as the system evolves.
- Magellan will use cross-function meetings, "lunch and learns" and our intranet portal (MagNet) to maintain up-to-date information on each region for timely access to local treatment.
- Our member services team will receive specialized training for the adult and child services as well as the CSoC system partners, FSOs, and WAAs.

i. Describe how member services will be organized. Provide an organizational chart that includes position titles, numbers of positions, and reporting relationships. Describe the qualifications of member services staff and supervisors. Suggested number of pages: 2 exclusive of organizational chart.

Our approach to member services is comprehensive and focused on ensuring members obtain timely and effective assistance, access to care, and information on the resources they need to live healthier lives. Our approach will ensure members get access to services they need in the communities where they live no matter how or where they enter the delivery system. Member services activities will be run from our fully functional care management center (CMC) in Baton Rouge, which will operate 24 hours of the day, seven days of the week. Member services and clinical staff will be located at this CMC and will work closely with each other to facilitate the delivery of care. CMC staff will work with regionally based teams to identify community based programs that meet the diverse needs of members. Regional staff, based in our Shreveport satellite site and/or work from home staff in other regions, will be working closely with LGEs, providers, and community stakeholders. These staff will ensure the member services staff at the CMC has the most complete and updated information regarding services and resources available in each community. Member services staff are often the first point of contact for individuals calling Magellan and must have the necessary tools and knowledge to ensure they are able to meet the members' needs effectively. Our member services strategy incorporates a 24/7 call center, member communications, provider services, and a complaints and grievances process as part of our member services infrastructure. This infrastructure meets all of the requirements of the Scope of Work. Once selected as the successful bidder, we will meet or exceed all requirements of the final contract.

Account management/regional liaisons and other staff outlined in Section 4, Personnel Qualifications, will be community based and will play a crucial role in establishing a strong presence in each region. They will touch

members and stakeholders through forums, direct member interactions, education and training events, local and state meetings, and advocacy work. They will interact with members on a daily basis, assist members in navigating the system, and will serve to increase our understanding of each region's member and provider needs to proactively address issues related to access, care and necessary resources.

The knowledge and insights we gain through being embedded in the communities we serve will be essential in addressing member's needs and concerns at regional level and parishes.

Member Services—Magellan's member services department will serve as the point of entry for children, adults, family members and other caregivers including children and adults already receiving services or others calling on behalf of the member. Magellan will utilize a member service approach that assures partnering with all stakeholders involved in the children's and adults' systems of care to establish program eligibility. The member services department, which will be located in the Louisiana CMC in Baton Rouge, will provide oversight to several functions including a 24/7 call center, member communication, grievances/complaints, and provider information.

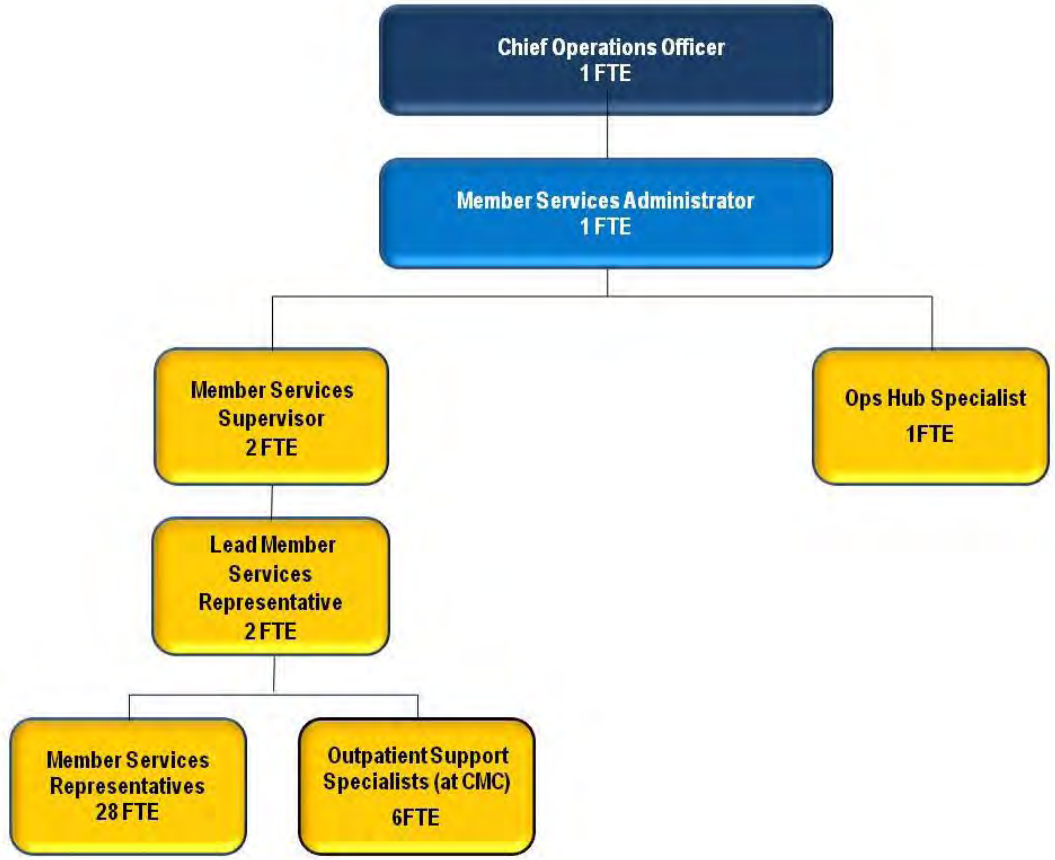
While our member services department will function as critical point of entry, members can also enter the system through contact with the clinical and quality improvement (QI) departments. No matter how a member reaches the Magellan Statewide Management Organization (SMO) our commitment is to provide personalized, accessible high quality service. Our technology and intranet services are designed so that our staff will have the latest information for each region in Louisiana at their fingertips. These are further described in our response to question 2.a.v.

Magellan will make every reasonable effort to overcome barriers that consumers may face in receiving services. We will employ bilingual/multi-cultural staff that speaks English, Vietnamese, and Spanish. In addition, callers will also have access to translator services if required. TDD and relay services are also available for recipients with hearing disabilities. We will also require providers to have staff available to communicate with the consumer in his or her spoken language or have access to a telephone translations service. *All calls to the Magellan CMC will be answered, by a live voice, within 30 seconds and call abandonment rates will not exceed three percent.*

MEMBER SERVICE ORGANIZATION CHART

Please refer to figure 2.a.i for an organization chart which identifies position titles, the number of positions, and reporting relationships for the Louisiana SMO member services organization.

Figure 2.a.i – Member Services Organization Chart



Job summaries and qualifications for member services staff can be found in table 2.a.i.

Table 2.a.i – Member Services Staffing

Position Title	Job Summary & Qualifications	Number of Positions	Reports To
COO	**Job Summary:** The Chief Operations Officer (COO) is responsible for clinical program development and oversight of personnel and services related to the delivery of covered mental health and addiction services to children/youth, adults with serious mental illness and /or addictive disorders in compliance with Federal and State laws and the requirements set forth in Magellan's Louisiana Statewide Management Organization (SMO) Contract. **Education:** Master's degree required. The COO must meet the requirements for a Licensed Mental Health Practitioner (LMHP). **Experience Requirements:** Ten years' experience in healthcare with a clinical and/or operations management focus. Seven years management level experience in managed behavioral healthcare operations required.	1	**CEO**
Member Services	**Job Summary:** Responsible for the timely telephone access	1	**COO**

Position Title	Job Summary & Qualifications	Number of Positions	Reports To
Administrator	of eligible individuals to the managed behavioral healthcare delivery system and triage of all calls including information inquiries, services requests, crisis calls, grievances and appeals issues. Assures highest quality, most efficient performance in the delivery of member and provider services to include management of the call center departments and other administrative functions. Collaborates in the planning, development, and implementation of member and provider communication and education programs, services and materials. **Education:** Bachelor's degree required. **Experience Requirements**: A minimum of 3-5 years of management service. Significant experience and expertise in the management of a Member services department and grievance resolution. Thorough knowledge and understanding of management principles, practice, methods and techniques. Excellent verbal and written communication and public speaking skills.		
Member Services Supervisor	**Job Summary:** The Customer Service Supervisor manages the delivery of member and provider services to include management of the call center department; and plan, develop and implement member and provider communication and education programs, services and materials. Investigate and resolve account concerns; oversee the complaint and grievance process in the regional service center; and interact with other department personnel for smooth communication flow. **Education:** BA/BS in health services administration, business administration or related field. **Experience Requirements:** minimum of 3-5 years of management service. Health care or health insurance setting preferred. Member or provider focus in a health care or health insurance setting preferred.	2	**Member Services Administrator**
Lead Member Services representative	**Job Summary:** This position is responsible for 50% of the incoming calls, staff training, and overseeing the customer service QI programs. Also responsible for coaching the customer service representatives for resolution of difficult questions and problems. Responsible for generating, analyzing and trending telephone reports. Promotes a positive working environment. **Education**: Bachelor's degree preferred. **Experience Requirements**: Extensive health care background or a minimum of two years' experience in customer service. Excellent communication, organizational and problem solving skills. Knowledge of automated call distribution (ACD) and telephone systems. Ability to monitor the MSRs work for quality and accuracy as well as being able to handle complex cases and sensitive inquiries. Must have an extensive working knowledge of the claims process and demonstrate strong leadership skills	2	**Member Services Administrator**
Member Services Representative	**Job Summary:** MSRs provide the central point of entry for all individuals that seek information about the Contractor's services. Responsibilities include answering incoming calls regarding eligibility, benefits, claims, and authorization of services from providers and members. Responsibilities also	28	**Member Services Supervisor**

Position Title	Job Summary & Qualifications	Number of Positions	Reports To
	include the administration of intake documentation in the appropriate systems. **Education:** Bachelor's degree preferred. **Experience Requirements:** Minimum of one year of experience in a high-volume call center environment, preferably in health care, claims, or insurance. Excellent communication skills, a thorough understanding of mental health care, and superior customer service skills required. A sound understanding of the contract requirements and all procedures also is required to provide high-quality services.		
Outpatient Support Specialists (at the CMC)	**Job Summary:** Coordinate appointment accessibility for members that do not require clinical intervention. Facilitate outpatient referral services and follow-up to ensure member kept appointment. Locates services for consumers to supporting coordination of care so consumers are able to access care in a timely manner. **Education:** Bachelor's degree preferred. **Experience Requirements:** Minimum of one year of experience in a high-volume call center environment, preferably in health care, claims, or insurance. Excellent communication skills, a thorough understanding of mental health care, and superior customer service skills are required. A sound understanding of the contract requirements and all procedures also is required to provide high-quality services.	6	**Member Services Supervisor**
Operations Hub Specialist	**Job Summary:** Responsible for monitoring CMC service levels, call center activity, and resources on a real time basis ensuring service performance goals are consistently achieved. This position will work closely with the leadership of the call center teams on optimization of ACD capabilities, staffing and scheduling, time off planning and performance reporting. **Education:** Associate's degree required, bachelor's degree in telecommunication or operations management preferred. **Experience:** 3 to 5 years of experience with ACD reporting, forecast development, Call Center management or supervision experience, Must have ability to work in a fast-paced environment, while managing multiple tasks	1	**Member Services Administrator**

ii. Describe how the required toll-free twenty-four (24) hour, seven (7) days a week call line will be staffed. Distinguish between Baton Rouge area staff and those located outside of Louisiana within the continental United States. Also describe the system back-up plan to cover calls to the toll-free line.

Magellan will provide a full level of service, including crisis response and service authorization, 24 hours of the day, 365 days of the year, to all members from our Louisiana CMC in Baton Rouge. All services will be provided in Louisiana. The only time services will be provided outside of Louisiana is in the event of a disaster when back-up services will be provided from our CMCs in Maryland Heights, Missouri and Des Moines, Iowa. The toll-free number will be approved by DHH-OBH prior to going live. DHH-OBH will maintain the rights to the toll-free number and upon completion of the contract will have full authority to the number for transferring and/or operating the line in Louisiana. Members and providers will access the CMC with the same toll-free number and we will provide separate call

tracking and record keeping for member and provider calls. Magellan will publicize the toll-free number throughout the state and will list the number in the directory of local telephone books and Internet directories.

In the event of an emergency, our Des Moines, Iowa and Maryland Heights, Missouri CMCs will provide back-up support to the Louisiana CMC, ensuring maximized redundancy in the event of a disaster. These CMCs currently provide emergency support for all of Magellan's public sector programs across the country. All staff, including those providing emergency support, will be trained on the specifics of the LBHP contract as described in our response to question 2.a.iv.

We use the latest technology to determine the number of staff needed to handle call volume during routine and peak hours and we offer comprehensive redundancy planning and call back-up to handle unusual spikes in volume due to other emergencies that may interrupt normal call flow. Our scheduling is based on our experience in other public sector contracts and takes into account the membership data, number of persons in treatment, hours of operation, and expected average handle time. We utilize a nationally recognized call staffing planning tool called IEX to assist in trending call data and identify staffing patterns to maximize performance and efficiency. Table 2.a.ii provides the staffing queue schedule for the Louisiana CMC for the hours of 8 a.m. to 8 p.m.

Table 2.a.ii - Louisiana Staffing Queue Schedule

Shift	CSAs	Shift	Care Managers
8:00 am - 4:30 pm	10	8:00 am - 4:30 pm	2
8:30 am - 5:00 pm	5	8:30 am - 5:00 pm	1
9:00 am - 5:30 pm	3	9:00 am - 5:30 pm	1
9:30 am - 6:00 pm	2	9:30 am - 6:00 pm	0
10:00 am - 6:30 pm	0	10:00 am - 6:30 pm	0
10:30 am - 7:00 pm	1	10:30 am - 7:00 pm	0
11:00 am - 7:30 pm	1	11:00 am - 7:30 pm	1
11:30 am - 8:00 pm	5	11:30 am - 8:00 pm	2
Daily FTE Counts	**27**	**Daily FTE Counts**	**7**

Call center staff will be fully trained and will be responsive to all callers. We will have specialized children's system of care staff who have thorough knowledge of each component of the children's system of care and will be able to interact with multiple stakeholders including, but not limited to, children, youth, and their families or caregivers (birth, foster families, kinship care givers); providers; WAA staff; FSOs, including peer support specialists; family and cultural support specialists; schools; OJJ, including probation and courts with juvenile jurisdiction; PCPs or CCN-P providers; DCFS caseworkers/supervisors; and staff from DHH-OCDD, DOE and DHH-OBH, including Regions or Human Service Districts. Call center staff will also be familiar with all components of the adult system of care. Staff will be able to interact with multiple stakeholders including, but not limited to, adults and their families/ caregivers, PCPs or CCN-P, providers, peer support specialists and probation or parole, other staff of DHH or other state agencies including the Regions or Human Service Districts calling on behalf of an adult or his/her family or caregiver.

All services are provided by full-time Magellan employees, including MSRs, Licensed Mental Health Professionals (LMHPs) care managers, and physician advisors. Magellan does not use answering services or other external support vendors. Calls to our dedicated toll-free number are greeted by MSRs and will not be routed to an automated attendant.

All callers are routed through our call distribution system and will be answered live by the first available MSR within 30 seconds. Call abandonment rates will not exceed three percent. MSRs obtain demographic information and emergency contact information from members and their families/caretakers; gather insurance information, including Medicaid eligibility; and assist callers in accessing information on member rights and benefits, obtaining services, and filing grievances. The MSR determines the reason for the call and transfers the call to the appropriate staff member within the Louisiana CMC. For Members seeking services or information related to their ISP, the MSR will transfer the call to a care manager for care coordination and referral to services.

iii. Describe the capabilities of the telephone system with respect to warm line transfer, live call monitoring and other relevant features. Suggested number of pages: 2

Magellan currently employs an Avaya S8730 call server for voice services in our call centers. Callers dialing into our call centers are routed in on network carrier T-1 facilities that utilize caller identification for each call. The toll-free numbers that come in to us on the carrier network T-1 utilize routing controls that allows Magellan to control the call for daytime, night time, disaster and holiday call routing.

Magellan uses an Avaya Communication Manager Elite for routing of calls and Avaya Call Management System (CMS) for call reporting functions. This arrangement allows for optimal distribution of traffic and staffing. It allows Magellan to route and report on member and provider calls separately.

Monitoring of the call center activity is achieved by utilizing CMS real-time and historical reports, which allows Magellan to make staffing and call routing changes throughout the day as call volume changes. Further, these reports are also stored in a file that allow for viewing, printing or scheduled for printing at a later time.

The data tracked includes caller identification, service parameters, internal call transfers, outgoing calls, and agent activity. Real-time reports can be updated as often as every five seconds and summarized as often as every 30 minutes. Historical reports are available in intervals of 30 or 60 minutes, daily, weekly, or monthly summaries. Integrated reports include data for a specified start time in the past 24 hours up to and including the moment the report is generated. We also have the ability to create custom reports that capture an even wider range of call center activities that allow us to manage call volume and staff today, as well as forecast for future needs.

Magellan utilizes Avaya Modular Messaging voice-mail system to streamline internal communications.

Additional features of the system include the following:

Emergency Call "No-hold" Transfer— MSRs are trained to recognize crisis calls and the need for immediate referral to a LMPH care manager. When the MSR hears verbal cues or other indications that suggest an emergency, he or she immediately passes the call "live," using the no-hold conference telephone feature (without placing the caller on hold) to a care manager. The caller is speaking live with a care manager within 30 seconds.

Warm Line Transfer—Our Avaya telephone system provides us with the ability for an MSR to warm transfer a call within Magellan or to a third party when necessary. A caller is placed on hold, and then the MSR dials the destination number. Our MSR has the ability to speak to the destination agent and then bring all three parties on the line together. When appropriate, the Magellan MSR can then drop off the line while leaving the other two parties connected.

Quality Monitoring—Magellan uses the Qfiniti Enterprise suite, a comprehensive and integrated system designed to enable the Company to deploy proven, scalable quality monitoring and evaluation programs.

We utilize Qfiniti Observe to record voice and screen interactions, Qfiniti Advise to provide call center staff evaluations, and Qfiniti Expert to provide e-learning to our staff.

Qfiniti Observe provides a powerful suite of monitoring options that include transaction-based recording of voice, screens, or both. This allows supervisors to monitor contacts for performance, accuracy of information, as well as examine processes for best practices. Some of the items monitored include: answering the phone in a professional manner, providing accurate answers to all questions and requests, confirming callers' understanding of information provided, and transferring the caller to the appropriate party. This system also allows for a quick search of past recordings based on defined parameters. The program provides supervisors an efficient and effective way to coach our staff by allowing coaching notes, voice comments, and screen edits.

iv. Describe the Proposers plan to train member services staff. Suggested number of pages: 2

It is Magellan's experience that often when an individual calls our member services line they have exhausted many of their community support systems and feel somewhat hopeless. This can be evidenced by the analogy of "picking up the 600 pound phone," it is not an easy call to make. First and foremost all member services staff need to be empathetic, engaging, and offer a sign of hope that things can get better. This is often the first engagement an individual has with the behavioral health system and we strive to make it a positive one that is respectful of each individual's experience, cultural preference, and desires. We recruit, train, and retain with these key principles in mind.

Magellan takes a broad learning approach to information-sharing and training by providing multiple ways for staff to engage in learning, sharing, and training. Training is complemented by the knowledge and insight gained through our regional staff supporting our philosophy that training needs to be conducted in the context of the environments we are operating in. We use live training events, webinars, in-services, computer-based training, and cross-functional roundtables/"lunch and learns" to make certain staff are knowledgeable on the LBHP as it evolves. All training materials including tip sheets, service summaries by regions, and policies and procedures, to name just a few are housed on MagNet, Magellan's intranet, and are available on demand to all employees. Pre and post tests are conducted to measure learning of key concepts. Finally, participants have a chance to offer feedback allowing us to continually improve on the quality and content of our training offerings.

Upon joining Magellan, all Louisiana call center staff will receive training through our Progressive Learning Program. All SMO program staff members will receive a thorough orientation to Magellan and the LBHP contract including regional differences; review of populations being served; community resources, and all contract-specific policies and workflows specific to the program. Respect for a caller's privacy during any conversation and subsequent communication is stressed throughout the training process.

Our three-week initial training program will be conducted by our national learning department in conjunction with our local contract experts. The program consists of a series of discrete, task-focused modules that blend policy, procedure, and systems instruction. We use a blended learning approach consisting of small group discussion, self-directed study, research, role play and simulations, online learning, and competency based testing. These tools will be used to acclimate new employees to the call center environment and the specific duties of their job. After classroom training, an experienced peer serves as a role model, resource, and learning coach to assist in transitioning the new employee into his/her role and to serve as a mentor for ongoing professional progression. All staff members receive an orientation to Magellan and specific contracts element. In addition, they will also receive training on the following:

- HIPAA
- compliance, security, privacy and fraud
- online resources, including our intranet
- identifying and handling crisis calls

- teleprofessionalism
- team roles and responsibilities
- rights and responsibilities of consumers
- recovery and resiliency
- cultural competence
- covered services
- use of the phone, including dialing out, receiving calls, transferring calls and using voice mail.
- CSoC system
- Adult and child provider agencies.

MSRs receive additional training on:

- use of our clinical system for CSAs, including entering a contact note
- preparing a case for a care manager
- referrals for routine outpatient services
- provider search database
- eligibility lookup
- authorization inquiries
- documentation of complaints
- handling upset callers.
- Regional/Parish based resources.

In addition to the above, training for care managers also include:

- medical necessity criteria
- clinical practice guidelines
- mixed services protocols (i.e. medical and behavioral)
- initial and concurrent review protocols for each level of care
- retrospective review protocols
- recovery and resiliency
- special populations, e.g. children and adolescents, persons with developmental disabilities, persons with dual diagnosis, and older adults.

Consistent with our community consortium training approach, we will invite providers, consumers, family members, and other system stakeholders to participate in the training environment so that staff have first-hand knowledge of the system components.

At the end of training member services staff will have a thorough knowledge of the Louisiana system of care and will be able to do the following:

- Assist callers with issues and concerns regarding service referrals, authorizations, payments, and training.
- Work with individuals and their families/caregivers to obtain eligibility for other supportive services including, but not limited to, Medicaid and community organizations; for complex eligibility matters members will be referred to Magellan's care management staff.
- Assist and inform individuals and their families/caregivers about required eligibility documents and/or obtaining such documentation.
- Provide general assistance and information to individuals and their families seeking to understand how to access care in either the public or private sector for their family member (for example, how to obtain an

evaluation for a child). For the CSoC, member services staff will provide information to families about resources available through the FSOs and WAA.

- Facilitate access to information on available service requirements and benefits.
- Provide information on how to file a grievance or appeal, and document the information received.
- Inform members or family members of required documents needed to prove citizenship for Title XIX and Title XXI eligibility, and assist in obtaining such documentation. We will refer reconsiderations, appeals and QOC issues to our care management or other appropriately designated staff to handle.

ONGOING TRAINING

All call center staff receive ongoing training pertaining to updates to policies, procedures, and systems enhancements. To minimize time away from serving members, "Information only" training is often accomplished via online courses, direct e-mail distribution, or through daily bulletins on the service center's intranet home page. Ongoing training that requires extensive retooling of skills, such as when system enhancements are implemented, is delivered in hands-on, instructor-led classrooms. This approach supports a multi-year development strategy, staff members remain informed as the system changes and community services are developed.

Ongoing training, feedback, and coaching will be provided through our standardized process of service observation, monthly and quarterly case audits, inter-rater reliability, physician advisor (PA) audits, and clinical case conferences. When errors in performance are identified, specific training is provided immediately.

Monitoring and Oversight—Ongoing training, feedback, coaching, and supervision are provided through our standardized process of service observation and evaluation. When errors in performance are identified, specific training is provided immediately. Magellan uses the Qfiniti Enterprise suite, a comprehensive and integrated system designed to enable us to deploy proven, scalable quality monitoring and evaluation programs. We utilize Qfiniti Observe to record voice and screen interactions, Qfiniti Advise to provide call center staff evaluations, and Qfiniti Expert to provide e-learning to our staff.

v. Describe the Proposers plan to ensure that all callers to a common single point of contact are provided accurate information that fully addresses their need, including call transfer and tracking of calls requiring follow up. Suggested number of pages: 3

One call to our toll-free number will connect the caller to referral information, provider information, and community resources. Our Integrated Product (IP) system assist in continuity of care by transferring notes across clinical and member services screens so that members do not have to repeat information they have previously provided.

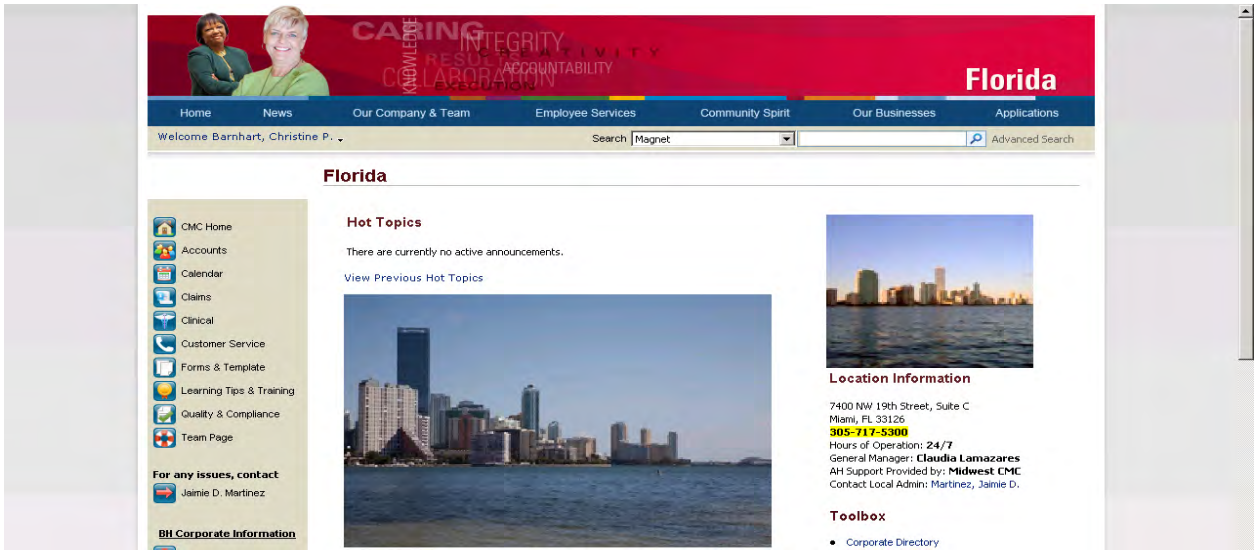
The MSR who takes the call will open a case in our IP clinical information system. All Magellan staff members have access to IP so that no matter where a call is answered the same electronic recipient record is accessed. The IP software is designed to provide intake staff with online access to information relating to care management support, such as intake and referral data, presenting problem, diagnosed problem, and provider demographics. The data handling features allow for comprehensive data capture, internal data linkages, external interfaces and queuing. IP has the flexibility to be configured to capture data elements according to customer need. The member service staff is guided through customized pre-populated screens to ensure consistency in call handling and thoroughness of information gathering. These pre-coded notes include language developed by individuals receiving services and family members to ensure we are promoting warmth, hope, encouragement to better engage the member in services.

Specific functions include customer and family eligibility information, provider search, ZIP code matching, certification, correspondence generation, evaluation and assessment information, and case management. IP provides inquiry capability such as membership eligibility look-up (patient address, home phone, eligibility dates for current and historical records), online benefits, and provider search. IP is fully integrated with our claims system and interfaces with Magellan's Web site.

Magellan will develop a customized Louisiana-specific intranet site in MagNet. This site will house local information that is shared and updated for all staff to access. MagNet is designed to assist Magellan employees to handle calls quickly and accurately. All staff will have immediate access to all LBHP contract specific policies, resources, workflows training materials, and forms, in addition to standard Magellan information and links to compliance or employee tools. As described in question 2.a.i, we will look to our "regional staff to provide us with the specialized regional information necessary to make sure MagNet contains the latest information and available community resources for each region. With just one click staff will have access to all Louisiana specific member and care management resources. Figures 2.a.v-1 and 2.a.v-2 show sample screen shots from our Magnet Intranet site. Figure 2.a.v-1.shows the main MagNet welcome screen. From this screen any user can easily access the customized pages for any of Magellan's CMCs around the country simply by clicking on "Our Businesses" in the upper right of the screen. Figure 2.a.v-2 shows a screen shot which contain information that is customized to meet the needs of each specific CMC.

Figure 2.a.v-1—MagNet Welcome Screen

Figure 2.a.v-2—CMC Specific MagNet Welcome & Information Screen



Call Tracking Application—The call tracking application captures basic contact information such as contact type, reason, and resolution. It documents incoming and outgoing calls, and receipt of written or electronic information. The application interfaces with the clinical system to auto-fill member information, such as member ID and name, account name, and case number. This application also interfaces with our customer comment module. The module allows MSAs to record member service data—in particular, rates of first-call resolution.

Member Tracking System—The member tracking system contains many activities that a care manager can schedule for future action. Activities may be assigned to oneself, another individual, or a specific team or department, and include: provider follow-up, member follow-up, ambulatory follow-up, appeals tracking, and treatment plan review (for outpatient services). In addition, the system automatically schedules activities for concurrent reviews. The system presents a list of activities assigned to the care manager in order of their due dates, in ascending order. The list of activities can easily be expanded to meet Magellan's ongoing needs and/or to address unique contract requirements.

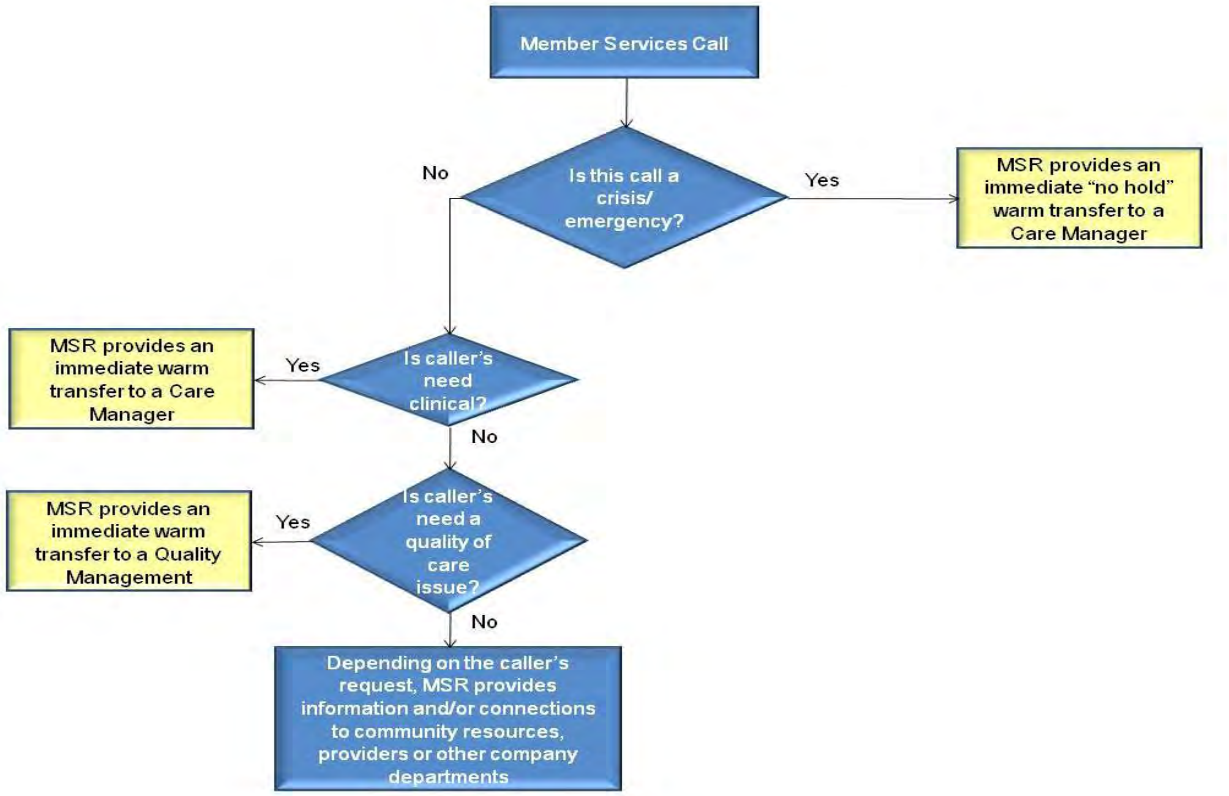
Ongoing Training and Supervision—All call center staff will receive ongoing training pertaining to updates to policies, procedures, and systems enhancements. This ongoing training is coordinated and facilitated by the Louisiana CMC team in collaboration with our Corporate Learning and Performance Department. The teams evaluate such considerations as how significant the change is, what type of information needs to be communicated and how challenging the new skill will be to master to determine the best delivery method to successfully train staff. To minimize time away from serving members, "Information only" training is often accomplished by methods such as online courses, direct e-mail distribution, or through daily bulletins on MagNet. Ongoing training that requires extensive retooling of skills, such as when system enhancements are implemented, is delivered in hands-on, instructor-led classrooms.

All call center staff receive ongoing supervision from our Louisiana-based member services administrator. Ongoing training, feedback, and coaching also are provided through our standardized process of service observation, telephone monitoring, and documentation audits. When errors in performance are identified, these are evaluated and the necessary specific training is provided immediately.

vi. Describe the member experience when calling the member services line and the transition to care managers: (a) Provide a description of the process for transitioning an adult caller from member services to care management, including the process for determining and addressing a psychiatric crisis.

Our MSRs, care managers, and quality improvement team members are trained to handle a variety of calls ranging from requests for information about community services to requests for clinical services and to crisis calls. Our work flow in Figure 2.a.vi illustrates the types of calls typically received and how our member services team works with the clinical and quality improvement teams to ensure the caller's needs are met.

Figure 2.a.vi – Call Flow



Magellan staff members are trained to treat all callers with respect and dignity and immediately engage and offer hope to members who call for information and assistance. Callers will be greeted by a live voice at all times. Member services staff will promptly ask whether or not the person is experiencing a crisis. These calls will be given priority, and the MSR will immediately route the member to a licensed care manager. All other calls continue with the MSR who assesses the nature of the call. MSRs are trained to recognize crisis calls and the need for immediate referral to a licensed care manager. When the MSR hears verbal cues or other indications that suggest an emergency, he or she immediately passes the call "live," using the no-hold conference telephone feature to a care manager.

Many crisis scenarios are included in the MSRs' training. Some common indicators for crisis calls are that the caller:

- identifies that the situation is potentially an emergency or crisis situation

- identifies that he or she is potentially a danger to himself or herself or others
- exhibits verbal cues that indicate he or she is distressed (for example, angry, tearful, and anxious).

Our MSRs are trained to apply a low threshold in identifying crisis calls; that is, they only need to suspect a crisis to initiate crisis call procedures including assessing eminent risk.

Callers will have immediate access to LMHP care managers who will be readily available for crisis response and service authorization 24 hours of the day, seven days of the week. MSRs will also transfer calls from members seeking services or information related to their individual service plan (ISP) to a care manager. In addition, there will be 24-hour access to board-certified physicians including a psychiatrist, addictionologist, and child /adolescent psychiatrist (or a licensed doctoral level child psychologist in conjunction with a board-certified psychiatrist). Our LMHP staff will be trained on the community crisis systems available to assist in the event of an emergency including the United Way Crisis Centers, the Baton Rouge Crisis Intervention Center and Cope Crisis Line of Via Link, to name a few. We will develop coordination protocols with these and other agencies to improve care coordination.

(b) Provide a description of the process for transitioning a family member/parent of a child/youth from member services to care management, including the process for determining and addressing a psychiatric crisis. Suggested number of pages for both examples: 2

While the process for a family member/parent of a child/youth to access member services is similar to what is described above for adults, we recognize the need for specialty trained staff to assist these populations. We use the same process flow and triage and coordination will occur, however, if the call is clinical in nature, the family member/ parent will be transferred to our specialized children's services care management team. The Medical Administrator is a child boarded Psychiatrist and will oversee the clinical practice of the child specialty care management team who will also receive consultation and support from the children's system administrator as needed. This specialized team will have extensive experience with child and adolescent issues and are familiar with the resources and specialty providers that service children and adolescents. Staff will receive additional training in the following areas:

- CSoC implementation focused on a family and youth driven practice model
- wraparound facilitation by child and family teams
- utilization of family and youth supports in the planning process
- coordination protocols with the child serving State agencies
- overview of the CSoC Governance Body, Coordination Councils for the FSO Network, Local Family Support Organizations, Local Wraparound Agencies, and other child service provider networks.

We provide timely, community based and, person/family driven access to care. We recognize that system partners, stakeholders, providers, and resources do vary between the children's and adult systems. Our commitment is to provide a comprehensive children's clinical program based on our experience serving children and changing practice in our 13 public sector contracts. Our approach is aligned with DHH-OHH's stated goal of reducing costly, highly restrictive, out of home placements through the creation and maintenance of coordinated and effective community based services.

vii. Describe the Proposer's plan to manage and respond to complaints, including the process for logging, tracking and trending complaints, call resolution or transfer, and staff training. Suggested number of pages: 2

Magellan makes the complaint system as simple and user friendly as possible and provides information regarding this system to members, their representatives, providers and contractors. This information, including applicable forms, will be included in the member handbook and will be available through the member portal on our Web site. Regular reminders of how members and others may access the complaint system will also be provided in newsletters and other communications.

For the first quarter of 2011, 91.9% of complaints were resolved within resolution timeframe standards.

We have developed a system that allows members to voice their concerns confidentially and have those concerns heard respectfully. Respect and support are demonstrated throughout the entire complaint process, as evidenced by the considerate, caring, and knowledgeable behavior of our staff. We are fully compliant with State requirements, and all aspects of 10 CCR 2505-10, Section 8.209, of the Medicaid rules for managed care grievance and appeal processes that emanate directly from the federal Centers for Medicare & Medicaid Services (CMS) Medicaid Managed Care Regulations (42 CFR Parts 400, and so on). Our complaint and grievance procedures will be submitted to the DHH-OBH for approval upon award of a contract for the Louisiana SMO and prior to implementation.

All expressions of written or verbal dissatisfaction will be handled as formal grievances, so long as they do not relate to an action (denial, reduction, or suspension of service). Magellan maintains a complaint database to process grievances, issue notices, and collect information for performance monitoring and reporting. This data base has been effective in other states where this information has been an integral part of the State's ability to respond to agreements established by the courts. The database is convenient for staff to use and ensures that complaints are tracked and followed promptly through the included timetable that provides ticklers to notify staff when decisions and notices are due.

COMPLAINT PROCESS

Any Magellan employee may accept a complaint. Our staff members are well-trained in the complaint process and are able to distinguish between concerns, grievances, appeals, and potential quality of care concerns. Expressions of dissatisfaction may be initiated by a member, family member, network provider, or other involved party or stakeholder and may concern a variety of issues, including access to care, timeliness of care, or general dissatisfaction with the program or services. They may be filed verbally or in writing. There is no required format and no "wrong way" to bring concerns to our attention. The complaint process for the Louisiana SMO will be detailed in policy developed specifically for the LBHP. This policy will be submitted to DHH-OBH for approval. Members are offered assistance in filing a complaint, including completing forms and taking procedural steps. We may provide interpreter services for non-English-speaking persons and for persons who are deaf and hard of hearing. Additionally, access to toll-free numbers that have adequate TTY/TDD capability for persons who are will be provided. Members with literacy difficulties will be assisted by appropriate Magellan staff or they may request advocates from the local NAMI, Mental Health America, Federation of Families offices, or other FSO. A member may also designate an authorized representative to file a complaint on their behalf.

Once the complaint is accepted, it is processed according to all applicable State and federal regulations, including 42 CFR 431.200 and 438, Subpart F, "Grievance System." Our process will also adhere to all DHH-OBH guidelines and rules.

We will ensure that all individuals who make decisions regarding complaints have the appropriate clinical training and expertise in treating the member's condition, were not involved at any previous level of review or decision-making, nor involved in the original situation leading to the complaint.

Magellan staff will collect complaint data, which is maintained in a database that supports tracking of these data. All required information is collected and entered into the database, which then provides a mechanism for determining response and resolution reminders. Written acknowledgement of the complaint is provided to the member or other complainant via the U.S. Postal Service within 48 hours of receipt of the complaint. Our staff will then work with the member and all other parties, as appropriate, to review and resolve the complaint within 30 days with a 14 day extension if requested by the member. We understand that these standards are more stringent than those required by the LBHP. Every effort is made to take initial action toward resolving complaints on an immediate (within 24 hours) basis. Complaint resolutions are provided to members in writing. In addition we make every attempt to contact the member and notify them verbally. All written notices will contain enough detail written in such a way so the member can understand the resolution, a description of how the member's behavioral healthcare needs have been met, and contact information for the complaint staff so that the member may call for assistance or to discuss unresolved concerns.

If the review and resolution process will involve sharing information with third parties or the release of protected health information (PHI), complaint review staff will first obtain the appropriate releases from the member. Written responses are provided to the member, member's representative (if designated), service provider, and others, as applicable, within five days of the review committee's decision.

DATA TRACKING

Accurate records of each complaint will be maintained for a minimum of six years, including information such as all member demographic information (name, address, telephone, and Medicaid ID number); a complete description of the complaint, including type (standard or expedited) and category of complaint (i.e., access to care, clinical care, service provision, claims, benefit plan); and complete descriptions of the investigation, findings, and actions pertaining to the complaint. We will also include a statement as to whether the resolution was satisfactory to the member. Should any litigation, claim negotiation, audit or other action be initiated prior to the end of the six year period, we will retain the involved records until resolution of the case or the end of the six year period, whichever is later.

The complaint database facilitates accurate and timely internal and external reporting and provides the flexibility to meet all data collection requirements of DHH-OBH and CMS. We will produce reports for DHH-OBH, at requested intervals. The reports will contain the information required by DHH-OBH and will display this data in a user-friendly format that facilitates further analysis. In addition, Magellan staff will provide DHH-OBH staff with technical assistance in analyzing the data for use in implementing local improvements.

viii. Describe the ongoing monitoring protocols for member services staff, including the nature and frequency of supervision, documentation of audits, call monitoring, quality review, and any other oversight activities. Suggested number of pages: 2

DHH-OBH outlines a vision for the LBHP that will develop and evolve over the first several years of the SMO contract. As described in Section 2.e, Network Management, we see a multi-year approach in transitioning the current service delivery system. This includes establishing a base network that meets regional access standards, developing monitoring and oversight tools to assess system gaps to be developed, expanding evidence based practices, monitoring performance standards and developing partnerships that reward providers for quality.

With this ever changing environment, it is imperative to provide comprehensive and ongoing education, supervision, and monitoring of member services staff.

Ongoing Training and Supervision

All call center staff will receive ongoing training pertaining to updates to policies, procedures, network development, coordination agreement and systems enhancements. This ongoing training will be coordinated and facilitated by the dedicated Louisiana training team. The training team evaluates such considerations as how significant the change is, what type of information needs to be communicated and how challenging the new skill will be to master to determine the best delivery method to successfully train staff. To minimize time away from serving members, "Information only" training is often accomplished by methods such as online courses, direct e-mail distribution, or through daily bulletins on MagNet, our intranet site. Ongoing training that requires extensive retooling of skills, such as when system enhancements are implemented, is delivered in hands-on, instructor-led classrooms.

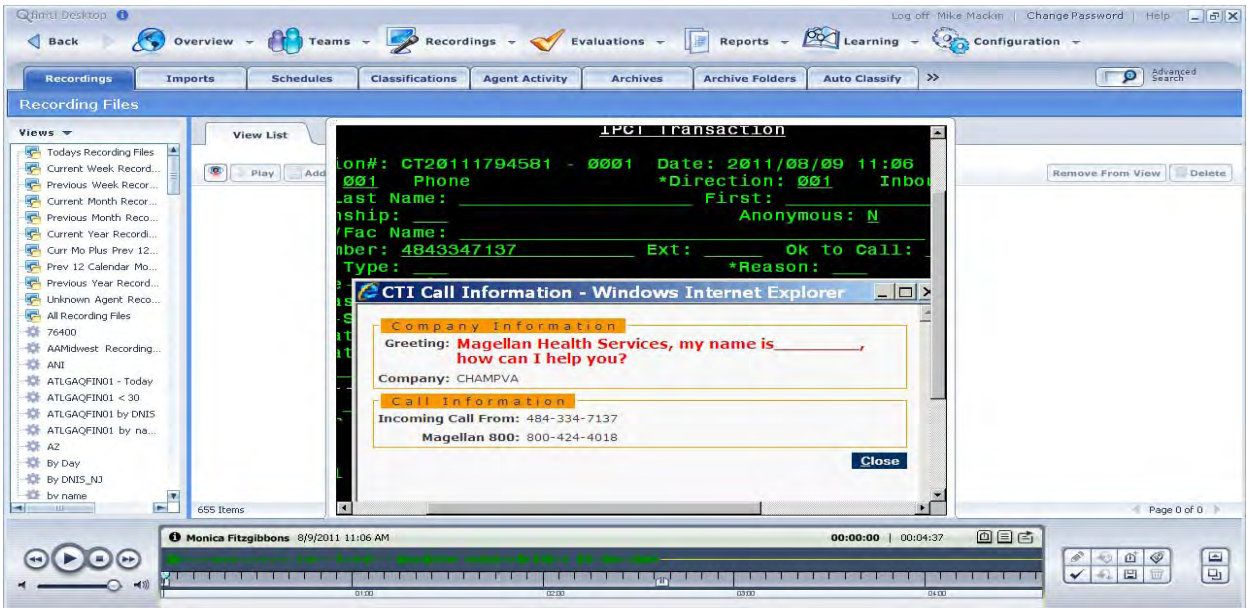
All call center staff receive weekly individual and group supervision from the member services administrator and supervisor. Ongoing training, feedback, and coaching also are provided through our standardized process of service observation call monitoring, and documentation review. When errors in performance are identified, specific training is provided immediately.

Monitoring Process for Ensuring the Quality and Accuracy of Information Provided

Magellan uses the Qfiniti Enterprise suite, a comprehensive and integrated system designed to enable Magellan to deploy proven, scalable quality monitoring and care manager evaluation programs. We utilize Qfiniti Observe to monitor performance and record voice and screen interactions, and Qfiniti Advise to provide care manager evaluations and analysis that enhances coaching and e-learning effectiveness, streamlined quality management tasks and improves scoring consistency. This program allows online calibration as well as trending and analysis by an evaluator. Online calibration allows for scoring to be done in real time rather than needing to have a formal meet and review. Once the trending and analysis is complete the results can be used for coaching, mentoring and development.

Qfiniti Reporting is a powerful suite of predefined and customizable reports that allows us to establish and track the consistent customer experience. Through analysis capabilities, we can determine mentoring and coaching opportunities for care managers and MSRs teams and sites. Care management and customer service supervisors use Qfiniti to audit care manager and MSR performance. Please see Figure 2.a.vii-1 for a sample Qfiniti MSR evaluation screen shot.

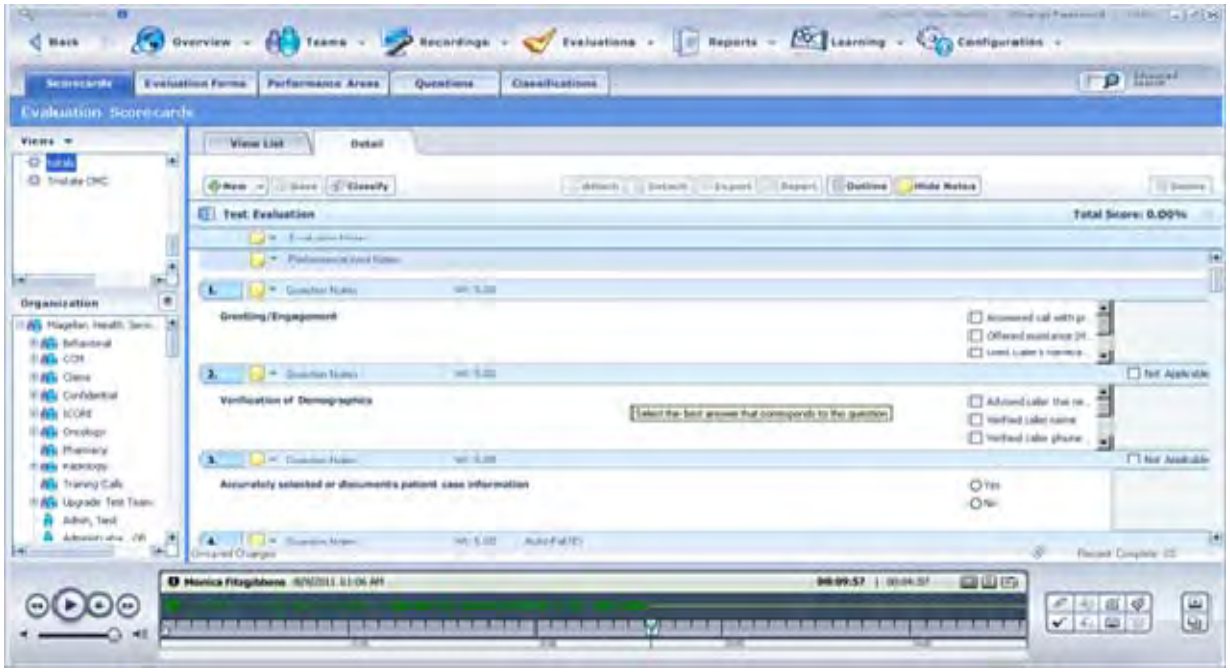
Figure 2.a.vii-1—Qfiniti MSR Evaluation Screenshot



The system enables supervisors to run performance reports by individual and team to identify performance trends. Evaluation form templates are customized by job function in Qfiniti. Evaluation tools for MSRs address such issues as: greetings and verification; professionalism; call resolution techniques; documentation; questions on call handling, notification on consumer self-service options, contact; and confidentiality. Qfiniti Observe provides a powerful suite of monitoring options that include transaction-based recording of voice, screens, or both. This allows our supervisors to monitor contacts for performance, accuracy of information as well as to examine processes for best practices. This system will also allow for a quick search of past recordings based on defined parameters. The program also allows supervisors an efficient and effective way to provide care manager coaching by allowing coaching notes, voice comments, and screen edits.

Qfiniti Advise is a centralized evaluation and analysis solution that enhances coaching and e-learning effectiveness, streamlines quality management tasks and improves scoring consistency. This tool allows supervisors a quick and efficient way to identify opportunities sooner and improve the quality of coaching efforts. Qfiniti Advise uses a variety of scoring and navigation features to make evaluations simple and relevant to each type of transaction monitored. Some of these features include user defined questions and scoring, drop-down boxes, radio buttons, auto answer/auto fail, edit boxes, spell check, weighting options, and advanced scoring options. Figure 2.a.vii-2 shows a sample Qfiniti scoring screenshot.

Figure 2.a.vii-2—Qfiniti Scoring Screenshot



In addition to evaluation and scoring features, this program allows for online calibration as well as trending and analysis by evaluator. Qfiniti Advise allows the supervisor to track and analyze processes to help uncover the root cause of poor performance, productivity and operations. The evaluation will also allow agents to complete self-evaluations and reinforce supervisor coaching.

Qfiniti Reporting allows us to determine mentoring and coaching opportunities for care managers, teams and sites. Customizable classification features lets us track specific care manager, recording or evaluation trends. Qfiniti provides numerous analysis options, including adherence/compliance, coaching, performance analysis, and configuration reports. MSRs are observed for a minimum of 5 calls per month. MSRs also have the opportunity to assess their own performance through review of their own calls and screen shots.

ix. Describe how the Proposers information management system will support member services activities. Suggested number of pages: 1

Magellan supports member services through management information systems that are configured to collect data specifically relevant to the requirements of our individual customers. We have access to the source code for all our systems, allowing us to build and configure those systems according to the specific needs contractual requirements. In this way, the needs of our customers define our systems, as opposed to allowing restrictions of a particular system to define how we serve the customer. We have successfully configured our systems to fit the differing needs for public sector contracts, such as our customers in Iowa, Nebraska, Florida, Pennsylvania, and Arizona.

Magellan's systems capture every aspect of the contact between the member and Magellan staff. The process will begin once the member dials their DHH-OBH-approved toll free number. Member calls are routed in on network carrier DS3s and T-1 facilities and their call is answered by a skilled MSR in our Baton Rouge-based call center fully trained on the unique nuances of the Louisiana program.

As the call comes in, Magellan's systems capture key telephonic reporting elements, such as handle time, average speed of answer, abandonment rate, and other key elements that assist our operations staff in determining the appropriateness of staffing levels in real-time to ensure calls from members are always handled in a timely manner.

As the member speaks with the MSR, the MSR will create a contact record for the member in our clinical system, which includes basic demographic information, notes, and other pertinent information. Through our clinical system, MSRs also have the ability to lookup member eligibility and find claims information. Our intranet site, MagNet, gives MSRs quick access to Louisiana-specific program information, tip sheets, policies, region and Parish-specific resource guides, provider directories, and provider specialties, to name a few.

Through our Qfiniti Enterprise suite, supervisors are able to monitor MSR performance behind the scenes to monitor the quality and performance of our call center. Qfiniti enables supervisors to record voice and screen interactions—separately or together—to ensure consistent quality. The system allows supervisors to add coaching notes, voice comments, and screen edits to each monitored interaction.

MSRs are able to warm transfer the member's call directly to a licensed care manager. This warm transfer ability eliminates hold times and allows us to ensure the member's call is expedited in a timely manner. The integrated nature of our systems allows the contact record to be transferred to the clinician as the MSR performs the warm transfer.

Once the call has been transferred, the care manager will further assist the member in finding the appropriate level of care to meet his/her diverse needs. The care manager will have access to the tools described above as well. Additional information gathered by the care manager is entered into the contact record established by the MSR. The ability to transfer a single comprehensive record to other areas of our member services department will give us a great advantage in streamlining the contact process and providing helpful, timely assistance to LBHP members.

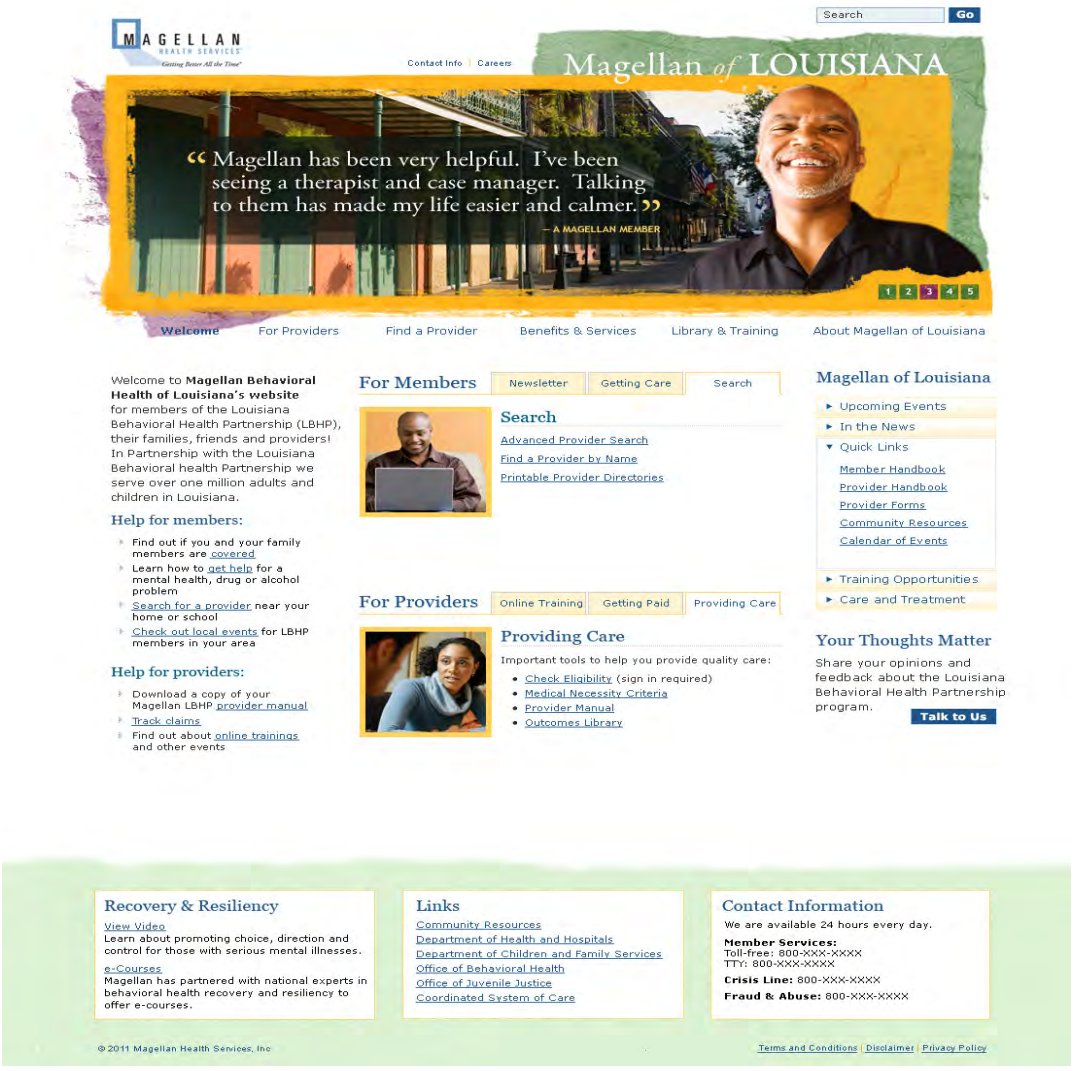
x. Member Services Website

Propose a plan for implementing a website to be utilized by members and family members, providers, stakeholders and State agencies that provides a provider directory, education and advocacy information as described in the RFP. Discuss the proposed content of the website with respect to promoting holistic health and wellness. Provide an example of an active web based site that has been developed for a State agency and include information to permit access to the site. Describe the development tools that will be utilized to create the Louisiana website as well as the proposed security protocols that will be used. Suggested number of pages: 8

Magellan will develop and maintain a customized Web site providing on-line access for members of the Louisiana Behavioral Health Partnership (LBHP), family members, providers, agencies and community members. The site will be organized with specific tabs that link to information of interest to consumers and providers, as well as general program information for the community at large. For ease of review, all material will be written in accessible language, with clear explanations provided for the many acronyms and technical terms associated with a managed care program like the LBHP. Key topics, such as instructions for accessing care (including crisis services), finding a provider, and reading the Member Handbook, will be provided in Spanish and Vietnamese in addition to English. Links to the DHH-OBH, CSoC home page, and other agency home pages will be prominently displayed on the Web site. Our goal is to make timely, accessible, accurate information available to as many people as possible, as quickly as possible. We have developed a mock-up of our proposed Magellan of Louisiana home page for consideration by DHH-OBH and presented below. While the mock-up follows the model that we have successfully implemented in other public sector programs, we have incorporated elements unique to Louisiana.

We look forward to reviewing the home page and other proposed content with DHH-OBH if Magellan is selected as the SMO. Please see Figure 2.a.x for a sample www.MagellanofLA.com screen view.

Figure 2.a.x – Sample MagellanofLA.com Screen View



PLAN FOR WEB SITE DEVELOPMENT AND IMPLEMENTATION

As part of our implementation activities, Magellan will schedule time with DHH-OBH to discuss our overall proposed design for the Web site, including standard and customized content, organization of key topics, presentation of materials in languages other than English, community resources and links, and related items. Our goal is to develop a mock-up of the site and get approval for the preliminary design from DHH-OBH before beginning extensive development work. We would also be pleased to schedule a 'virtual tour' of other public sector Web sites that Magellan has developed (two of which are highlighted later in this response) so that DHH-OBH can identify content and features that might be of interest and use to the LBHP. We have rights to use all of our content on any of our sites, and we can readily incorporate features and content from other Magellan sites into our customized Web site for the LBHP. Following the initial demonstration we will schedule regular meetings with DHH-OBH (we suggest weekly meetings at first) to finalize the customization to web design that is needed. These conversations will allow DHH-OBH to partner directly with our Web development team in designing a web site that meets all of the needs of the

LBHP. With the approval of DHH-OBH we will also engage a focus group of consumers, family members, providers, and other stakeholders in the design of the Web site. Following finalization of web design we will develop a Web Design project plan and keep DHH-OBH updated on our progress. Use of the Web site will be included in both member and provider training efforts, and will be a critical component in disseminating information and tools through Magellan's proposed Louisiana Training and Technical Assistance Center.

PROPOSED CONTENT FOR CONSUMERS

We will meet with LBHP consumers and family members to discuss the information they would most want to see on their Web site, and will design our site with their needs and priorities in mind. Based on our experience in other programs, we expect that the features consumers will cite most often are the toll-free crisis number, the toll-free member services number, a description of services available and how to access them, a provider search function that allows consumers to look for providers, and the Member Handbook. As we build our local resources database, we expect that the database will also become a very popular search feature with consumers and family members. We will design the home page to ensure the information people need most is the easiest to find. We will also make it very easy for consumers to click on links to web pages and documents that promote holistic health and wellness, such as those described below.

Consumers have access to an extensive range of self-service options that enables them to locate accurate information and help on sensitive issues quickly. Most of this information is available to anybody who accesses the Web site, without requiring a log-in or password:

- Know Your Numbers—This will provide basic information about blood pressure, waist size, body mass index, total cholesterol, and blood sugar. Also included will be a brief overview of symptoms of diabetes and symptoms of heart diseases, along with links to specific resources.
- Passport to Care—These personal pocket size passport-like records provide a list of the 'Top Ten' questions to ask your doctor, offered as a means to help members get the most out of their appointment and to be fully engaged in their care. Also included are tips on how to know what your medical insurance is, what to do if you need to see a specialist, and reminders to members of the importance of sharing information about medications with all of their health care providers.
- E-courses on Recovery and Resiliency—Magellan partnered with nationally-recognized consumer and family leaders to create ten e-courses that are available free of charge. Available in English and Spanish, each e-course offers in-depth strategies and techniques for promoting recovery and resiliency, and includes video testimonials of personal experiences that provide hope and motivation.
- Wellness Recovery Action Plan (WRAP) Template—We will share a template to help members develop wellness, recovery action plan that can address their total health. WRAP plans encourage members to set wellness goals, including activities that they will do on a daily basis, as well as identifying triggers that could lead to a crisis.
- Multimedia Encyclopedia—Information on a broad range of healthcare topics written for a broad audience at a 6th-8th grade reading level are available. Information sheets are all available in a printer-friendly format and can easily be printed from the Web site. Topics cover both behavioral and physical healthcare, and include health and wellness (such as smoking cessation), diagnoses and conditions, symptoms, tests and procedures, treating injuries and similar topics. There is a special section on nutrition that has more than 70 topics.

- Advance Directives—We will also provide information about advance directives as they are defined in 42 CFR 489.100.

For children related issues, proposed content that does not require a member log in includes:

- links to Fact sheets on LA EPSDT services, including information on the screening component of the EPSDT program
- links to Information about developmental states and how parents can support their child's development from one stage to the next
- links to lead screening information
- links to immunization schedules
- links to screening tools for children, including an autism screening tool.

The Web site will also feature links to community resources, articles, calendars of upcoming Magellan QA/PI committees/workgroups, public transportation and other information specific to various regions of Louisiana, how to file grievance and appeals, and how to report suspected fraud/abuse. MagellanofLA.com will also include on-line information targeted at family members, agencies and other individuals that work with children and youth. Links, articles, and bulletin notices on this Web site are continually updated, enabling this to be a timely communication tool to inform consumers and providers of changes. Other content such as claims, authorization, and provider information is updated throughout the day.

Additionally, there will be links to community resources such as the National Alliance on Mental Illness-Louisiana, SAMSHA's Children Systems of Care, National Federation of Families, Picard Center for Child Development and Lifelong Learning, www.picardcenter.org, www.nationalcouncil.org, National Institute on Mental Health www.nimh.nih.gov, Casey Family Programs casey.org, Mental Health America www.nmha.org, Active Minds http://www.activeminds.org/, along with others. There will also be local consumer and family organizations such as DBSA Northeast Louisiana Depression and Bipolar Support Alliance http://www.dbsalliance.org/site/Clubs?club_id=2502&pg=main, Families Helping Families of Southeast Louisiana http://www.fhfsela.org/ and Louisiana Federation of Families for Children's Mental Health http://laffcmh.org.

Sections available on how to access care, how to prepare for counseling sessions, and how to take an active role in counseling improve the prospects for early intervention and prepare recipients for a positive behavioral treatment experience. Consumers will also have access to a secure email feature that allows them to ask questions confidentially through the Web site.

A selection of articles in our information library and key program communications will be available in English, Spanish, and Vietnamese, as well as other languages that are spoken by five percent of the population. When logging in to the Web site, members and other users are taken directly to a customized page, "My Magellan," that includes information on their program as well as links to frequently used functions, featured articles, interactive tools, and online seminars. Some of the innovative features available for individual users include the following:

- Provider Search gives users the ability to search for LBHP providers online, by provider name or ZIP code radius. Optional search filters offer recipients the flexibility to narrow their search by gender, provider specialties, ethnicity, ages treated, and languages spoken. MapQuest links allow recipients to see a map of their provider's location and obtain driving directions.

- Wellness Tools offer interactive calculators that can be personalized by the user. From "Nutrition" and "Ideal Weight" to "Calorie Burner" and "Body Mass Index," these tools help members access health information so they can lead healthy lifestyles and maximize their workplace productivity.
- Drug Interaction Database helps people understand what medications could, when taken together, produce unwanted side effects.
- Comprehensive Library of more than 7,000 up-to-date resources, news and events, and articles on numerous topics cover a wealth of behavioral health, wellness, personal, legal, and financial concerns (including access to interactive personal, home, and investment financial calculators).
- Spanish and Vietnamese language materials offer helpful information on a variety of wellness topics.
- Self-Assessment programs offer recommendations for addressing daily living and behavioral health concerns in interactive sessions lasting approximately 15 minutes.
- Personal Plan programs offer online exercises, personalized feedback, and a plan for practicing new skills.
- Free, Interactive, Online Seminars offer innovative information on a variety of topics.

Providers will have access to specific information such as provider handbooks, utilization management guidelines, clinical practice guidelines, consumer eligibility verification, claims submission, claims inquiry, authorization inquiry, links to the outcomes reporting modules, and self-directed training programs where providers can earn continuing education units (CEUs) for maintenance of their credentials. There will also be information about fraud, waste and abuse, medical necessity criteria, information about upcoming community events, links to clinical best practice guidelines and Cultural Competency Toolkit.

Social Media

In addition, we believe it is also vital to use social media to reach members, particularly the youth and young adult population. Magellan Youth Leaders Inspiring Future Empowerment (MY LIFE) Facebook page www.Facebook.com/MYLIFEyouth has proven to be a great tool to help educate, inform, and engage young people locally and nationally.

Example of Active Web-based Site

We invite you to view two of Magellan's existing Web sites developed for public sector programs. As we are committed to making behavioral health care and health and wellness information available to as many people as possible, neither site requires a log-in or password (although users who choose to have a log-in are able to customize and personal their user experience with the site):

- www.MagellanofAZ.com Site developed for our Maricopa County, Arizona contract includes information for consumers, providers and community members, as well as a special section with pharmacy information, including a 'Pharmacy Finder' search function and a medication database. A wide range of local information, resources and community events, performance dashboards, quality reports and other program information, links to State Web sites, advocacy organizations and other helpful sites are also included.
- www.MagellanofPA.com: The Web site for Magellan's Pennsylvania HealthChoices program includes separate pages for each of the five County-based programs managed by Magellan. Local resources and events; tips and tools; information about how to access care are also available.

Through secure log-in, a link to the Provider site where providers can submit claims and view status, review the Provider Handbook, and obtain other relevant information.

DEVELOPMENT AND SECURITY PROTOCOLS

When we need to develop new Web functionality, we have internal controls in place to ensure these projects are highly coordinated to prevent them from interfering with business operations. All development follows procedures outlined in our Software/ Hardware/ Data Change Management Policy. Even minor changes to our systems follow the procedures outlined in our policy. This allows us the ability to track all aspects of the work for systems management and budgeting.

Magellan follows a unidirectional software development life cycle (SDLC) for all of our applications. Each solution is created in a development environment, promoted to a staging environment for testing, and then promoted to the production environment for use. This ensures each environment is properly updated as changes are made.

To identify and prioritize new requirements, a Magellan employee creates a System Project Request (SPR) and then obtains vice presidential approval before routing it to IT. For emergency requests, the employee contacts the IT Support Center, who creates a Help Desk Expert Automation Tool (HEAT) ticket. These SPRs and HEAT tickets are prioritized by a committee of the business owner vice presidents. When an SPR or HEAT ticket is activated and resources are assigned, the IT systems analyst works with the users to gather and refine the functional requirements.

The project team transforms the functional requirements into a technical design. A system change document (SCD) describes each component. If the development and testing processes subsequently identify a need for additional changes, we evaluate the impact of each change, submit it for project management approval, and update the change in new versions of the business requirements, functional requirements, SCDs, and testing plans (sign offs), documenting the software development life cycle.

As part of our commitment to stringent internal controls, Magellan has implemented a Web-based change management application (MKS Integrity Manager) to serve as our repository for documentation of software changes and system upgrades/enhancements. This software enables IT personnel to communicate change activity to a central location, allows change information to be stored in a database, provides real-time access to the current agenda and schedule of changes, and provides real-time access to past and future submitted changes.

Programmers check out the source code from the secure development environment using MKS Integrity Manager. Changes to the source can only be made once the source code has been copied from the secure development environment to the programmer's personal development environment via an approved promotion request. Changes to the source code in the secure development environment are not possible and can only be made to the copy of the source that was placed within the programmer's personal development environment.

MEMBER WEB SITE SECURITY FOR MAGELLANOFLA.COM

MagellanofLA.com will be conducted on a secure site (https) incorporating the use of Secure Socket Layer (SSL) version 3 to protect sensitive information. Magellan's Web resources for consumers, providers, and customers are secured by a unique User ID and password combination. Consumers are able to create a user account with a user ID and password that will allow them to keep any personal information secure. The security protocols Magellan has in place ensure consumers' Web sessions and communications through the Web site are done in a safe, private, HIPAA-compliant environment.

xi. Member Handbook. Describe the Proposer's experience demonstrating compliance with annual notification to members of member rights and other required information given confidentiality concerns and the transient lifestyle of some members. Suggested number of pages: 2

Magellan will comply with all requirements of Section 2.3.e of the scope of work regarding the Member Handbook. All material will be approved by DHH-OBH thirty days prior to distribution. All language will be written at the fifth grade reading level. We understand that the handbook will be reviewed by the FSO Statewide Coordinating Council, as well as the literacy program at Louisiana State University (LSU) in Shreveport.

Members will receive an enrollment packet which includes the member handbook, upon determination of enrollment. Available in English, Spanish, and Vietnamese, the Member Handbook will include, in addition to the Member Rights Statement, other clearly written information about member rights, including at a minimum, all of the elements identified in section 2.3.e.ii of the scope of work. Our additional direct mailing of the Member Rights Statement to members soon after enrollment further increases awareness of Magellan's member rights policies and encourages members , as well as family members to call if they have any questions. The mailing will also include information on member rights training available through consumer advocate organizations working with us. When mailing materials to service recipients, we respect their privacy by avoiding references as behavioral health clients and excluding references to the SMO on the envelope. The member handbook will also be posted to the member Website.

Provider Review

To reinforce written materials and ensure that members understand their rights, we require providers to review the Member Rights Statement with members at their first appointment. After the provider answers any questions, both the provider and member sign and date the statement to document that the review took place and that the member has an understanding of his/her rights. The provider maintains an original in the treatment record, provides the service recipient a copy for his/her records, and documents the review in the electronic health record (EHR). Providers subsequently review the statement and obtain the member's signature every year at the time of the annual mailing of the member rights statement. Magellan monitors this process through treatment record audits conducted during provider site visits.

Consumer Advocate Training

The Magellan of Louisiana Training Consortium will enlist peer specialists and consumer/family advocates and advocacy organizations such as NAMI-LA and LA Federation of Families for Children's Mental Health to provide additional training, guidance and support to members and their families/representatives on understanding and exercising their member rights. Because promoting member rights is the central mission of these organizations, they are an excellent resource for reinforcing Magellan and provider educational efforts. A calendar of training activities will be posted on our Web site. Members and families will be notified of consumer advocate group training activities through the initial direct mailing.

Distribution of Member Handbook for Members with Transient Lifestyles

Our goal is to reach every provider and human services agency that touches the member and enlist their support in ensuring that rights are understood and helping members and their families exercise these rights when needed. We will distribute sufficient quantities of the member handbook to WAA, FSOs, and the other CSoC system partners. We also plan to distribute member handbooks to homeless coalitions, such as the Central LA Coalition to Prevent

Homelessness and the Southwestern LA Homeless Coalition. Community stakeholders, faith-based organizations, mental health advocates, and community-based organizations all provide additional opportunities to communicate member rights to recipients. Magellan will provide member rights information to these organizations and re-emphasize our commitment to ensuring these rights are recognized and supported for LBHP members.

CONFIDENTIALITY CONCERNS

Magellan takes member privacy very seriously and we follow all State and federal laws. The only people who have access to information are Magellan staff and certain government representatives who monitor quality and delivery of services. Generally, we do not give out any information about treatment to anyone without written permission. An internal employee communications campaign, "Take a Breath and Double Check" encourages employees to double-check when sending faxes, emails, or other correspondence containing any personal health information, with the goal being zero defects. The one exception is if there is a life-threatening emergency. Then certain information may be shared in order to be sure that people are safe. Another is that information may be disclosed as required by law, such as pursuant to a court order or valid subpoena. Finally, we may share information with county, State and federal agencies involved in the LBHP program.

RIGHT TO RECEIVE CONFIDENTIAL COMMUNICATIONS

All information will be sent to members in a plain envelope for their protection. Information will be sent to the most current address in our files, and Magellan care managers work to find people and ensure that we have their most current address. Members have the right to ask to receive notices about health information in another way or at a different address. All reasonable requests will be granted.

xii. Member Communications

(a) Describe how the Proposer will ensure a comprehensive communication program to provide all eligible individuals, not just those members accessing services, with appropriate information about services, their rights, network providers available, and education related to benefits and accessing BH services. Include a description of the standard materials to be included in the communications program at no additional cost to the State. Suggested number of pages: 3

Magellan is committed to being a vital, contributing member in the communities in which we live and serve. Clear, concise and easy-to-understand communications vehicles will be critical to our success in communicating to key stakeholders. Among the vehicles or tools we will pursue, at no additional cost to the State, include a community newsletter that will become a frequent, trusted-source of information about the system transformation outcomes and timelines. This tool will also provide an opportunity to introduce the community to the Magellan SMO and what the company will be bringing to the community in terms of management, leadership and outcomes. Other key tools will be one-pagers about the system transformation and the partners involved in carrying out the service delivery. These easy to read one page fact sheets, can be utilized in a number of ways—posted on Web sites; handed out at community forums; utilized in targeted presentations to stakeholders. We will also create "one-pagers" containing basic information about behavioral health services and how to access care which will be available and updates throughout the life of the LBHP contract.

INITIAL COMMUNICATION PROGRAM ABOUT TRANSITION TO SMO

Louisianans will be introduced to a new entity as the SMO responsible for coordinating services. Our goal is to avoid all surprises during the transition and to ensure that the transition will be a positive experience for all who are involved in the project. This can be accomplished only through proactive communication beginning day one following contract award. Our communication strategy for Louisiana will be built on our lessons learned from Maricopa County Arizona (when we had just 58 business days to transition as the new manager of the system of care) and our other public sector contracts Upon contract award we will meet with DHH-OBH to set the overall tone and parameters of a statewide communication strategy. This will be developed in cooperation with the LGEs and other key State agencies.

CONTINUE A COMPREHENSIVE STAKEHOLDER ENGAGEMENT STRATEGY

For the past year, Magellan has met with numerous stakeholders who provided both historical knowledge and future perspectives on the system of care. Upon contract award, we will continue this stakeholder engagement, since understanding the environment and perspectives of stakeholders enables us to communicate and inform effectively. To that end, Magellan will partner and engage via small groups and one-to-one with a broad swath of stakeholders representative of the communities being served, as well as the broader Louisiana community which will be impacted—either directly or indirectly—by our efforts, including DHH-OBH, the Louisiana Behavioral Health Partnership, Coordinated System of Care, DCFS, OJJ, Local Governing Entities (LGEs), consumers, family members, providers, faith-based communities, community organizations, the hospital and healthcare community, first responders, and others. This stakeholder engagement is essential to our efforts to design a comprehensive communication and engagement strategy focused on the unique characteristics of the State of Louisiana, its regional distinctions, and the individuals receiving care services.

CREATING AND DISTRIBUTING BASIC INFORMATION ABOUT THE NEW SMO

Our initial communications strategy will be sensitive to the scope of change in the Louisiana behavioral health system. Materials will be designed to provide easy access to basic information such as:

- What are the signs you or a family member needs help? (information about symptoms and signs of distress)
- How can behavioral health services make a difference in your life? (information about behavioral health services)
- Where do I or a family member go for help? (information about how to access network providers)
- What is the SMO and how will it impact me? (information about call center number, hours of operation, member rights, and so on)

These will be in the form of one-pagers that will be distributed to a wide range of organizations, including advocacy organizations, LGEs, behavioral health providers, State agencies, community organizations, and others across Louisiana. Additional communication vehicles will be email alerts, and postings on our Web site, as well as other methods. The goal is to reach all eligible individuals and not just those members currently accessing services.

"HOW ARE WE DOING?" COMMUNITY FORUMS

Magellan will host a series of consumer and family orientation meetings located in all of various regions of Louisiana including in Hill, Delta, Prairie, Coastal and Florida parishes prior to the program start date. The goal of these meetings will be to introduce Magellan and the LBHP, provide information about available services, to ensure

consumers and family members know how to access services and how services will be transitioned if they are currently in care. Orientation sessions will also be held via teleconference and webinar for those members residing in rural areas or those that are unable to attend a scheduled orientation session. Additional sessions will also be held during and after program implementation as needed. The sessions will be offered in accessible locations close to public transportation if possible and at times convenient for consumers and families. The specific agenda for the orientation sessions will be developed in partnership with DHH leadership and other system of care partners.

We will continue to host community forums after the program start date. The goal then will be to hear about any concerns or issues from consumers, families, behavioral health providers, advocates, and community members at large, clarify any issues that stem from misunderstanding or confusion, identify any pressing gaps or needs that require immediate attention, and gather feedback to shape medium-term approaches needed for system transformation.

Member Service Representatives

In addition to initial member orientation meetings, Magellan's MSRs will be available at least one month prior to the start date to assist members and other callers with questions.

Ongoing Communication Program

The transformation of the LBHP delivery system will require a thoughtful, multi-year communication strategy that provides an opportunity to address the concerns of members and citizens, providers, advocacy groups, and other stakeholders while ensuring that they have critical information regarding any new program processes or requirements. A plan that effectively communicates the changes in the behavioral health delivery system to the entire population of Louisiana will require strategies customized not only for each region, but for each population within each region. In order to achieve these goals, Magellan will embark on a community outreach and orientation communications strategy that incorporates a statewide plan as well as specialized and targeted regional strategies for members, providers, LGEs, families, advocates, system of care partners, stakeholders, and the community at large.

Asset Mapping

Magellan will conduct a formal assessment which will supplement our knowledge gained through previous discussions with stakeholders regarding the unique regional demographics of Louisiana. Magellan uses a comprehensive approach called asset mapping to help us identify services and understand the unique strengths of each region. Asset mapping involves bringing together local stakeholders to identify all of the resources available in a service area, including both formal and informal resources. In the process we foster the building of relationships towards a shared vision for strengthening the community. This process will provide crucial information regarding how we create material and what languages we need to translate that material into. It will also help us to identify key strategies for communication. For example, if in several of the regions we know that internet service is not available and that residents utilize their local faith based and community network for information sharing we will design communication strategies focused on those organizations.

Updates about System Transformation

The communication strategy will include a side by side comparison of the current services and new services in the transformed system of care. This format will provide and easy reference for the consumer to translate what they do now to what they need to do in the transformed system. This format will help to lessen confusion and anxiety for consumers. We will develop communication strategies for subsequent years of the contract that will reflect the ongoing systemic changes that will be the focus of ongoing transformation in partnership with DHH-OBH.

MAGELLAN YOUTH LEADERS INSPIRING FUTURE EMPOWERMENT LOUISIANA

Magellan Youth Leaders Inspiring Future Empowerment Louisiana (MY LIFE Louisiana) will be created to engage, educate and inspire youth from across the State, through meetings, forums activities and special events which will begin within 30 days of the award of the contract. One of MY LIFE's primary goals is to create awareness and to help break down the stigma associated with mental health, substance abuse and foster care issues. This stigma often keeps young people from accessing the services they need and which can lead to devastating consequences.

b) Illustrate an example of the Proposer's most successful member communication effort that best embodies the system principles outlines in the RFP. Suggested number of pages: 2

We have several examples of successful member communications efforts that we are proud of, including:

- MY Fest is a youth involvement festival in Maricopa County Arizona featuring live music, entertainment, art, food, and information about community resources. The annual festival is planned and produced entirely by MY LIFE youth members, who are youth between the ages of 13 to 23 who have experience with mental health, substance abuse, and/or foster care-related issues; and who are committed to making positive changes in their lives, while encouraging other Arizona youth to do the same. ***Since MY Fest's inception in 2008, more than 8,000 people have attended***. The 2011 MY Fest garnered media attention from the local FOX and ABC affiliates, among others.

- We have established member communications campaigns in response to natural disasters, such as Katrina, the Gulf oil spill, and Mississippi River flooding. Magellan is part of the Our Home, Louisiana Coalition which was started by Blue Cross and Blue Shield of Louisiana (BCBSLA) in response to the BP oil spill. Magellan has had the opportunity to work closely with BCBSLA in providing tip sheets and educational materials, names of providers for community referrals, staffing twelve Coastal Care Fairs with a clinical social worker to help people affected by the oil spill and who are experiencing some depression or anxiety, and staffing a dedicated 800# to provide resource names and information to those in need. In response to the Mississippi River flooding this summer, we also provided customized educational materials and established and staffed a dedicated 800# to offer assistance to those in need.

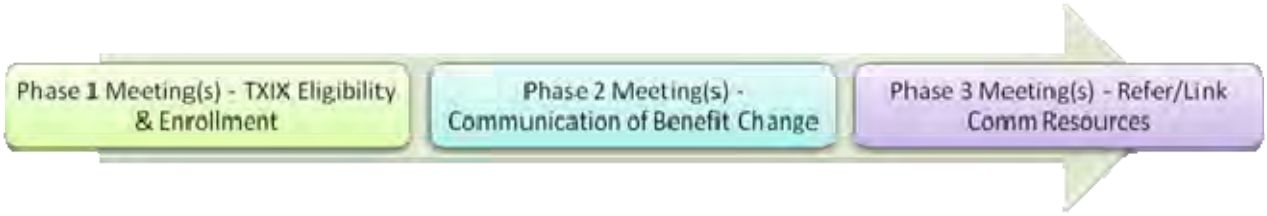
However, the member communication campaign which was the most challenging, yet crucial to implement, was in response to significant state budget cuts impacting mental health services. In March, 2010, Arizona passed its FY 2011 budget which eliminated $36 million in state funds for mental health services for individuals with serious mental illness who did not meet Medicaid eligibility requirements. Prior to the budget cut, 8,500 adults and 2,000 children were able to receive a wide range of mental health support services through these state funds. The appropriation represented a significant decrease in state funding for these services and resulted in a dramatically scaled-back array of mental health services.

The goal of the member communication campaign was to communicate about these scaled-back services and to ensure proper coordination and planning for the impacted members to minimize any risk or harm to them. The campaign was central to ensuring the most vulnerable members were supported before and after the budget cuts took effect. The communications campaign required careful, thoughtful planning and prioritizing of resources to ensure coordinated, consistent and clear communications, with three overarching goals. First, we wanted to ensure high touch communications with each of the impacted individuals with a plan in place for each individual before the funding cuts took effect. This involved determining if the impacted member currently qualified for Medicaid and if so assisting with completion of the Medicaid enrollment application. If the member did not qualify for Medicaid, we worked to develop an individualized plan of care featuring community resources to meet the member's needs.

Second, we wanted to have ample communication regarding changes and next steps, and ensure coordinated, consistent, and clear communication and collaboration between provider network organizations, mental health and substance abuse treatment providers, Magellan, and Arizona Department of Behavioral Health Services (DBHS). Third, we also designed our communication campaign to ensure that the broader stakeholder community (including secondary and tertiary groups) understood our thoughtful and thorough transition efforts, and how the benefit change might impact them.

In order to make this transition as easy as possible for all involved stakeholder we developed a three phase communication strategy, shown in Figure 2. a.xii.b, in partnership with the other system providers serving the member population.

Figure 2.a.xii.b – 3 Phase Communication Strategy



The key components of the communication campaign included the following:

- Creation of common message points and communications documents to ensure coordinated communication and engagement efforts between Magellan, Arizona DBHS, providers, and advocates. These documents included FAQs, Web site, public meeting scripts, newsletter articles, etc.
- Creation of a communications tool kit that clearly communicated the focus of the funding cuts and the state's fiscal situation, as well as details of the transition process and how that will impact members. The tool kit was used by provider network organizations, Magellan, and Arizona DBHS with impacted members in high-touch engagement activities.
- Coordination of consistent "high-touch engagement" activities (e.g. small group discussions, one-to-one meetings) at the clinic/provider level that resulted in a minimum of three (3) touches with each and every impacted individual before the funding cuts took effect to communicate the benefit change, screen the individual for Medicaid eligibility, and connect recipients to community-based resource(s).
- Provision of resources to impacted recipients and their families to help them prepare for the change in benefit through a resource guide, information fairs, training programs and webinars.
- Communicated to secondary and tertiary community stakeholders regarding the benefit change and transition activities through at least one (1) written communication and/or one (1) face-to-face engagement.

A detailed action and implementation was developed for each phase of the communication effort. Table 2.a.xii.b provides an extract from this plan.

Table 2.a.xii.b – Sample Action and Implementation Plan Entry

TARGET STAKEHOLDERS: Service recipients and their family members			
ACTION	STATUS	RESPONSIBLE	NEXT STEPS
Engage at Clinic Advisory Council Meetings (CACs) **April 2010**	Participation in total of 25 CACs—nearly 1,500 people reached	Magellan leaders (David Covington, Andrea Smiley, Greg Taylor), PNO leaders, DBHS leaders	More CAC meetings to occur during Phase II of transition effort July 2010 through January 2011

OUTCOME

The comprehensive communications and engagement activities were successfully carried out, and each of the impacted members received a high-touch, high-relational and safe transition to the reduced benefit. We helped over one thousand individuals to apply and receive Medicaid. Many found connectedness through faith-based or community groups, or through consumer-run organizations. We have monitored indicators in the system of care, such as crisis system usage, to determine how these individuals have done post the change. The findings to date reflect that Complaints per 1,000 has decreased from 3/1,000 to less than 1/1,000; bookings into jail has decreased from 55/1,000 to 23/1,000, involuntary inpatient court ordered evaluations has decreased from 6/1,000 to 3/1,000, and crisis call have decreased on average 1,000 calls per month. We continue to provide training for family members to help their loved one's manage their recovery journeys.

2.B. CARE MANAGEMENT

LOUISIANA STRENGTHS

Since 1999, Magellan has been managing the behavioral health services for the citizens of Louisiana and since 2008 has been travelling throughout Louisiana, talking to consumers, family members, providers, and other stakeholders involved in the public behavioral health system. Through these personal interactions and our analysis of resources and infrastructure, we have identified several initiatives that constitute fundamental strengths that we will build upon. Highlights include the following:

- Resiliency to press forward despite a succession of challenging events, including a series of devastating hurricanes, the Gulf oil spill, and flooding
- Expanding use of evidence-based practices such as multisystemic therapy, functional family therapy, and assertive community treatment by practitioners in the state
- The Coordinated System of Care (CSoC) initiative, and development of wraparound agencies (WAAs) and family support organizations (FSOs), all created to help keep children at home and in the community.

There are also significant challenges in the current system. Chief among these are the lack of a systemic, statewide approach to utilization management (UM) and the use of medical necessity criteria to determine appropriate levels of care. Also, there has been a tendency to over-utilize restrictive and costly services such as emergency departments and inpatient hospital services due to lack of alternatives and under-utilization of uniform level-of-care guidelines. Poverty and unemployment are issues that require development and use of innovative approaches to recovery and community support. Therefore, our most immediate goals are these: 1) establishment and practitioner buy-in on level-of-care criteria across the state; 2) development of regional services that fill gaps in the care continuum and provide alternatives to inpatient care; and 3) protection of the most vulnerable and their optimal integration into the community.

MAGELLAN'S COMPLEMENTARY STRENGTHS

We understand our mission as one of igniting and sustaining hope for those who have a mental illness, those who care for those who have a mental illness, and those who pay for those who have a mental illness (i.e. taxpayers). In no other context than Louisiana can we see this mission as having greater importance and relevancy.

Magellan has a longstanding history of service to the citizens of Louisiana. Today, we provide behavioral health services to 550,000 members of the Blue Cross and Blue Shield of Louisiana (BCBSLA), the State's largest health plan. This has given the Magellan team an understanding of local concerns and priorities. We have also achieved results. Through care management and service expansion, Magellan reduced inpatient hospital days per 1000 by 42 percent for a cohort of high-risk children, and residential days per 1000 decreased by fully 83 percent.

Magellan's care management program is built on principles of recovery, resiliency, person-centered planning, and fidelity to wrap-around principles. Magellan is a leader in operationalizing these principles as programmatic realities and systemically incorporates them into our daily operations.

We have developed 12 recovery and resiliency principles that guide the day-to-day work of our team. These principles are the foundation of our on-boarding and continuous training program for the professionals who work for us and for the development of the practitioners with whom we contract in our networks. These principles are reinforced continuously and in a highly visible way through posters displayed at our care management centers (CMCs), the distribution of wallet-size cards, and the sponsoring of multiple training opportunities. Knowledge and demonstrated mastery of these principles are preconditions for staff advancement in our clinical operation and serve as a foundation for hiring and performance evaluation. Our medical necessity criteria incorporate recovery and resiliency principles. Our clinical and non-clinical staff members are required to complete 10 e-courses on recovery and resiliency topics which were developed in partnership with nationally recognized peer and family leaders. In addition, all of our care manager and supervisory tools incorporate recovery, resiliency, and person-centered planning. What this provides to Louisiana is a common approach to the needs of the mentally ill and a unifying value system that unites stakeholders around important goals for the system.

Our care management practices are premised on doing what's right for the member. This can only be accomplished through partnership between our clinical care managers and the practitioners with whom we contract. When we disagree over what constitutes an appropriate level of care in a specific case, or in a category of cases, this is an opportunity for creative, collaborative problem-solving. State references for Magellan will verify that the notion of a partnership is a fundamental operating principle in our approach to care management and to achieving superior outcomes.

TRANSFORMATION MILESTONES

Recognizing that system change is an incremental process, Magellan has established concrete milestones for clinical management for Louisiana:

YEAR ONE OBJECTIVES AND MILESTONES – ESTABLISHING THE BASELINE

- all clinical staff hired, trained, and ready to begin providing care management for all covered populations as of contract start date
- provide face-to-face and Webinar-based training available to all providers to educate on procedures and philosophy of care management and to answer their questions regarding our approach to providing support, assistance, and oversight
- introduce medical necessity criteria and clinical practice guidelines and educate provides on their application and Magellan's collaborative approach to care management
- begin to build out the crisis system and expand the network to include alternatives to inpatient care
- provide care coordination and outreach, and ensure consumers are connected with appropriate services and identify those in need of more intensive monitoring and supports
- enroll a minimum of 900 adult members in the Recovery/Resiliency Care Management (RCM) program
- through our Training Consortium, provide technical assistance and support to providers regarding fidelity to clinical practice guidelines, evidence-based practices, and unmet service needs; 50 percent of providers will have opportunity for face-to-face training in addition to Webinar access

- make available to providers clinical practice guidelines (CPGs) for at least six behavioral health conditions and at least two evidence-based practices (EBPs)--contingent approval by the State of Louisiana
- monitor fidelity on two of the CPGs and EBPs with high volume providers with a minimum fidelity score of 75 percent. Action plans created for 100 percent of those providers who do not pass
- employ follow-up specialists and peer support specialists to assist members transitioning from acute levels of care into the community
- begin provider profiling by collecting and analyzing utilization and quality data
- assess with CSoCs and other stakeholders the readiness of WAAs and FSOs to meet the needs of families through the Child and Adolescent Needs and Strengths (CANS) administration, wraparound facilitation, and the availability of Family Support Specialists to inform plans of care based on our assessment, support capacity to serve children, youth and families regardless of enrollment in CSoC
- have a fully operational CSoC team for support of existing WAAs as well as take on facilitation function in regions without a WAA
- MYLIFE model introduced across the Phase I CSoC regions as an avenue to support adolescents and youth maturing into adulthood
- provider introduction and training on RCM program completed
- enroll a minimum of 750 children who are in out of home (OOH) settings for transitional support in RCM
- provide technical assistance through the Training Consortium regarding fidelity to wraparound, family-based practices and EBPs
- implement clinical practice guidelines recommending care approach for children youth including identification of evidence-based practices
- complete review of Statewide School Based Service implemented via school districts and develop oversight plan beginning with the five LGEs and four CSoCs.

YEAR TWO OBJECTIVES AND MILESTONES – RAISING THE BAR:

- expand evidence-based practice capacity through learning and technical assistance
- make available to providers CPGs for at least three additional behavioral health conditions and at least two additional EBPs--contingent on approval by the State of Louisiana.
- enroll a minimum of 1500 adult members in the RCM program
- locate UM/care management staff regionally with high volume providers
- introduce our Partners in Care Program (described in more detail in our response to question 2.c.i) in which the frequency of utilization reviews is modified based on providers' level of quality and utilization
- offer Network for Improving Addiction Treatment (NIATx) training to provider agencies

- ensure that most care is recovery- and resiliency-oriented
- expand the use of telehealth and mobile services in rural areas to increase access
- MYLIFE support fully implemented in Baton Rouge (southeast) and Shreveport (northwest) areas
- implement Critical Case Consultation Model within the care management program to engage system stakeholder partners including the Department of Children and Families (DCFS), Office of Juvenile Justice (OJJ), Department of Education (DOE), Office for Citizens with Developmental Disabilities (OCDD) into the authorization and review process
- provide technical assistance through Training Consortium regarding fidelity to Wraparounds, family-based practices and EBPs
- expand RCM to include an additional 250 CSoC children at risk of OOH who need additional oversight and support
- introduce focused clinical initiatives on "promising practices," including suicide prevention, intervention and care and youth and family support
- roll out generalist and specialty support services campaign as a way to divert OOH
- residential settings adopt family-driven, youth-guided (including siblings) practices prior to, during and post residential stays; includes changes in program approaches, staff and governance
- complete review of Statewide School Based Service implemented via school districts and develop oversight plan for the remaining three regions.

YEAR THREE OBJECTIVES AND MILESTONES – REALIZING THE VISION:

- The system is data-driven, recovery-oriented, and full partnership.
- The Partners in Care Program is fully implemented in which authorization for selected providers is based on meeting quality and utilization metrics rather than case-by-case review.
- Service delivery has shifted to community-based services and most, if not all, gaps in care have been eliminated.

[redacted]

REGIONAL AND POPULATION-BASED APPROACH

Magellan's care management program will establish new standardized norms but will be sensitive to the regional and population differences that make the Louisiana healthcare landscape both exciting and challenging. For example, our service development priorities and approaches will vary from rural areas to urban areas, and will utilize specific tailored treatment options such as telehealth and targeted outreach strategies, including working with faith-based groups and alternative providers such as traditional healers. Our level of technical assistance and support will vary from rural areas to urban areas based upon specific needs, and will include clinical practice guidelines and emerging

"promising practices" around outcomes, suicide intervention and care, and whole-person integration of behavioral health and physical health needs. Additional details and examples to support the overall strategy outlined above will be included in our responses to questions that follow.

i. Describe how the Proposer will conduct CM and UM of BH services. Describe how CM and UM will be integrated and organized for all covered populations, including workflow. Suggested number of pages: 6, exclusive of workflow.

CONDUCTING CARE MANAGEMENT AND UTILIZATION MANAGEMENT

As a clinically driven company, Magellan aims to improve real-life outcomes for members. The goal of our care management program is to support members in achieving their optimal level of wellness and health, and improve coordination of care. Our experience is that cost-effectiveness is a consequence of this approach.

Magellan's approach is a collaborative process, built on our recovery and resiliency philosophy of involving the member's voice and choice, providers' clinical expertise, and utilizing the most appropriate, least restrictive level of care to provide safe and effective treatment that meets individual member's behavioral and physical health needs. Care should be provided within the context of a community setting whenever possible. The model incorporates a focus essential to ensuring appropriate referrals based on individual and family needs and strengths, timely access to services, person-centered treatment planning, coordination among all behavioral and physical health providers, supporting providers in shaping treatment, interagency communication and collaboration, and follow up for members requiring specialized behavioral health services. The program includes UM, care coordination for all members, and RCM for members who are high needs individuals or who are at high risk for inpatient admissions and other OOH placements. These components are described further below.

Utilization Management. The purpose of UM is to ensure that services are medically necessary based on established criteria, as well as practice guidelines, and are provided at the right time for the right length of time. Our approach to UM ensures that members are served in the most appropriate, least restrictive setting, while supporting person-centered, strengths based individualized goals related to each adult's recovery and each child and family's resiliency. This perspective on UM builds on strategies that are successful over time and incorporates recovery and resiliency as key goals supported by treatment interventions. This approach assists in avoiding interventions that have been unsuccessful or have failed to prevent repeated use of restrictive placements.

UM activities are fully integrated into our care management program and are conducted by licensed mental health professionals applying clinically sound, research-based tools to promote the delivery of high quality treatment in the least restrictive environment possible.

In addition, UM activities are integrated into our Quality Assurance/Performance Improvement (QA/PI) program. Care management staff members identify quality of care concerns during utilization reviews and interactions with members, families, providers and other agencies. These are reported and acted upon through the QA/PI structure and opportunities for improvement identified, interventions developed and implemented both on a case by case basis and system-wide based on analysis of trends and patterns over time.

Another core element of the UM program integrated into the QA/PI program is tracking, reporting, and analysis of service utilization data and developing and implementing strategies to address utilization outliers to ensure that the system is meeting the goals for delivery of community-based services.

Our UM program is described in more detail in our response to section 2.c.

Care Coordination. Care coordination starts at the time Magellan is contacted by a member, family member/caregiver or other person calling on behalf of a member requesting services. Magellan care managers make referrals to qualified providers based on the member's clinical needs and the urgency of the situation. Care managers assure that members access services within one hour for emergent needs, 48 hours for urgent needs and 14 calendar days for routine needs. In addition to providing access to behavioral health services, the care manager also assures that the member accesses physical health services by determining if the member has a primary care physician (PCP) and making a referral to a PCP in the Coordinated Care Network (CCN) if the member does not have a PCP.

Throughout the course of the member's care, the care manager assures that appropriate releases of information are signed and that all behavioral and physical health providers are communicating relevant information (for example, medications) and coordinating care for the member across all treatment modalities. Part of this coordination is assuring that members attend their behavioral health and physical health appointments and follow their treatment plans. Special attention is paid to members who are discharged from inpatient care, transition-age youth, youth in CSoC, adults in facility-based substance abuse programs, and members with co-morbid physical health and behavioral health conditions. Follow up is provided by follow-up specialists and peer specialists. If a problem is identified, specific barriers are identified and assistance is provided to the member, member's family/caregiver and provider, in order to overcome these barriers.

Care managers also screen members to determine if they have special needs. Special needs include: persons who use IV drugs; women who are pregnant or have dependent children and use drugs; children eligible for the CSoC; children with behavioral health needs who are not eligible for the CSoC; adults who have a serious mental illness (SMI) or major mental disorder (MDD); and adults who have acute stabilization needs. Members with high risk or high needs will be screened for our RCM program. Our RCM program satisfies and exceeds the RFP requirement to *"focus coordination for the treatment programs of those who are considered high risk or high needs"* and *"identify people with high needs and initiate ongoing treatment planning and service coordination with the consumer and others working with the consumer"* (pp 78-79).

Recovery/Resiliency Care Management. We recognize that there are a group of members who require intensive care management to support their recovery/resiliency efforts, to assist them to remain in a community setting, and remove barriers to improved outcomes. In our other RCM programs, we have shown a reduction in emergency room visits and admissions to inpatient psychiatric care, fewer crisis calls, and increased community tenure. Regardless of age or behavioral health issue, RCM can be effective in accomplishing these goals.

Our RCM program provides focused and frequent care manager involvement for members who frequently use crisis services, have recurring readmissions to 24-hour levels of care, or have complex needs. Admission criteria specific to Louisiana will include, but are not limited to, members who have multiple hospitalizations, children who are CSoC and are transitioning from out-of-home placements to their communities and women who are pregnant and have substance use disorders. RCM program admission criteria include the following:

- children/youth who are in CSoC and transitioning from OOH care back to their communities
- members with two or more hospitalizations to an acute or residential level of treatment within 60 days with a diagnosis of schizophrenia, bipolar disorder, or major depression
- children age 12 and under who are hospitalized
- members age 21 and under who are discharged from a statewide psychiatric inpatient program followed by one or more admissions/hospitalizations
- pregnant women who abuse substances
- members who use IV drugs
- members with one or more admissions/hospitalizations for an eating disorder
- members who have chronic and severe physical health and mental health co-morbid conditions
- care management/utilization review administrator assignment, including referrals from DHH-OBH, primary care providers, and others.
- persons identified as high risk based on predictive modeling results (as described below).
- members identified by treatment planners, WAAs, Local Governance Entities (LGEs), or other providers as needing intensive care management.

PREDICTIVE MODELING THROUGH P-RISK

P-Risk is Magellan's predictive modeling program that identifies high-need members whose high-risk mental health conditions would otherwise have gone unidentified, under-treated, or inappropriately managed. The algorithm uses claims, authorization, and other data such as previous hospitalizations, diagnosis, and key demographic attributes to identify those individuals whose profiles indicate a greater likelihood to readmit.

Members initially identified by P-Risk are then stratified by an overall risk profile based on the following factors: risk of harm to self or others, anxiety, bipolar disorder, psychosis, co-occurring substance abuse/dependence, anticipated coping problems, healthcare usage, physical symptoms, perception of physical health, perception of mental health, functional impairment, diagnosis of a targeted condition, stressors, and social support. In addition, we identify members at greater risk for a 30-day readmission to inpatient facilities. Members who are identified as potentially high risk and high cost are engaged to participate in the RCM program.

RCM is a collaborative process that assesses, plans, implements, coordinates, monitors, and evaluates options and services required to meet members' needs. It promotes quality and cost-effective interventions though ongoing and comprehensive analyses of outcome metrics. The program is designed to optimize the physical, social, and mental functioning of our members by increasing community tenure, reducing readmissions, enhancing support systems, and improving treatment efficacy through person-centered advocacy, communication, and resource management. In addition to conducting utilization review and service authorization, RCM care managers reach out to members to assist in eliminating barriers to effective treatment, locate resources and offer support.

Coordination of services with members, family members, primary and other care providers, as well as with community-based agencies and resources is key to the success of the program with individual members.

Each member in RCM has an individual plan of care developed and documented soon after admission. The RCM plan of care addresses all issues that contribute to the reason for admission to RCM. RCM discharge criteria include community tenure of at least 90 days since discharge from the most recent hospitalization and meeting mutually agreed upon RCM goals.

The overall effectiveness of our RCM program is demonstrated by the following aggregate statistics measured between intake and discharge: 71 percent of members reported improvement in emotional health, 48 percent reported improvement in physical health. Members with positive screens for depression decreased by 25 percentage points. Members with positive screens for anxiety decreased by 27 percentage points. The average number of days missed of work/school decreased by 3.6 days, representing a 62 percent change in absenteeism rate.

SOCIAL NETWORK COMMUNITY SUPPORT

[redacted]

HOW CARE MANAGEMENT AND UTILIZATION MANAGEMENT WILL BE INTEGRATED AND ORGANIZED FOR ALL COVERED POPULATIONS

UM is, by definition, a component of care management and is therefore integrated into overall care management. While care managers whose primary task is UM and RCM care managers focus on different aspects of care management, their functions integrate to create a full spectrum of services that goes from referrals for routine outpatient services to management of members with highly complex conditions.

All care managers who perform UM functions also provide care coordination necessary to assist the member in successfully utilizing their treatment services. Care managers provide any necessary care coordination services such as outreach, follow-up, or coordination of care with the member's behavioral health providers and PCP. Similarly, our RCM staff members, who focus on providing intensive care management, perform UM for the individuals with whom they work. This provides for continuity of care and continuity of the relationship between the member, providers and care manager.

Additionally, the UM and RCM staff will bring focused oversight for transitions related to out-of-home placement and youth transitioning to adulthood so that there are not service gaps from the movement from the children's service system to the adult service system.

To organize our care management program for all covered populations, we will have care management teams focused on children and youth and teams focused on adults. Child/youth teams will serve children from birth through transition to adulthood. This is particularly important to ensure that services, supports, and resources are identified, located and implemented for the unique needs of youth transitioning to adulthood for the entirety of the children's membership inclusive of CSoC. We will create a CSoC unit within the Child Team to serve this special program to ensure direct coordination with the WAAs and POC development process. Adult teams will serve adults from age 21 through older adults. Each team will have team members who are knowledgeable about substance use disorders and developmental disabilities. The RCM care managers will be supported by follow-up specialists who assist with discharge planning and ambulatory follow-up after hospitalization and peer specialists who will provide telephonic and face-to-face support. These care management teams will all report to the chief clinical officer who will be responsible for the entire care management department.

For youth who reach the ages of 15-21 and are transitioning into the adult system, we recognize that this transition includes more than just moving from children's services to adult services. This age group reflects a unique culture and for any approach to be effective, the focus cannot solely consist of a shift to adult services, but rather to adulthood across life domains. The approach also needs to include the components of self discovery and the need for interdependence. Our clinicians on our UM and RCM Child/Adolescent Teams will continue to work with these individuals even after they enter the adult system for a seamless shift. Magellan's goal is to assist in transitioning these members into adulthood, not just into adult mental health or substance abuse services, but in developing everyday living skills that will lead them to be a successful adult and to support youth to have a voice and choice in the development if their goals.

Each care management team will have specialized knowledge about the populations served and the services available to each of these populations. For example, care managers on the child team will be knowledgeable about the services provided to all children and those that are available only to subpopulations, for example, the specialized services available to children in the CSoC, Office of Behavioral Health children and OJJ/DCFS children. They will also be well versed in specialized procedures, such as the Certification of Need Process for psychiatric residential treatment facilities and the need for children referred to school-based Medicaid behavioral health services to be screened using the CANS.

This team structure will be designed according to specific geographic regions of Louisiana by assigning care managers regionally to ensure they will be familiar with the local treatment providers, WAAs, FSOs, and community resources and supports. We will consider, at the Partnership's request, locating care managers in highly populated areas such as New Orleans, Baton Rouge, Lafayette, Lake Charles, and Shreveport, to support the building of these local relationships.

Finally, this structure will also be supported by a dotted line functional relationship to the children's services administrator and team for liaison support as well as technical assistance and system support in the areas of family involvement, wraparound and special population services (for example, transition to adulthood).

INTEGRATION AMONG COVERED POPULATIONS

Magellan has experience and expertise in providing care management for all the services and subpopulations of adult and child populations listed on page 55 of the RFP. We will have separate adult and child care management teams (with a dedicated CSoC unit), but will not divide among covered populations. We will also have staff that specializes in higher levels of care (such as inpatient and psychiatric residential treatment) and those who work with outpatient providers. However, we will not divide staff by covered population. Although our clinical staff will be trained regarding the nuances among covered populations (e.g., covered benefits and funding source), we have found there are no real advantages to separate teams based on Medicaid or state funded populations. A more meaningful approach is to have "geo-teams." Certain staff members will cover specific regions. In this way, they are better able to know what regional community resources are available, gain a better understanding of the local culture, and to form closer relationships in the provider community. Ideally, within one to two years, we will locate some of our staff in the various regions in Louisiana to strengthen our geo-team approach.

WORKFLOWS

Utilization Management. Figures 2.b.i-1, 2.b.i-2 demonstrate what occurs when the care manager receives a call for a request. Prior to the care manager, a member services representative (MSR) determines eligibility and benefit coverage, which is transmitted to the care manager. For example, the MSR will track the benefit package and funding source of each eligible member. This information will be available to all staff working with individual members to ensure that the member is offered all eligible benefits and that the appropriate funding source reimburses for the covered benefits. Requests for services for adults will be transferred to the Adult Team; requests for youth will be transferred to the Child and Adolescent Team (and those members identified as enrolled in CSoC will be referred to our CSoC unit). We include a workflow for initial requests for services and for continued stay reviews.

Figure 2.b.i—Initial Review Work Flow

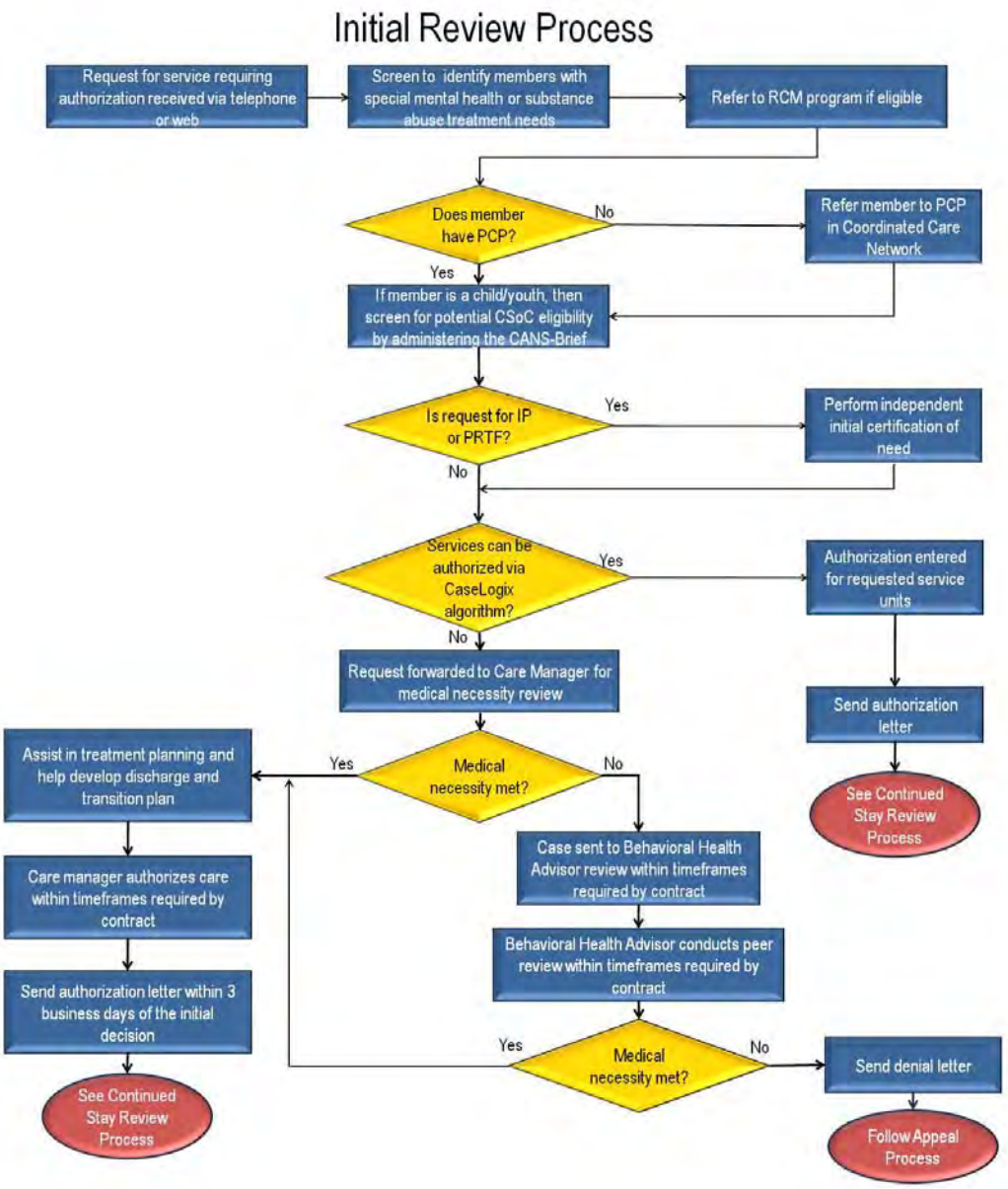
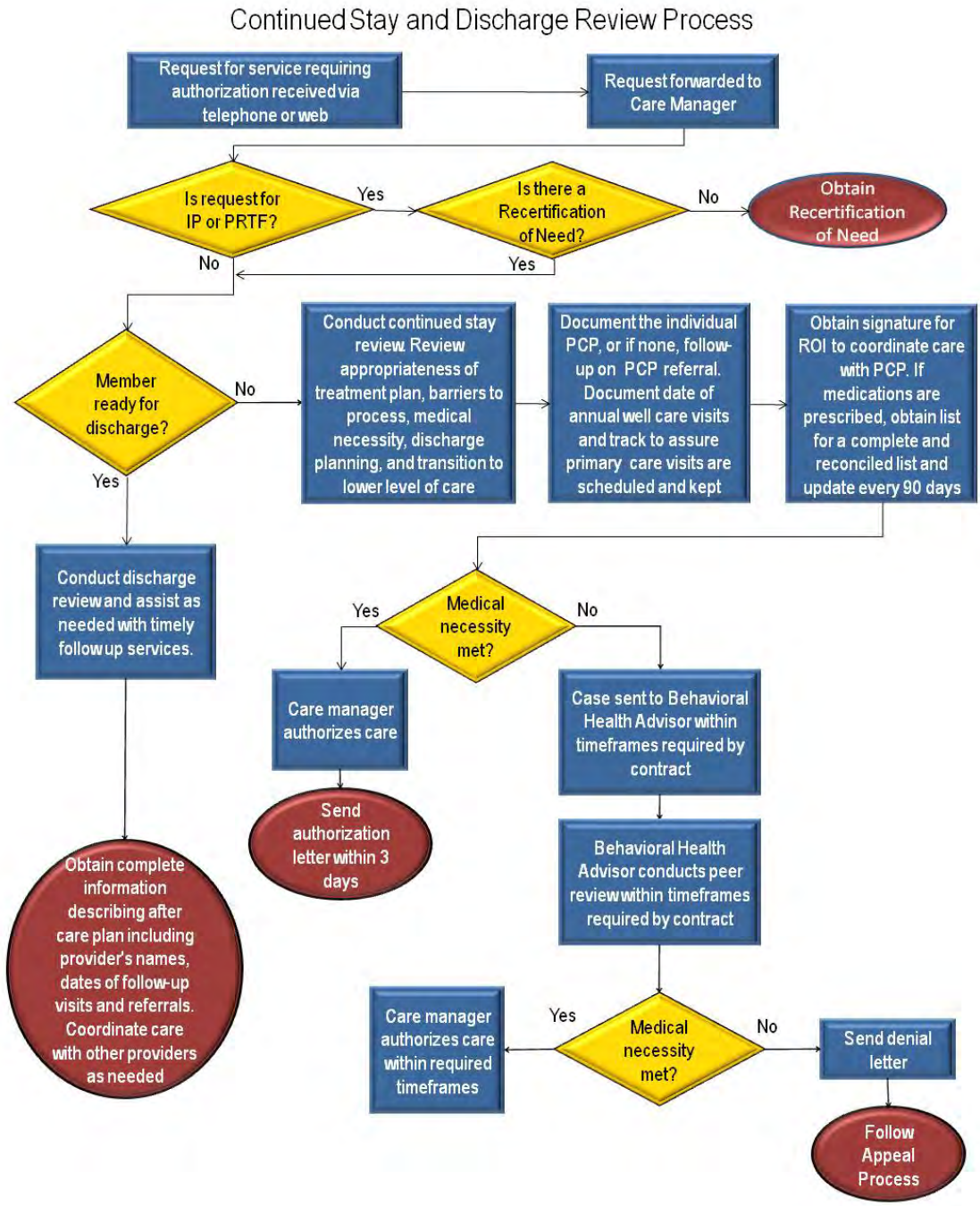
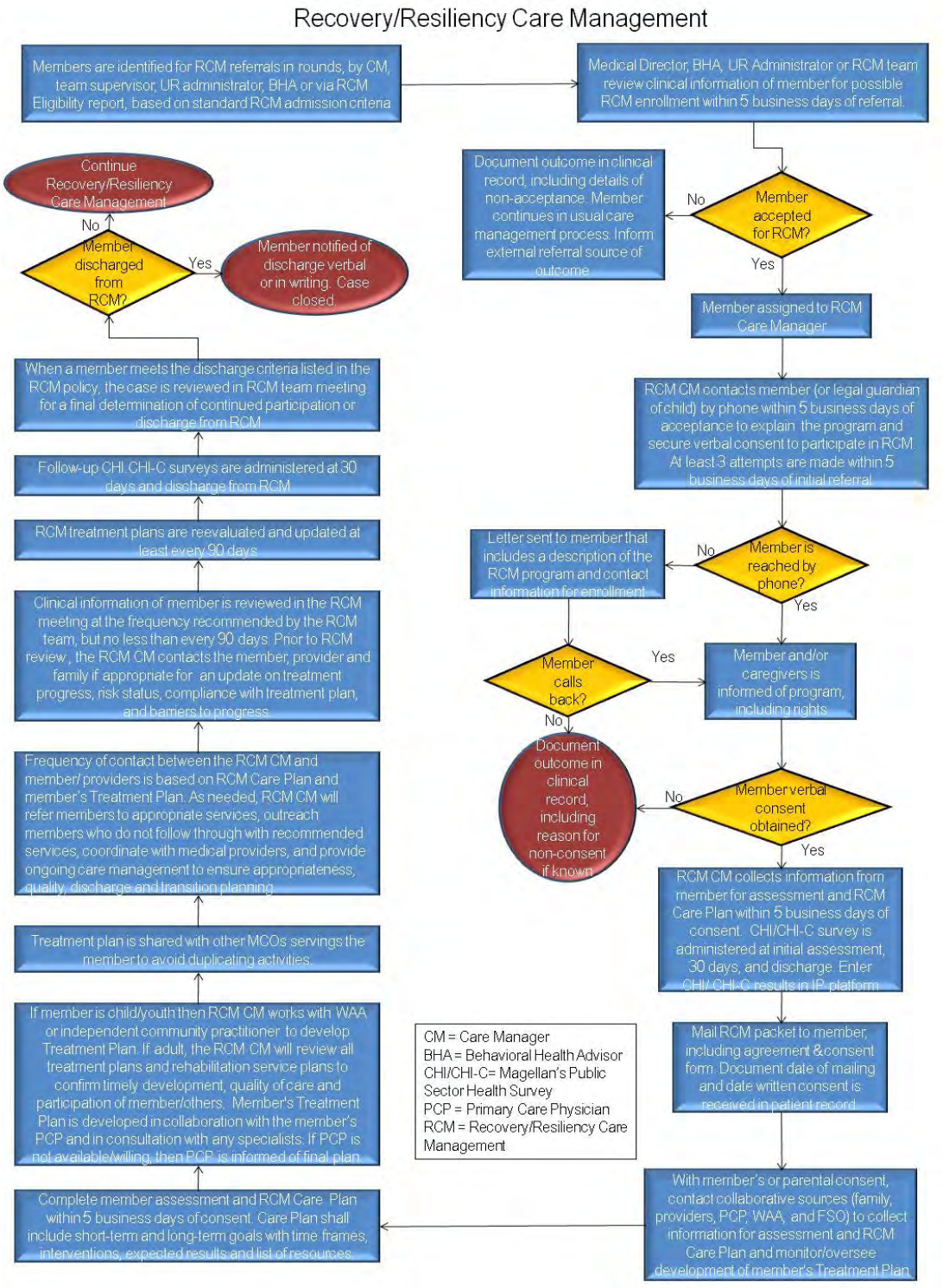


Figure 2.b.i-2-Continued Stay and Discharge Review Work Flow



Care Management. Our RCM Team will be staffed by clinicians who have experience with adults, children, mental health and/or substance use disorders. The most appropriate RCM care manager will assist the member based on their needs and the RCM care manager's expertise. Figure 2.b.i.3 illustrates the process for being admitted to our program and the activities of the RCM care manager.

Figure 2.b.i.3-Recovery/Resiliency Care Management Work Flow



ii. Provide an organizational chart for the CM/UM department(s) that includes position titles, numbers of positions, and reporting relationships. Describe the required qualifications for each position, (with the exception of Psychiatrist/Psychologist Advisors that will participate in the CM/UM program, which are addressed later in this section). Suggested number of pages: 6

CARE MANAGEMENT/UTILIZATION MANAGEMENT DEPARTMENT ORGANIZATION CHART

Our organizational chart for the Louisiana Statewide Management Organization (SMO) is shown in figure 2.b.ii.1. The Care Management/ Utilization Management Department is overseen by the chief medical officer and is organized to support the unique needs of members and their families through separate adult and children/youth care management teams reporting to the care management/utilization review administrator. Each team will include a clinical manager, supervisors, care managers, care workers and peer specialists or follow-up specialists. Care managers will be assigned to Department of Health and Hospitals-Office of Behavioral Health (DHH-OBH) Regions/Local Governing Entities Districts/Authorities so that they become familiar with local providers and resources. For regions with high volume providers, prior to year two Magellan, prior to year two will begin locating care managers in the region. In addition to general child/youth care managers, the children/youth team includes a team leader and designated care managers for the CSoC and for transition age youth. Similarly, near the end of year one or beginning of year two, CSoC care managers will be located in regions to assist in facilitating wraparound planning and to attend on-site child/family team meetings as needed. These care managers will work closely with the children's system administrator. Designated care managers will coordinate with provider service agencies to stay connected with youth as they transition into adulthood to ensure appropriate linkages and continuity of care. Facilitating this transition will require care managers to "meet youth where they are", relinquish office space for accelerated engagement in the community and support youth in unique ways to advance their goals in life domains specific to their journey to independent adulthood. Support staff include care workers and follow-up specialists who assist care managers in conducting follow up activities and facilitating linkages for members transitioning between levels of care; care workers will also coordinate with the children's services' team family support coordinators who will support families along the journey of their child's growth, development and recovery. The RCM team will also include peer specialists who provide support for adults transitioning from acute care in identifying and reaching their recovery goals.

2.b.ii.1-Care Management/ Utilization Management Organizational Chart

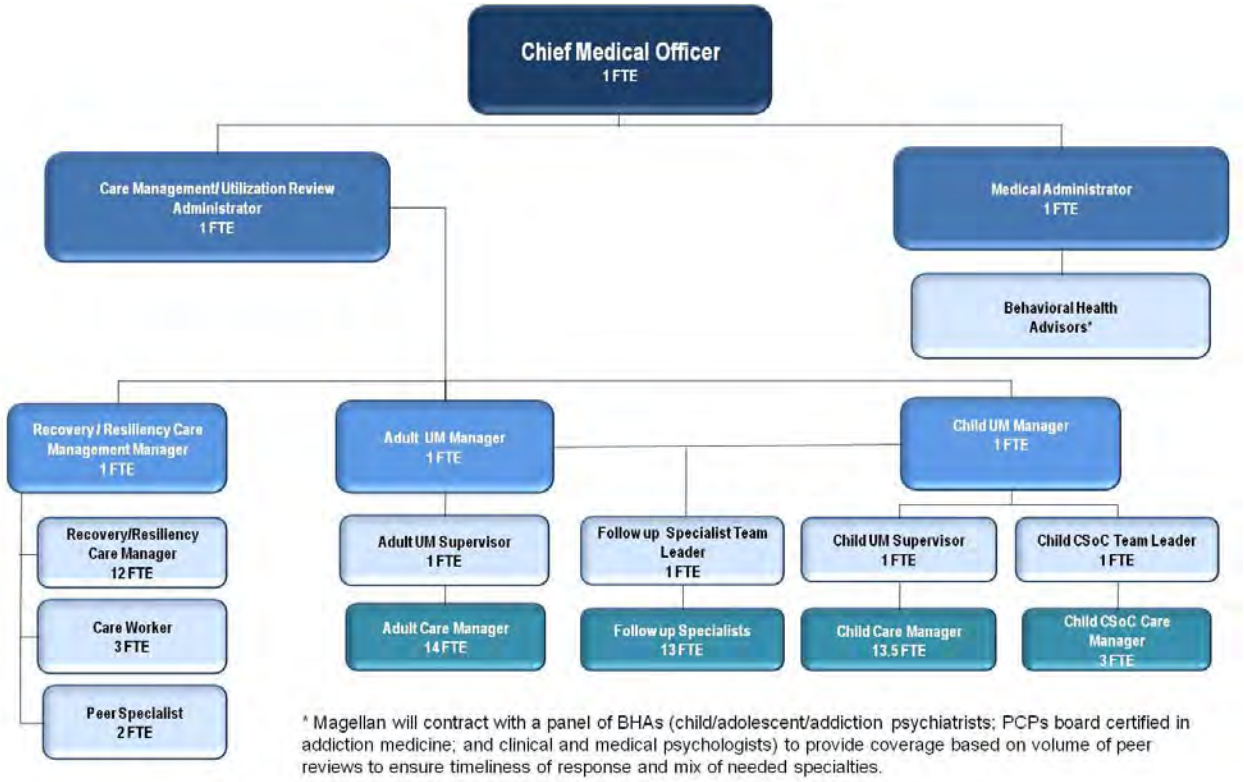


Table 2.b.ii.1 shows positions and qualifications for the care management/utilization management department.

Table 2.b.ii.1-Care Management/Utilization Management Positions and Qualifications

Position Title	Job Summary & Qualifications
Chief Medical Officer	**Job Summary:** Responsible for effective implementation of all clinical-medical programs, OM & UM program in compliance with regulatory & contractual requirements. Develops, implements & interprets clinical-medical policies & procedures, recruits & supervises physicians, Responsible for decision making process for approval & denial of provider credentialing, provider profiling design & implementation, administration of all UM & QM activities, continuous assessment & improvement of quality of care, development & implementation of OM/UM plan. Chairs OM, UM, & Peer Review Committees & oversight of other medical/clinical committees. Provides provider education, in-service training, & orientation. Conducts peer review. Attends regular DHH-OBH designated medical director meetings, including linkage with CCN-P medical directors. **Education:** M.D. Board certified in child or general psychiatry, licensed in Louisiana. **Experience Requirements:** 5-8 years of experience. Clinical experience relevant to population being managed, knowledge of current research, recovery/resiliency principles & medication. Experience in a managed care setting. Note: If the Chief Medical Officer is an adult psychiatrist, the Medical Administrator must be a child

Position Title	Job Summary & Qualifications
	psychiatrist. If the Chief Medical Officer is a child psychiatrist the Medical Administrator must be an adult psychiatrist.
Medical Administrator	**Job Summary:** Responsible for the design of clinical-medical programs in compliance with regulatory & contractual requirements. Conducts peer review. **Education:** M.D. Board certified in general or child psychiatry, licensed in Louisiana. **Experience Requirements:** 5-8 years of experience. Clinical experience relevant to population being managed, knowledge of current research, recovery/resiliency principles & medication. Experience in a managed care setting.
Care Management\Utilization Review Administrator	**Job Summary:** Responsible for implementation of UM program that assures members receive effective, medically necessary, care, with strong emphasis on community & family-based services in compliance with regulatory & contractual requirements. **Education:** Master's or doctoral level degree; licensed mental health professional in Louisiana. **Experience Requirements:** 5-8 years post-degree experience in a behavioral health care setting & 3-5 years previous experience in an administrative/supervisory position &/or managed care experience
Adult UM Manager	**Job Summary:** Implements the clinical operations aspects of UM program. relative to adult services. Oversight of clinical operations activities relative to the SMO's mission & strategic goals, federal & state laws & regulations, & accreditation standards for UM. Supervises staff responsible for adult UM functions. Implements systems, develop desktop references & processes for UM & reporting quality of care issues identified during the utilization review process. Educates & trains clinical operations staff on the adult UM, policies and procedures, regulatory & accreditation standards. Collects, analyzes, & maintains utilization data. Attends UM/QM committee meetings and presents UM summaries identifying potential areas for improvement **Education:** Master's, or doctoral level degree; licensed mental health professional in Louisiana. **Experience Requirements:** Minimum of 5 yrs. managerial or higher experience in UM & treatment for adult behavioral health. Experience with NCQA and URAC UM accreditation standards.
Child UM Manager	**Job Summary:** Implements the clinical operations aspects of UM program relative to children's services. Oversight of clinical operations activities relative to the SMO's mission & strategic goals, federal & state laws & regulations, & accreditation standards for UM. Supervises staff responsible for child UM functions. Implements systems, develop desktop references & processes for UM & reporting quality of care issues identified during the utilization review process. Educates & trains clinical operations staff on the child UM, policies and procedures, regulatory & accreditation standards. Collects, analyzes, & maintains utilization data. Attends UM/QM committee meetings & presents UM summaries identifying potential areas for improvement. **Education:** Master's, or doctoral level degree; licensed mental health professional in Louisiana. **Experience Requirements:** Minimum of 5 yrs. managerial or higher experience in UM & treatment for child & adolescent behavioral health. Familiarity with children's systems of care principles Experience with NCQA and URAC UM accreditation standards.
Recovery/Resiliency Care	**Job Summary:** Implements the clinical operations aspects of RCM program. Oversight of clinical operations activities relative to the SMO's mission & strategic

Position Title	Job Summary & Qualifications
Management Manager	goals, federal & state laws & regulations, & accreditation standards for UM. Supervises staff responsible for RCM functions. Implements systems, develop desktop references & processes for RCM & reporting quality of care issues identified during the RCM process. Educates & trains clinical operations staff on RCM policies and procedures, regulatory & accreditation standards, & their respective responsibilities relative to such. Collects, analyzes, & maintains RCM data. Attends UM/QM committee meetings and presents RCM summaries identifying potential areas for improvement. **Education:** Master's, or doctoral level degree; licensed mental health professional in Louisiana. **Experience Requirements:** Minimum of 5 yrs. managerial or higher experience in UM & treatment for child, adolescent, & adults with complex needs. Experience with NCQA and URAC UM accreditation standards.
Adult UM Supervisor	**Job Summary:** Primary responsibility for the management, supervision & coordination of adult team care management staff. **Education:** Master's, or doctoral level degree; licensed mental health professional in Louisiana. **Experience Requirements:** 5-8 years post-degree experience in a behavioral health care setting. Experience/training in treatment of adult behavioral health disorders, recovery & resiliency, knowledge of managed care, mental health & substance abuse, community resources & providers.
Child UM Supervisor	**Job Summary:** Primary responsibility for the management, supervision & coordination of the child care management staff. **Education:** Master's, or doctoral level degree; licensed mental health professional in Louisiana. **Experience Requirements:** 5-8 years post-degree experience in a behavioral health care setting. Experience/training in treatment and service for children and adolescents with serious emotional disturbances and other behavioral health conditions, recovery & resiliency, knowledge of managed care, mental health & substance abuse, community resources & providers.
Child CSoC Team Leader	**Job Summary:** Responsible for assisting CSoC care managers in completing responsibilities for children/adolescents in the CSoC, including working with WAAs & WFs in ensuring appropriate service delivery and authorization. Assists in training, monitoring, coaching & problem solving. **Education:** B.S.N., Master's, or doctoral level degree; licensed mental health professional in Louisiana. **Experience Requirements:** 5-8 yrs. experience/training in treatment and service for children and adolescents with serious emotional disturbances and other behavioral health conditions, recovery & resiliency, knowledge of managed care, mental health & substance abuse, community resources & providers.
Care Manager	**Job Summary:** Authorizes & reviews utilization of mental health services; collects & analyzes utilization data. Assists with discharge planning & ambulatory follow up activity; ensures coordination of care. **Education:** B.S.N., Master's, or doctoral level degree; licensed mental health professional in Louisiana. **Experience Requirements:** 5-8 years post-degree experience in a behavioral health care setting with a specialty population relevant to the members being served. Knowledge of utilization management procedures & community resources; ability to analyze, plan, & implement solutions that influence quality of care.
Recovery\Resiliency Care	**Job Summary:** Primary responsibility for the management, supervision & coordination of RCM care management staff.

Position Title	Job Summary & Qualifications
Management (RCM) Supervisor	**Education:** Master's, or doctoral level degree; licensed mental health professional in Louisiana. **Experience Requirements:** 5-8 years post-degree experience in a behavioral health care setting relevant to the members being served. Experience/training in case management, recovery & resiliency, knowledge of managed care, mental health & substance abuse, community resources & providers.
RCM Care Manager	**Job Summary:** Provides outreach and care coordination with individuals in RCM program. Provides intensive care management throughout the treatment episode at the levels of care designated by the use of approved medical necessity criteria. Provides outreach & assistance with coordination of services for members with complex conditions. Utilizes Motivational Interviewing, Cognitive Skill Building & Behavior Modifications skills in working with patients to achieve best possible outcomes. **Education:** Master's, or doctoral level degree; licensed mental health professional in Louisiana. **Experience Requirements:** 5-8 years post-degree experience in a behavioral health care setting. Experience/training in case management, recovery & resiliency, knowledge of managed care, mental health & substance abuse, community resources & providers.
Care Worker	**Job Summary:** Locates services for members with the goal of supporting coordination of care such that members are able to access care in a timely manner & to remain in the least restrictive level of care appropriate to their functioning. Facilitates continuity of care as members move through levels of care as authorized by clinical staff. Assists in facilitating referrals for PSH. **Education:** Associate's degree **Experience Requirements:** 1-3 years post-degree experience in a behavioral health care setting.
Follow Up Specialist Team Leader	**Job Summary:** Assists follow up specialists in successfully completing follow up responsibilities. Assists in training, monitoring, coaching & problem solving. Active participant in the discharge planning process. Attempts to minimize recidivism by ensuring that members discharged from inpatient care engage in appropriate outpatient services. Acts as a liaison by communicating timely & permissible information about discharge planning for members with staff of inpatient facilities, outpatient providers, members, & Magellan clinical staff. **Education:** Bachelor's degree in mental health or related field **Experience Requirements:** 3 yrs. clinical experience working with mental health/substance abuse population in a managed care environment.
Follow-up Specialist	**Job Summary**: Promotes engagement in appropriate services & increased community tenure by ensuring that members discharged from inpatient care & other enrollees who have high needs engage in appropriate community-based services. Acts as liaison by communicating timely & permissible information about discharge planning with inpatient facility staff, outpatient providers, members, & Magellan's clinical team. **Education:** Bachelor's degree in behavioral health field preferred. **Experience Requirements:** 2 yrs experience working with mental health/substance abuse population in managed care,
Peer Specialist	**Job Summary**: Coordinates, monitors, & provides direct services in a community setting for consumers. Works as a member of a clinical team brining a consumer perspective to the assessment, treatment planning, & service delivery processes. Acts as a member advocate, assists members in the treatment planning process, assists in crisis intervention & outreach/engagement. Works closely with the Care

Position Title	Job Summary & Qualifications
	Management\Utilization Review Administrator to establish consumer run self-help groups. **Education:** Bachelor's degree, associate's degree, high school diploma or GED. Must have completed or be scheduled to complete peer education program. **Experience Requirements:** Bachelors degree in behavioral health or related field & no relevant experience. Bachelor's degree in a non-behavioral health or related field requires 1 yr. work experience in the behavioral health field. Associates degree requires 2 yrs. experience in the behavioral health field. High school diploma/GED requires 4 yrs. in behavioral health field. Must be receiving or have received public behavioral health services.

(a) Describe the ongoing monitoring protocols for CM/UM staff including the nature and frequency of supervision, documentation of audits, call monitoring, and any other oversight activities. Suggested number of pages: 4

CARE MANAGEMENT/UTILIZATION MANAGEMENT STAFF MONITORING

NATURE AND FREQUENCY OF SUPERVISION

Ongoing monitoring for care management/utilization management staff is provided by clinical supervisors, behavioral health advisors, the medical director, quality improvement staff, and the corporate clinical department. Frequency of monitoring varies depending upon the monitoring activity. Monitoring activities include audit documentation, call monitoring, clinical rounds/case conferences, quality audits of denials and inter-rater reliability studies. Each of these monitoring activities is described below. Case by case supervision is also conducted on a daily basis by clinical supervisors and medical staff as needed.

Our supervisory reviews address issues beyond ensuring that medical necessity was appropriately determined. Magellan's supervisors also monitor and promote improved communication, coordination, and integration between providers, as well as evidence-based practices and improved outcomes. Supervisors review to ensure that our clinicians are actively involved in shaping treatment planning in a collaborative manner with providers and members. Further, they oversee that members and other desired individuals are involved as partners in treatment, and that services are aligned with members' preferences and goals. This results in better outcomes and reduced care costs.

CALL MONITORING

Magellan monitors five random calls per care manager per month. We use the Qfiniti Enterprise suite, a comprehensive and integrated system designed to enable Magellan to deploy proven, scalable quality monitoring and care manager evaluation programs. We utilize Qfiniti Observe to monitor performance and record voice and screen interactions, and Qfiniti Advise to provide care manager evaluations and analysis that enhances coaching and e-learning effectiveness, streamlined quality management tasks and improves scoring consistency. The system enables supervisors to run performance reports by individual and team to identify performance trends. Evaluation tools for care managers include questions on the following core performance areas: clinical content and documentation; utilization review; recovery and resiliency; timeliness of reviews, notification, and data entry; adverse

determination, denial, and appeal notification; motivational interviewing; call handling; notification on consumer self-service options; and confidentiality. The system includes prompts for care mangers to use person-centered language; strength-based treatment planning; inquire about Advance Directives; family and/or member involvement in treatment planning and discharge planning; using natural supports in treatment plans; demonstrating a collaborative spirit in problem-solving and with provider agencies, and primary care; and ensuring that services are delivered consistent with members' stated desires and in the member's preferred language.

This program allows online calibration as well as trending and analysis by an evaluator. Finally, Qfiniti Expert is a powerful e-learning tool that automates care manager education through targeted, intelligent delivery of online training programs. Qfiniti Expert also gives the supervisor the ability to track progress of care managers and improve retention of care managers.

Documentation Audits

Documentation audits for care managers are also incorporated into Qfiniti audit capabilities. Magellan's clinical supervisors complete five clinical documentation audits per care manager, per month, with a target of 90 percent compliance or better. The audits monitor compliance with policy, customer-specific requirements, and accreditation requirements. Care managers receive copies of their monthly audits and are coached in areas of documentation noncompliance.

Each month, the chief medical officer and medical administrator audit a non-authorized case completed by each of the Magellan contracted external behavioral health advisors to ensure they are documenting the medical necessity criteria and level of care guidelines met/not met and are offering an alternative level of care if a request is not authorized. Results are reviewed with each behavioral health advisor if non-concordance between the behavioral health advisor's decision and the medical director's review decision is evident. Additional training and/or monitoring is instituted as needed. Results of the behavioral health advisor audit are presented in the monthly chief medical officer's report to the Quality Assurance/Performance Improvement (QA/PI) and UM Committees.

Other Oversight Activities

Clinical Rounds/Case Conferences

Daily clinical rounds/case conferences provide a stimulating educational forum for clinicians to enhance their expertise and skills in diagnostics, crisis management, medical necessity criteria, and community resource knowledge. During the rounds/case conference (one-on-one or group), challenging or problematic cases are presented by care managers. At least one supervisor is present—the medical administrator and/or care management supervisor. Discussion of the clinical issues of the case can result in suggestions or recommendations for improvement, highlighting teaching points of the case and/or suggesting other interventions or consultations that could have been attempted. Medical necessity and proper interpretation of criteria are an integral part of the discussion, which in turn enhance the management of inpatient and psychiatric residential treatment facility interventions.

QUALITY AUDITS OF DENIAL RECOMMENDATIONS

The grievances and appeals administrator audits each non-authorization recommendation a care manager makes to ensure the form is complete. Reports are sent to the care manager supervisors monthly who share it with the care managers. The director of complaints and grievances also evaluates decision access reports monthly to ensure care managers are documenting decision times into our clinical application within required timeframes. The director of complaints and grievances also audits care managers' requests for additional information from providers to ensure they adhere to required timeframes and shares findings with the care manager supervisors and managers. Results of the denial audit are reported monthly to the QA/PI and UM Committees.

INTER-RATER RELIABILITY STUDIES

Magellan's Corporate Clinical Department employs an annual company-wide, standardized process for the review of inter-rater reliability (IRR) by clinical care management staff, behavioral health advisor consultants and medical directors. The annual IRR study was created to establish a process with all clinicians reviewing an identical set of vignettes to measure the national inter-rater reliability performance rate and to ensure that all are applying the criteria in a consistent and appropriate manner sensitive to the needs of the local population.

INTER-DEPARTMENTAL CASE CONSULTATION/DATA REVIEW

Magellan's matrix structure provides the context for inter-departmental decision-making and accountability. Under this structure Care management/UM meets regularly with the child and adult service administration teams to accomplish the following:

- consult on complex cases that require the management and extended coordination with the provider agencies and stakeholder partners
- review audit, tracking and data reports to identify trends and continuous system improvement opportunities
- provide coaching and supervision opportunities for the care management/UM staff.

(b) Describe how the Proposer's information management system will support the CM program. Suggested number of pages: 4

HOW MAGELLAN'S INFORMATION SYSTEM SUPPORTS CARE MANAGEMENT

Magellan's MIS team provides strong support for care management with systems that are configured to manage care programs and to collect consumer and treatment data specifically relevant to the requirements of the customer. Our team has access to the source code for all our systems, allowing us to build and configure those systems according to the specific needs of the business. The needs of our customers define our systems, as opposed to allowing restrictions of a particular system to define how we serve the customer.

We have successfully configured our systems to fit the differing business needs for public sector contracts, such as our customers in Iowa, Nebraska, Florida, Pennsylvania and Arizona.

Efficient care management requires a consistent, accurate flow of member, provider and historic utilization data. Our clinical, claims, provider data and eligibility data systems were chosen specifically for their ability to exceed those requirements.

Magellan proposes a Web-based application, *Clinical Advisor*, a Magellan version of ClaimTrak, as the electronic health record system for the Louisiana SMO contract. *Clinical Advisor* is designed to provide a complete picture of the consumer's health status giving providers and our clinical team access to full health information.

CLINICAL FUNCTIONALITY

Clinical Advisor merges the creation of an electronic health medical record (EMHR) with functionality that supports the tasks of care management. For providers, *Clinical Advisor* supports the integration of administrative and clinical information in one electronic record, updated in real time. Cases are routed to authorized users via an electronic queue and tickler system so that there are no delays in service delivery. Contacts, authorizations, care coordination, medications and medication changes along with other case related information is documented in *Clinical Advisor*.

Individual providers can then use the comprehensive clinical picture provided by *Clinical Advisor* to assist in treatment planning with the consumer and ensure that all providers involved in the consumer's care have access to the current clinical picture.

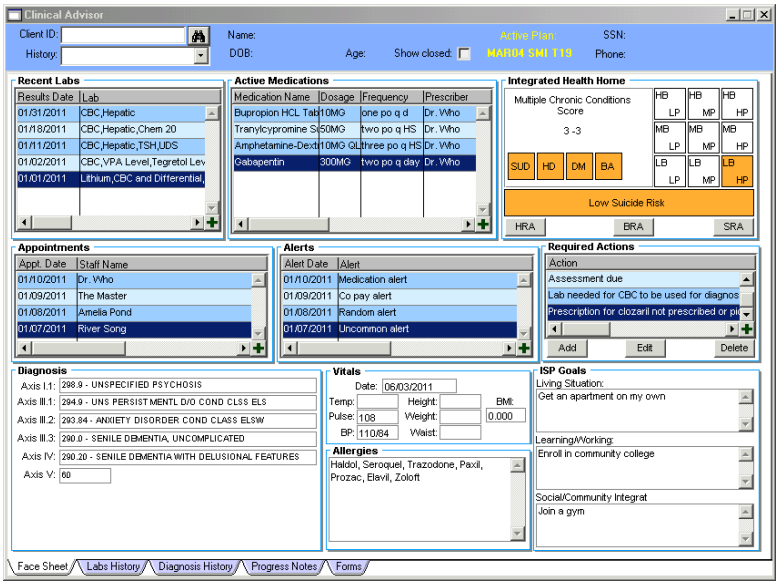
Magellan's *Clinical Advisor* is built upon the ClaimTrak platform and offers an easy to use, unique and powerful fully customized EHMR that was designed for the specific needs of the psychiatrists, psychologists and other public sector behavioral health care providers who use it and provided feedback. We began in 2007 developing a practice management application that would provide electronic billing functionality while matching existing workflows and templates/forms. Today, this robust product includes a fully integrated record that will bridge to pharmacy, lab and primary care records. One of the most significant features of *Clinical Advisor* is the summary face page (shown in figure 2.b.ii.b.1) that quickly and graphically summarizes the key issues for any consumer, including suicide risk and behavioral health/physical health stratification at a glance. Other key features include the following:

- fully-integrated lab ordering
- (displays results using HL7 messaging through LabCorp) detailed management and tracking of psychotropic medications, injection administered medications, and medications prescribed by primary care physicians
- polypharmacy and persistence driven alerts
- drug interaction and side effect information presented during prescription writing process
- flexible Clozaril scheduling with automatic pill quantity calculations and specific lab ordering alert system
- integrated assessments, evaluations, progress notes, reporting and coordination of care functionality
- future full ePrescribing functionality using SureScripts service (in development)

- role-based functionality for multiple staff groups including prescribers, nurses, residents, case managers, behavioral health specialists, therapists, administrative and executive level staff.

Figure 2.b.ii.b.1-Clinical Advisor Summary Screen Shot

Magellan's *Clinical Advisor* EHMR also includes a host of administrative and clinical/medical management tools:



- specialized alerts for high risk client populations.
- security override functionality for data integrity and auditing
- complete appointment scheduling, monitoring and reporting functionality and customizable reporting
- role based clinical procedure and encounter documentation through progress notes
- customized forms to collect and transmit consumer enrollment and state-mandated demographic forms.

ADMINISTRATIVE FUNCTIONS

Because the provider documentation is located in one system Magellan will be able to develop provider dashboards to assist in the management of the overall provider system and individual provider performance. The dashboard metrics will be developed in collaboration with community providers and implemented statewide.

The care manager has access to the member's complete record allowing for a comprehensive understanding of a member's status and history. All care manager activities are documented in a care management module in the clinical database. This allows the care manager to have a consolidated set of screens in which to document and track care management activities. These activities include:

- short and long-term care management goals
- coordination of care contacts
- member and collateral contacts
- medication and medication adherence
- other relevant care management data.

Notes are collected in a pre-coded note template that ensures that all pertinent case information is captured by the care manager. The template includes prompts for the care manager to document that service planning and care

coordination are oriented toward recovery, resiliency, and person-centered approaches to care. For example, the template includes verification that providers know whether or not the member had developed an Advance Directive and if treatment is consistent with the member's stated desires.

The care manager has access to the member's treatment history which is documented in the system. This is a valuable tool for the care manager in assisting the member and provider in a recovery based care management plan. For members in the RCM Program, the RCM care manager has access to the entire case. The RCM care manager will identify members who are readmitted to inpatient or other 24-hour levels of care and will ensure that the course of treatment and discharge plan are adjusted and tailored to the member's individual needs.

Educational materials can be selected by the care manager in *Clinical Advisor* and will be automatically generated and mailed to the member. Correspondence is also tracked in the system and consists of consent forms, HIPAA Authorization to Disclose forms, educational materials, and other case related correspondence. All utilization, administrative, and care management notes are captured in chronological order in the database for ease of reference.

Administrative Functionality and Data Handling

The data handling features in *Clinical Advisor* allow for comprehensive data capture, internal data linkages, external interfaces to WAAs and other provider agencies and queuing. *Clinical Advisor* has the flexibility to be configured to capture data elements and expedite them according to customer need.

Clinical Advisor is linked to Magellan's Claims Adjudication and Payment System (CAPS), which allows for automated verification of an authorization in those cases where authorization is needed and allows employees to assess actual utilization based on claims data. This information can be informative to the care manager alerting to missed appointments or lack of follow-through.

Because *Clinical Advisor* is flexible and can be configured according to the needs of a customer, the system will track differing levels of services for consumers, as well was multiple funding streams for claims payment. This ensures that each consumer is offered all eligible benefits and the appropriate funding source reimburses for those covered benefits.

Magellan's systems allow for interagency electronic data transfer to governmental agencies, WAAs and other entities as needed to support the requirements of the contract.

Reporting

Clinical Advisor allows for reporting of data at the programmatic level to generate reports on population trends, readmission rates, engagement and enrollment trends and other program management information.

Our Data Warehouse collects information that includes clinical data, authorizations, claims and encounters, provider-based information, membership-related data, financial information, and products and services data. Magellan systems contributing to the Data Warehouse include *Clinical Advisor*, Integrated Provider Database (IPD), CAPS), Magellan's Web Site and our Interactive Voice Response.

The Data Warehouse will collect and coordinate relevant consumer information and our proposed team of data and reporting analysts to be located in Baton Rouge will tap that data for comprehensive reports.

Magellan utilizes IBM's Cognos 8 Business Intelligence (BI) suite; a BI software tool that expands the capabilities of reporting, analysis, event management, score-carding, and dashboards. It expands our abilities of aggregating and drilling down to details, shortened shortens time-frames for decision-making with self-service reporting and strengthens the use of existing data by making it more readily available. Magellan also uses the Actuate e-reporting Suite, a highly flexible, browser-based reporting tool as the standard analytic tool. Actuate has been used to program hundreds of unique reports that are scheduled and manually run on demand each month.

(c) Describe how the Proposer will provide an outreach program to ensure that high-risk members understand the benefits and services available to them. Include how the Proposer defines and identifies high-risk members. Provide an example of a successful outreach program. Suggested number of pages: 3

OUTREACH PROGRAM AND HIGH-RISK MEMBERS

Magellan shares the Louisiana Behavioral Health Partnership's vision for improving access, quality and efficiency of behavioral health services for children and youth with serious emotional disturbance (SED) and adults with serious mental illness (SMI) and addictive disorders through an array of high quality services that are coordinated to meet their needs. The goal of our outreach efforts is to ensure that all members, their families, advocates, other stakeholders as well as the agencies serving them will understand the benefits available through the SMO, and how to access and use them. Outreach is especially critical for high-risk members who may have challenges in receiving and understanding information about services and access that is formatted and disseminated in traditional ways. In order to ensure this is a priority we have built stakeholder liaison positions (for working with DCFS, OJJ, and DOE) and coordinator positions (coordinating with WAAs), family and youth support) into our SMO staffing model. Their key functions include coordinating and providing outreach; building ongoing collaborative relationships across all sectors in the system and community; and providing partnering consultation, technical assistance, and education. As a complement to the role these functions bring, Magellan tailors education and outreach strategies to meet the needs of each program as well as the specialized needs of the local communities within each program.

We engage members and stakeholders with a focus on continuous improvement of the system of care and while keeping them informed about available services and providers, supports, plan, and industry updates. Providing outreach to diverse communities has proven to be an effective tool to educate and engage high risk members and communities. These outreach activities have been a cornerstone of Magellan's success in connecting and partnering with a range of key agencies, advocacy groups, adjunct service and support systems, schools, and other stakeholders for the benefit of our members. To be most effective, these efforts must include building our own understanding of the unique aspects of each region and community well before contract award. Based on our experience, we reached out to multiple stakeholder groups in Louisiana over the past few years. Key Magellan staff with seasoned experience and diverse expertise spent innumerable hours involved in personal conversations, attending meetings, and sponsoring events in Louisiana. We listened to consumers, providers, and advocacy organizations to understand what is working and where there are opportunities to improve. We have been informed

by personal contact with individuals, sponsoring provider forums, attending at CSoC town halls, discussions with parents, consumers and families, and attendance at various public meetings. We spent time with parent and family leaders in several organizations such as the Louisiana Federation of Families and multiple sites of Families Helping Families. We have read and understand state plans, legislation, data and waivers. We have reviewed reports, read minutes, viewed conference presentations and other documents. Most importantly we have asked questions and listened to the voices of people in Louisiana, many of whom were feeling fatigued by having so many of their hopes dashed as their many good ideas were put on hold so that Louisiana could respond to several devastating crises. Going forward, our customized outreach to high risk members in Louisiana communities will emphasize real-world, practical examples that epitomize principles of resilience and recovery, so that people will be able to realize and be ready to take advantage of behavioral health programs and services available to them.

PROMOTING UNDERSTANDING OF AVAILABLE BENEFITS AND SERVICES

Quote from one of our Florida programs: *"Magellan staff members put all the pieces together for the community. They connect members with providers and services. Magellan has a major impact on our area. Without its involvement, there would be a gap in services. The personal connection is critical. Who would do this if Magellan didn't?"* -Beth Dees, Peer Specialist, AbilityFirst (a provider organization), Chairperson, Agency for Health Care Administration Advisory Forum. Board Member and Secretary, Big Bend Mental Health Coalition

Magellan's stakeholder liaisons and coordinators will be actively involved in coordinating outreach activities with state agencies and community organizations. We will use multiple communications channels to promote understanding of available benefits and services including: Magellan's Member Handbook, newsletter, Website, e-mail contacts, focus groups, community town halls/forums, fast fact sheets, and social media methods, such as a Facebook page and Twitter. To ensure that materials are relevant and truly meet the needs of high-risk members, we will ask representatives of these groups what information and tools they need to be able to understand benefits and services. We will engage members themselves to review and provide input into the creation of outreach and engagement strategies. We are using this approach in our Lehigh Valley, Pennsylvania Care Management Center program where we convened a Recovery Workgroup made up of our members that is informing us about the best ways to revise our member handbook to present information that it is more understandable and user-friendly. Lessons learned from the Recovery Workgroup that will be applied in Louisiana include: complaint and grievance processes need to be clearly defined with specific steps for consumers and families, and the member handbook needs to include a definition list and more detailed information about uses and disclosures of Protected Health Information.

In addition, we will meet members in locations convenient to them by building on their natural community connections and provide information on available benefits and services through collaboration with agencies and organizations such as the Louisiana Federation of Families, Families Helping Families, Partners in Education, Meaningful Minds of Louisiana, the DCFS,OJJ, school systems including alternative schools, drop-in centers, faith-based groups, detention and secure care facilities, residential treatment facilities, foster care, addiction treatment facilities, Projects for Assistance in Transition from Homelessness programs, homeless shelters, and cultural identity groups such as

LGBTQI-2S[1] for contacting youth and caregivers who identify with these groups. We will also contract with certified peer specialists to provide outreach and information to their peers in high-risk groups. All relevant materials will be shared with LGEs, CSoCs, and providers as central vehicles to distribute information.

We will collaborate with DHH-OBH to evaluate the feasibility of using Magellan Youth Leaders Inspiring Future Empowerment (MY LIFE) in Louisiana to serve as a primary outreach tool for youth and families across the state through in person meetings, presentations and activities that are held where youth are, including schools, treatment and detention centers, and community events. MY LIFE is a youth empowerment program that Magellan has used successfully in other programs to promote understanding of covered benefits and how to access them among high risk youth. The program is described further in this response under "Example of Successful Outreach Program."

How High-Risk Members are Defined and Identified

High-risk members are defined as the following:

- children who are in CSoC and transitioning from out-of-home care back to their communities
- members with two or more hospitalizations to an acute or residential level of treatment within 60 days with a diagnosis of schizophrenia, bipolar disorder, or major depression
- children age 12 and under who are hospitalized
- members age 21 and under who are discharged from a statewide psychiatric inpatient program followed by one or more admissions/hospitalizations
- pregnant women who abuse substances
- members who use IV drugs
- members with one or more admissions/hospitalizations for an eating disorder
- members who have chronic and severe physical health and mental health co-morbid conditions
- care management/utilization management administrator assignment, including referrals from DHH-OBH, primary care providers, and others
- members identified as high risk based on predictive modeling results (as described in our response to 2.b.i)
- members identified by treatment planners, WAAs, LGEs, or other providers as needing intensive care management.

[1]Lesbian, Gay, Bi-sexual, Transgendered, Questioning, Intersex, and 2-Spirit

Members in these high-risk groups are identified through the following mechanisms:

- review and analysis of available reports and data such as admissions to acute inpatient facilities
- input from community leaders and individuals knowledgeable about Louisiana's delivery system
- analysis of claims and utilization patterns and trends
- referrals from agencies such as DCFS and OJJ
- identification by the care management team
- referrals from the physical health plan
- referrals from community based programs such as Families Helping Families and The Arc of Louisiana.

EXAMPLE OF SUCCESSFUL OUTREACH PROGRAMS PROMOTING UNDERSTANDING OF COVERED BENEFITS AND SERVICES

Outreach for High-Risk Youth. MY LIFE was started in Arizona in 2008 and is offered to all young people in the community between the ages of 13 and 23, who have experience with mental health, substance abuse, juvenile justice and foster care-related issues. Many youth involved experience co-occurring disorders. Through regular meetings, special events and local and national workshops, presentations and performances, MY LIFE has shared information and resources with nearly 20,000 people in a variety of settings including schools, detention centers, treatment centers, community events, and other locations. MY LIFE's Magellan Youth Festival (MY Fest) has educated more than 14,000 attendees at their events. MY Fest is a free music, art, entertainment, and youth involvement festival that MY LIFE created to raise awareness and reduce stigma about mental health, substance abuse and foster care issues while sharing a wide variety of community resources related to community programs, employment, volunteering or other activities. These activities have received extensive media coverage which has reached even larger numbers.

> *"The Department of Health Services has a vision when it comes to meaningful and visible youth involvement. That vision calls for youth taking action and assuming leadership roles… We feel so proud to have the MY LIFE program in Arizona."*
>
> —Dr. Laura Nelson, Deputy Director for the Arizona Department of Health Services' Division of Behavioral Health Services

During all MY LIFE activities coverage information is shared related to what services and resources are helpful for youth and how youth and families can access them, including contact numbers. In addition, MY LIFE has had significant impact on creating awareness and breaking stigma which often keeps youth and families from accessing services. MY LIFE also has a strong social media outreach component through Facebook and YouTube. Examples can be accessed at: MYLIFEwww.facebook.com/MYLIFEyouth, and at www.magellanofaz.com/mylife.

MY LIFE also reaches out extensively to Latino youth and families and in Arizona Latino youth make up more than 35 percent of their membership. These events and activities have received TV, radio and print coverage in Spanish media which has include interviews in Spanish by MY LIFE members. MY LIFE has also conducts presentations in both English and Spanish.

(d) Describe how the Proposer will assist the WAA in developing POC for the 650-750 CSoC children/youth currently living in out-of-home placements to facilitate their transition to family- and community- based services. Address the following components:

Louisiana's vision for children and youth with behavioral health challenges or co-occurring disorders and their families not only echoes our operating principles, but contains those elements of care we have found successful for facilitating transition from OOH to community based care. Our overall approach relies on us first providing support to achieve the milestones highlighted.

Milestones

1. WAAs and FSOs are operational, have the capacity to collect data and partner around fidelity to the model under the guidance of the SMO
2. A cadre of wraparound facilitators are employed, trained and certified in accordance with state of Louisiana
3. A sufficient bloc of independent CANS assessors is available
4. Family Support Specialists are trained and certified, including national certification by the National Federation of Families for Children's Mental Health.

Louisiana has established the foundation for achieving these milestones by advancing the vision of family-driven, youth-guided and coordinated care through its CSoC initiative, related infrastructure development and SMO strategies. Magellan brings relationships and expertise to complement this foundation. Our sponsorship of the National Federation of Families for Children's Mental Health has yielded briefs on agency readiness to employ family support providers, best personnel practices, and core competencies for these positions. We also bring four nationally recognized staff to support Louisiana in its adoption of the National Wraparound Initiative approach, dedication to youth and family involvement, system development and the use of the CANS in developing plans of care (POCs). Greg Dicharry, Barbara Dunn, Pat Hunt, and Shawn Thiele will provide assistance in Louisiana.

Magellan will work with the WAAs to obtain appropriate releases of information to review any existing POCs, transition plans and anticipated transition dates, and continue to authorize services as appropriate during this review. We will support the WAAs to work with families and to engage both community-based and OOH providers in selecting the priority order for youth to return to their home community, and in developing POCs to support a smooth and enduring transition. This approach will yield a more judicious use of resources and durable system-wide development. We propose that within 30 days of contract start date all youth who are receiving residential services have a current CANS Comprehensive assessment. If there are a limited number of CANS assessors, we propose prioritizing CANS assessments by starting with those youth with a family resource who do not have discharge scheduled within 30 days. Completed CANS will be reviewed against the CSoC algorithm, and stratified based on severity of risks, problem presentation, and strengths. Youth with low risk severity will be prioritized/fast tracked for planning for return to their home and community. This stratification will begin immediately and adjusted based on the mix of severity scores and findings from success rates of youth returning home. Youth with high severity and systems involvement will be addressed through collaboration with CSoC partners.

(i) Involvement of youth, families and caretakers enrolled and not enrolled in a WAA, including WF for enrolled children;

INVOLVEMENT OF YOUTH, FAMILIES, AND CARETAKERS

Magellan will guide, support and bring National Wraparound and Family Leadership expertise to partner with the WAAs to engage youth, families, caretakers, providers, family support organizations (FSOs), DHH and other stakeholders to maximize the scope and effectiveness of meaningful youth and family involvement and embed them in daily practice. To strengthen family access to support from one another, we will financially sponsor the national certification of 100 Family Support Specialists (FSS) to be available to the FSOs and Magellan's Recovery/Resiliency Care Management (RCM) program. Our approach will also incorporate guiding principles and tools from SAMHSA's *Building Bridges Initiative* with all OOH and community based providers to expand the understanding of family and youth involvement within the residential treatment facilities to compliment the POC development that the WAA facilitators will be orchestrating. Tables 2.b.ii.d.i.1 and 2.b.ii.di.2 provide more detail on how Magellan will build necessary capacity as well as guide the development of the POC.

Table 2.b.ii.d.i.1—Helping the WAA Develop a POC: Building Capacity

Helping the WAA develop a POC: Building Capacity	
Develop protocols	Magellan will develop protocols to connect youth & their families to WAAs for CANS, Child/Family Team (CFT) & POC; protocols will be developed in partnership with youth & families to ensure family engagement for voice, access & ownership.
Support wraparound facilitation	Administer certification of WAA wraparound facilitators. This training & certification will be created & implemented through the training consortium & will include co-facilitated training with family leaders for both introductory & advanced wraparound facilitation.
Ongoing Training & Support for Capacity Development	Train & equip WAAs with the Wraparound Process User's Guide & a checklist as a tool to educate & engage youth, families, residential facilities, & providers of required POC elements , technical assitance for family-driven care & resolving barriers
	Advanced specialty training will be built into the training modules to include the following: ▪ Team Composition – Inclusion of Natural Supports ▪ Strengths Discovery ▪ Youth/Family Needs versus Services ▪ Build Strategies with Functional Strengths ▪ Transition Planning – Between services & from services
	Web-based training for CANS permits rapid readiness for assessors. Subsequent training for WAAs on how to use the CANS with families in developing the POC and to help them be engaged through shared language & goals.
Building Formal Family Support for WAAs	Magellan will financially sponsor national certification for initial Louisiana FSS to ensure ready family support when WAA referral for family support occurs.
Field	Magellan's Family Involvement Coordinator(s) & Wraparound Coach(s) will partner in the field to be

Helping the WAA develop a POC: Building Capacity	
Technical Assistance & Coaching	the bridge that strengthens relationship between WAA & families to be active partner in their CFT process & POC development.
	Family Involvement Coordinators & Wraparound Coaches will also support WAA when CFT barriers or system roadblocks occur to help move the POC development &/or implementation process move forward.
Prepare staff from OOH Facilities to Partner with he WAAs	Require residential facility staff to engage in CFT planning with WAA
	Support WAA by requiring residential facility to allow for inclusion of other child-serving agencies, natural supports & community-based resources into the facility program & treatment services.
	Introduce SAMHSA's *Building Bridges Initiative* into the residential treatment programs to complement the guiding principles of the WAAs & produce best practices within residential interventions.
Focus on outcomes & fidelity; share data	▪ Inform WAAs of CANS aggregate scores by domain & individual item level to address areas of success & areas for improvement, particularly family involvement; Magellan care manager helps WAA by reviewing the POC for consistency regarding strengths, needs & utilization guidelines. SMO will help the WAA achieve high levels of fidelity to youth & family voice by applying the NWI Wraparound Fidelity Index Assessment System (WFAS) and Team Observation Measure (TOM) as well as routine CANS assessments.

Table 2.b.ii.d.i.2 Helping the WAA develop a POC: Involvement of Youth, Families & Caretakers

Youth in OOH placements at the time of contract will be enrolled in SMO RCM program. A Magellan child/youth RCM care manager will be trained in National Wraparound Initiative's wraparound process and assume the responsibilities of wraparound facilitator.

Description			
POC Development Steps & Stages	**Youth Enrolled in WAA**	**Role of Youth, Family & Caretaker Involvement**	**Youth Not Enrolled in WAA** **NOTE: If WAA is available in the family region, the RCM care manager will refer to that WAA & then steps in the left hand column apply.**
Wraparound facilitation	SMO RCM care manager will act as a bridge between the OOH provider & the WAA to coordinate a team-based approach to bring youth home.	Share story about what has & hasn't been helpful in treatment. Say what needs to be considered to bring youth home	SMO RCM care manager will take on the role of the WAA to facilitate & coordinate a team-based approach to bring the youth home directly with the OOH provider.
Engage youth & their family	RCM care manager oversees all legal & ethical items are covered The wraparound facilitator (WF) orients youth & families to the wraparound process & availability of family support. If family elects, links them to FSO for FSS. RCM care manager will support the by authorizing services for 30 days.	Identify a convenient time & location to meet. Learn about wraparound & what to expect. Ask questions. Say whether they need formal youth/ family support. Sign required documents to prepare for CFT to develop POC.	The RCM care manager will oversee the collection of required information & ensure that all legal & ethical items are covered, releases of information signed. Will orient the youth & family to the wraparound process & availability of family support If family elects, CM will link them to FSS.

Description			
POC Development Steps & Stages	**Youth Enrolled in WAA**	**Role of Youth, Family & Caretaker Involvement**	**Youth Not Enrolled in WAA** **NOTE: If WAA is available in the family region, the RCM care manager will refer to that WAA & then steps in the left hand column apply.**
Ensure recent CANS	The WAA will check for a completed CANS within the last 90 days & refer to an independent assessor. The WF will inform families about the CANS & how it will be used in the POC.	Participate in discussion to help the assessor in completing or updating the CANS & learn how the CANS results help the POC development.	The RCM care manager will check for a completed CANS within the last 90 days & refer to an independent assessor if one does not exist; will also inform families about the CANS & how it will be used in the POC
Check family access to FSO & FSS to engage natural supports in the POC	RCM care manager will review with the WF to ensure family support is compatible & culturally appropriate for the family. The WAA will connect the family with the FSO or FSS in identifying & outreaching natural supports into the CFT & subsequent processes	Share what characteristics they want in a FSS &indentify what will make them feel most comfortable & connected to their family support. Let the RCM care manager or WAA know about their natural supports.	RCM care manager will review family support to ensure it is compatible & culturally appropriate for the family. The RCM care manager will engage with the FSO or FSS to assist in identifying & outreaching natural supports into the CFT & subsequent processes. If the family elects no FSS, RCM care manager will reach out to natural supports.
Discovery	The WAA will explore strengths, needs, culture & vision with youth & family. Prepare a summary document that is reviewed & edited by family; include FSS. RCM care manager will help the WAA on how to use this in the POC.	Youth & family share their journey including struggles & periods of success, identifying people who were important in their lives along the way.	The RCM care manager will complete strengths, needs, culture & vision discovery with youth & family; prepare a summary document that is reviewed & edited by family; include FSS; and explain how this will be used this in the POC.
Identify key members of CFT & prepare family	WF will help youth/family & FSS identify all relevant child-serving agencies & key people involved the youth's life including providers. RCM care manager will review & identify missing members. WF will help youth/family be prepared to meet with agencies that may be uneasy for them.	From the discovery, identify & confirm people who are key (important) to their journey & the role they can play in the CFT & POC. Help outreach to team members. Identify people that they are not yet comfortable meeting with and seek support.	RCM care manager will work with youth/family & FSS to identify all relevant child-serving agencies & key people involved the youth's life providers (OOH & community) and; help youth/family be prepared to meet with child-serving agencies with which they may have had tension or conflict.
Engage team members	WF will orient team to wraparound, CANS score & its meaning, Seek input from new team members, & summarize strengths, needs, culture & vision with the entire team.	Youth & family help to identify the best ways to outreach the suggested members of the CFT & be involved.	RCM care manager will orient team to wraparound, CANS score & its meaning. Seek input from new team members, & summarize strengths, needs, culture & vision with the entire team.
Coordinate	WF works with key team	Provide dates, time &	RCM care manager works with

Description			
POC Development Steps & Stages	**Youth Enrolled in WAA**	**Role of Youth, Family & Caretaker Involvement**	**Youth Not Enrolled in WAA** **NOTE: If WAA is available in the family region, the RCM care manager will refer to that WAA & then steps in the left hand column apply.**
CFT meeting	members for family-determined dates & locations to yield collective vision & mission.	preferred location for CFT meetings	key team members for family-determined dates & locations to yield collective vision & mission
Develop POC at CFT	Address legal items, confidentiality & risks. Ensure families feel safe; Family/team prioritizes needs & goals; select options that incorporate their strengths and include timelines.	Describe past crisis & safety risks to inform safety/crisis plan Brainstorm about priority needs & goals, pairing them with strategies.	Address legal items, confidentiality & risks ; ensure families feel safe; Family/team prioritizes needs & goals; select options that incorporate their strengths, include timelines
Ensure plan is sound	WF documents the plan, ensures required POC elements are included; solicit family feedback on plan & CFT process. RCM care manager ensures POC aligns with CANS & discovery. If not, the RCM care manager will advise the CFT to review & revise plan.	Review draft of plan; share last minute concerns about potential pitfalls. When they agree with plan, sign off requesting services to be authorized; follow up as determined.	RCM care manager documents plan & to ensure required POC elements included; solicits family feedback on plan & team process.
Service authorization	RCM care manager will let WAA know services are authorized. WAA will coordinate action items.	Ask questions about timeframes, contact information & other items they need to know.	Let the family know services are authorized; coordinate action items.
Follow up	RCM care manager will work with the WAA to conduct follow up & monitor plan effectiveness.	Communicate how services are working so that changes can be made accordingly.	RCM care manager will conduct follow up & monitor plan effectiveness. The RCM care manager will transition out of facilitator role when appropriate.

(ii) Collaboration with the CSoC child serving agencies on service planning;

COLLABORATION WITH CSOC CHILD SERVICE AGENCIES ON SERVICE PLANNING

Magellan will establish strong working relationships with the CSoC child serving agencies (Medicaid, OJJ, DOE (DHH-OBH, DCFS, DHH-OCDD and DHH-Office of Public Health) in the Phase 1 CSoC Regions. Collaboration with the CSoC child serving agencies will be reflected in a state level approach with regional and individual application.

State Level: We will jointly create protocols that clearly define roles and responsibilities of Magellan and the child serving agencies in the CSoC for developing the POCs. Protocols will outline expectations about communications, data and reporting, service plan development, and care coordination. We will also jointly identify the priority order for bringing youth who are OOH back to their family and community and develop a strategic plan to do so.

Regional Level: Our dedicated liaisons will work with regional/local representatives of these child-serving agencies to achieve the intent of the protocols and implement the strategic plan for children and youth returning home. As other CSoC Regions are phased in, Magellan will adapt these approaches to collaboration with those child serving agencies based on lessons learned and local strengths and needs.

Individual Child and Family Level: Magellan will ensure that all child serving agencies receive on overview of Wraparound and the elements of creating a comprehensive individualized POC and the planning process as described in tables 2.b.ii.d.i.1 and 2.b.ii.d.i.2. Engagement, participation and collaboration with the child serving agency partners in the POC development process supports Louisiana's vision to have one system of care and one plan that coordinates strategies to meet the multiple needs of youth and their families.

(iii) Needs identification and collaboration with the Proposer's network management and development staff; and

NEEDS IDENTIFICATION AND COLLABORATION WITH NETWORK MANAGEMENT AND DEVELOPMENT STAFF

Magellan will support WAAs to help CFTs focus on needs and what is required to meet them, rather than a tendency to simply identify services or revert to traditional case management.[2] Developing this approach will help them be able to identify interventions that could meet the needs, including suggested frequency and duration for the child or youth and family. Lastly the CFT will then identify who (possible natural supports) and/or what service providers are available to implement the outlined strategies of the POC. Since the Magellan model for transitioning from an OOH facility includes the assignment of an RCM care manager, the POC will be reviewed for not only medical necessity but for necessary providers for any authorized service. If capacity is not available or a particular service does not exist in the network, the RCM care manager will coordinate with network staff to execute a single case agreement with the necessary provider to implement the service(s).

Gap in Services/Provider Nomination When a Magellan care manager identifies a specialty or provider that will aid in the recovery plan or resilience of a child, the care manager completes a Gap in Service/Provider Nomination form and, if applicable, identifies a provider outside the network of providers that could fill the identified gap. The form is forwarded to the network team. Gap forms and provider nominations are reviewed monthly at the Network Strategy Committee meeting with short and long term strategies identified. We have more thoroughly outlined our network management and development strategy for the full system of care in section 2.e.v. (iv).

[2] Walker, Koroloff and Schutte 2003

(iv) Strategies the Proposer has found useful in other programs. Suggested number of pages: 3

SUCCESSFUL STRATEGIES USED IN ARIZONA

With the impetus of our 2008 white paper[3], Magellan reviewed local data and program outcomes in Maricopa County to develop a clear picture of what was happening with children and youth OOH and develop a plan for their return to home and community. We worked with child serving state agencies, families and providers to design a tracking assessment of each youth and used the results to develop a plan for their community based care. The plan included several phases.

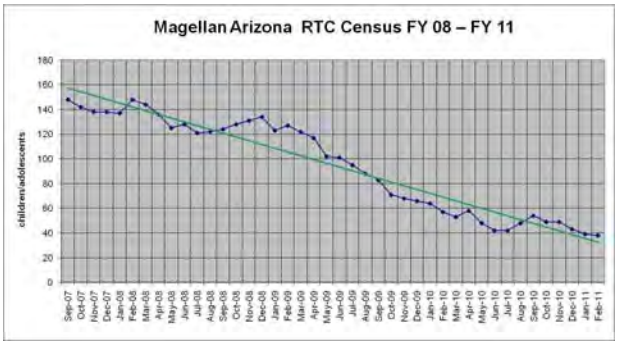
Phase 1: We determined the priority order for CANS assessments; connected families to existing or hired family support, applied parallel management strategies to: a) avert unnecessary OOH placements, and b) help children already out of home successfully return. We helped CFTs develop targeted treatment goals focused on behaviors and symptoms that led to admission. We reduced the initial authorization for residential treatment from 30 days to 14 to ensure immediate focus on discharge planning and to make certain that discharge plans reflected targeted treatment goals in the POC.

Phase 2: Magellan required residential providers to coordinate with CFTs to develop one POC that included the milieu targeted treatment goals.

Phase 3: Magellan enhanced community-based services such as substance abuse, respite, rehabilitation services, family and youth peer support, and evidence-based practices.

Phase 4: A review of data showed an 80 percent or more overlap of children and youth placed in RTCs with both Child Protective and Juvenile Probation systems. We developed a strategic plan with local partners of those agencies and jointly instituted a Service Review Collaborative, increasing cross system support to CFTs to address barriers around treatment and service planning.

Figure 2.b.ii.iv-Reduction in RTC Census



Results: Our approach achieved remarkable results. Through service expansion and related care management activities Magellan significantly reduced residential census over a three year period. by 75 percent as shown in figure 2.b.ii.iv, In addition, residential

[3] *Perspectives on Residential and Community-Based Treatment for Youth and Families* (2008) Magellan Health Services; Happ, D., Hunt, P., Kamins, R. et al

days per 1000 decreased by 83 percent and inpatient hospital days per 1000 by 42 percent for a cohort of high–risk children.

iii. Describe strategies the Proposer has used to collaborate with wraparound facilitation staff/child and family teams and families, including family support type organizations in another client state. Discuss the Proposer's successes and challenges and provide a reference that can validate the Proposer's approach. Suggested number of pages: 3

COLLABORATION STRATEGIES FOR WRAPAROUND FACILITATION

National Strategy: Magellan's experience in this arena has been amplified by extensive literature reviews[4] relating to the role and value of both family support and wraparound. They also served to highlight the value of family roles and the importance of continuously collaborating with all members of child and family teams. Based on this information, we developed a white paper, *Perspectives on Residential and Community-Based Treatment for Youth and Families* (2008), which has served as a catalyst to reduce out of home interventions and increase home and community based services. Our review of research has validated the importance of our long standing partnership with the National Federation of Families for Children's Mental Health (FFCMH), to develop national certification for family support positions, thus strengthening the constancy of family partners in wraparound.

Arizona Strategy: In Arizona, Magellan implemented a technical assistance partnership with community based and specialty providers and family run organizations (similar to the Louisiana Federation of Families) to continually take a systems improvement and transformation approach to ensure the Arizona System of Care Principles and Child and Family Team (CFT) model were implemented to the fullest level of fidelity. We did this by building an internal operational infrastructure between the Child and Youth Service, Quality Improvement, and Training divisions. Examples of their activities include joint practice reviews, and co-developed and facilitated training based on needs identified from provider reviews which permitted us to collaboratively identify challenges and develop solutions. Our work with families of children and youth includes individual family members, those who are employed by family-run organizations such as the Family Involvement Center (FIC) and Mentally Ill Kids in Distress (MIKID), and families who are employed by provider agencies. Arizona's family-run organizations fill a role that encompasses many of the functions of Louisiana's Family Support Organizations. We contract with FIC and MIKID to provide family driven services, assist with system transformation, and act as a hub of expertise for the larger community of families. They provide support, education, and leadership development. FIC prepares families to take on roles as family support partners and to participate as full members on Magellan's quality committees. Our challenges and successes are shown in table 2.b.iii.1.

[4] Walker, Koroloff and Schutte 2003; Bruns, E. J. (2003). *Serving youth with emotional and behavioral problems in Maryland: Opportunities for the use of the wraparound approach.* University of Maryland, School of Medicine, Department of Psychiatry; *Perspectives on Residential and Community-Based Treatment for Youth and Families* (2008), Happ, D., Hunt, P., Kamins, R. et al.

Table 2.b.iii.1-Collaboration Challenges and Successes

Challenges	Successes
CFTs require basic training, consistent support and relevant information in order to achieve family involvement and partnership while addressing shortcomings.	**Implemented a joint training and development strategy around key training areas.** ▪ CFT Training Curriculum was developed and delivered in partnership with family leaders from the Family Run Organization. ▪ Supported the development and implementation of a CFT orientation for families via the Family Involvement Center. ▪ Developed and implemented training for specialty tools and areas including CASII, Overview of Building Bridges Initiative, Birth to Five, and supporting Transition to Adulthood
Lawyers representing Arizona's Medicaid-eligible children filed *JK v. Dillenberg* , a class action lawsuit seeking improved access to behavioral health care in that state. The basis of Jason's case was that Arizona had failed to provide the mental health treatment mandated by Medicaid's Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) mandate. As a result of the suit, and a 2001 settlement agreement, the system was very *compliance oriented*. This approach did not foster quality CFT implementation. We needed to build a structure that would advance the system toward practice improvement and outcomes.	**Implemented a Technical Assistance (TA) and Coaching structure that includes:** ▪ Magellan's Children's System of Care Coordinator's key function is to provide field observation, CFT and facilitation TA to the team as a whole, individual facilitators and supervisors ▪ A monthly coaches meeting led by Magellan ensures consistent coaching of the principles, CFT model, identification of system trends and building coaching capacity. ▪ Ensure family support as a formal component of the CFT implementation and service delivery.
The system did not have measures to assess and oversee whether and to what extent family members were being involved in the creation and implementation of their children's plan and treatment (both throughout the CFT process and within provider organizations).	**Implemented family support measures and involvement into the QI process to:** ▪ Incorporate language about family inclusion in the Treatment Record Review and out-of-home monitoring tools; create a system wide family roles inventory that is collected and review quarterly to ensure that family positions are maintained and/or expanded throughout the system ▪ Include a family support metric in the functional outcomes on the children's dashboard ▪ Institute a vendor contract with the family run organization (FIC) for families to administer quality interviews with families of children receiving services.
System wide definitions and clear expectations are crucial for creating a supported system of family roles in provider and family run organizations.	**Developed practice protocol** ▪ In partnership with the family run organizations, providers and state behavioral health authority Magellan developed a family and youth roles practice protocol ▪ Created a provider specific quarterly family roles inventory to ensure maintenance and targeted growth.
Magellan's contract requires state approval for policy	**Implemented consistent language changes to policy,**

Challenges	Successes
changes. We are one of several Regional Behavioral Health Authorities in the state. We are more advanced than others in applying strategies to our commitment to the statewide priority of family involvement. As a result, our collaborative approach became complex when we sought state approval for policies that included stronger language around accountability for family involvement in our region. This continues to be a work in progress.	**provider and program scopes of work and contracts.** ▪ This was done via state contract, Magellan directed provider contract scopes of work, and in policy ▪ Annual System of Care plans are developed and executed in partnership with families and youth who are receiving services Youth and family input is gathered for the plan through Web-based surveys, focus groups. and face-to-face interviews led and organized by FIC.
Partnership around system transformation among the family run organizations and the provider community has been tenuous at times. Since the family organizations also provide services they have been viewed by some providers as competitors rather than partners in these efforts.	**Established operational partnerships with FIC, MIKID and provider family leaders to ensure collaboration and support** ▪ Support a vendor contract for system transformation activities in three areas – for families of recipients, for families working in the system in family roles and to provide family lead consultation and TA to the system and its providers. The work in these areas are organized in under the following structure: ▪ Vendor services contract that outlines annual goals, objectives and tasks (example attached) that includes training, support, leadership development ▪ Monthly Family Run/Provider CEO meeting to discuss system barriers and solutions ▪ Monthly community forum to educate on the system, gather community and family member feedback which inform the evolution of the system ▪ Bi-weekly family run organization contract meeting to track and follow implementation of the partnership and contracted strategies
More clearly identifying the role of family run and peer run organizations beyond service delivery and doing so in a way that bridges the strengths they bring from their respective systems (child and adult).	**Developed a Peer and Family Involvement Framework to ensure support and connections are available for youth moving into adulthood and their families.**

Figure 2.b.iii-1 shows the peer and family involvement framework.

Figure 2.b.iii-1—Peer and Family Involvement Framework

REFERENCE TO VALIDATE MAGELLAN'S APPROACH

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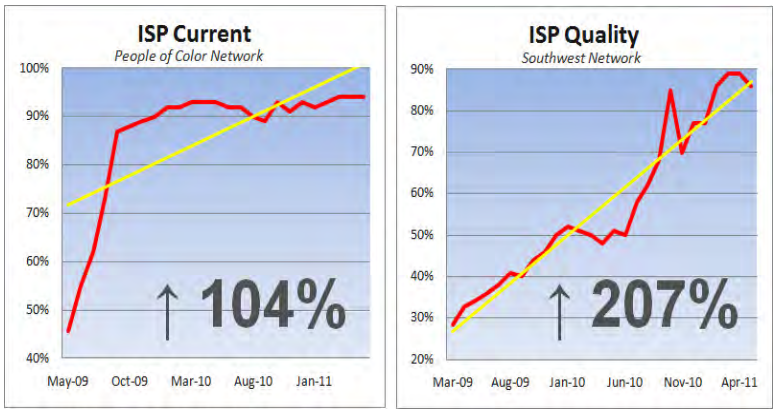
iv. Describe how the Proposer will develop treatment planning for adults in the 1915(i) State Plan and adults eligible for treatment planning under the 1915(b) waiver, adults eligible for the 1915(i) HCBS services, IV drug users, pregnant substance abuse users, substance abusing women with dependent children or dual diagnosis, including from the point of access to the point of either case closing or reduction in CM activity to the point of care monitoring: Suggested number of pages: 7

An essential component of Magellan's clinical model is the development and utilization of an effective person-centered treatment plan based on the consumer's needs, strengths, and desires. Despite the fundamental nature of this building block, it is not uncommon in public sector behavioral health for the treatment plan to be out of date or lack key quality items. Magellan has extensive experience and documented success in partnering with network providers to dramatically improve both the accuracy and quality of treatment plans for adults, which in turn leads to stronger outcomes where for consumers.

Figure 2.b.iv.1-ISP Improvement



In Maricopa County, AZ, Magellan initially utilized "provider profiles" with key demographic and activity data reports. However, in our second phase we identified severe challenges with key providers lacking a current individualized service plan (ISP) or scoring very low on qualitative audit reviews. Collaboratively, we developed a specification manual for monitoring and reporting success in an internal agency outcomes dashboard management tool, which drilled down to individual outpatient sites. We highlighted areas of success and evaluated and shared "best practices." We also made significant enhancements to our Clinical Advisor (the Magellan electronic health medical record), to improve compliance, provide tips and coaching to agency staff and offer a "look-in" for Magellan's clinical, quality, care management and utilization management (UM) support staff. As a result, we saw significant gains for adult ISPs, most notably for the two agencies shown in Figure 2.b.iv.1. People of Color Network serves nearly 6,000 individuals and Southwest Network serves more than 22,000 (totals served include adults and children). We are now in the third phase and these outcomes are transparently available online at; http://magellanofaz.com/dashboards.

Magellan's care managers, behavioral health advisors, chief medical officer, medical administrator, and quality improvement staff provide monitoring, consultation and collaboration, and oversight of consumer treatment plans to ensure that they are medically necessary, individualized, recovery and resiliency oriented and meet program requirements. The procedures for treatment planning for Louisiana will vary depending upon the individual's eligibility status and clinical presentation, specifically:

1. For adults who are eligible for 1915 (i) services (those over 21 with acute stabilization needs; serious mental illness; major mental disorder; and who have previously met criteria and need medically necessary services for stabilization and maintenance), Magellan will refer the member to a licensed mental health professional in our provider network for an independent evaluation, using the Level of Care Utilization System (LOCUS) treatment development.

2. For adults who are not eligible for 1915 (i) services and who use IV drug, women who are pregnant substance abusers, or women who abuse substances or have a dual diagnosis and have dependent children or dual diagnoses, Magellan will refer the individual to a network provider for an independent evaluation using the American Society for Addiction Medicine (ASAM-PPC) criteria. The results of the evaluation will be used to develop an individualized treatment plan consistent with DHH-OBH treatment planning requirements.

3. For adults who are not eligible for services based on the criteria above, Magellan will authorize medically necessary services provided by a qualified network provider. If the member meets criteria for rehabilitation substance abuse services, Magellan will refer the member to a network provider will develop a rehabilitation service plan consistent with ASAM-PPC criteria. The provider will submit the service plan to Magellan for review and prior authorization.

In all cases, our care managers collaborate with providers from the point of access throughout the course of treatment during the UM to ensure that the treatment plan not only meets medical necessity and other program requirements, but reflects the member's unique needs and desires. They also provide care coordination, assure that appropriate releases of information are signed and that all behavioral and physical health providers are communicating relevant information (e.g. medications) and coordinating the treatment plan for the member across all treatment modalities.

Many adults in these populations will meet criteria for our RCM program due to their history and often complex needs. RCM provides a higher level care manager involvement to facilitate positive treatment outcomes through proactive identification of consumers who require intensive care management services to achieve, consolidate, and maintain treatment gains. The RCM program is a collaborative process that assesses, plans, implements, coordinates, monitors, and evaluates the options and services required to meet an individual's needs. It promotes quality and cost-effective interventions though ongoing and comprehensive analyses of outcome metrics. The program is designed to optimize the physical, social, and mental functioning of individuals by increasing community tenure, reducing readmissions, enhancing support systems, and improving treatment efficacy through person-centered advocacy, communication, and resource management. The program includes more frequent contact with more intensive coordination of resources among the member, providers, family members, and individuals and organizations that provide mental health, social and other support services.

(a) Involvement of individuals, certified peer specialists and families, when desired by the individual;

Involvement of consumers, their families, certified peer specialists and other supports when desired by the individual is a critical component of a recovery-oriented system of care. Magellan's person-centered approach underscores the

importance of services and supports being driven by the choices and self-identified needs of the person. In practice, person-centered care is about involving people receiving services in all aspects of their care in an environment that supports self-determination. Traditionally, consumers are forced to fit into the existing service delivery system; our goal is to ensure that services meet the needs of the consumer and to aid recovery and resiliency.

Magellan has engaged in two intensive initiatives to change the culture and practice of behavioral healthcare for adults to improve the entirety of the treatment process, from assessment to treatment planning to interventions and outcomes:

- The first targeted the nature of case management services and shifting them from a broker, referral model to one characterized by personal engagement and shared collaboration on clinical and recovery goals. To achieve this partnership in car, we first supported modifications to the physical plant of more than 20 clinics, where security keypads, safety Plexiglas, and separate restrooms for staff created both physical and symbolic barriers. Magellan supported and funded the award winning design for the East Valley Campus of Partners in Recovery in Maricopa County, Arizona (shown in figure 2.b.iv.a.1) which eliminated barriers altogether.

Figure 2.b.iv.a.1- East Valley Campus of Partners in Recovery

- The second initiative focuses on what Magellan refers to as “the new normal,” the engagement of family from the outset of the assessment and treatment planning process. We developed a training module in partnership with the local state National Alliance on Mental Illness affiliate and other consumer and family groups to shift practice from including family only “upon request” to proactively seeking these supports.

Additional methods we use to facilitate involvement of consumers, families, certified peer specialists, and other supports, include the following:

- In partnership with youth, families, peer specialist, providers, the State and other stakeholders practice improvement protocols related to peer, youth and family involvement will be developed. These protocols will set clear expectations and outline requirements for providers regarding involving consumers and, as appropriate, certified peer specialists, family support partners, youth support partners, family members, and

other natural supports in the planning of their care. These requirements (for example, provider responsibilities with regard to upholding member rights and responsibilities, involvement of consumer/family advocates, meetings, and member and family involvement in treatment planning) will also be contained in our provider manual, treatment record review tool and process, care manager review tool and process, and others. Trainings will also be offered on these protocols and requirements.

- We conduct training and skills-building activities designed and co-facilitated by certified peer specialists, family support partners, youth and family members that will help consumers and families develop and enhance their skills to more effectively work with their treatment team to achieve goals, manage symptoms, and prevent relapse. Through forums such as these trainings, MY LIFE events in Louisiana, and roundtables we will help consumers and families enhance skills to help them become more involved in all aspects of their services and the service delivery system We also provide training and tools to providers on strengths-based approaches to care, including topics such as discharge planning, wellness recovery action plans (WRAPs), parents' perspectives on assessment and treatment planning, and creating a vision for adult, youth and family empowerment and involvement in all aspects of care.
- We inform, involve, and help consumers and family members, as appropriate, in decision making about the type and duration of services they receive as a way of promoting self-direction of their overall care and treatment. This should include choosing their provider, as well as deciding which community supports, family members, peer supports, and other resources a member wants included in the treatment plan. This is achieved through direct involvement in programs such as joint treatment planning, intensive psychiatric rehabilitation, and other programs that explicitly promote consumer involvement and decision making.
- Our monitoring efforts will include reviewing the extent of family involvement and peer support during our treatment record review process, as well as in our Outcomes/Performance Dashboard metric. The Outcomes/Performance Dashboards will be publicized on our Web site as a way to promote transparency and accountability as well as highlight successes.

At the service level, consumers and their families will be the foundation of the outcomes process, *Outcomes360*. Member-based assessment tools will bring member voice to the forefront of goal setting and attainment. Consumers will fill out the Session Rating Scale (SRS), the Outcomes Rating Scale (ORS), and/or the Consumer Health Inventory (CHI) to focus goals on evidence-based indicators of treatment success and functional outcomes. Real time feedback on strengths, resources, overall health, and relationship with the clinician will empower the member to self-assess, fully participate in treatment, and take charge of their well-being.

We also perform internal monitoring of the care management process and follow-up, to continually measure and improve the effectiveness of interventions and initiatives.

(b) Collaboration with community providers on assessment and treatment planning;

Collaboration with community providers is a fundamental component of Magellan's approach to assessment and treatment planning. This approach facilitates service integration across agencies, behavioral health providers, and primary care providers (PCPs). Through our focus on recovery and resiliency oriented, person-and family-centered

treatment supported by our medical necessity criteria and clinical practice guidelines, our procedures promote improved communication, coordination, and integration between providers, as well as EBPs and improved outcomes. Our goal is that providers become familiar with the assessment and treatment planning process and that we work together to develop the most appropriate individualized treatment plan based on a comprehensive assessment. This collaboration is particularly important in delivery systems such as Louisiana in which providers may not be experienced with managed care and the resources available to them. Activities and tools that support this approach include:

Provider Education. During the implementation period and throughout the life of the contract, Magellan will offer and provide scheduled and on-demand training and technical assistance to all providers on care management and UM. We will schedule meetings at convenient times, including evening and weekends, to ensure that all providers have an opportunity to attend a training session. We also will accommodate requests from providers for on-demand training at provider/agency locations. This training includes: our recovery philosophy, person-centered planning, assessment guidelines (for example, ASAM-PPC, and LOCUS), medical necessity criteria and how to apply it, clinical practice guidelines, and EBPs. Policies, procedures, and guidelines are included in our provider manual and posted on our Website for providers to reference at their convenience. Providers also have access to online courses on our Website on topics such as recovery and resiliency, medication assisted treatment for substance abuse, integrated treatment for co-occurring disorders, and other topics. The site also includes tools on cultural competency, and member educational materials that providers can use to support consumers, for example, the importance of taking medications correctly.

Care Management/Utilization Management Collaboration. At every point during the care management and UM process, our care managers collaborate with providers in shaping treatment, appropriate discharge planning, problem-solving barriers (i.e., limited service availability) and addressing needs for referrals and follow-up services to facilitate the most appropriate, coordinated treatment plan. For consumers with more complex needs, our RCM program provides a more intensive level of collaboration and care coordination with community providers through joint treatment planning. Our behavioral health advisors are also always available for consultation regarding assessment and treatment planning issues.

Collaboration with PCPs. Our chief medical officer will attend regular DHH-OBH designated medical director meetings, including linkage with CCN-P medical directors to collaborate on developing care coordination and treatment planning protocols and identify training needs. Other mechanisms Magellan uses to support collaboration with PCPs include:

- During utilization reviews, care managers inquire about the member's medical history and whether the member has a PCP. Based on the member's needs, the care manager facilitates a PCP referral and reinforces the need for the behavioral health provider to communicate with the PCP to ensure a coordinated treatment plan. This component of the utilization review process is included in care manager monitoring activities.
- Behavioral health network providers are expected to coordinate care with PCPs, and related policies and procedures are published in our provider manual and reviewed at provider orientations and ongoing trainings. This component of treatment planning is included in the provider Treatment Record Review process.

- Our PCP Assistance Line (PAL) is a direct access number for real-time consultation with a psychiatrist on a specific case or general behavioral health conditions has been effective in our other programs and is proposed in Louisiana.
- To facilitate communication with PCPs, we will provide the PCP Communication Toolkit which includes three levels of PCP communication forms based on the member's acuity and safety. They provide a mechanism for behavioral health providers to inform the PCP that behavioral health treatment is occurring, medication changes, safety issues, and contact information.
- Core components our Medical Integration Plan (that will be customized for Louisiana) include: access to medical care; information exchange; providing information/education to medical health care personnel; ensuring appropriate medication use; coordination of timely access for appropriate treatment and follow-up; evaluation of continuity and coordination of care; collaborative QI activities; and collaborative prevention activities/programs.
- Our Mixed Services Protocol clarifies responsibilities for UM and claims payment for diagnoses, procedures, and situations that fall into the gray area between medical/surgical and behavioral health coverage. Magellan's template, based on many years of administration, outlines most scenarios that may cause confusion. Working with our customer, the template is customized for the account and resolves most issues prior to service delivery, ensuring that both the member's treatment and claims payment are timely.
- PCPs also have access to online trainings on our website on assessment and treatment planning for behavioral health disorders they are likely to encounter in the primary care setting.

(c) Needs identification and collaboration with the Proposer's network management and development staff; and

Consistent with Magellan's philosophy that member's needs always come first, network development is driven by the identified needs of consumers. We continuously work towards development and expansion of services to fill gaps in services to meet these needs.

When any member of Magellan's care management team identifies a specialty or provider that will aid in the member's recovery plan, the team member completes a *Gap in Services/Provider Nomination* form and, if applicable, identifies a provider outside the contracted network that could fill the identified gap. The form is forwarded to the network team who executes a single case agreement with the provider. Gap forms and provider nominations are then reviewed monthly at the Network Strategy Committee meeting with short and long term strategies identified.

In addition, network development staff track and monitor the frequency of unmet needs quarterly. This information is reviewed by the Network Strategy Committee and recommendations are made for provider recruitment to fill service delivery needs. This information is also used to develop the annual network development plan. The Network Strategy Committee includes care management team members who provide input into network development strategies, and priorities.

In addition, network staff provides information and regular updates to the care management team regarding network/ program development that is in process so that newly developed resources can be used as they become available.

(d) Approaches to treatment planning for individuals with co-occurring disorders;

Approximately 50 to 60 percent of persons seeking mental health and/or substance use treatment have co-morbid conditions. If co-occurring disorders are treated the first time, relapse rates decline, recovery is realized, and quality of life improves significantly with treatment dollars saved.

Consistent with Louisiana's vision, Magellan is committed to promoting integrated treatment planning for consumers with co-occurring mental health and substance abuse disorders and will seek providers who have implemented or are planning to implement the evidence-based Louisiana Integrated Treatment Model that DHH-OBH articulated in its 2010-2011 Community Mental Health Services Block Grant Application[5]and is implementing statewide to ensure that providers are able to serve individuals with substance abuse and mental health needs through integrated services.

We share this commitment and our efforts will help strengthen integrated service delivery in Louisiana. Over the last year, we have devoted significant resources to train our providers and care managers in our other public sector programs on the principles of co-occurring integrated services (Minkoff and Cline), identifying and addressing co-occurring disorders, as well as ongoing monitoring, and we will bring these resources to Louisiana. Highlights include:

- Like DHH-OBH, Magellan offers e-learning courses to providers through our partnership with Essential Learning, including classes for introductory, intermediate and advanced training on co-occurring disorders Providers report that they see this as a valuable service, particularly those providers in rural areas who have difficulty attending courses in person.
- We developed guidelines for screening and assessment of co-occurring disorders which we provide to inpatient psychiatric facilities and to substance abuse programs.
- Care managers receive training on co-occurring disorders via a comprehensive Webinar on facts regarding co-occurring disorders such as prevalence, evaluation, and treatment.
- We developed a review tool used by clinical supervisors to monitor care management staff to ensure that they are appropriately identifying and addressing co-occurring disorders.

[5] Louisiana FY 10-11 Community Mental Health Services Block Grant Application FY 2011 Plan September 1, 2010 Office of Mental Health. Pages 113-117.

Magellan also requires that all of our clinical staff become familiar with all programs that address the multiple special needs of individuals with co-occurring mental health and drug and alcohol concerns. These requirements assure clinically appropriate treatment for each consumer, starting with their initial contact with Magellan. Care management staff is available by phone 24/7 to assist with treatment linkages. When a member calls requesting help in accessing drug and alcohol treatment, care managers work with the individual to identify appropriate sites for face-to-face assessment, to evaluate the consumer's ability to get to the assessment site, and to identify other community resources that could potentially support recovery.

In addition, lessons learned in our existing programs will be leveraged in Louisiana to develop and implement strategies such as:

- Convening a co-occurring task force/ work group made up of providers, state officials from connected systems including police, fire, probation, corrections, peers, family members and stakeholders to evaluate Louisiana's current strengths and deficits related to serving individuals with co-occurring disorders and their families. This group will then present recommendations for areas for improvement related to improving outcomes for individuals experiencing co-occurring disorders. A similar task force was convened in Arizona and made recommendations to Magellan's shared governance board and state officials related to clinical best practices, housing, peer and family involvement, homeless outreach and utilizing non system community resources.
- We will develop relationships with the 12-step programs/ communities in Louisiana, while honoring the tradition of anonymity. Connecting with the recovery community will enable us to provide information about the SMO including how to access services and supports. We will include support group locations and times in our *Guide to Self-Help and Support Groups.*
- We will work with first responders and hospital emergency rooms (ERs) to develop workable practices so they can easily encourage individuals to call the Louisiana Care Management Center for follow up if first responders (e.g. – fire and rescue) believe there is a co-occurring disorder contributing to the emergency.

Network for Improving Addiction Treatment (NIATx). We will offer this program in year two of the SMO contract. The program helps mental health and substance use provider agencies make quick, efficient changes to client registration, intake, and initial assessment processes to improve access to care and increase treatment retention. Part of an exclusive partnership between Magellan and the nationally-recognized, SAMHSA-endorsed NIATx, the program offers behavioral health providers an opportunity for ongoing training with NIATx experts specializing in teaching agencies how to implement rapid process changes using a simple process improvement model. NIATx is part of the University of Wisconsin-Madison Center for Health Enhancement System Studies. The program—the Quality Improvement Capacity Model—is a series of interventions that help providers make more efficient use of treatment capacity. The model includes workshops, teleconferences, site visits, coaching, technical support, and distribution of educational materials. Participants learn to use techniques and evidence-based organizational change principles to better meet the needs of those accessing mental health and addiction services, and share their successes and challenges with peer organizations. Using these methods, the program is expected to yield demonstrable improvement in outcomes, including:

- improved efficiency of each agency's intake processes, which reduces the time an individual waits for treatment by an average of 30 percent
- a reduction in no-show levels by at least 15 percent
- trained staff members from at least two mental health and/or addiction treatment agencies who coach and support their peers at other treatment centers.

(e) Experience with managing care for individuals living in permanent supportive housing; and

Magellan is committed to the application of EBPs demonstrated to improve quality of life outcomes for individuals receiving services within our systems of care. Permanent supportive housing is one key area of practice in which Magellan consistently incorporates SAMHSA EBPs; including combinations of permanent supportive housing, assertive community treatment (ACT), and consumer-operated Services. Inclusion of these practices is achieved through deliberate system design efforts, continuous quality improvement activities, and service planning support tools available throughout the system of care.

In Arizona and Pennsylvania, Magellan has extensive experience managing the care of larger populations of individuals engaged in permanent supportive housing programs. We currently oversee a comprehensive continuum of housing programs with 5,519 units of housing managed through a multitude of housing providers in those two programs alone. The inclusion of a broad range of evidence-based support service interventions is essential to achieving optimal success for individuals housed in these units as well as those consumers living independently, with family or other natural supports in the community.

Permanent supportive housing and ACT are often combined in central Arizona's behavioral health system; an ACT program that offers extensive community-based supports to more than 1,300 seriously mentally ill individuals. Every individual in the program either lives independently, with family, or is homeless as the team works to engage the individual into a permanent supportive housing option. To meet the housing needs of this population, Magellan has dedicated several units of unstaffed-community living placement to each ACT team. ACT housing and independent living skills specialists partner to complete permanent supportive housing specific assessment tools that drive treatment planning. Those tools include the Magellan-developed *Life Skills Strengths Needs Assessment (LSSNA)* and the monthly *Home and Personal Safety Checklist* that guide the team's delivery of targeted support services.

Specific Examples of Magellan's permanent supportive housing include the following:

- Supportive services In Northampton County, Pennsylvania, where Magellan partnered with both stakeholders and the county to create a supported housing program that applies in-home rehabilitative and recovery supports.
- Participation in the Bridge Subsidy Program (BSP). The program is a collaborative endeavor that partners Public Housing Authorities (PHA) and non-profit organizations to provide housing opportunities to our homeless and chronically homeless individuals through programs in which Magellan contracts with a local PHA to administer the BSP while a recipient is linked to a Housing Choice Voucher; creating and fostering

positive linkages between the behavioral health authority and the public housing authority that has historically been non-existent.

- Collaboration with the Corporation for Supportive Housing, Valley of the Sun United Way and committed Arizona housing providers (including City of Tempe and Arizona Behavioral Health Corporation) to create 35 units of permanent supportive scattered site housing in Tempe and immediate access to 50 more units throughout the region for chronically homeless individuals identified as being the greatest users of shelter resources. Consumer-oriented services delivered by the SAMHSA grant-funded HOPE Network were applied to augment other permanent supportive housing resources already available within the behavioral health system. Every individual in this program engages in a formal semi-annual independent living skill assessment using the *Self-Sufficiency Matrix.* This tool, along with the *Support Service Standards in Permanent Supportive Housing* document, provides additional direction essential to the success of individuals most challenged to maintain community tenure.

Transitional housing supports, which are offered to augment existing clinical team and external provider supports for individuals in short-term housing, are delivered solely through a consumer-operated services EBP service-delivery model in central Arizona. Two consumer-operated teams deliver services to the 110 available units with a focus on skill acquisition leading to a transition in permanent supportive housing through planning that addresses the identified reason for the current episode of homelessness. These peer-delivered services are offered in a manner that ensures partnership with the individual's natural and professional supports within a *Housing First* permanent supportive housing model.

Magellan's permanent supportive housing efforts are designed around the engagement of EBPs proven to produce positive outcomes. The combination of permanent supportive housing, ACT, and consumer-operated services EBPs has resulted in programs that currently maintain community tenure for 5,519 behavioral health service recipients in two of our larger systems of care while thousands of others receive permanent supportive housing community-based supports where they live, work, and play.

(f) Strategies the Proposer has found useful in other programs.

Magellan's subscribes to the philosophy that people with substance use disorders have better treatment outcomes when provided strengths-based, clinically appropriated, holistic treatment to address their behavioral health concerns. To ensure that the unique needs of each individual are met, Magellan maintains a robust provider network with substance abuse treatment services targeted towards women who are pregnant and parenting, people who use intravenous drug as well as all enrolled individuals struggling with substance use. Individuals seeking treatment for a substance use disorder receive peer engagement services, a comprehensive biopsychosocial assessment which includes the ASAM PPC-2R and individualized person-centered treatment planning that focuses on strengths and natural supports such as family. These strategies enable Magellan to provide high quality clinical care while achieving positive treatment outcomes. Targeted services available for these populations include the following:

- Intensive outpatient, standard outpatient, gender specific residential, detoxification and medication assisted treatment programs provided by licensed specialty clinicians as well as highly skilled and trained peer support staff.
- Programs that offer group and individual counseling, transportation assistance, on-site child care (to enable mothers to attend group and individual sessions), a resource center for job search and internet access, supportive housing and rental assistance, peer recovery support, intensive case management services, and parenting skills groups.
- Specialized trauma treatment modalities include dialectic behavioral therapy skills, cognitive behavioral therapy, and eye movement desensitization and reprocessing.
- Evidence-based practice modalities include ASAM, cognitive behavioral therapy, the Hazelden curriculum, the matrix model, the Minkoff model, recovery concepts, trans-theoretical model, solution focused brief therapy, motivational interviewing, and medication assisted treatment.
- An intensive case management program for women who are pregnant with substance abuse issues
- Opioid replacement treatment
- Culturally specific programs are available for the Hispanic, African American and Native American communities.

Magellan oversees supports and monitors the network of substance abuse treatment providers to make certain that the needs of each recipient are met in accordance with best practices and contractual requirements. Oversight and support activities include:

1. Routine technical assistance and training- Technical assistance training occurs both in-person and telephonically. Technical assistance ensures services are delivered in accordance with a holistic and evidence-based, individualized approach. Magellan also provides training to substance abuse treatment providers on ASAM, motivational interviewing, medication assisted treatment for substance use disorders, office based opioid treatment, family support in treatment and co-occurring disorders.
2. Recurring provider meetings- Magellan holds monthly and quarterly and ad-hoc provider meetings for the purpose of providing feedback, support and updates related to treatment guidelines and substance abuse treatment best practices.
3. Quarterly quality audits- Magellan conducts random quarterly quality audits to review assessment and treatment planning. The audit allows Magellan to ensure that assessment and treatment planning are individualized and person-centered.
4. Annual independent case reviews- Magellan participates in an annual independent case review audit. The audit randomly selects recipients who received substance abuse treatment services and reviews the case for clinically appropriate interventions and response to treatment. Audit results are reviewed with the provider agencies and, if needed, plans to address areas for improvement are created in collaboration with the contracted providers.

C. UTILIZATION MANAGEMENT

LOUISIANA STRENGTHS

Over the last year, our Magellan team members have been impressed as we talked to consumers, family members, providers, and others who are involved in the behavioral health system. Louisiana has a unique heritage, a remarkable resiliency, and a demonstrated commitment to serve more people, more effectively, despite significant funding challenges. Through these personal interactions and our analysis, we have identified several successes that are advancing the system towards a recovery-based, outcomes-focused model. Highlights include the following:

- resiliency to press forward with transformation initiatives despite a succession of tragedies with compounding effects, for example, a series of devastating hurricanes, Gulf oil spill, and flooding
- laying a foundation for effective utilization management (UM), for example, eligibility criteria, referrals, and prior authorization through the efforts of the Mental Health Rehabilitation program
- establishing community collaboratives to design and implement crisis service systems to offer comprehensive, 24/7 intervention services focused on hospital-diversion.

There are also significant opportunities in the current system. Chief among these are the lack of a systemic, statewide approach to UM and medical necessity criteria (MNC) as well as the historic tendency to over-utilize more intrusive services like emergency departments and inpatient hospitalization—challenges that exacerbate the lack of adequate funding for more cost effective, community-based alternatives.

MAGELLAN COMPLEMENTARY STRENGTHS

As a clinically driven company, we drive our efforts to improve real-life outcomes for consumers. “Living Healthy Working Well” means optimal achievement of wellness, productivity, social connectedness, and community tenure. We have strong experience in public sector contracts in other states including Iowa, Pennsylvania, Florida, and Arizona, and have demonstrated experience in reducing unnecessary hospital admissions, reducing average length of stay, and reducing readmissions. Despite the challenges of the recession and budget reductions, increased unemployment and increased Medicaid enrollment, in one contract Magellan achieved the following in 2010:

- reduced utilization of inpatient hospitalization for those enrolled in assertive community treatment (ACT) by 51percent while improving ACT fidelity scores to all-time highs
- virtually eliminated the common practice of community based urgent care centers refusing referrals from local emergency rooms (“hospital diversion”), which resulted in dramatically improved access to care for those in crisis
- reduced the utilization of Level 1 residential treatment for children and adolescents by 70 percent while improving community integration and child and family involvement
- Implementation of CaseLogix online for initial reviews and initiation of the CaseLogix online system for continued stay reviews reducing administrative time for providers.

TRANSFORMATION MILESTONES

Recognizing that system change is an incremental process, Magellan has established concrete milestones for successive years of the Statewide Management Organization (SMO) contract:

YEAR ONE OBJECTIVES AND MILESTONES – ESTABLISHING THE BASELINE

- During the implementation period prior to go-live date an ongoing a focus on training and orientation to the UM process and requirements, prior authorization, MNC, and clinical practice guidelines (CPGs).
- Implementation of recovery- and resiliency-based, clinically-driven UM that focuses on "do no harm" and improved independence and outcomes for consumers.
- Provision of care coordination and outreach ensure that consumers and their families are connected with appropriate services and identify those in need of more intensive monitoring and supports.
- Through our Training Consortium provision of technical assistance and support to providers regarding fidelity to practice guidelines and unmet service needs.
- For Coordinated System of Care (CSoC) children/youth reduction in the number of children in out-of-home (OOH) care by 15 percent by implementing a front door diversion strategy and targeted treatment planning for transitioning planning back to community.
- For CSoC children/youth develop a transition plan for the 600 to 750 children currently in OOH with the goal of transitioning at least 30 percent by the end of the first year.
- For non-CSoC children/youth reduce the number of children in all levels of OOH care by five percent by implementing a front door diversion strategy and targeted treatment planning for transitioning back to community. This will include: expanded use and set of telehealth, other technology options, and enhanced programming within the school system.
- For adults, reduce inpatient psychiatric utilization for by 25 percent and reduce all other levels of care by 10 percent.

YEAR TWO OBJECTIVES AND MILESTONES – RAISING THE BAR:

- Evaluation of baseline data and complete analysis of causative factors for overutilization of higher cost services, long lengths of stay and readmissions.
- Shift the culture and operations of residential care to be more focused on outcomes; retaining youth, family and community engagement from day one for timely and less disruptive transitions.
- Review all residential programs for youth/family engagement throughout their practices.
- Reduce all levels of OOH care for CSoC children/youth by an additional 10 percent.
- For non-CSoC children/youth work with all community-based and school-based providers around targeted treatment planning and connection to community resources to divert OOH utilization. Reduce OOH utilization by an additional 5 percent.

- For adults, reduce inpatient psychiatric utilization by an additional five percent and reduce all other levels of care by an additional five percent.
- Enhancement of community-based service gaps, such as peer support, to maximize integration and community tenure.
- Obtain URAC Accreditation under the Health UM standards for Magellan's Louisiana Care Management Center (CMC).
- Improvement in coordination of outpatient, inpatient and crisis providers through collaboration and shared protocols.
- Introduction of focused clinical initiatives on "promising practices," including outcomes, suicide intervention and care, and whole-person integration of behavioral and physical healthcare.

YEAR THREE OBJECTIVES AND MILESTONES – REALIZING THE VISION:

- Move definitively from provider management to provider oversight, support and partnership.
- Consideration of models for increased self-management; pay-for-performance initiatives (such as Partners in Care); and creative provider partnerships.
- Review and analysis of program data to identify additional service gaps, and shift funding to less intrusive, community-based services.

REGIONAL AND POPULATION-BASED APPROACH

Magellan's UM program will establish new statewide norms but will be sensitive to the regional and population differences that make the Louisiana healthcare landscape both exciting and challenging. For example, our UM support will include Magellan's Critical Case Conference Model when an adolescent in the CSoC has more complex needs and multiple system stakeholders are involved. Our level of technical assistance and support will vary from rural areas to urban areas based on specific needs, and will include CPGs and emerging "promising practices" around outcomes, suicide intervention and care, and whole-person integration of behavioral health and physical health needs.

i. Address how the Proposer will perform the following UM activities:

Magellan's primary goals are to maximize the use of services that support recovery and resiliency, match services to each member via cultural competence and evidence-based practices, and ensure that services are provided along the full continuum of care. To meet these goals, our UM program guides clinical decision-making that includes the consumer's broader recovery and resiliency needs. Magellan's UM protocols will be applied consistently and with documentation of compliance with Department of Health and Hospitals-Office of Behavioral Health (DHH-OBH) standards. Our UM program is designed to provide quality of care, full access to care, oversight of routine outpatient care, focused oversight of acute inpatient level of care (LOCs), and use of clinically driven triggers to identify those members in need of additional support.

As evidence of the rigor of our UM program, Magellan has an organizational commitment to incorporate National Committee for Quality Assurance (NCQA) standards into our service delivery system. Further, Magellan's Louisiana CMC will become accredited by URAC in the Health UM standards during the first 18 months of the contract.

Magellan's UM staff does much more than make LOC determinations. The team provides care coordination and outreach, refers members to appropriate providers and services, works with members and providers in culturally appropriate ways, identifies members who are in need of more intensive monitoring or support, and consults with providers on issues of fidelity to practice guidelines and unmet service needs.

Our philosophy and approach to UM are detailed in our written UM Program Description and clinical policies and procedures which are tailored for each public sector contract to reflect local goals, objectives, and requirements. These documents will be customized for Louisiana and include the following activities.

(a) How the authorization process will differ for acute and ambulatory levels of care for adults, CSoC and non-CSoC children;

DIFFERENCES IN AUTHORIZATION PROCESS

Our approach regarding service authorization is to preauthorize higher LOCs such as acute inpatient but use a *registration* system for routine care, in which prior authorization is not required for routine outpatient and other non-intensive services. This allows us to focus clinical review resources on more complex cases. Magellan's quality improvement processes ensure that care is driven by the consumer's strengths and needs.

Magellan will implement and manage UM processes, including differences in medical necessity criteria for children and adolescents and adults based on LOC and intensity of need; different methodologies for authorization based on LOC; and different processes for CSoC and non-CSoC children. These are described briefly below.

Acute LOCs: To provide reduction in time required for providers to obtain initial telephonic authorizations for higher LOCs, Magellan's proprietary system, CaseLogix, is a fast, user friendly and easy way to quickly enter key information needed to request and confirm service authorization. The system allows providers to respond to an algorithm for a selected LOC online and answer standardized, specific questions. The responses provided will drive an automatic authorization or direct the provider to call Magellan's Louisiana CMC to provide additional clinical information to a care manager. Clinical algorithms are based on contract specific MNC and are created and regularly reviewed by a cross-disciplinary clinical workgroup. For the Louisiana SMO, the algorithm will be used for admissions to all levels of care other than traditional outpatient and tailored to flag member cases involving medical, pharmacy, or behavioral issues, which will trigger a review by a care manager. Approximately 50 percent of requests will be authorized via CaseLogix; the remaining requests will be forwarded to a care manager for review. By the start of the second year of the contract, CaseLogix will also be implemented for continued stay reviews.

For children admitted to a general hospital, as required, face-to-face continued stay reviews will be conducted on site at the facility by a licensed mental health professional (LMHP). For children being treated at a psychiatric hospital, a psychiatric residential treatment facility (PTRF) or rehabilitation therapeutic group home, CaseLogix will be available

for admission; however, authorization will be contingent on receipt and review of the certificate of need (CON). By the start of year two of the contract, CaseLogix will be implemented for continued stay reviews.

In addition, for acute LOCs discharge planning begins at the time of admission; barriers are addressed to avoid delays in discharge; a follow-up appointment is scheduled prior to discharge; the member is contacted prior to the ambulatory follow-up appointment with a appointment reminder and to address any obstacles to attending the appointment; and a call is made to the provider post-appointment to confirm attendance.

Ambulatory LOCs: For outpatient providers, Magellan minimizes the burden and maximizes the effectiveness of oversight by requiring registration for the first 12 sessions. This allows Magellan to be aware when members are receiving services and contact the provider, if required, to review or monitor treatment planning. If further sessions are required, the provider submits a Treatment Request Form (TRF) which contains additional clinical and administrative elements to identify when provider outreach may be appropriate. Through the use of clinical and administrative filters, care managers are alerted of cases requiring review through automatic flags that forward the case to the outpatient queue. For example, members who have a diagnosis of bipolar disorder, schizophrenia, or major depression and who have not had a medication evaluation are flagged and reviewed with the provider to determine the rationale for not referring for a medication evaluation and appropriate referrals and authorizations made. Members who are not making progress may be flagged so that a care manager may review and monitor treatment planning.

Adults. Magellan's adult care management team will conduct UM and care coordination for adult members in treatment. Care managers on this team will be experienced in services, treatment, and evidence-based practices for this population. They will receive in-depth initial and ongoing training and supervision in the application of medical necessity criteria for adults, the Level of Care Utilization System, and ASAM-PPC. They will ensure that treatment plans and rehabilitation service plans are developed within required timeframes and include the member's recovery goals; are recovery oriented and person-centered; include the member and the member's family and other persons involved with the member, as appropriate and desired by the member; include realistic and appropriate discharge plans; and that any quality of care concerns are addressed and resolved. Care managers will facilitate referrals to credentialed network providers based on the member's choices and clinical needs. Care managers will also work with providers to coordinate care with primary care providers (PCPs) to address co-morbid physical health and behavioral health conditions. The care management team will include follow-up specialists who provide outreach and follow up for members discharged from acute inpatient LOCs to ensure that they keep their follow up appointments and peer specialists who will support members in reaching their recovery goals.

CSoC Children. All children will receive a Child and Adolescent Needs and Strengths (CANS) brief assessment at the time of the initial contact with Magellan's CMC. For children and youth who meet CSoC eligibility criteria, Magellan will assign a dedicated CSoC care manager who will:

- Coordinate the completion of the CANS broad assessment by a qualified provider.
- If a WAA is available, the CSoC care manager will act as a single SMO point of contact for: coordination with the WAA to engage the child/family team (CFT) to identify the precipitating factors being presented for requested services and current plan of care (POC) targeted treatment goals; submission of authorization requests by the wraparound facilitator; and providing assistance with accessing authorized services in a timely manner.

- For regions in which a WAA is not available, the CSoC care manager will assume responsibility and within 30 days convene the CFT to create the POC.
- For situations that are more complex and have multiple system stakeholders involved, this process with be organized according to Magellan's Critical Case Conference Model in which the care manager engages the stakeholder agency representative of responsibility (Department of Children and Family Services, Office of Juvenile Justice, Office for Citizens with Disabilities and/or Department of Education) to gather any additional information that may assist in the LOC decision making process and includes them as part of the CFT for POC development. This model has proven to minimize the likelihood of multiple plans for one child and family and continuity of direction across all involved systems.
- If acute care in a general hospital is verified as indicated and medically necessary, the CSoC care manager will coordinate and schedule face-to-face concurrent utilization reviews with a LMHP.
- Upon determination of discharge from an acute LOC by the LMHP, the CSoC care manager will convene the CFT to modify the POC if deemed necessary as a result of the acute care intervention and to solidify the transition back to community in accordance to the POC.

As required, the WAA will receive authorization for CSoC services for up to 30 days during the assessment and planning period. The CSoC care manager will review POC for consistency with the child/youth and family/caregiver's strengths and needs (as identified by the CANS broad assessment and the POC) and SMO utilization guidelines approved by CSoC Governance, and confirm that the POC includes all of the required elements (assigned task and person responsible, community partners identified to provide natural supports, crisis and safety plan). If the POC meets these criteria, Magellan's care manager will authorize services for up to 90 days for most children/youth, or longer subject to medical and social necessity. If the POC is inconsistent with assessed needs and strengths and the utilization guidelines for the desired services, or it exceeds the cost of care limitations, Magellan's CSoC care manager will make a recommendation to the WAA for further discussions with the CFT to collaborate on appropriate services and provide authorization.

Non-CSoC Children. Non-CSoC children/youth will be assigned to a child care manager on the child care management team. He/she will complete the CANS brief screen and arrange for the CANS broad assessment by a qualified provider. The care manager will conduct outreach to families, caretakers, other child-serving agencies involved with the child/youth, providers, and others in the child's life to educate them about the wraparound model and engage them in developing the POC and transition planning. The care manager will arrange for case conferences that include all appropriate parties, facilitate appropriate referrals, assist in resolving barriers to the POC and/or transition plan, facilitate consultation with our child psychiatrist as needed, and provide timely service authorizations.

The care manager will coordinate with the current community service provider to engage the family to identify the precipitating factors being presented for requested admission as well as the current POC targeted treatment goals so that they can be incorporated into the acute placement intervention. If the child is not currently enrolled with a community service provider, the care manager will coordinate a referral to services based on treatment recommendations from the acute care facilities.

For situations that are more complex and have multiple system stakeholders involved, this process with be organized according to Magellan's Critical Case Conference Model (described above) and determine if the child's presented needs warrant being served under CSoC.

Upon determination of discharge from an acute LOC the care manager will convene the treatment team to modify the POC if deemed necessary as a result of the acute care intervention and to solidify the transition back to community in accordance to that POC.

AUTHORIZATION REQUIREMENTS BY SERVICE TYPE AND POPULATION

Table 2.c.i.a shows how we plan to authorize the various service types by specific population. A key is provided to explain the terminology in the table.

Table Key:

1. CaseLogix On-line=Through our proprietary algorithm, the provider logs in on-line to our secure Web site and requests authorization. By answering a series of questions, which takes 10 minutes or less, approximately 50 percent of requests will be authorized. For the other requests which fail the online algorithm, a message is displayed with instructions for the provider to call our UM department. A care manager, who has the information from the on-line request, will conduct the rest of the review with the provider. In the first year, subsequent continued stay requests for inpatient general hospital and psychiatric hospital will be telephonic. After year one, the CaseLogix on-line protocol will apply for continued stay reviews. For all other levels of care employing CaseLogix, we will roll out during the first year of the contract the same protocol as with initial reviews. Note: authorizations are contingent on receiving Certification or Recertification of Need, when required.

2. None=Does not require prior authorization. Note: Inpatient physician's fees are concurrently authorized when the LOC is authorized.

3. Registration/Pass-through=For these services, the provider registers on-line and receives an authorization for 12 sessions. If additional sessions are requested, they will complete Magellan's outpatient TRF online. Either an additional 12 sessions will be authorized or a care manager will call the provider to discuss specifics about the treatment plan.

Table 2.c.i.a-Authorization Requirements by Service Type and Population

Service	Medicaid Children	CSoC Children (Medicaid & Non-Medicaid)	Medicaid Adults	Medicaid Adults eligible for 1915(i)	Medically Needy	CHIP in Separate Program	OBH Adults	OBH Children	OJJ/DCFS Children
Inpatient General Hospital	CaseLogix On-line	CaseLogix Online	CaseLogix Online	CaseLogix On-line	CaseLogix Online	CaseLogix Online			
Psychiatrists (Physicians)	None	None	None	None	None	None	None	None	None
Psychiatric Hospital	CaseLogix On-line	CaseLogix Online					CaseLogix Online	CaseLogix Online	CaseLogix Online
Psychiatric Residential Treatment Facility for under age 21	CaseLogix On-line	CaseLogix Online				CaseLogix Online		CaseLogix Online	CaseLogix Online
Rehabilitation Therapeutic Group Home	CaseLogix On-line	CaseLogix Online				CaseLogix Online		CaseLogix Online	CaseLogix Online
Licensed Mental Health Practitioners	Registration/ Pass-through	Registration/ Pass-through		Registration/ Pass-through					
Rehabilitation (Unlicensed Mental Health Practitioners) ▪ **Community Psychiatric Support & Treatment** ▪ **Psychosocial Rehabilitation** ▪ **Crisis Intervention**	CaseLogix On-line	CaseLogix Online		CaseLogix On-line			CaseLogix Online	CaseLogix Online	CaseLogix Online
Rehabilitation & Substance Abuse	CaseLogix On-line	CaseLogix Online	CaseLogix Online	CaseLogix On-line			CaseLogix Online	CaseLogix Online	CaseLogix Online
1915(c) & 1915(b)(3)		Registration/							

Service	Medicaid Children	CSoC Children (Medicaid & Non-Medicaid)	Medicaid Adults	Medicaid Adults eligible for 1915(i)	Medically Needy	CHIP in Separate Program	OBH Adults	OBH Children	OJJ/DCFS Children
CSoC Services ▪ **Psychoeducation** ▪ **Parent Support & Training** ▪ **Peer Support** ▪ **Independent Living Skills Building Services** ▪ **Short Term Respite** ▪ **Crisis Stabilization** ▪ **Multi-Systemic Therapy** ▪ **Functional Family Therapy** ▪ **Homebuilders Services**		Pass-through							
1915(b)(3) Case Conference	None	None		None			None	None	None

Evolving Utilization Management. Magellan has developed a Partners in Care (PIC) Program which uses data to identify inpatient facilities and psychiatric residential treatment facilities that meet certain targets to participate in the program. Targets include metrics such as average length of stay, readmission rates, and follow-up after hospitalization rates. Qualifying facilities are required to complete fewer inpatient concurrent reviews following the approval of the pre-certification request. Facilities receive quarterly performance data and are asked to provide corrective action plans if specific metrics do not meet the targets. Best practices are shared among the PIC participants and with facilities that are not in the program due to not meeting the minimum targets to encourage improvement across all facilities. Typically, one year of data is required to determine facilities that are to be invited to join the PIC program.

(b) Describe the UM workflow and processes for denial of care;

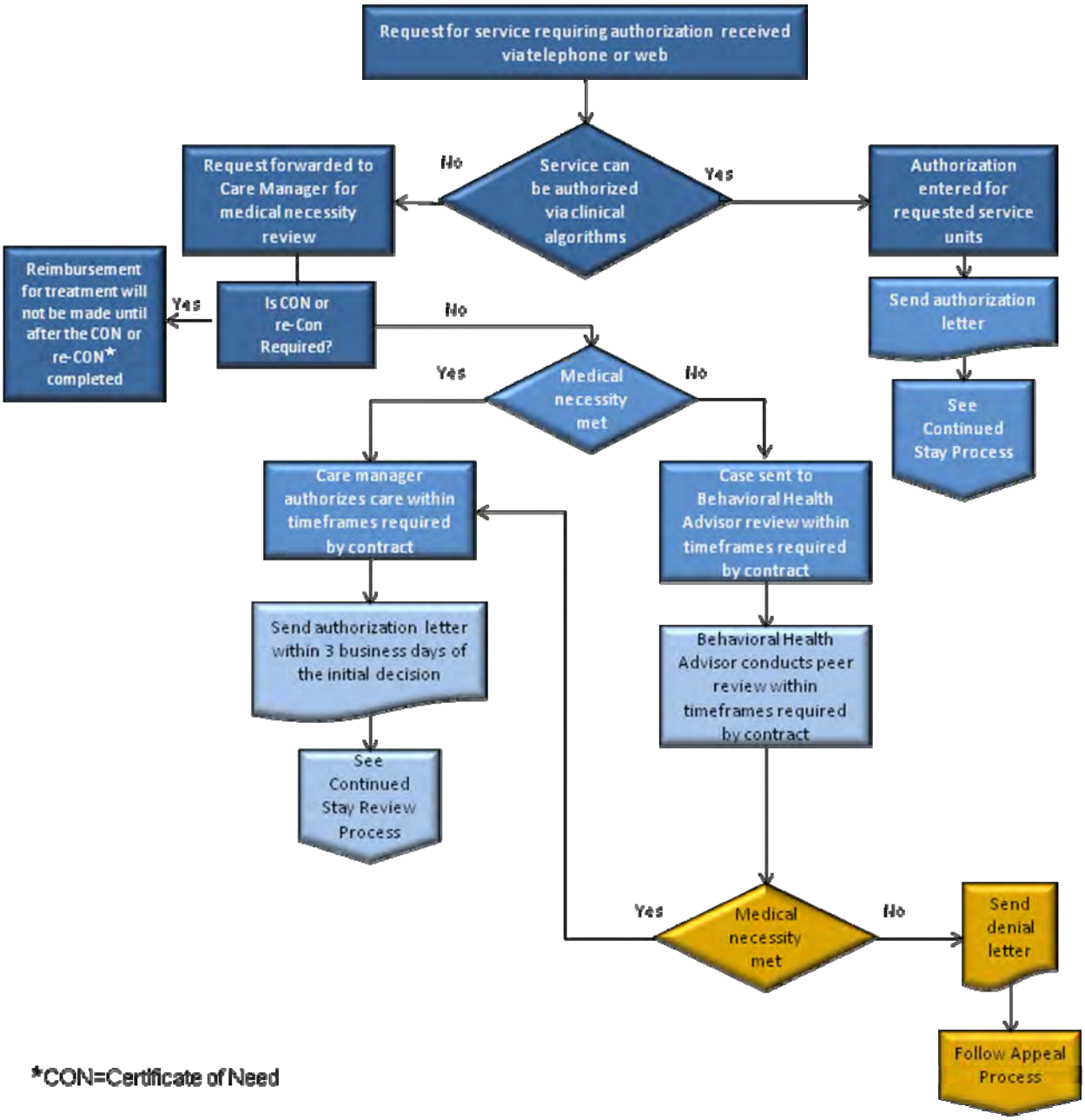
MANAGEMENT WORKFLOW AND PROCESSES FOR DENIAL OF CARE

Authorization decisions are made only by mental health professionals. A licensed care manager can authorize services, but only Magellan's medical director or physician designee can make a denial determination. Prior authorizations are never required in emergency situations.

Magellan's UM philosophy promotes collaboration and consultation between providers and our clinical management staff, and is focused on providing services that best meet members' and their families' needs. Naturally, even in the best run care management system, denials are inevitable because there will be some requests for services that are not medically necessary. However, in our experience, when providers are trained and knowledgeable regarding MNC and their application, and conversations occur in a collaborative mode, the need for denials of coverage decreases. As a result, our denial rates range from only two percent to five percent at all of our public sector CMCs that have been in operation for more than one year. Because of our collaborative approach, however, up to 25 percent of requests for 24-hour care placements are redirected to alternative locations after care options are discussed.

In the rare case in which a denial is necessary, the care manager refers the case to the medical director or behavioral health advisor for review. Throughout the review process, if it appears that the requested LOC does not meet medical necessity, the care manager and/or behavioral health advisor will suggest alternative treatment ideas. If agreement is not reached and a denial is imminent, the behavioral health advisor will always offer an appropriate LOC that will be authorized. The peer review and denial of care workflow is shown in figure 2.c.b.

Figure 2.c.b-Denial Work Flow



(c) Describe appeals process, including the Proposer's standard and expedited appeals procedures, including the impact on the member and involved providers during the appeal process; and

DESCRIPTION OF APPEALS PROCESS

Member appeals are processed in accordance with internal policy and all state and federal regulations and guidelines. All appeals will be received and processed by the Magellan Grievance and Appeals Team. The quality management administrator (QMA) oversees the appeal process and arranges additional assistance for members as necessary, including interpreter services and connecting with toll-free numbers that offer TTY/TDD capabilities. All appeals will be date-stamped and logged into our complaints and appeals database upon receipt. Our appeals procedures will be submitted to DHH-OBH for approval upon award of a contract for the Louisiana SMO and prior to implementation, and will be re-submitted if any changes are made. Procedures comply with all requirements of DHH-OBH and 42 CFR §438 Subpart F.

Complete information regarding the appeal process and procedures, including the right to a State Fair Hearing if the resolution is not satisfactory to the involved parties, will be included in member communication material, including the Member Handbook and on the member portal of the Magellan Web site. Network providers will also receive this information as part of the Provider Manual and through other provider communication mechanisms.

STANDARD APPEALS

Member Appeals—Routine Appeals—Medical Necessity. The appeals team is staffed with individuals who are fully trained on all aspects of the appeals process, including the rights of members and other involved parties. Members may file contractor level appeals and may also request a State Fair Hearing once Magellan's appeals process has been exhausted. Network providers may file appeals or request a hearing on behalf of a member, with the member's written consent. Members and network providers will be allowed thirty calendar days from the date on the notice of action to file an appeal. Appeals may be filed orally or in writing, except in the case of an expedited appeal, in which case the oral notification must be followed by a written, signed appeal request. Expedited appeals are described fully in the following section.

A written acknowledgement of the appeal will be sent via the U.S. Postal Service to the originator of the appeal within three business days. The appeal will then be forwarded to a reviewer who was not involved in, and does not report to, anyone involved in the original determination. All reviewers will be doctoral level with experience in child or adult care as indicated by the age of the member. The member, the member's representative, or a provider on behalf of a member may present information related to an appeal in person or in writing, and may review Company documents related to the appeal, including the member's medical record. However, the member and/or network provider and other designated representatives will be informed of the limited time available to present information or meet with the reviewer. All appeals will be resolved prior to any scheduled State Fair Hearing or within 30 days of the filing, whichever is earlier. During the resolution period, all treatment services will continue unless the member withdraws the appeal or the time limits for authorized care run out. The member will be informed that they may be financially responsible for these services if the resolution is adverse to them.

The appeal determination and supporting documentation will be logged into the appeal tracking system. Written notification of the appeal decision will be sent via certified mail to the appellant and/or appellant's parent or guardian,

as appropriate. A copy of the appeal documentation is sent to DHH-OBH prior to a State Fair Hearing date or within 30 days of the appeal request filing. The appeals and comment coordinator will also make a concerted effort to contact the appellant by phone to communicate the appeal determination. All appeal determination correspondence will be sent in the language in which the original appeal is received and will include information about the right to file an appeal with the State if dissatisfied with the results. Members are informed that DHH-OBH has already reserved a date for an administrative hearing concerning the appeal determination.

If the member proceeds to a State Fair Hearing, Magellan will provide DHH-OBH with a written summary of the clinical justification of the decision and supporting documentation, and will make available involved staff members to participate in the hearing. For eligible members, we will offer continuation or reinstatement of services pending the appeal outcome, until the member withdraws the appeal, or until the service limits of previously authorized care have expired. Members will be notified that, if the decision of the State Fair Hearing is adverse to the member, Magellan may recover the cost of services provided to the member if this was done solely on the basis of the requirements of the appeal process, DHH-OBH, and 42 CFR §431.230(b)

EXPEDITED APPEALS

Expedited Appeals—Medical Necessity. Our medical necessity appeals process will include procedures for expedited review of appeals when our clinical staff determines or the network provider indicates (in making the request on the member's behalf or supporting the member's request) that a delay could seriously jeopardize the member's life, health, or ability to attain, maintain, or regain maximum function. Expedited appeal requests may also be forwarded from DHH-OBH and the CSoC. These will be reviewed as quickly as possible, but in no case later than three working days after receipt of the appeal. Expedited appeals will follow the routine appeal process with the exception of the timeframe. If an expedited appeal request is received regarding an emergency department case in which the member, guardian, authorized representative, conservator, or network provider maintains that the individual is at imminent risk if returned home or provided with a diversionary alternative to inpatient admission, the expedited process includes a one day provisional authorization for admission pending the result of the expedited review.

A peer-to-peer or desk review will be arranged with a reviewer not previously involved in the decision and with appropriate clinical background within one calendar day of the request. The appeal determination will be rendered in a timeframe appropriate to the urgency of the case but in no more than three business days from the receipt of the request. The appellant will be notified by telephone within one hour of the decision and written notification will follow by mail within two business days. Magellan will inform the member of their rights to appeal an adverse determination, to file a complaint, and/or to request a State Fair Hearing.

If the member asks to meet with the decision maker and/or submit additional information, the decision maker will offer to meet with the member within three business days of receipt of the appeal, and a determination will be issued not later than five business days after receipt of the appeal. The meeting with the member will be held via the telephone or at a location accessible to the member.

IMPACT ON MEMBER AND INVOLVED NETWORK PROVIDERS

OUTCOME OF APPEALS

When the appeal results in the reversal of the original determination to deny authorization of services or pay claims, we will ensure appropriate actions are taken to pay for care. If the appeal results in the original determination being upheld, there will be no payment for the associated claims. If a member is dissatisfied with the results of the appeal determination or the Company has not issued the appeal determination, the State shall proceed with the State Fair Hearing as scheduled.

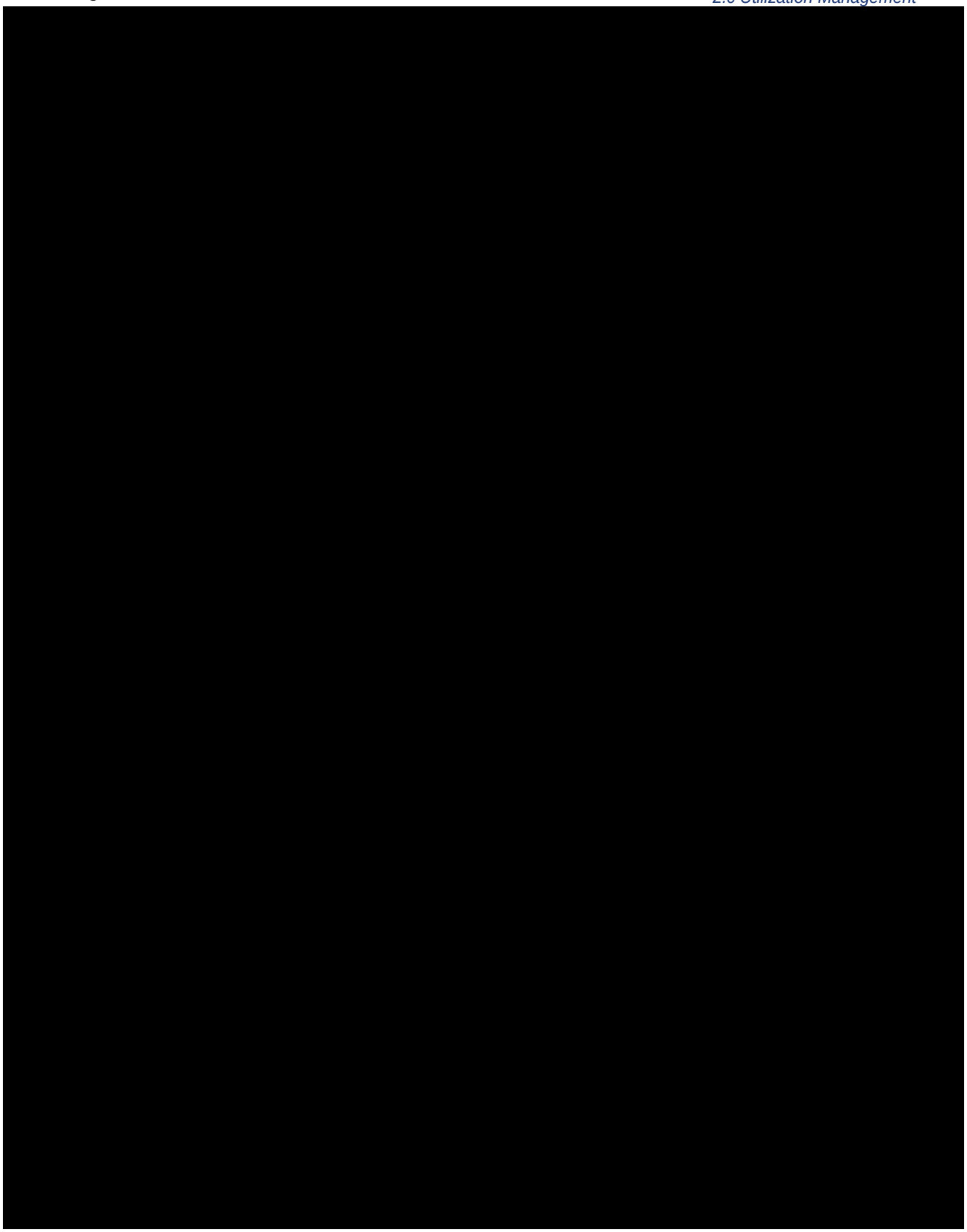
RECORDKEEPING AND REPORTING

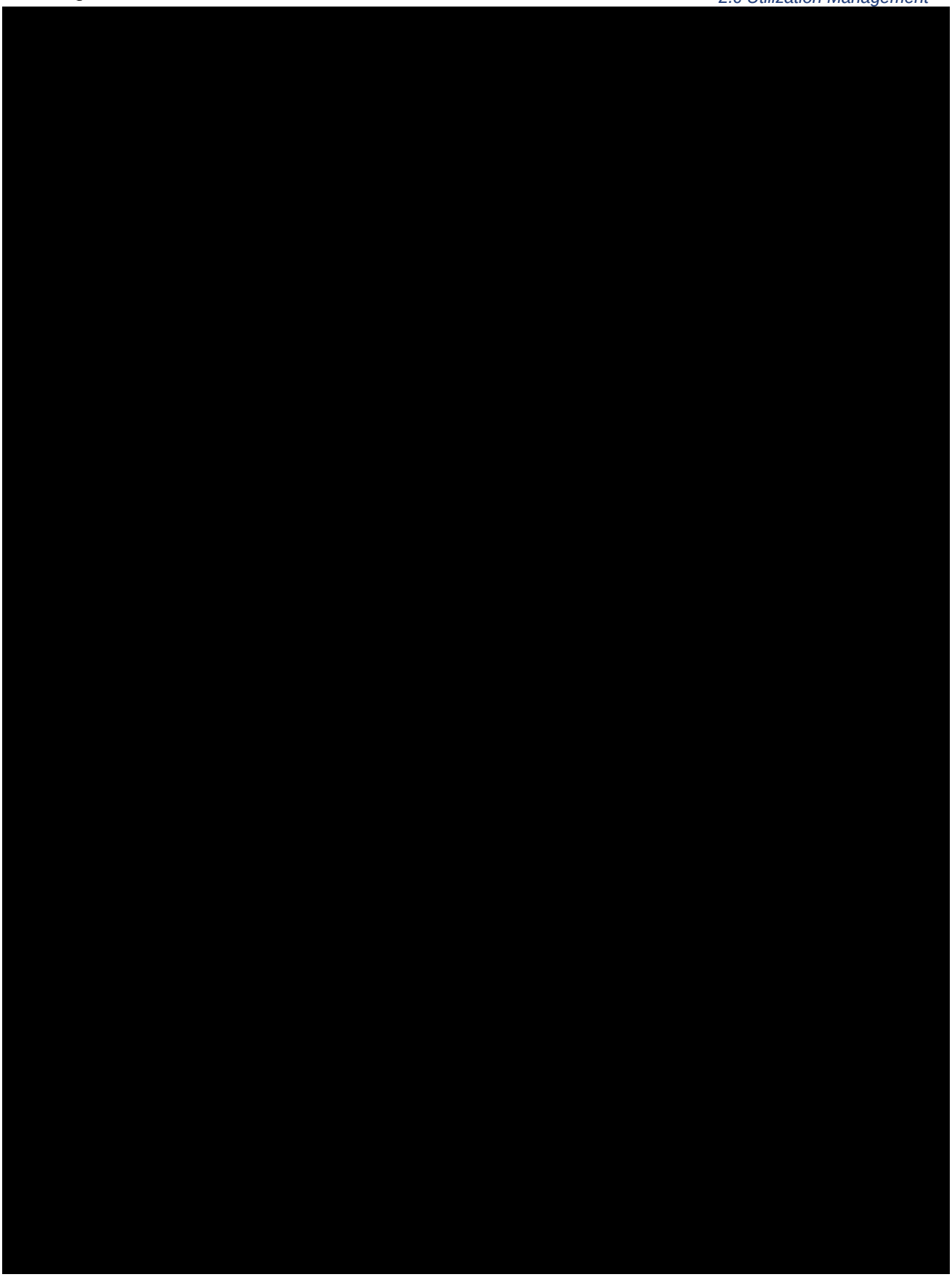
All appeal information will be maintained in the Magellan grievance and appeals database for a minimum of six years, unless any litigation, claim negotiation, audit or other action is initiated during that time. In that case, the information involved in the action will be maintained until the action is resolved or until the end of the original six year retention period, whichever is later. Additionally, appeal information will be electronically reported to DHH-OBH on a monthly basis, unless adverse decisions are made regarding appeals. These adverse decisions will be reported to DHH-OBH immediately for further review. Reported information will contain all detail required by DHH-OBH.

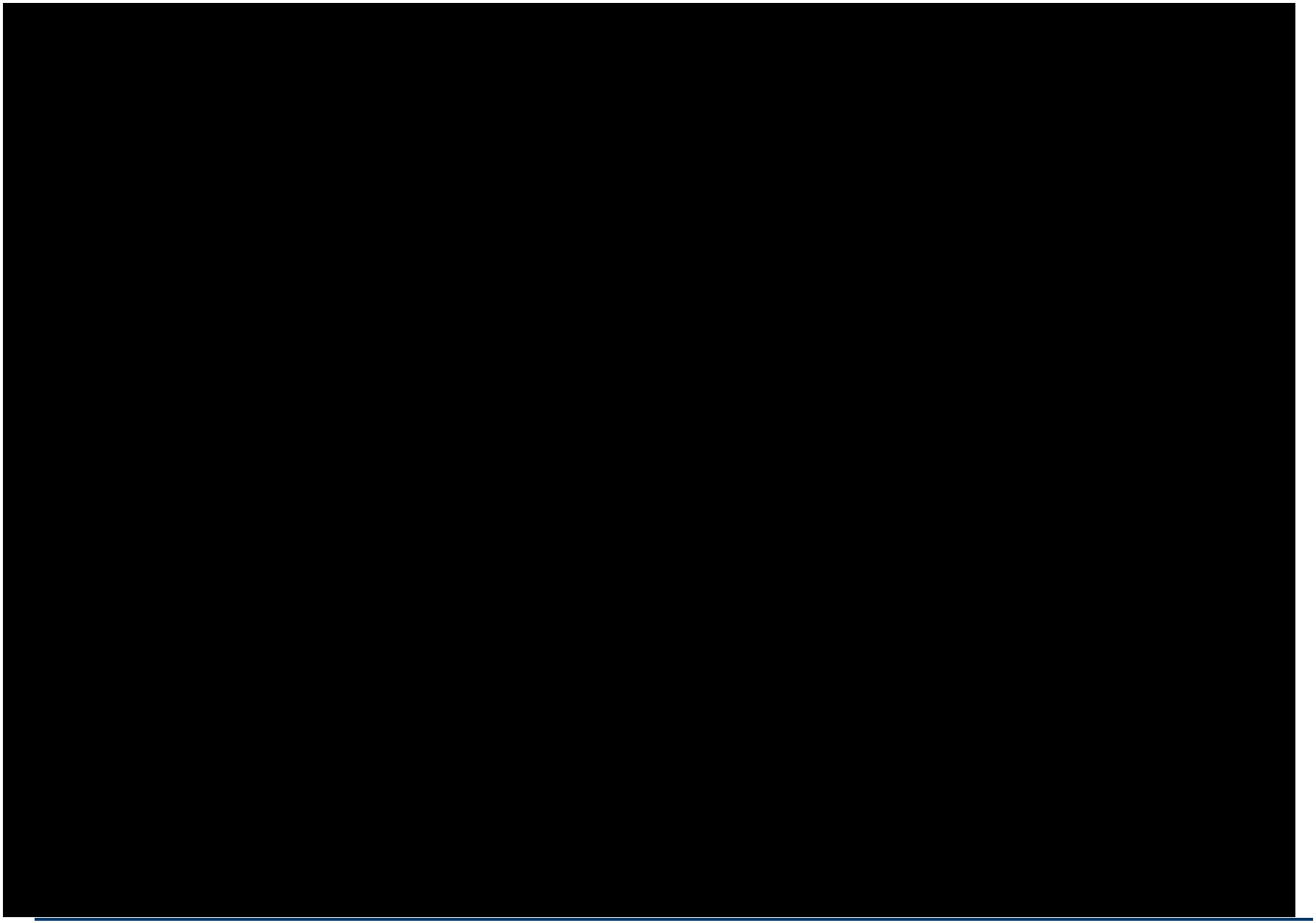
(d) Describe the methodology and criteria for identifying over- and under- utilization of services. Provide sample reports and how the information in those reports would be used.

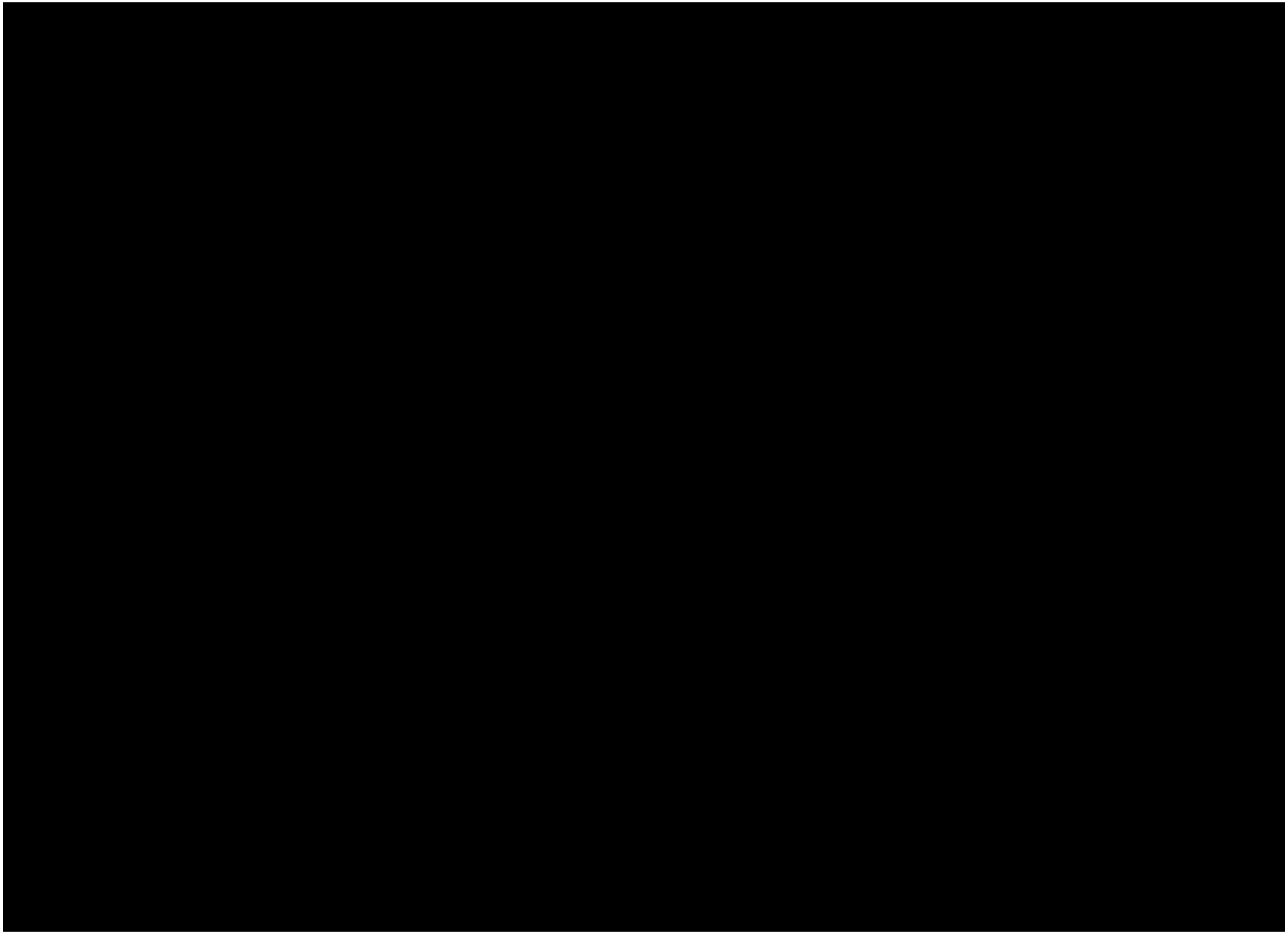
Suggested number of pages for all above items: 7 exclusive of report samples

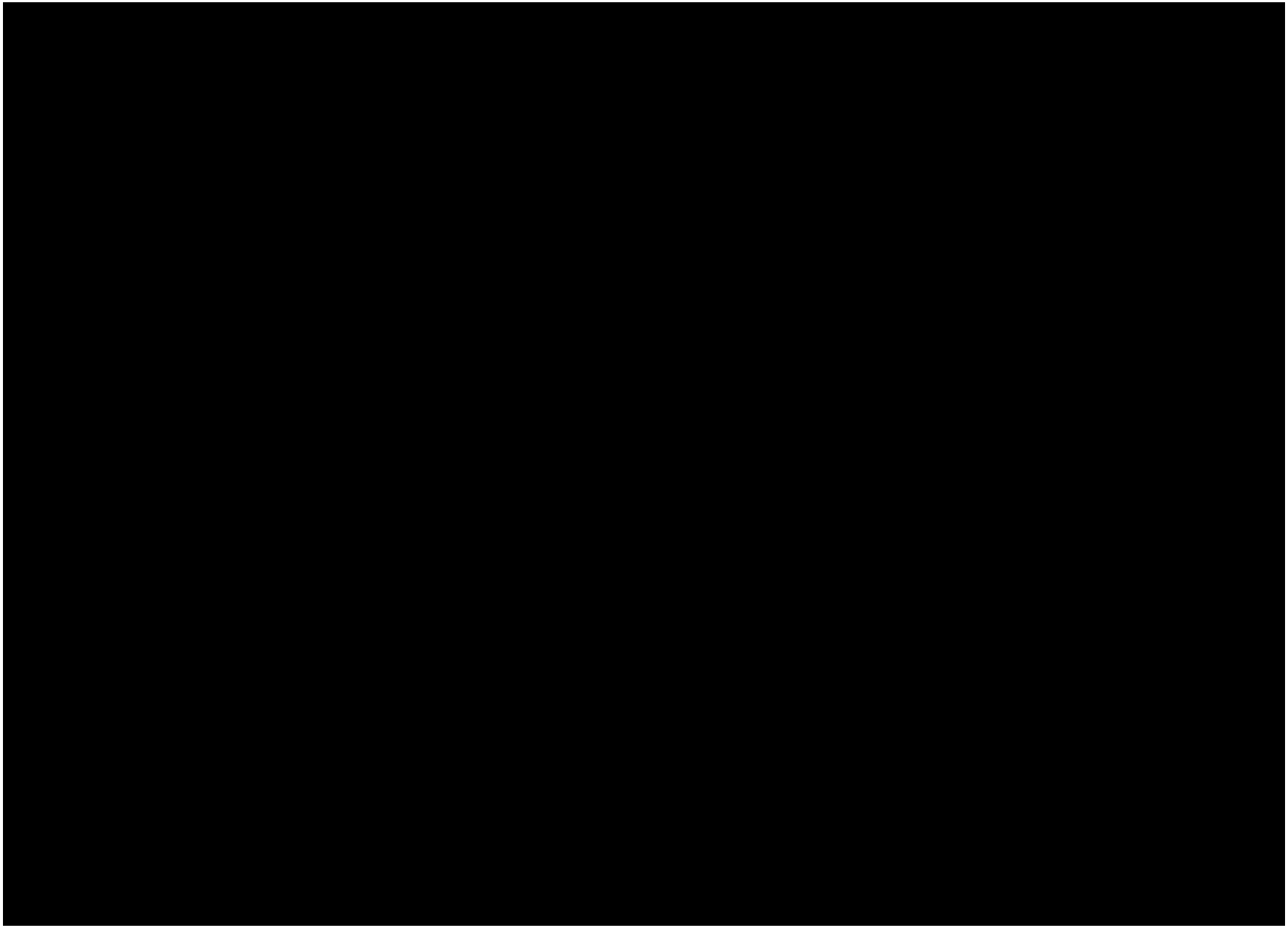
[redacted]











ii. Describe how the Proposer's information management system will support UM activities. Suggested number of pages: 1

How Magellan's Information System (MIS) Supports Utilization Management

Magellan's MIS team supports our UM activities with systems configured specifically for the needs of our customers. We have the ability to access the source code for all our systems, allowing us to build and configure those systems according to the specific requirements of the contract.

UM requires a consistent, accurate flow of member, provider, utilization, and historical data. Our clinical, claims, provider data, and eligibility data systems were chosen specifically for their ability to manage consumer data, as they have done for our public sector customers in Iowa, Nebraska, Florida, Pennsylvania, and Arizona.

Magellan will use our Web-based clinical application, *Clinical Advisor*, as the core clinical system for Louisiana. This application provides integration of administrative and clinical information into one electronic record. Cases are routed using an electronic queue and tickler system so that there are no delays in the UM process.

Specific functions include consumer and family eligibility information, provider search, ZIP code matching, certification, and correspondence generation. Our system provides inquiry capability such as membership eligibility look-up (member address, home phone, eligibility dates for current, and historical records), online benefits, and provider search. Eligibility is determined upon the initial request and the member's demographic information is reviewed and updated as needed.

The system provides care managers with online access to information relating to UM support, such as intake and referral data, presenting problem, evaluation and assessment information, utilization and case management, diagnosed problem, and provider demographics. Data handling features allow for comprehensive data capture, internal data linkages, external interfaces, and queuing. The system has the flexibility to be configured to capture data elements according to customer need.

Care managers have access to the member's complete record, allowing for a comprehensive understanding of a member's status and history. All care manager activities are documented in a pre-coded note. Customized pre-coded notes provide prompts for the care manager and ensure that no aspect of the clinical case is overlooked. The system presents authorization, utilization, and documentation history in a concise, easy-to-access, efficient format. For members in the Recovery/Resiliency Care Management (RCM) program, records are managed and documented in the same system, effectively streamlining the coordination of care process. RCM care managers will use this system to identify members that are readmitted to inpatient or 24-hour levels of care and will ensure the course of treatment and discharge plan are adjusted and tailored to each member's individual needs.

Our Claims Adjudication and Payment System (CAPS) is linked to our clinical system. This integration between the applications allows for continually-updated eligibility information, ensuring appropriate authorizations. Authorizations load automatically to CAPS, facilitating timely and accurate claims processing and payment.

iii. Describe the medical necessity criteria and level of care guidelines utilized by the Proposer's organization in managing care, include the source of the criteria/guidelines with which the Proposer has experience and the Proposer's experience in utilizing guidelines provided by contracting agencies. Suggested number of pages: 3

MEDICAL NECESSITY CRITERIA AND LEVEL OF CARE GUIDELINES-DEVELOPMENT AND SOURCES

Magellan's MNC and level of care guidelines were initially developed in 1988 and are reviewed and updated annually. Magellan promotes an open process of receiving and reviewing feedback from the practice community throughout the year. The annual review process includes input from the following:

- Magellan staff and providers who have used the criteria in the utilization review process, and participating providers who respond to periodic surveys
- the latest outcome studies and scientific data in the field of psychiatry and substance abuse
- the most recent discussions of the national professional associations, such as the American Society of Addiction Medicine (ASAM) and the American Psychiatric Association, regarding utilization review criteria
- provider advisory boards whose membership includes locally or nationally recognized, actively practicing experts in the fields of substance abuse and mental health and represents the perspectives of academic institutions and professional associations
- the senior clinical and medical leadership of Magellan, including board certified psychiatrists.

This process ensures that the MNC incorporate best practices, provider feedback, and latest developments derived from expert clinical consensus and peer-reviewed scientific literature.

These criteria and guidelines developed at the corporate level are customized to meet the needs and requirements of individual programs. This process includes input from families, members, providers, and other stakeholders.

MAGELLAN'S EXPERIENCE IN UTILIZING GUIDELINES PROVIDED BY CONTRACTING AGENCIES

Magellan recognizes that every public sector program is unique and that guidelines for one program may not be appropriate for another due to a variety of factors, such as service availability, cultural needs and other relevant clinical and demographic factors. As a result we are very comfortable using guidelines provided by our clients and are committed to utilizing clinical guidelines, criteria, and practices that are responsive to the unique needs of the Louisiana SMO members and their families. For each of our accounts, we use customized criteria. We train our staff on the criteria and regularly monitor their performance through Qfiniti and annual inter-rater reliability studies (both of which are described further in our response to question 2.b.ii.a). Three examples of our experience in utilizing guidelines provided by clients are described below.

Pennsylvania HealthChoices. For our Pennsylvania HealthChoices programs, we use the behavioral health MNC published and maintained by the Pennsylvania Department of Public Welfare. For levels of care not included in the Department's criteria (for example, crisis residential and assertive community treatment), Magellan created supplemental MNC approved by the Department. For adult consumers with drug and alcohol problems, we use the Pennsylvania Client Placement Criteria for Adults, developed through a comprehensive process initiated by the Pennsylvania Bureau of Drug and Alcohol Programs. For children and adolescents with substance abuse issues, we utilize ASAM criteria.

Maricopa County, Arizona. For the Regional Behavioral Health Authority in Maricopa County, Arizona, Magellan uses the Arizona Department of Health Services/Division of Behavioral Health Services medical necessity criteria policies and procedures. These guidelines are based on the Arizona System Principles for the Delivery of Behavioral Health services, Recovery and Resiliency Principles, Arizona Children's Vision and Principles, and Principles for Persons with a Serious Mental Illness.

Florida, Agency for Health Care Administration. In addition, Magellan has experience in collaborating with our customers and stakeholders to develop MNC specific to local services and populations. For example, in Florida, for the Regional Prepaid Mental Health Plans (PMHPs) and Child Welfare PMHP managed by the Community Based Care Partnership of which Magellan of Florida is a general partner, Magellan developed MNC specifically for recipients in the regional PMHPs and for children in the child welfare system to ensure that the criteria supports the child's permanency plan. The criteria are based on regulations in the *Florida Medicaid Community Behavioral Health Handbook* and the Florida Administrative Code.

Table 2.c.iii provides a summary Magellan's experience in using MNC customized or adopted for our government and health plan customers by contracting agency.

Table 2.c.iii-Magellan's Experience in using Customized/Adopted MNC

Magellan Programs with Customized MNC	Magellan Programs with Adopted MNC
Florida: Criteria customized by Magellan to meet state & contract specific requirement & regulations	**Arizona:** Arizona Department of Health Services/Division of Behavioral Health Services criteria
Iowa: Iowa Plan Utilization Management Guidelines & Criteria for Psychiatric Mental Institutions for Children developed & customized by Magellan to meet state and contract specific requirement & regulations	**Nebraska:** Nebraska Health & Human Services Entry/Exit Criteria Nebraska Behavioral Health Services Criteria
Pennsylvania: For levels of care not included in the state's criteria Magellan created supplemental MNC	**Pennsylvania:** Department of Public Welfare's MNC Pennsylvania Client Placement Criteria II for adults
	Missouri: Level of Care Utilization System & Child & Adolescent Level of Care Utilization System (LOCUS/CALOCUS)
	All accounts: ASAM-PPC-2

iv. Describe the specialties/expertise areas of the Psychiatrist/Psychologist Advisors that will be assigned to this contract. Suggested number of pages: 2

Magellan's Behavioral Health Advisors (BHAs) must meet criteria for one of the following:

- psychiatrist board certified in child and adolescent psychiatry and/or addiction medicine
- primary care physician board certified in addiction medicine
- clinical and medical psychologists.

They must also have a minimum of five years of clinical experience and significant experience relevant to the populations being served, including the use of industry best practices. For example, BHAs assigned to this contract will be familiar with and trained in the CSoC and Wraparound Principles and practice, guiding principles of Family-Driven Care, DHH-OBH Recovery Philosophy and guiding principles, Child and Adolescent Needs and Strengths assessments, the Level of Care Utilization System, ASAM-PPC criteria, and contract-specific MNC. They have experience in the following areas of expertise:

- serious mental illness
- severe emotional disturbance
- substance abuse
- co-occurring disorders (physical/behavioral health, mental health/substance abuse/mental, developmental disabilities/behavioral health)
- children and adolescents involved in multiple systems such as juvenile justice and child welfare
- family therapy
- community-based services
- peer support
- fluency in Spanish and other non-English languages
- prevention
- older adults
- homelessness
- crisis intervention
- psychosocial rehabilitation
- medication evaluation and management.

Critical to the position of a BHA is an understanding of and appreciation for the concepts of recovery and resiliency. All of our BHAs, through training and the hiring process, will value the ultimate role of recovery and resiliency in

treatment. In addition to ensuring that treatment meets medical necessity, our BHAs provide consultation on quality of care issues and collaborate with providers to validate that treatment is noncoercive, member and family-driven, individualized, culturally competent, evidence-based, involves natural supports, and offers hope and encouragement.

BHAs will report to the chief medical officer who will be responsible for ongoing supervision and oversight and ensuring that they apply standards and guidelines consistently through monthly case audits and annual inter-rater reliability studies. BHAs who are medical psychologists will be required to be licensed in Louisiana. BHAs from other disciplines will be required to maintain licensure as required by Louisiana regulations.

Magellan will contract with a panel of BHAs licensed in Louisiana, but available as part of our national panel, to provide coverage based on volume of peer reviews to ensure timeliness of response and mix of needed specialties (child, adolescent/addiction psychiatrists, PCP board certified in addiction medicine and clinical and medical psychologists). Regardless of physical location, our Louisiana BHAs will have access to our extensive network of internal corporate and regional medical directors and BHAs who have in-depth expertise in one or more specialties listed above for consultation.

v. Practice Guidelines. Describe the Practice Guidelines for utilization of care proposed for the program. Suggested number of pages: 2

CLINICAL PRACTICE GUIDELINES

CPGs proposed for Louisiana SMO address the following clinical conditions and diagnoses.

- suicide
- major depressive disorder
- schizophrenia
- bipolar disorder
- attention deficit hyperactivity disorder
- eating disorders
- post traumatic stress disorder
- substance use disorders
- generalized anxiety disorder
- obsessive compulsive disorder
- obesity
- autism spectrum disorder.

Magellan has used CPGs since 1998 when we implemented them for substance abuse and major depressive disorders. CPGs for specific behavioral health diagnoses and functional levels are reviewed by our corporate clinical department at least every two years and are made available to providers via Magellan's Web site. These documents provide our staff and network providers with the most current standards for evidence-based practices and with clinical decision-making support that promotes the highest quality of clinical care.

Each guideline was either developed or reviewed by a multidisciplinary task force of Magellan senior clinical staff after a thorough review of the relevant current scientific literature. Consultation by practitioners in Magellan's provider network and Magellan's customers is sought and recommendations are incorporated into the guidelines whenever possible.

When guidelines are adopted from another organization, Magellan writes an introduction to guide providers in the application of the guideline and to give updates to scientific literature when such are available. Providers in our network are expected to comply with our practice guidelines, and tip sheets, and educational supports are provided to support adherence to the guidelines. In addition, high-volume provider treatment records are audited routinely against the guidelines, with scoring and action planning for providers with documented nonconformance.

CLINICAL LEADERSHIP & INNOVATION

In addition to well established CPGs, Magellan's clinical and medical leadership partner with state mental health authorities to develop emerging "promising practices." Magellan has successfully partnered with state behavioral health departments for three consecutive years to reach the regional finals for the Council of State Governments annual Innovations Awards. Two of these projects were featured in Behavioral Healthcare magazine (see feature article thumbnails in Figure 2.c.v). The regional finalists include the transition age youth initiative and MY LIFE program in 2009, the performance improvement and outcomes dashboard project in 2010, and the Programmatic Suicide Deterrent System Project in 2011.

Figure 2.c.v- Feature Articles

We are currently working with two States on Integrated Health Home projects for 2012. Each emerging framework is led by the Office of Behavioral Health or Medicaid Agency in the State where these projects exist. Each effort includes a broad-based community collaborating steering committee that serves as the though incubator, has a written charter, and transparently shares the guiding framework and protocol with providers and the local community online (for example, http://magellanofaz.com/suicide).

vi. Describe how the Proposer will address the high utilization of inpatient services in Louisiana through the CM and UM process. Discuss strategies the Proposer has used successfully in other programs to divert children and adults from inpatient and residential care, decrease their length of stay in inpatient and residential settings, and prevent readmissions. Suggested number of pages: 2

ADDRESSING HIGH INPATIENT AND RESIDENTIAL UTILIZATION THROUGH CARE MANAGEMENT AND UTILIZATION MANAGEMENT

High inpatient and residential utilization may be due to a variety of factors, such as lack of a comprehensive assessment with which to develop an appropriate, medically necessary treatment plan, lack of consistent application of MNC, delays in implementing the treatment plan, delays in discharge planning and/or unrealistic discharge plans, lack of available crisis stabilization and outreach services, and providers being unaware of available resources and approaches that support community tenure. All of these can lead to inappropriate admissions, longer lengths of stay than necessary and/or high readmission rates.

Service authorization is only one component of care management and UM, and while essential, without a focus on service planning beyond a single episode of care, member's needs over time may go unmet and lead to future inpatient and/or residential admissions. At every point during the UM process, our care managers address needs for referrals and follow-up services and collaborate with providers, families, and other significant persons in the member's life to facilitate the most appropriate, coordinated treatment plan. For members with more complex needs, our RCM provides an intensive level of care management. Each of these is described briefly below. Please note that in addition to these strategies, over utilization is addressed through Magellan's Quality Assurance/Performance Improvement Program as described in our response to question 2.c.i.d.

CARE MANAGEMENT AND UTILIZATION MANAGEMENT

- During the initial contact with the treating clinician, our care manager discusses the results of assessments, the initial treatment plan, and the anticipated discharge and follow-up for the member.
- During concurrent reviews, the care manager confirms that the treatment plan is being implemented in a timely fashion, determines the member's progress or lack of progress in reaching goals, and collaborates with the treatment team to quickly identify and modify the treatment plan as needed to avoid inappropriate delays.
- Care managers actively collaborate with providers to develop comprehensive discharge plans appropriate to the member's needs. Core aspects of discharge planning include the following:

- assisting with coordinating scheduling the follow-up admission or ambulatory service so that it is within seven days of an acute inpatient stay
- identifying and resolving any barriers to follow-up, for example lack of transportation to aftercare services and supports
- confirming follow-up services are established and that the member has been informed of the follow-up service
- within one business day following the scheduled follow-up service, the care manager or care worker confirms that the member kept the scheduled appointment.

RECOVERY AND RESILIENCY CARE MANAGEMENT

Magellan's RCM Program, which will be provided in Louisiana, offers a an intensive level of care manager involvement to facilitate positive treatment outcomes through proactive identification of members who require intensive care management services to achieve, consolidate, and maintain treatment gains. The program is a collaborative process that assesses, plans, implements, coordinates, monitors, and evaluates the options and services required to meet members' needs. It is designed to optimize the physical, social, and mental functioning of our members by increasing community tenure, reducing readmissions, enhancing support systems, and improving treatment efficacy through person-centered advocacy, communication, and resource management. The program includes more frequent contact with more intensive care coordination among the member, providers, family members, and individuals and organizations that provide mental health, social and other support services.

RCM OUTCOMES

Ongoing evaluation of the RCM program indicates clear success according to the following indicators of improvement for consumers between intake and discharge:

- 79 percent had improvement in emotional health
- 49 percent had improvement in physical health
- 62 percent had progress in behavioral symptoms
- 67 percent reported progress in strengths
- 56 percent had progress in provider relationship
- 24 percent reported progress in work/school participation
- average number of days missed from work/school declined by 3.3 days, representing a 68 percent change in the absenteeism rate.

Magellan has utilized in other programs and proposes in Louisiana to utilize peer specialists as part of our RCM program. This builds upon the current strengths of Louisiana where peer specialists have been trained, but are underutilized. Use of field-based peer specialists has proven to be highly successful in helping reduce inpatient days and average lengths of stay elsewhere. For example, our Florida program saw a 60 percent reduction in days spent in the hospital when 1.0 FTE peer specialist position was added to our RCM program. Average length

of stay dropped by more than 40 percent, and we experienced a 32 percent reduction in readmissions. The benefits of peer support are well established in the clinical literature and peer support is now recognized as an evidence-based practice by both SAMHSA and the Centers for Medicare & Medicaid Services. Table 2.c.vi shows approaches that Magellan has used in other programs to reduce utilization of residential treatment.

Table 2.c.vi-Successful Strategies in Other Magellan Programs

Location	Magellan Approach and Brief Description	Focus on Outcomes
AZ	Residential care was at a high of 148 children and youth when Magellan assumed the AZ contract. We developed front-end strategies for diversion & back-end strategies for successful and sustained return to community. (Data from same nine-month period).	▪ Reduced out-of-state placement 38% in 9 months ▪ Reduced RTC census by 49% in 9 months ▪ Reduced bed-day utilization 53% in 9 months ▪ Improved functional outcomes in 6 areas ▪ Achieved culture shift with out-of-home providers that has strengthened integration with community services.
NE	Magellan instituted multiple new approaches, including follow-up tracking, to ensure that youth whose application for residential care was denied were receiving appropriate services.	▪ Residential care census reduced 48% in 2 years ▪ Out-of-state placements reduced by 78% in 26 months ▪ Community service enhancements developed.
PA	Established the *Magellan Short Term Residential* program model designed to meet the needs of youth & community safety while working with families & providing empirically supported treatment on an intensive level.	▪ *Reduced Length of Stay* by 171 days over traditional residential care ▪ *Readmission Rates* **NO readmissions** during first 12 months as opposed to an average of 6 in previous contract years.

vii. Assuming that pharmacy data for members will be provided to the Proposer by DHH, describe how the Proposer will review, monitor and analyze pharmacy data for medication side effects, adverse drug interactions, and member adherence. Describe strategies to detect under- and over-utilization and potential inappropriate utilization of medications by members and by providers. Suggested number of pages: 2

How Magellan Reviews, Monitors, and Analyzes Pharmacy Data

The analytics that support our pharmacy clinical review and trend analysis program are the product of over 100 literature-based algorithms, First Data Bank and Medi-Spans' clinical modules, and our expert panel of physicians and pharmacists. In terms of diagnostic categories, we look at all of the traditional behavioral health drug classes for diagnoses including depression, substance abuse, schizophrenia, as well as anti-convulsants and narcotic-analgesics.

Magellan will accept pharmacy claims data in a preferred layout for loading into our data warehouse.

Magellan uses its extensive clinical expertise to analyze retrospective pharmacy claims history (and medical claims history where available) at the individual patient or prescriber level to identify patterns of care that may warrant clinical intervention. Our programs identify prescribing, dispensing, and consumption patterns that may be clinically and therapeutically inappropriate based on established clinical guidelines and/or best-practice standards. Interventions are then designed and employed to address these situations. At the heart of Magellan's RetroDUR programming is a robust, state-of-the-art analytic system.

Our proprietary algorithms address the following areas of opportunities for improving outcomes in patients and addressing potential gaps in care with providers:

- inappropriate or sub-optimal dosing
- adherence to medication therapy (persistence and compliance)
- multiple prescribers
- polypharmacy
- therapeutic duplication
- pediatric and geriatric utilization
- medication side effects and interactions
- dosing efficiency
- utilization of addictive pain agents.

Medication Side Effects and Adverse Drug Interactions

On a quarterly basis, Magellan will identify specific opportunities for analysis. Our program identifies potential opportunities for drug regime improvement and equips providers with timely and clinically relevant information on both prescription and OTC medications, enabling them to measurably improve patient outcomes through effective drug therapy hazard monitoring.

Once a potential problem has been identified outreach (mailing) is sent to the provider(s) to conduct a drug regime review or to the member to discuss potential adverse effects of their medication regime. Educational material is made available to the provider and member as needed as well as the opportunity to consult with one of our clinical pharmacists. Clinical guidelines are also available for providers via Magellan's provider Web site: http://www.MagellanHealth.com/provider. Clients also may provide links on their Web sites to this information.

Member Adherence

Magellan uses pharmacy claims data to identify members who are non-compliant with their medication regimes. We analyze medication possession ratios and look for patients who are >7 days off therapy. We use this information to provide to care managers, the pharmacy providers, and /or the prescribers as appropriate.

Members are also encouraged to utilize our MagellanHealth.com Web site to obtain consumer-friendly information regarding their medication(s), understand common side-effects, and check for drug interactions.

The site encourages members to be active, engaged participants in their behavioral and overall medication management and adherence, consistent with our person-driven health care philosophy.

HIGH/LOW DOSE AND SUSPECTED INAPPROPRIATE DRUG UTILIZATION

Our proprietary algorithms are customized to identify patients and providers who may be using drugs inappropriately. The algorithms have been developed using evidence-based and FDA-approved guidelines but allow for acceptable variance in dosing as well as accommodate the need for titration either at the inception of therapy or when transitioning from one drug to another. Each physician's prescribing is evaluated on a patient-specific basis, thus the program does not "profile" a prescriber against normative data; but rather evaluates their practice on a patient by patient basis. This allows for feedback that is immediately actionable.

This information is provided to our clinical pharmacists for review and identifies gaps in care that can result in improving patient outcomes. We utilize telephonic and letter driven processes based on the severity of the problem identified to reach out to members and providers to counsel, educate, and advise on the appropriate use of medications.

viii. Assuming that DHH will provide utilization data for individuals who are not enrolled as members of the SMO, but receive their BH services from other sources (e.g., Federally Qualified Health Centers (FQHCs)/Rural Health Clinics (RHCs), Louisiana's Community Care Network), describe how the Proposer will review and monitor this data for utilization, trends and other QM purposes. Suggested number of pages: 1

Magellan has extensive ability to receive utilization data in various forms and our quality program will ensure that utilization data for individuals not enrolled as members of the SMO, but receiving behavioral health services from other sources, are monitored and analyzed.

All data for individuals not enrolled as members of the SMO will be subject to the same level of review and analysis as data for SMO members. Findings will be reported to the UMC where data will be tracked, trended and analyzed. Baselines will be established to inform future programmatic monitoring. When identified, outliers and negative trends will undergo CQI, including application of the Six Sigma Define/Measure/Analyze/Improve/Control (DMAIC) process. By applying the same rigorous analysis standards to utilization data for non-SMO members, Magellan will be able to supply the State with invaluable information regarding the public behavioral health service system as a whole.

In addition to DHH-OBH and DHH-BHSF, our collaboration in this non-SMO data monitoring may extend to the FQHCs, RHCs, and Louisiana's Community Care Network as indicated and when appropriate. As part of our active quality management that stresses stakeholder engagement, we will gladly share findings, make recommendations and partner with these entities. Each provider will be reviewed to determine the most appropriate strategy for quality management and recommendations for program improvement. Training and follow-up technical support will be offered to insure consistent and sustained improvement. Magellan will continue to monitor the data from these providers, analyzing utilization and trends on a regular basis and assisting where required with intervention development and performance improvement projects.

In order to provide a comprehensive picture of the public system, we will develop a reporting structure that provides information separately for the non-SMO programs side-by-side with the SMO membership data, along with combined reporting. In this way the State can compare and evaluate the performance of SMO and non-SMO systems. Reported data will also allow us to insure that services are not duplicated, but rather are coordinated in a way that is beneficial for members and leads ultimately to a positive health outcome.

D. QUALITY MANAGEMENT

LOUISIANA STRENGTHS

During the many months Magellan team members spent in Louisiana, meeting with various stakeholders, we had the opportunity to review the existing Louisiana quality infrastructure. This review revealed several quality initiatives that will form the foundation for implementation of Magellan's quality management program:

- development of a comprehensive quality management plan and strategy that incorporates the Louisiana quality improvement strategy (QIS) along with QA monitoring and ongoing QI processes to coordinate, assess, and continually improve the delivery of quality behavioral health (BH) care furnished to enrollees of the Louisiana Behavioral Healthcare system
- The Cornerstone initiative with its key components of recovery and resiliency, utilization management, credentialing, and performance improvement
- the development of peer support specialists, assessment of utilization management readiness, and results from the implementation of the Service Process Quality Management (SPQM) system provide an understanding of local priorities
- state efforts over two decades to implement outcomes systems, including systems for National Outcomes Measures (NOMs) and Treatment Episode Data sets (TEDs), and the Telesage Outcomes Management System (TOMS)
- involvement of consumers and family members in the Louisiana implementation of the C'est Bon and LaFete surveys
- initiatives by the State and the LGEs to implement electronic health record (EHR) and other systems such as the Utilization, Tracking, Oversight, and Prior Authorization (UTOPiA) system; and
- Implementation of the LOCUS.

MAGELLAN COMPLEMENTARY STRENGTHS

Magellan will collaborate with the Louisiana Behavioral Health Partnership (LBHP) to bring its extensive history and expertise in managing and promoting continuous quality improvement in managed care services to the behavioral health care system; this expertise includes the following:

- a "Culture of Quality" embedded throughout our staff, committees, studies, and reports
- transparent quality process with an emphasis on inclusion of members, families, advocacy organizations, state agencies, and other stakeholders
- use of standardized, validated tools and processes for quality monitoring and analysis, including Six Sigma Define/Measure/Analyze/Improve/ Control (DMAIC)
- a robust leadership structure, including a comprehensive quality committee structure and data-based decision-making through the use of dashboards and a reliance on outcomes.

TRANSFORMATION MILESTONES

YEAR ONE OBJECTIVES AND MILESTONES: ESTABLISHING THE BASELINE

- develop the quality assessment/quality improvement plan (QA/QIP) and work plan in collaborating with DHH-OBH, the LGEs, and other stakeholders
- identify topics for the Performance Improvement Projects (PIPs)
- recruit participating members, families/caretakers, providers, advocates and stakeholders, and implement the quality committee structure
- develop and implement outcome measures with input and participation of CSoC governance, DHH-OBH, members, family members, and other stakeholders
- develop survey and reporting formats in conjunction with the State.

YEAR TWO OBJECTIVES AND MILESTONES – RAISING THE BAR:

- evaluate the initial QA/QIP; report performance to the State using State and LBHP Quality Improvement Strategy required standard measures
- identify gaps in community stakeholder inclusion, quality training, and quality initiatives
- administrate and analyze consumer satisfaction survey
- joint review and evaluation of first year reporting by Magellan and DHH-OBH.

REGIONAL AND POPULATION-BASED APPROACH

The SMO quality program and QA/QIP will incorporate recognition of the distinct differences and needs of each region within the State, as well as address the unique aspects of the specific populations who receive services from the SMO. This approach includes:

- monitoring and analysis of covered services by specific, identified enrolled populations
- review of utilization data to identify and monitor racial and ethnic disparities, including under-utilization of services by particular racial/ethnic groups
- inclusion of population and regional representative input, feedback, and committee participation.

Describe how QM functions will be organized, including staff that will be Louisiana based and staff available from the Proposer's corporate operations. Provide an organizational chart for QM that includes position titles, numbers of positions, qualifications and reporting relationships. Suggested number of pages: 2, exclusive of organizational chart

The core Magellan SMO quality management and operations staff will be based in Baton Rouge with regional support in Shreveport, which will be more readily available to members and providers in the northern and western

part of the state. The Louisiana quality team will be sufficiently staffed with as many qualified personnel needed to implement and satisfy the requirements of the contract.

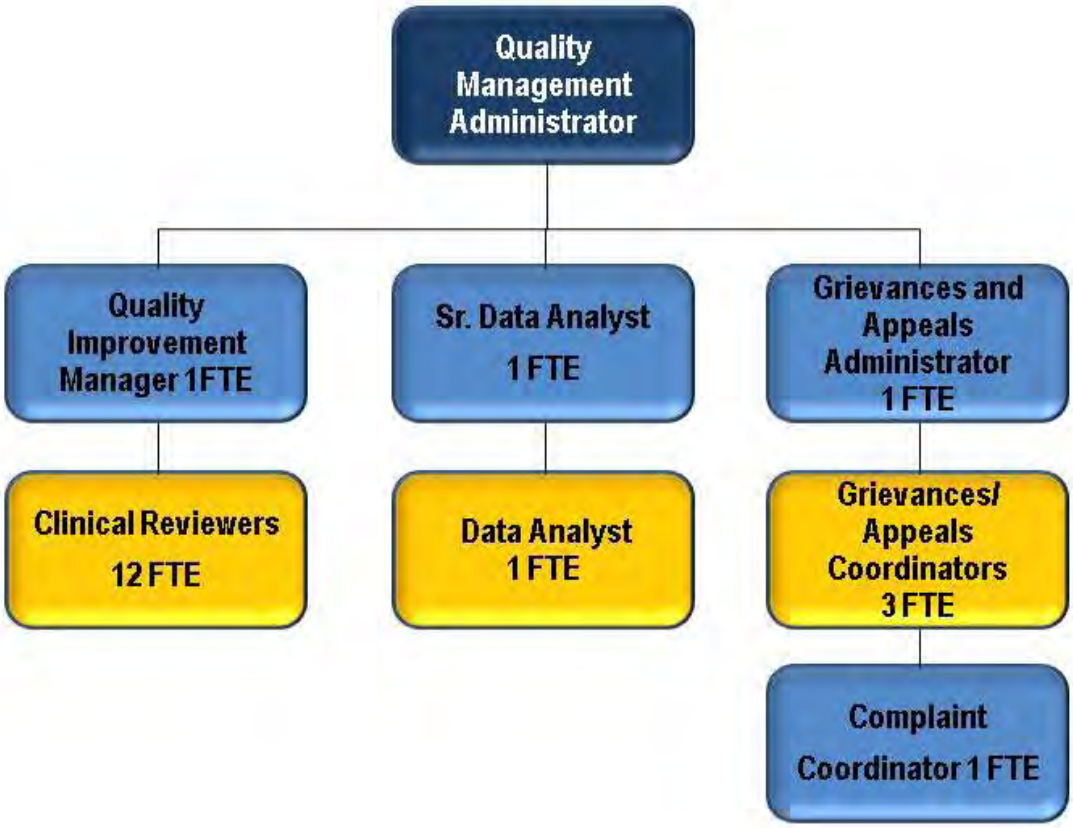
As a result of our time spent in Louisiana discussing current initiatives and quality improvement activities with local consumers, family members, providers, and other stakeholders, we propose a quality program that complements the work that has already been done and provides a foundation on which we will leverage our expertise in continuous quality improvement (CQI) tools and techniques. Quality management (QM) functions, both local and corporate, will be organized in a manner that meets the unique local needs of the LGEs and the statewide needs of DHH-OBH by coordinating quality efforts to eliminate any existing fragmentation in data collection, analysis, and reporting. Our comprehensive approach embeds quality throughout our organization by incorporating quality monitoring and ongoing CQI processes. We will assess and continually improve our own operations along with the specialized BH systems of care under our management. Each of the LGEs will be involved in developing and implementing a QM organization that works for them by addressing their specific regional needs and focusing on initiatives that will evaluate outcomes for the covered populations in each benefit package.

Our QM organization and plan will be based on the principles and tenets of the LBHP Quality Improvement Strategy (QIS), which will also serve to guide the monitoring of both under- and over-utilization of services, and to assess the quality and appropriateness of care provided to enrollees with special health care needs. Magellan's approach to quality will foster a cohesive service system across the State based on the use of consistent, relevant data and outcomes measures.

The Magellan QM program will be the direct responsibility of the chief medical officer (CMO) in collaboration with the quality management administrator (QMA). Oversight of the program will be performed by the Quality Assurance/Performance Improvement (QA/PI) Committee of which the CMO and QMA are co-chairs. The QA/PI Committee will be overseen by the SMO Governance Board and Magellan's corporate Behavioral Health Quality Improvement Committee (BH/QIC.)

Figure 2.d is the QM department organization chart, which provides details on position titles, numbers of positions, and reporting relationships. Staff qualifications follow.

Figure 2.d—QM Department Organizational Chart



POSITION DESCRIPTIONS

- Quality Management Administrator: A licensed mental health professional possessing a Masters or Doctoral degree with five to eight years of experience with management level and supervisory experience. The individual in this position must possess: knowledge and experience with quality improvement processes, performance and outcomes measurement, CQI tools and training, quality initiative activity (QIA) methodology, experience with quality improvement standards and accreditation and audit processes, and data reporting applications, demonstrated management and leadership skills, interpersonal and organizational skills, and the ability to manage multiple complex projects simultaneously to meet deadlines.
- Grievance and Appeals Administrator: At a minimum, a licensed attorney or a juris doctor degree from an accredited institution with significant experience and expertise in behavioral health. The individual must demonstrate the ability to effectively interact with medical/mental health and business professionals, meet deadlines, and communicate concisely and articulately.
- Quality Manager: Master's degree with five years of health care quality improvement, managed behavioral health and accreditation processes. This individual must possess: interpersonal and organizational skills, the ability to manage multiple complex projects simultaneously to meet deadlines, knowledge of quality improvement standards, accreditation, and audit processes.

Given the changing nature of accreditation standards, the individual must be skilled at mastering new areas of content and operations. Excellent written and verbal communication skills are required.

- Clinical Reviewer: Licensed nurses or mental health clinicians with master's degree and three to five years health care quality improvement are eligible for these positions. Staff filling these positions must have experience in working with total quality improvement or possess a behavioral health care background in psychopharmacology, treatment modalities, federal/state regulatory guidelines, performance measurement, audit/review, and project management. Three clinical reviewers must have experience working with children and family systems.
- Senior Report Analyst: Bachelor's degree in a field applicable to the job requirements, with reporting and analytical emphasis, research evaluation, and/or experimental design. This staff person must possess experience in statistical analysis and statistical packages, with database management experience strongly preferred. The individual must also have good written and verbal communication, and presentation skills.
- Data and Reporting Specialist: Bachelor's degree in information systems, health, or a business related field, with three to five years related experience in areas such as managed care and data reporting. The individual must be able to express ideas, recommendations, and solutions clearly, and prioritize effectively.
- Appeals and Comment Coordinator: Associates' degree with previous experience in customer service. The individuals holding these positions must have excellent written and verbal communication skills, organization skills, and the ability to manage multiple tasks. In addition, they must demonstrate the ability to carefully follow processes in sequential order, work under timelines, and meet prescribed standards.

As noted earlier, quality will be embedded throughout our organization and its functions. The QMA, along with the local quality department, will ensure all managers are well versed in the practice of CQI and are applying it during committee meetings, in reporting, and when providing supervision. Quality will not be limited to the QM department, but rather a comprehensive approach naturally integrated into all activities and processes across the organization.

Supporting the Louisiana-based QM team with active assistance and extensive technical resources will be Magellan's corporate quality improvement (QI) department and its quality, outcomes and research team (QOR). The QOR team, led by Senior Vice President Joann Albright, PhD, consists of a number of seasoned quality professionals, along with sub-teams having their own area of expertise. This expertise includes statistical analysis and reporting, satisfaction survey administration, provider profiling, HEDIS support, accreditation (NCQA, URAC, JCAHO, and so on), and various analytic and technical resources. The corporate QM resource positions assigned to support the Louisiana QM team and care management center will include the following:

- Chief Medical Officer
- Vice President of Quality Improvement
- Vice President of Quality and Outcomes
- National Director Quality and Accreditation
- Corporate Compliance Officer
- Regional Corporate Compliance Officer
- Manager, Program Innovation and Outcomes
- Director, Outcomes and Evaluations
- Director, Clinical Policy and Informatics.

Understanding the value and unique perspective gained through inclusion of external participants, Magellan is committed to seeking and obtaining member, family, LGE and DHH-OBH representative, and other key stakeholders input into the organization of QM functions. We will actively pursue this feedback into the QM program in a planful manner and incorporate it throughout our structure.

i. Describe the essential elements of the Quality Assurance/ Quality Improvement Plan the Proposer would develop for the program and how the Proposer will assure it is a dynamic document that focuses on continuous QI activities; include: (Suggested number of pages: 5 – for the entire i. answer)

The annual Magellan Louisiana QA/QIP will be a comprehensive and dynamic document that is flexible and readily modifiable as conditions warrant, incorporating the regional and population differences that comprise the Louisiana health care landscape. The QA/QIP will be based on the QIS and cover all aspects of the quality management program including descriptions of the scope, purpose, goals and objectives of the QM program; performance improvement processes and feedback loops, as well as the use of the Six Sigma DMAIC process. Magellan has moved from a Plan/Do/Check/Act (PDCA) approach to guide continuous quality improvement to the more state-of-the-art DMAIC process. DMAIC's focus on the ***"voice of the customer"*** and reliance on data measurement and analysis to develop solutions and improvement strategies has proven to be a tremendous aid in our effort to raise the level and precision of quality in behavioral health care. The plan will also incorporate detailed descriptions of each of the quality committees, their roles and responsibilities, and monitoring and evaluation activities. The document will describe all quality initiatives including the outcomes management program, performance improvement activities, member rights and responsibilities, the cultural competence program, medical integration/coordination of care initiatives, resource allocations, and the annual program evaluation process.

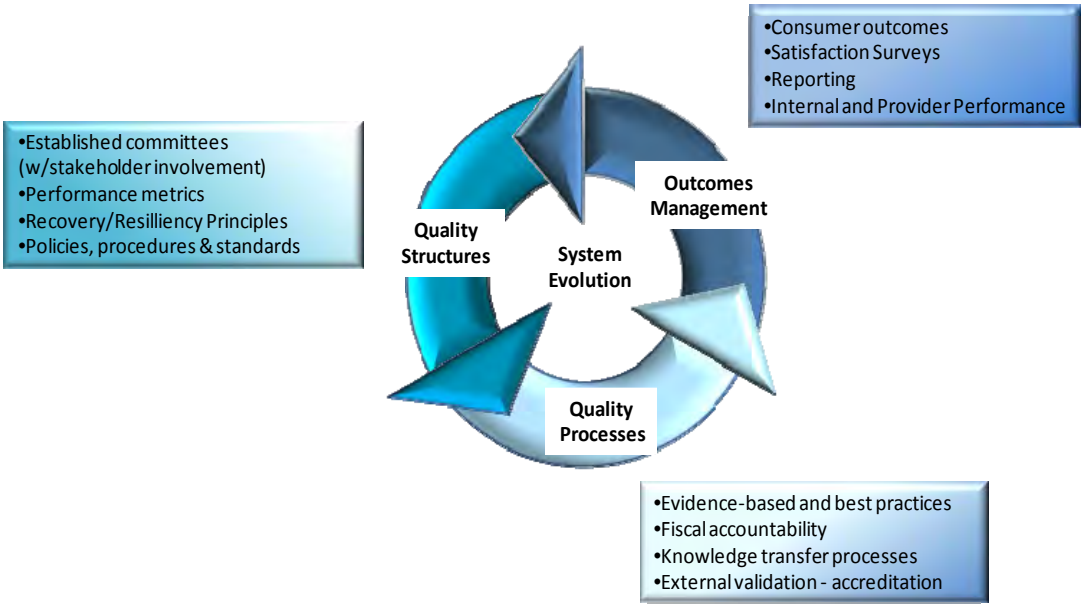
As part of our commitment to transparency and accountability, the QA/QIP will describe planned External Quality Review Organization (EQRO) activities and our strategy for achieving URAC accreditation within our first two years of operations, with ongoing accreditation maintenance thereafter. Magellan has demonstrated consistently high EQRO and other independent external audit scores. Further, we have achieved the highest levels of accreditation from URAC and the National Committee for Quality Assurance (NCQA). Magellan has eleven sites with URAC utilization management (UM) accreditation, six sites with URAC case management accreditation, and four sites with full NCQA managed behavioral health organization accreditation. On a national level, Magellan's Credentialing Verification Organization (CVO) has been certified by NCQA.

We will ensure the annual QA/QIP remains a dynamic and currently relevant document through regular review and follow-up. All elements described in the QA/QIP will be translated into the annual Quality Work Plan, an appendix to the QA/QIP as quantitative and qualitative measures. Measures will be assigned to each of the site's quality committees, along with a standardized definition and a schedule for regular review. Each committee will use the work plan to monitor progress towards the goals set forth in the QA/QIP and will employ systematic continuous quality improvement processes, including DMAIC, to ensure the timely identification of barriers and development of interventions leading to improvement. Quality staff and others will lead the use of DMAIC tools, including Pareto charts, histograms, fishbone diagrams, run charts, process maps, and brainstorming techniques, to understand issues and their root causes.

In addition to use of the Quality Work Plan and the quality committee structure to make sure the QA/QIP remains relevant, the QA/QIP will be assessed through the development of an annual quality program evaluation (PE). PE findings, along with input from the State, the LGEs, members, family members and other stakeholders will inform the goals for the coming year's QA/QIP, ensuring that regional and covered population needs are incorporated throughout the plan.

By embedding quality throughout our operations, we ensure the ongoing relevancy of the QA/QIP as a dynamic document that helps us maintain our focus on CQI and ensure all activities are both integrated with, and integral to, positive member outcomes. This philosophy, coupled with our systems-based approach, guides our efforts to avoid fragmented service delivery while nurturing an organizational *"Culture of Quality"* that assures the highest levels of coordination and integrated quality care as illustrated by the following graphic. Evidence of our successful efforts to coordinate and integrate quality can be seen through our use of outcomes and dashboards that tie clinical, utilization, and quality metrics to further evolve our provider network.

Figure 2.d.i.—The Culture of Quality



(a) Covered BH services and administrative and clinical processes and functions to be addressed;

Magellan's planned approach to quality synthesizes multiple QI processes, including Lean Six Sigma DMAIC, to yield a thorough program of checks and balances. The Louisiana QM program will include comprehensive monitoring and evaluation activities, and the implementation of actions to improve care when indicated. These activities include evaluating performance improvement across the spectrum of covered services, including processes to determine the utilization of specific benefit packages by distinct, identified populations eligible for the LBHP. The QM program is intended to ensure operational structures and processes lead to desired outcomes for consumers and family members. Systematic monitoring, improvement, and evaluation will focus on the following covered BH services:

- Psychiatric Hospital
- Inpatient General Hospital
- Psychiatric Residential Treatment Facility for under age 21
- Rehabilitation Therapeutic Group Home
- Rehabilitation (Unlicensed Mental Health Practitioners, including Community Psychiatric Support and Treatment, Psychosocial Rehabilitation, and Crisis Intervention)
- Rehabilitation Substance Abuse
- Psychiatrists (Physician)
- Licensed Mental Health Practitioners
- School-based Behavioral Health Services
- Other Waiver Services for Children, including Intensive Case Management and Assertive Community Treatment for Children
- 1915(c) and 1915 (b)(3) CSoC services (Psychoeducation, Parent Support and Training, Peer Support, Independent Living Skills Building Services, Short Term Respite, Crisis Stabilization, Multi-Systemic Therapy, Functional Family Therapy, Homebuilders Services)
- 1915(b)(3) Case Conference.

The QM program will also monitor the following administrative and clinical care activities:

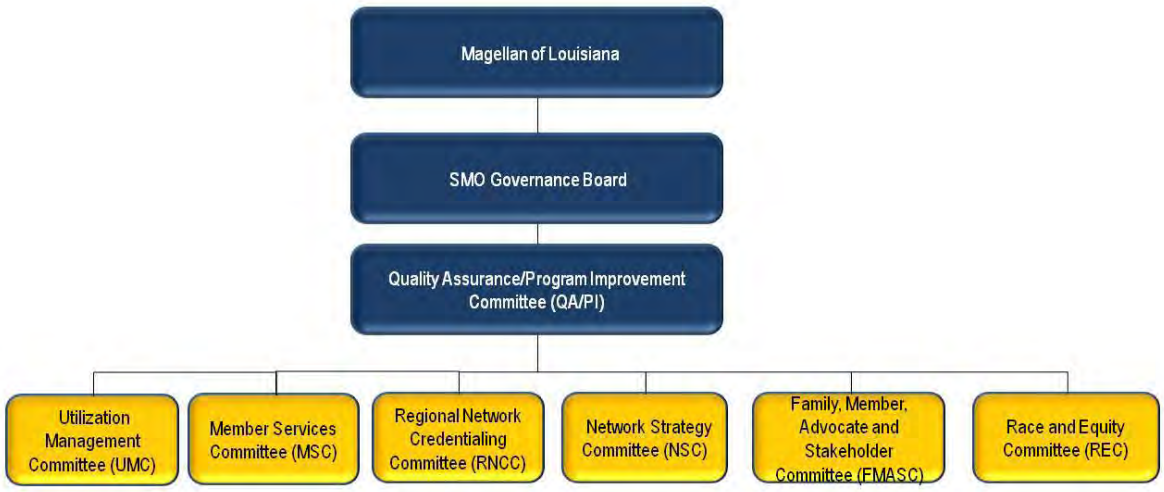
Care Management	Compliments, grievances, and appeals
Clinical practice guidelines and evidence-based practices	Training and professional development
Recovery and resiliency activities	Outcomes management
Intensive care management	Consumer rights
Member satisfaction surveys	Provider satisfaction surveys
Medical integration/Coordination of care	Continuity and coordination of care
Cultural competency plan	Confidentiality of information
Member rights and responsibilities	Access and availability
Telephonic access	Annual QAPI Plan, work plan, program evaluation
Quality and performance improvement activities	Patient safety
Quality of care and adverse incidents	Provider profiles
Accreditation and regulatory reporting	Regulatory compliance

(b) Committee structure, responsibility and membership

Our *Culture of Quality* is driven through our quality committees. Here is where Magellan staff partner with members, families, providers, LGEs, state agencies, and others involved in Louisiana behavioral health programming to review facts and data and turn them into interventions leading to an improved system. As described below, each committee will have a very specific function and goal. All facets of all child and adult systems will be explored for improved solutions. Our committee structure ensures consistent, ongoing communication across all functional areas of the organization, as well as the community, our provider network, and our customers. Appropriate representatives will be included in each committee to address the issues of various populations, including children, adolescents, transition-age youth, adults, and the elderly. Our committees are flexible enough that if specific expertise does not exist within the standing membership to address clinical or administrative issues that arise, we can include ad hoc experts to consult with the committees, as necessary.

The QA/PI Committee is the umbrella entity that will maintain ultimate responsibility for the local QM program. The QA/PI committee will report to the Governance Board, which is described in detail in Question 1.b. Core committees that report into the QA/PI committee are listed below. Each committee review specific performance indicators defined in the annual QA/QIP and work plan. Committees will monitor data findings and outcomes and focus on items not meeting standards, outliers, negative trends, and indicators of over/under-utilization. They will perform root cause analyses to identify barriers and strategies for improvement. Referrals for further analysis and intervention are sent to specially formed work groups by the committees when necessary.

Figure 2.d.i.b.—Magellan of Louisiana CMC's Quality Improvement Committee Structure



QUALITY ASSURANCE/PROGRAM IMPROVEMENT COMMITTEE (QA/PI COMMITTEE)

The QA/PI Committee will be co-chaired by the CMO and the QMA. The QA/PI Committee will meet monthly and report to the Governance Board. The committee structure incorporates a Louisiana-managed and strategically directed QM program with regional accreditation oversight and corporate support and review. The membership of the QA/PI Committee includes chairpersons from each of the core committees and stakeholder representatives

(members, family members, advocates, providers, and others). The QA/PI Committee will focus on oversight of QI within the service delivery system, including the QA/QIP, and will monitor quality improvement and system performance in accordance with QI information sources, and establish and provide oversight of the PIPs. The QA/PI Committee will review performance measures as identified in the QA/QIP, incorporate feedback, and oversee internal and external quality improvement initiatives. The members of the QA/PI committee are:

Chief Medical Officer (co-chair)	Quality Management Administrator (co-chair)	Chief Executive Officer
Medical Administrator	Children's System Administrator	Enrollee Services Director
Field Network Director	Account Executive(s)	Recovery/Resiliency Manager(s)
Magellan Health Services Vice President for Quality	CMC Training Lead	QI Clinical Reviewers
QI Research Associate	Community Stakeholder Representative(s)	Network Provider Representative(s)
DHH-OBH Representatives	Member Representatives	Family Representatives
WAA Representatives	LGE Representatives	FSO Representatives

UTILIZATION MANAGEMENT COMMITTEE (UMC)

The UMC reports to the QA/PI Committee, will meet monthly, and will focus on oversight of clinical programs; adopting and implementing UM policies and standards; developing operational procedures consistent with policies; evaluating patterns of care and key utilization indicators; approval and implementation of medical necessity criteria; and approving and monitoring the UM Program Description and Work Plan. By utilizing the QM reporting template and follow-up action grid, information is shared between the UMC and the QA/PI Committee with the goals of fostering coordination and integration. Committee members share this information, as appropriate, with their respective stakeholders through various deliverables, quarterly provider profiles, and monthly dashboards. Members of the UMC are:

Medical Administrator (chair)	Chief Medical Officer
Quality Management Administrator	Chief Executive Officer
Clinical Supervisor(s)	Clinical Care Manager(s)
QM Clinical Reviewer(s)	Account Executive(s)
CMC Training Lead	Field Network Director
DHH-OBH Representatives	Community Stakeholder Representative(s)
CSoC Representatives	Member Representatives
LGE Representatives	Family Representatives

MEMBER SERVICES COMMITTEE (MSC)

The MSC, chaired by the member services director, has authority over the implementation and ongoing monitoring of member services activities with the goal of improving all aspects of the member's experience. The MSC establishes

and maintains mechanisms for the identification and review of opportunities for improvement involving direct member contact, including telephonic access, provider accessibility, complaints/grievances, satisfaction surveys, and confidentiality issues. The MSC receives and reviews input from members through their participation in the committee. Members of the MSC are:

Member Services Director (chair)	Grievance & Appeals Administrator
Quality Management Administrator	Network Provider Representative(s)
Field Network Director	Chief Executive Officer
Grievance/Appeals Coordinator(s)	Quality Clinical Reviewer(s)
Customer Service Associate(s)	Recovery/Resiliency Manager(s)
Member Representative(s)	Community Stakeholder Representative(s)
DHH-OBH Representatives	Family Representatives
CSoC Representatives	LGE Representatives

REGIONAL NETWORK CREDENTIALING COMMITTEE (RNCC)

The RNCC is a core committee which meets monthly and is responsible for oversight of the quality and sufficiency of the provider network, assisting in the development and implementation of provider monitoring tools, schedules, and reports. This committee manages the credentialing, re-credentialing, and privileging of all providers' professional staff, and advises on performance improvement initiatives related to provider monitoring. Activities include defining the network's size, composition, training needs, and monitoring the network's sufficiency to provide the required behavioral health care, per the Provider Manual and provider contracts.

The RNCC functions as a peer review committee regarding provider credentialing, network integrity, and determining consequences for performance-related issues, up to and including sanctions, referral to regulatory boards, or termination from the network with required notice to the State. As the authority to impose sanctions is a peer review function, the RNCC is provided all of the legal protections of such a committee. The RNCC membership includes professionals representing the full range of disciplines within the provider network. The peer review process as related to provider credentialing and recredentialing is confidential and is not disclosed as public record or produced in response to a subpoena or other legal order unless otherwise required by law. Members of the RNCC are:

Chief Medical Officer (chair)	Field Network Director
Quality Management Administrator	Medical Administrator
QM Clinical Reviewer(s)	Account Executive(s)
Clinical Care Manager(s)	Network Provider Representatives

NETWORK STRATEGY COMMITTEE (NSC)

The NSC, chaired by the field network director, reports to the QA/PI Committee and focuses on the oversight of provider contracting, program and service development, the use of non-participating providers and implementation and monitoring of the provider relations plan for the Louisiana contract with the goals of ensuring consistent provider access across the state. Members of the NSC are:

Field Network Director (chair)	Network Team Members
Medical Administrator	Quality Management Administrator
Account Executive(s)	Chief Executive Officer
DHH-OBH Representatives	Community Stakeholder Representative(s)
CSoC Representatives	Member Representatives
LGE Representatives	Family Representatives

FAMILY, MEMBER, ADVOCATE AND STAKEHOLDER COMMITTEE (FMSAC)

The purpose of this committee is to facilitate member, family, advocate, and other stakeholder input to inform and guide the quality program, the offering and quality of recipient services, and to promote greater choice, direction and control for all consumers. Membership will consist of enrollees, family members, advocates, and various stakeholders. Magellan staff will participate as ad hoc members. Members of the FMSAC are as follows:

Recovery/Resiliency Manager(s) (chairs)	Member Representatives
Family Member Representatives, one of whom will be a parent of a child or adolescent member	Stakeholder representatives from child/family service agencies, including the CSoC, DHH-OBH, juvenile justice, school districts, departments of human/social services
Stakeholder representatives from adult service agencies, including homeless coordinators, vocational-rehabilitation, housing authority, departments of human/social services, correctional agencies	Stakeholder representatives from community-based and/or faith-based organizations, state-funded community-based organizations, neighborhood programs, law enforcement, county social services, business community, and other community stakeholders
Chief Medical Officer (ad hoc)	Medical Administrator (ad hoc)
Quality Management Administrator (ad hoc)	Member Services Director (ad hoc)
Chief Executive Officer (ad hoc)	FSO Representatives

RACE AND EQUITY COMMITTEE (REC)

The REC is a core committee that will meet quarterly and focus on all aspects of Magellan's cultural competency program and its initiatives. The committee will review and analyze program data finding to evaluate racial and ethnic equities and disparities in utilization patterns, outcomes and satisfaction. This committee reports to the QA/PI Committee and ensures that information is shared with the REC members at each meeting. Committee members will share this information, as necessary with their respective stakeholders. Members of the REC are as follows:

National Director of Consumer and Recovery Services	Customer Service Representative(s)
Recovery/Resiliency Manager(s)	Clinical Service Representative(s)
QM Representative(s)	Network Representative(s)
DHH-OBH Representatives	Community Stakeholder Representative(s)
CSoC Representatives	Member Representatives

LGE Representatives	Family Representatives
Cultural Advocacy Representatives	Local Cultural Advocacy Groups

(c) Necessary data sources;

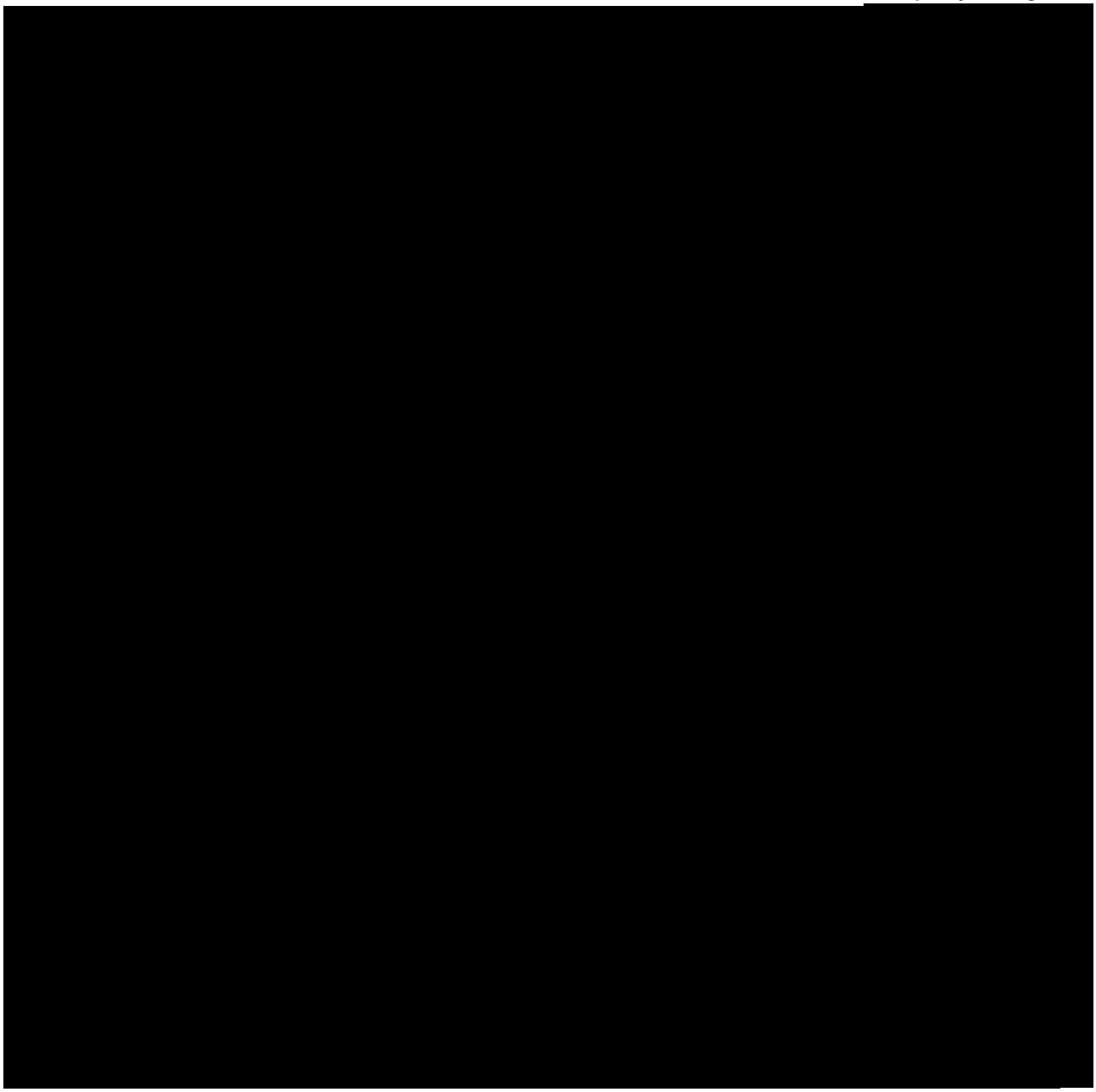
The key to any successful quality management program is the collection of valid and reliable data. Complete, accurate data sets are critical to the development of quality plans that are relevant to the enrollees served and the providers who serve them. Data, collected through multiple mechanisms, including automated reports from the data warehouse, QI core indicator reports, clinical record audits, provider site visits, complaints and grievances, and other sources, will be used to inform the QA/QIP for the Louisiana BH program. Magellan also has the ability to compile data that is not originally in an electronic format, enter this information into appropriate databases, and analyze it in context with all aggregate data. This capability will be especially helpful to ensure all information from provider sites that may not have complete electronic connectivity is included in the QA/QIP, thereby providing the most comprehensive picture of the service delivery system possible and reducing fragmentation of data collection and analysis.

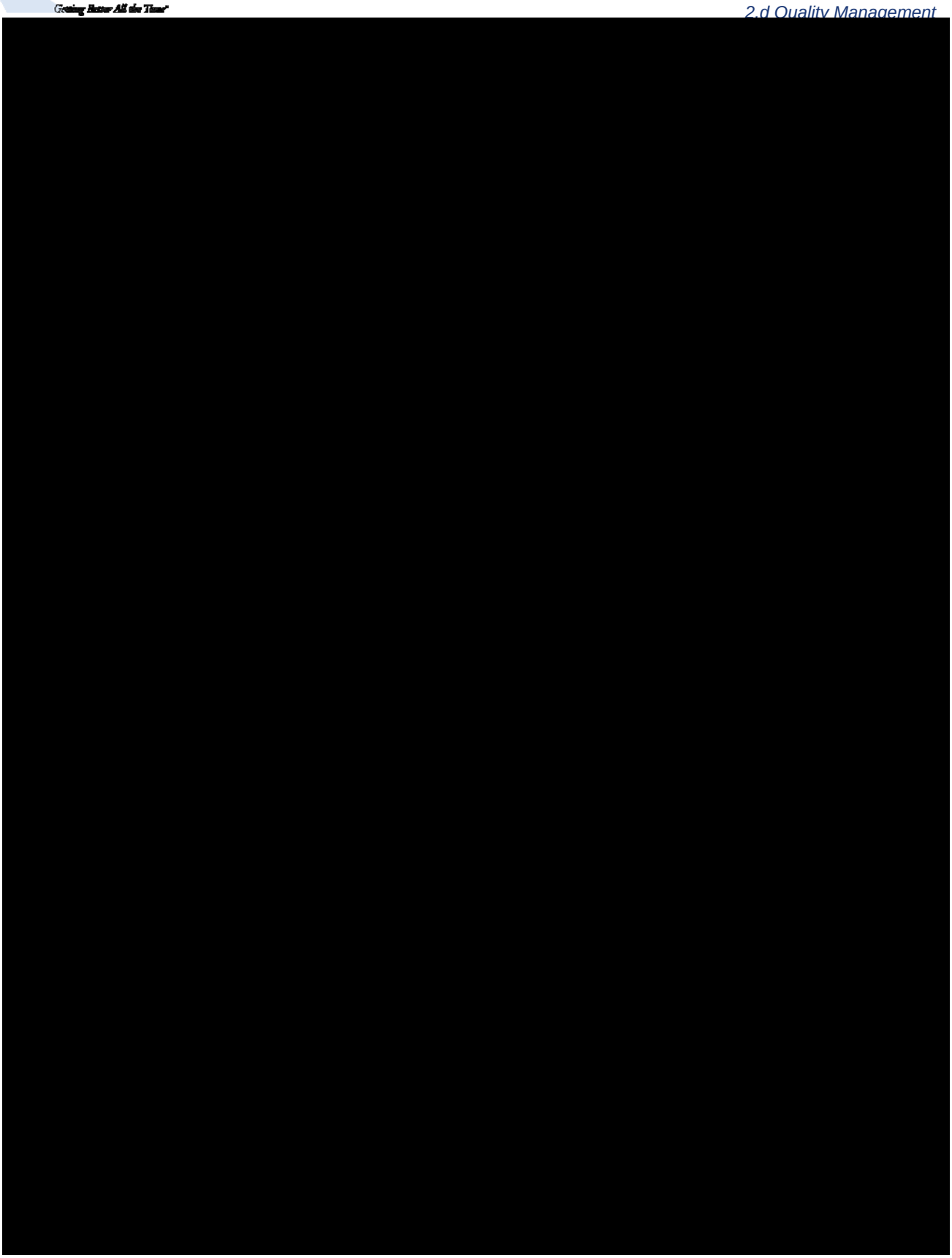
Data quality checks will be built into all processes that touch data. This includes data integrity and completeness checks as data is loaded and standardized. Quality checks used to verify data integrity include comparisons against expected values, domain analysis, and comparisons to standard code sets/values. For reviewing data completeness, quality checks assess whether all data that came into the system was processed. The data quality checks record any data quality exceptions in standard tables to facilitate monitoring and reporting. The data warehouse staff conducts regular data quality meetings with the source system and business experts to review data quality reports and initiate appropriate actions when necessary. Data sources include the following:

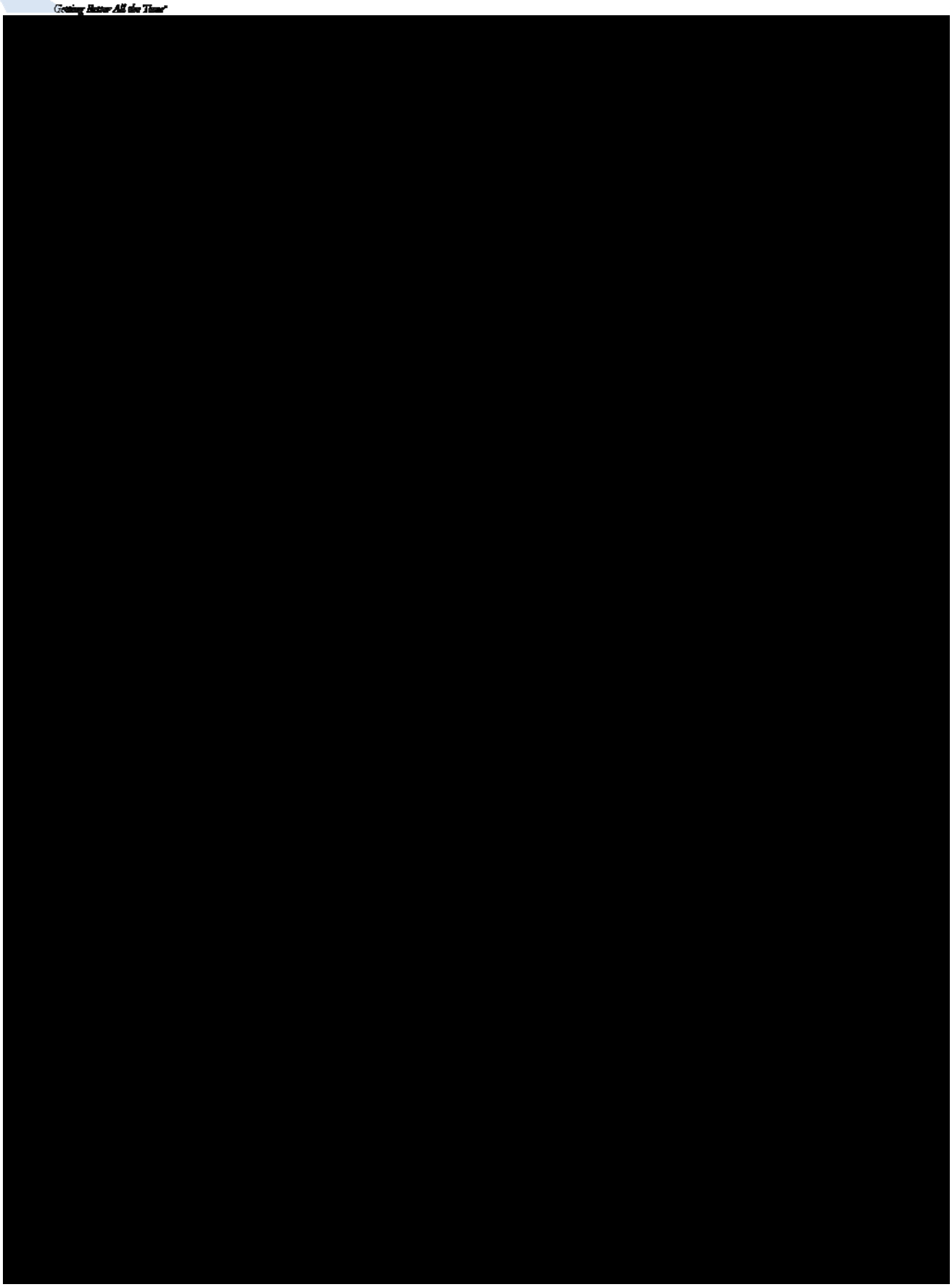
- Claims & Encounters
- Authorization Data
- Clinical treatment record reviews
- Demographic data
- Outcome data
- Satisfaction surveys
- Clinical liaison rosters
- Referral logs
- Training reports
- Inpatient census data
- Incident, accident and death data
- Grievance, appeal and provider claims dispute data
- Seclusion and restraint episodes
- Complaint resolution.

(d) Proposed outcomes measures and instruments;

[redacted]







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(e) Monitoring activities (e.g., surveys, audits, studies, profiling, etc.); and

Magellan ensures quality member care through the monitoring of carefully selected performance indicators and implementation of robust issue resolution processes when problems are identified. These performance indicators impact all areas of care and reflect our integration of quality activities throughout all areas of the organization. Monitoring activities will be standardized and meet the highest level of industry standards and best practice. Rather than develop and implement new activities, Magellan will coordinate all monitoring in partnership with the LGEs, particularly in those areas where the LGEs have already implemented robust activities that can be included in the QA/QIP for the SMO. We will ensure this process will take place for Louisiana SMO members focusing both on comprehensive statewide quality and outcomes, and on the unique needs of each region.

The QA/PI Committee will collaborate with DHH-OBH, LGEs, the CSoC, the members of the Louisiana Behavioral Health Partnership, and other key stakeholders to identify and prioritize indicators based on desired program outcomes, covered populations, and stakeholder input, and will ensure these indicators are included in the quality work plan. Performance goals will be established for each indicator. These goals will be based on previous monitoring experience, external data sources, contractual requirements, accreditation and regulatory requirements, and/or industry standards. Indicators that do not meet the goal will be identified as opportunities for improvement and targeted for intervention. The QMP will be modified, as necessary, as results from monitoring activities are collected and reviewed by the QA/PI Committee.

Clinical and Service Quality Improvement Activities (QIAs) and Performance Improvement Projects (PIPs)

Two PIPs will be identified and implemented as outlined in the QIS. Magellan will monitor the PIPs and provide reports on their progress to the State, as requested. Each PIP will be measured using objective quality indicators and will focus on system interventions leading to overall improvement in quality. Additionally, evaluation of both PIPs will be conducted to ensure their effectiveness informs planned future activities to increase or sustain the improvement the PIPs produce. These PIPs will be part of a set of QIAs that reflect the delivery system and relevant quality-of-care issues that affect recipients. These QIAs and PIPs, at a minimum, meet the federal requirements set forth in 42 CFR 438.240, as well as the 2011 *Standards for Accreditation of Managed Behavioral Health Care Organizations* published by NCQA and URAC's *Core Standards, Version 1.1*. QIAs and PIPs will be discussed and analyzed through the Magellan of Louisiana QI process and in consultation with the DHH-OBH, local stakeholders, and corporate Magellan QI staff. Quantitative performance measures, benchmarks, goals, and sampling methodology will be determined and the results of this quality process will be documented in the annual Magellan QA/QIP.

Clinical Practice Guidelines (CPGs) and Evidence-Based Practices (EBPs)

Magellan will assess member demographics and needs, and then implement auditing for provider adherence to accepted clinical practice guidelines (CPG) and evidence based practices (EBP). This auditing will be coordinated with the LGE monitoring activities already in place to assess the EBPs that they have implemented and will include,

among other methods, review of member medical records and interviews with key persons in members' lives, with appropriate releases in place. Magellan's comprehensive approach to CPG monitoring focuses on APA-approved standards, use of SAMHSA toolkits, and review of CPGs and EBPs with DHH-OBH, members, providers, and other stakeholders prior to adoption by the QA/PI Committee.

Utilization Measures

We will monitor service utilization as another way to ensure rendered care is adequate, appropriate, and provided in the least restrictive setting. Utilization measures will be used to identify statistics that signal potential over- or under-utilization of specific services, as well as trends, outliers, and lengths of stay in these services. These measures will be included in the QA/QIP. As described in more detail in question 2.c.i.d., the QA/QIP will monitor and compare various utilization outcomes, including those related to discharges per 1000 enrollees; average length of stay; rate of readmission within 30 days of discharge; compliance with discharge follow-up services, and access to service and care indicators. Magellan will particularly focus on how racial and ethnic disparities and disproportionality affect utilization rates, especially of certain services such as those requiring out-of-home placements.

Provider Profiling

Provider profiling promotes transparency, accountability, and actionability on meaningful measures for providers, consumers, stakeholders, and the system of care. A balance of measures that address clinical outcomes, recovery orientation, coordination of care, and administrative and accountability domains will be used in the profiling process. The measures identified in the QIS will be used, along with additional measures as jointly identified by Magellan and the LBHP. The quality program will use national, state, and industry standards for profiling and will set appropriate benchmarks and targets to improve performance where standards do not exist. In addition, we will use fidelity tools and treatment records, as described below, to measure quality improvement activities. DHH-OBH will have access to the provider profile dashboard and Magellan will share Profile Reports with analysis with the Governance Board, Network Strategy Committee, regions, LGEs, LBHP, FSOs, and consumer and family groups.

Medical Record Review and Provider Treatment Planning Measures

Although grievances, satisfaction survey results, and utilization indicators are prominent measures of member care, the most important outcomes occur when individuals achieve their own self-determined recovery and resiliency goals. Magellan will monitor treatment records to evaluate the adequacy of assessments, identify recipient strengths and supports, and determine specific, measurable, objective, realistic, and time-sensitive care plan goals and action steps. When opportunities for improvement are identified, we will assist network providers through technical assistance, training, and development plans, which will be tracked for successful implementation through Magellan's QA/PI committee. In addition to this review of treatment planning for the membership as a whole, we will also conduct a quarterly review of the medical records of those children and youth who are served under the SED waiver. These reviews will be conducted according to the requirements set out by DHH-OBH, with sample sizes in accordance with the Louisiana 1915(b)(3) waiver.

Access and Availability Measures

Services are not effective unless they are accessible to enrollees. Magellan will ensure consumers, no matter their needs or where they reside, are able to receive the care they need.

Magellan will monitor performance indicators and conduct regular audits to ensure callers are treated with dignity and respect, the network is adequate for enrollees to obtain services from the appropriate type of provider within the required distances and timeframes, crisis calls are routed to clinicians for immediate evaluation or treatment commensurate with the urgency of the need, member calls are answered within timeframe standards, questions and concerns are addressed accurately and completely during the first call, and translation services and other efforts are used to ensure cultural diversity needs are met.

Grievance, Appeals, and Quality-of-Care Measures

The ultimate goal of any QM program is to monitor and evaluate services to ensure enrollees are receiving the highest quality of care possible. To get an accurate view of the system's quality as seen through the eyes of those receiving services, a variety of measures related to recipient grievances, appeals, and other expressions of concern will be monitored, including grievance and appeal response time, grievance and appeal comment type; grievance and appeal volume, satisfaction with Magellan's customer service and clinical services, satisfaction with the availability and access to appropriate providers and services, and satisfaction with our complaint and grievance processes.

Satisfaction Surveys

Magellan will build on the State's experiences related to consumer and family member surveys such as the C'est Bon and LaFete surveys used to collect information on perceptions of access, quality and outcomes. The C'est Bon and LaFete Surveys are the state's versions of the standard MHSIP survey for adults and the standard YSS and YSS-F surveys for youth and families respectively. Enhancements have been made by adding items on social connectedness and functionality on the C'est Bon Survey and LaFete surveys, and school attendance on the LaFete survey starting in July of 2008.

The State has introduced a new technology using the Telesage Outcome Measurement System (TOMS). TOMS allows for multiple methods of data entry including direct entry by staff, voice entry, or touch screen, and is being implemented to raise the response rates, especially for the Child/Parent surveys. OBH uses live survey teams to collect both quantitative and qualitative information for the adult C'est Bon survey. The TOMS is intended to collect information on the MHSIP adult survey as a supplement to the live surveys. This is intended to support survey administration in some of the more rural and smaller clinics around the state.

Building on the State's experiences and methodologies, Magellan will conduct several surveys with a variety of populations to determine satisfaction with the services provided. We will survey members, network providers, and other key stakeholders to not only ensure services are meeting their needs, but also to gather information regarding those areas in which we may not be performing at the 100 percent satisfaction level. At a minimum, members will be surveyed on an annual basis and the member satisfaction survey will be approved by DHH-OBH prior to its distribution. We anticipate collaborating closely with DHH-OBH, members, and advocacy groups to develop all satisfaction surveys. Information gathered from these surveys is invaluable to drive further evaluation efforts and implement necessary changes to the QA/QIP and the SMO program.

(f) Feedback loops.

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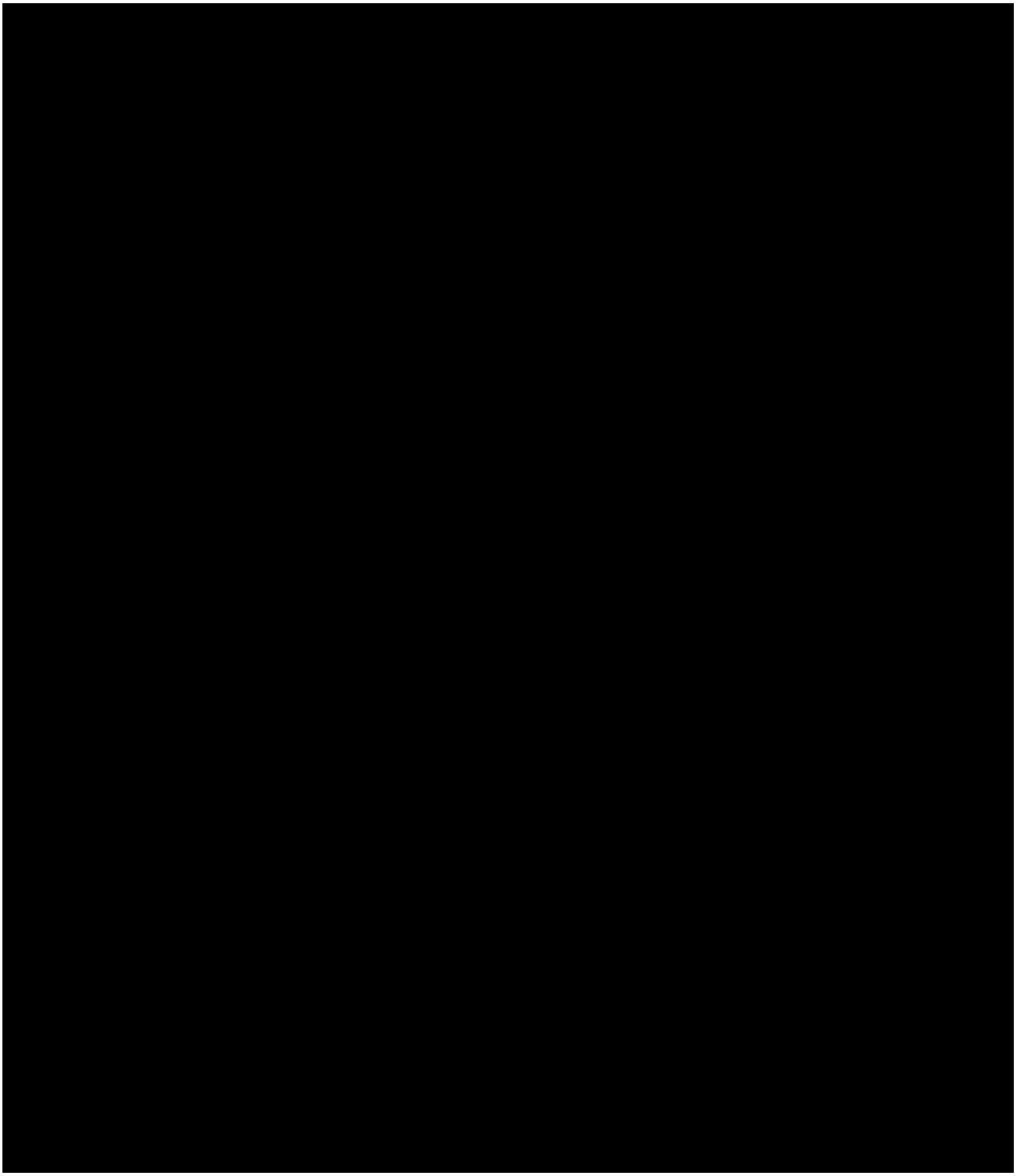
ii. Describe how the Proposer's information management system will support continuous QI. Suggested number of pages: 1



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iii Describe how the Proposer will resolve quality of care concerns and how information related to the concerns will be used to improve the quality of care provided to members at the individual and BH system level. Suggested number of pages: 2

Magellan will leverage our experience in other markets to develop a systematic process for communicating quality of care (QOC) review findings for the LBHP. As described below, this formalized systematic, approach has yielded substantiated improvements in all areas of provider care from the protection of member rights and confidentiality, through all phases of treatment planning and evaluation; this will include coordinating corrective action plans, as indicated. Treatment record reviews (TRR) will be conducted for all suspected quality of care issues. While the TRR process is facilitated by the QM clinical reviewer, the local review team may also include representation from the clinical and network departments, as well as representatives from DHH-OBH. As part of the treatment record reviews, post-review phone conference(s) will be scheduled. At this time, providers will be given the opportunity to discuss the results. During this process, our clinical staff members will also contact the member or their family to ensure all behavioral health care needs are being attended to promptly and appropriately, by a qualified provider.

After all material has been gathered regarding the QOC, the matter will be reviewed by the QA/PI Committee This committee will review all quality of care concerns and recommend clinical performance improvement initiatives to not only resolve the immediate issue, but to improve ongoing clinical care provided to members throughout the entire service system.

Following the review process and tabulation of findings, the involved network provider and DHH-OBH representatives will receive a formal letter with the results of the chart audit, recommendations for improvements, and any additional follow-up activity that may be required as a result of the network provider's performance. If indicated, the matter will be referred to the RNCC for peer review or to an appropriate regulatory agency for further research or action. Results will also be reported to the Centers for Medicare and Medicaid Services (CMS), if requested by the State. Should a network provider be suspended, terminated, or otherwise disciplined, we will immediately notify the appropriate regulatory agency and DHH-OBH.

Findings acquired from the reviews will be analyzed to determine trends, strengths, and deficiencies. Dependent on the results, a variety of actions may be taken, including providing technical assistance to the involved network provider, initiating education programs for network providers and other stakeholders, or developing corrective action plans (CAP). If a CAP is recommended and developed, quality staff will monitor the provider's progress, noting when the CAP has been completed or if there needs to be further action taken, such as an extension of the CAP or suspension of the provider's contract. The specific details of the CAP process are below.

Coordination of Corrective Action Plans

Once identified, Magellan will work with providers to develop and implement corrective action plans:

- A letter will be sent to the provider that identifies the deficiency or concern and requests a written corrective action plan aimed at performance improvement.
- Magellan requires that providers develop the corrective action plan within 30 days and submit a response that includes a written plan of action, the steps required to complete the plan, and a timeline for implementation.

- All corrective actions must be implemented within 90 days. Magellan will provide targeted technical assistance or training to those providers who are unfamiliar with traditional CQI tools and processes and supports providers in developing policies and procedures, forms, and tracking mechanisms.
- The corrective action plan is retained for inclusion in credentialing review and progress is tracked by the RNCC.
- Additional record reviews may be conducted to complete the quality monitoring and assurance process and to determine the extent to which areas of deficiencies have been corrected.
- This process of strategy development, implementation, and evaluation will continue until improvement is made or other actions are taken. Further actions depend on the type and seriousness of the issues identified. Actions can include contract termination, withholding of new referrals, or referral to licensure boards for further review.
- If analysis of aggregated results of provider quality-of-care review activities indicates a network-wide issue, Magellan will enlist the input of the quality committees to identify root causes and to make suggestions for actions for improvement. Depending on the issue identified, a formal performance improvement plan (PIP) might be initiated. Interventions may include the development of provider guidance to be posted on the Magellan Web site for providers to download and post for use in internal training activities; articles in provider newsletters on the Web site summarizing results of quality-of-care review activities and issues identified; development of network-wide technical assistance training sessions; and targeted revisions of provider manuals or other program materials.

Effective technical assistance will be provided by our experienced quality management, clinical, compliance, or network staff (depending on the issues) to assist network providers in meeting requirements and standards to ensure compliance with any assigned CAPs. Assistance includes sharing of documentation resources, and trainings in recovery and resiliency, treatment plan documentation, clinical practice guidelines, and applicable handbooks. In addition, network providers are encouraged to access the multiple Magellan education Web sites.

All QOC review information will also be used to inform the QA/QIP, either as an amendment to a current year plan if the issues are serious or to develop specific initiatives for plans in successive years. Aggregated findings of TRRs will be presented for comment and evaluation by the QA/PI Committee. Treatment record findings will be trended in comparison to previous year results to identify performance improvement and to inform the system for improvement opportunities, targeted interventions, and network provider training. In addition, under the leadership of the CMO, findings of individual network providers are reviewed during the process of re-credentialing and considered in the decision process. This enables a continuous re-evaluation of the Louisiana provider network, ensuring that quality care is available for members.

iv. Describe the methods the Proposer will use to ensure its own and its provider's compliance with QM initiatives and requirements. Suggested number of pages: 2

Magellan quality staff, in coordination with our network management staff, works closely with providers to ensure they are continually informed of the quality plan, current initiatives, and what is required of them to comply with these. All network providers serving the Louisiana behavioral health program will be assessed to determine their level of

technical capability to participate in quality initiatives. Technical assistance will be provided, as necessary. Providers will also be able to contact their assigned Magellan provider representative and quality staff to ask questions or to request assistance in complying with contractual quality requirements. In addition, we will provide a variety of materials that providers may access via the Web or from provider network/quality staff, such as best practice tool kits. They will also be able to view score cards and dashboards, identifying sites that are excelling in participating with quality activities. Magellan quality staff will facilitate provider forums around the state to specifically address quality management and allow providers to share their experience, successes, and challenges with these activities.

In the instance of providers who may not, for a variety of reasons, be able to adhere to the requirements of providers in the quality process, quality staff will use information gathered through quality reviews, outcome data, member satisfaction surveys, and other reports to identify the difficulties they are experiencing. When performance is outside standards, staff will provide coaching and technical assistance, and monitor the provider's progress toward compliance. If no improvement is made, we will implement a formal corrective action/performance improvement plan with the provider. Quality staff, in conjunction with provider relations staff, will monitor adherence to the formal corrective action/performance improvement plan through follow-up treatment record audits and other relevant documentation measurements. If none of the strategies described above are effective, we will have the ability to impose sanctions as needed, through the peer review process. This process will involve regional team members and local peers who will collaboratively try to reach a solution. Should this prove unsuccessful, we will expand the review team to involve the state level Magellan QM and network team members and provider peers. Should the matter remain unresolved, it will be raised to our national provider review team which also includes provider peers. Magellan maintains written policies and procedures to guide RNCC peer review decisions related to altering network provider participation and/or contract status as the result of quality monitoring activities.

Magellan will report to the State, using a methodology and timeframe approved by DHH-OBH, on the compliance of providers in meeting the appointment standards described in question 2.b.i. As part of our quality program, Magellan will employ data collection, surveillance, and reporting activities to continuously monitor providers to ensure they comply with appointment access standards. We will do this in a variety of ways including:

- review of appointment logs and random telephone surveys to assess providers' ability to meet crisis, urgent, and routine appointment access standards, including evening and weekend appointments
- monitoring of complaint indicators related to access
- incorporating stakeholder recommendations and feedback into our network development plan
- identifying providers who can fill a gap in service.

We will also survey the provider network to evaluate the average number of calendar days for appointment availability. Variables measured include number of hours for crisis, urgent, and routine appointments; currently accepting new patients; in-office wait time; and any barriers to scheduling appointments with members. A quarterly sampling of members who have called Magellan for a referral for outpatient treatment during the previous three months will be proposed. This sampling will allow us to trend member feedback related to appointment availability.

v. Describe how members, families/caretakers, providers, advocates and stakeholders will be involved in the design and implementation, and evaluation of QM information. Suggested number of pages: 1

As stated earlier in this response, Magellan is committed to a partnership approach and to the principle "Nothing about us without us" in all its activities. Information related to QM is particularly important in this regard because it reflects how the system is performing and helps identify root causes. QM information also shapes next steps in terms of defining priorities for system development. Partnerships with consumers, families, and/or caretakers cannot occur meaningfully without transparency and information-sharing. At the same time, members of these groups are: (1) sources of information; (2) reviewers, or vetters, of information, helping interpret results and identify root causes; and (3) developers and proposers of options, recommendations and solutions. For each of these information functions, input will be sought regarding the format and the content of information that would be optimal for the different groups.

Magellan will share QM information through a variety of mechanisms, including: (1) reports and results presented to governance, planning, and QM committees; (2) presentation of results at community forums and conferences (in other settings Magellan has sponsored a recovery and resilience annual conference where such information is shared); (3) information provided on the Magellan Louisiana Web site, including "dashboard" and outcomes by provider (as done in Magellan's Maricopa program); and (4) via newsletters that will be distributed to the various stakeholder groups periodically. For all these mechanisms, the different stakeholder groups will be involved in developing recommendations and guidance as to both format and presentation of content.

Additionally, in this response, Magellan is making a commitment to establish a Louisiana Training and Technical Assistance Center. The intent of this center is not only to develop resources for clinical and management purposes but also to support stakeholders in being and becoming meaningful partners in the entire range of both QM and other activities. We envision a collaborative relationship with a Louisiana university, or consortium of universities, to help establish such an infrastructure. The training and technical assistance center will focus on a more expanded and encompassing view of the term "training", denoting a broader sense of skill-building opportunities with assignments, activities, and focused coaching completing and enhancing traditional methods.

A true *"culture of quality*" must be based on QM information that was designed, implemented, and evaluated by those it is intended to benefit. The design, implementation, and evaluation process must be a product of extensive local vetting and feedback. Locally informed QM information evaluation must weigh heavily in the determination of both short and long term priorities and approaches. Further, QM information must be relevant to those who are to benefit from it, if it is to be used effectively for program design, implementation, and evaluation.

To ensure this occurs, Magellan will actively pursue input from members, families/caretakers, providers, advocates, and local stakeholders through a variety of traditional and non-traditional avenues and methods. Given structures required in the RFP and the partnership governance structure proposed by Magellan to drive SMO activities, information provided to stakeholders on the Governance Board will be the same as that available to SMO leadership. We will maintain open communication with members, providers and other stakeholders through regularly scheduled satisfaction surveys, complaint tracking and analysis and other such activities. Results from our State-approved consumer satisfaction survey administrations will be reviewed for quality purposes and used to design and evaluate our programs and services. Similarly, findings from our provider satisfaction surveys will also be incorporated. This feedback will be supplemented by lessons learned from analysis of complaints, grievances, and appeals data. We

will pay close attention to and take under advisement all comments made during public forums, such as State and local coordinating councils (LCCs) for the CSoC and consumer and family advisory committees (CFACs) for adult participants. Together with DHH-OBH's Inter-Departmental Monitoring Team, we will draft our quality improvement goals and activities for integration into our Quality Improvement Strategy (QIS) and put them out for review by key external stakeholders. Along with DHH-OBH, we will submit the QIS for public comment through the state's eight major daily newspapers whenever significant changes are made. Newspaper notices will point the reader to the QIS which will be available through Magellan and/or DHH-OBH Web sites.

In addition to the activities described above, we will present the QIS for comment at our monthly Quality Assurance and Performance Improvement (QA/PI) committee meeting and at Family Coordinating Council (FCC) and CFAC meetings. It is Magellan's policy to recruit members, families/caretakers, providers, advocates, and local stakeholders for active membership in all of our quality committees, our primary internal forums for design, implementation, and evaluation. Feedback garnered from non-Magellan QI committee members in the past has afforded us the benefit of their unique firsthand experiences and has added depth and understanding to our evaluation processes. They have helped us identify and prioritize relevant information and ideas worthy of further design and pursuit. Their input helps us to evaluate and understand quality findings and identify root causes we otherwise would not have considered and has led to numerous concrete developments including revised customer service scripts, improved reporting packages, the implementation of outpatient and residential treatment focus groups, and staff training modules.

To ensure effective participation in the design, implementation, and evaluation of QM information through our quality committees, Magellan developed a comprehensive committee, workgroup, and forum orientation program that contains training and orientation materials, as well as explanations of each committee. All materials are written in accordance with the Centers for Medicare and Medicaid Services guidelines for reading levels. In addition, we will use our training consortium, described in question 2.f., to conduct various forums and round-table events regarding quality initiatives. This collaborative partnership will also develop community events specifically to provide information on the quality process and engage additional community participants.

vi. Describe how the Proposer will involve members, family members, the Proposer's personnel, subcontracted providers and other stakeholders in the development and ongoing work of the QM system and share results of QI initiatives. Suggested number of pages: 1

In a fashion similar to the one described above for engaging members, families/caretakers, providers, advocates, and other stakeholders in the design and implementation, and evaluation of QM information, we will involve these same parties in the development and ongoing work of the QM system and dissemination of QI initiative outcomes. We will pursue involvement through traditional and non-traditional methods and offer a variety of accessible forums and venues for participation and communication. We will supplement our efforts by offering tools and training designed to support full and meaningful involvement.

Members, families/caretakers, providers, advocates, and stakeholders will participate in all aspects of planning and subsequent monitoring to ensure programs and activities meet their intended purposes and the needs of the community and service recipients. They will be invited to participate in the vetting and development of all quality management initiatives including member and provider satisfaction surveys, complaint analysis approaches, the identification of performance improvement project topics, clinical and recovery/resiliency program monitoring, and policy and procedure development.

We will involve members, families/caretakers, providers, advocates and stakeholders in the development and ongoing work of the QM system and share results of QI initiatives by providing ample opportunity for participation and materials to support that participation. Opportunities for participation will include involvement in our quality committees, public forums, State and LCCs for the CSoC, and consumer and family advisory committee meetings. In addition, the mental health training consortium will organize and conduct regular training sessions, forums, and round-table events in the community for consumers and their families. These events will serve as another primary conduit for the dissemination of quality information, including the annual QA/QIP plan, PIPs, satisfaction surveys, etc. Other topics of importance and interest to the community at large will also be entertained. Time will also be allotted for participant feedback on specific programs and the overall QM program.

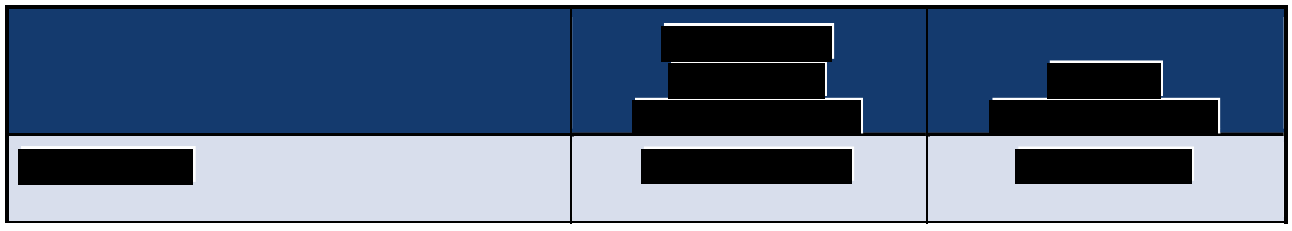
Participation in the forums described above will be made more meaningful through the use of illustrated dashboards that provide a comprehensive picture of the issues at hand and how issues and results relate to each other. We will keep all parties up to date on new findings and issues through Magellan and/or DHH-OBH Web sites and the use of social media, such as Facebook and Twitter.

Finally, to ensure a complete and cohesive feedback loop, we will coordinate with our Family Involvement Director, Family Support Coordinators, and Family Youth Support Coordinators to outreach to members and families for surveys and interviews. These efforts will be directed to those individuals and families who may be hesitant to participate or difficult to engage in the committee or training forum process. By deploying staff who are specifically trained to work with families, youth, and consumers, we will increase the amount of feedback and input we receive from those directly involved in the healthcare system and be able to engage more of these stakeholders in the training consortium learning community activities, where the ongoing work and outcomes produced by the QM system can be brought to groups of people with shared needs and interests. These learning community opportunities will be held throughout the state to ensure participation by the most diverse group of stakeholders possible.

vii. Provide the following information regarding the two most recent member satisfaction surveys with members of government/public sector managed BH care programs:

(a) Time period; (b) Overall response rate to satisfaction survey; (c) Percent of respondents satisfied overall; and (d) Lowest rated item and percent satisfied. Suggested number of pages: 1

The following table details member satisfaction surveys for two of Magellan's public sector managed behavioral health care contracts – Bucks County, Pennsylvania and the Iowa Plan. The Iowa Plan information represents a very recent administration of the survey, which occurred from May 11 through July 6 of this year. The Bucks County survey administration occurred during the late summer of 2010.



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E. NETWORK MANAGEMENT

NETWORK MANAGEMENT - INTRODUCTORY FRAMEWORK

LOUISIANA STRENGTHS

Beginning in 2008, Magellan team members began travelling throughout Louisiana, talking to consumers, family members, providers, and other stakeholders who are involved in the behavioral health system. Through these personal interactions and our analysis of resources and infrastructure, we have identified several initiatives that are advancing the system towards a strengths-based, regional model. Highlights include the following:

- Through position papers such as the ''Roadmap for Change" and the waiver applications currently under review by the Centers for Medicare & Medicaid Services (CMS), the State has demonstrated its commitment to integrating services across funding streams, addressing fragmentation across regions and improving access to services.
- The implementation of a Coordinated System of Care (CSoC) model coupled with waiver applications that enhance the array of services available to children and adults. Five Local Government Entities (LGEs) have been established and there are plans to implement five more. This regional structure provides the foundation for an important public private collaboration between the Statewide Management Organization (SMO) and LGE's that allows for a regional approach to meeting the unique needs of each community.
- Through the CSoC model, the State has prioritized a coordinated system of care and integrated services for high need children and youth establishing a model that will help children and families work toward resiliency in the community and avoid residential placement. This has been accomplished entirely with State funds.

The current system also presents challenges. Chief among these are the access and infrastructure deficits that are evident from region to region, as well as the historic over-utilization of inpatient care and emergency room services—challenges that have resulted in a misalignment of resources across the treatment continuum.

MAGELLAN COMPLEMENTARY STRENGTHS

Magellan has a longstanding presence providing managed care services to residents of Louisiana. Today, we provide behavioral health services to more than 550,000 members of the State's largest health plan, Blue Cross and Blue Shield of Louisiana (BCBSLA). This has given the Magellan team an understanding of local concerns and priorities. In addition, our sizeable Louisiana provider network will serve as a foundation for a comprehensive, statewide public sector network for adults and youth. We have experience developing similar comprehensive public sector networks in Iowa, Pennsylvania, Arizona, Florida, and other states.

Our local presence also allows us to quickly mobilize network resources to immediately respond to natural disasters and other crises, such as Hurricane Katrina or the recent Gulf oil spill. Finally, we understand the importance of provider technical assistance and communication, and we propose to implement a statewide Louisiana Training Consortium similar to the one we developed in Maricopa County, Arizona. The Consortium is a legacy resource that will become a permanent part of the State's learning and collaboration infrastructure.

TRANSFORMATION MILESTONES

Recognizing that system change is an incremental process, Magellan has established concrete milestones for successive years of the SMO contract:

Year One Objectives and Milestones – Establishing the Baseline

1. Contract with and credential a stable, comprehensive statewide network.
2. Implement an efficient claims system that pays providers accurately and on time.
3. Begin to build out the crisis system and expand the network to include alternatives to inpatient care.
4. Develop consensus, establish baseline measures and begin provider profiling.

Year Two Objectives and Milestones – Raising the Bar:

5. Complete the crisis system build out in all regions.
6. Assist providers to ensure all organizations obtain accreditation within 18 months of contract start.
7. Expand Evidence Based Practice (EBP) capacity through learning and technical assistance; and
8. Expand CSoCs to additional regions.

Year Three Objectives and Milestones – Realizing the Vision:

9. Move definitively from provider management to provider oversight and partnership
10. Consider alternative reimbursement models; pay-for-performance initiatives (such as Partners in Care); and creative provider partnerships.
11. Review and analyze program data to identify additional network EBPs, and develop a strategy to implement them in targeted locations.

REGIONAL AND POPULATION-BASED APPROACH

Magellan's network analysis, development, and management activities will incorporate the regional and population diversity that make the Louisiana healthcare landscape both interesting and challenging. For example, our service development priorities and approaches will vary from rural areas to urban areas, will include stakeholder input, and will utilize targeted outreach strategies, including to faith-based groups, existing community based resources as well as individual licensed mental health professionals that previously were not eligible for reimbursement.

i. Describe how Network Management (NM) and development functions will be organized, including staff that will be located in Louisiana and staff support available at the Proposer's corporate or other operations. Suggested number of pages: 3, exclusive of Organizational Chart

NETWORK DEVELOPMENT AND SYSTEM TRANSFORMATION

As reflected in our introduction, and in the description of the evolution of the network of providers over time, the objectives of the network management function will change over time. Initially, the focus will be on establishing a Statewide network, recognizing regional differences and capabilities. As this network functions and accessible high quality care is delivered, data will be obtained regarding the needs of consumers, availability of providers and, the need for different EBPs. The need for different types of providers in each region will be assessed along with the training and technical assistance needs of providers. This process will feed into the next phase of network development as a component of system transformation. To implement this next phase, well developed infrastructure is critical. Information systems must have the capacity provide data on outcomes, appropriateness and quality of services. In this second phase, there will not only be an expansion of services – for example, CSoCs will be expanded into new areas—but also improvements in fidelity and quality of services which need to be monitored.

This process of having a feedback loop of data and information, and tying it to local service delivery needs and priorities, will be embedded as part of network management functions ensuring a continuous quality improvement effort and ongoing system transformation

NETWORK DEVELOPMENT AND MANAGEMENT

Magellan's approach to network development on behalf of the Louisiana Behavioral Health Partnership (LBHP) will be to implement a regional, strengths based, multi-year plan that is focused on increasing access, enhancing quality, expanding choice and improving consumer experience. While Magellan is a national company with significant resources, our public sector programs are led and operated locally. We understand the critical need to work collaboratively with the LBHP providers, consumers, families, advocates, and other stakeholders. We will utilize our national public sector network team to support and establish a Louisiana based team that understands the goals of the LBHP, builds from the existing strengths within the system, and is equipped to assist providers as they transition to working with a SMO. We are committed to building our staff from existing talent within Louisiana to capitalize on local knowledge. We will locate network team members both in the Baton Rouge care management center (CMC) and the satellite office that will serve the north and west to be located in Shreveport. We will also, depending on the need for and availability of staff, create work from home arrangements so we can provide a truly regional focus on network management and development. We understand that a successful SMO will need to support providers in urban and rural settings within Louisiana. We recognize that some of the more critical unmet needs are in rural areas. By locating staff in Baton Rouge, Shreveport, and work from home positions we leverage the broader Magellan resources while having regional staff attuned to the needs of each local community. The network staff will be more than a presence; they will be embedded in the local provider communities they serve. We believe we can more effectively meet the needs of the community by becoming a part of the community.

Our proposed network development and management infrastructure meets all of the requirements of the Scope of Work. Once selected as the successful bidder, we will meet or exceed all requirements of the final contract.

LOUISIANA-BASED STAFF

Our network management and development efforts will be supported by a dedicated team of professionals located at the Louisiana CMC in Baton Rouge. Magellan will employ 18 Louisiana-based network management staff to carry out all functions required by the contract including staff for network development, provider relations, network reporting, and overall network management. Leading the network effort in Louisiana will be a network development administrator.

Given what we learned during time on the ground in Louisiana we realized that a broad approach was required for successful network development in the State. Our ongoing network management efforts will be informed by collaboration with the entire Louisiana based SMO leadership team. Our proposed Louisiana SMO management structure is organized so that our chief operations officer, our vice president of system transformation, and our chief medical officer are jointly responsible for system development. Given this joint responsibility, the medical administrator, the care management/ utilization review administrator, the quality management administrator, the children's system administrator, and the adult system administrator will all collaborate with and contribute to ongoing network development activities. Our approach to network development and management is based on the belief that input from and collaboration between all components of the SMO is necessary to develop a comprehensive SMO provider network.

Directly supporting the network development administrator will be the network management administrator/provider relations manager and a dedicated team of Louisiana based provider relations professionals supporting provider relations, provider training, technical assistance, and reporting. Please refer to Table 2.e.i for a complete of Louisiana network staff along with a brief description of their responsibilities.

Table 2.e.i – Louisiana-based Network Staff

Position	Responsibilities
The Network Development Administrator	Leads the entire network department and is responsible for assuring network adequacy and appointment access, development of network resources in response to unmet needs, and adequacy of the provider network to provide Member choice of providers, and contracting with qualified service providers in compliance with federal and State laws and the requirements in this contract, including all documents incorporated by reference. In addition, the network development administrator works closely with the internal stake holders on the clinical team, the vice president of system transformation, the director of recovery and resiliency and the training manager. The network development administrator is a licensed mental health professional (LMHP) responsible for network development, contracting, credentialing and provider communications.
Network Management and Provider Relations Administrator	An LMHP responsible for assuring timely inter-provider referrals and associated appointment access, and assisting in resolving provider grievances, disputes between providers and the investigation of Member grievances regarding providers; coordinates provider site visits; reviews provider profiles and implements and monitors corrective action plans as needed; and assures accuracy of provider service delivery reports. The administrator is responsible for coordination and monitoring of the administrative provisions of the Magellan SMO contracts with network providers. This includes providing assistance with the monitoring of delivery and of coordination of services and systems in accordance with contract specifications. The network management and provider relations administrator is also responsible for our provider relations processes. Utilizing the team of provider relations liaisons this position works to ensure provider satisfaction including meeting the performance guarantee to ensure an 85 percent positive response rate.
Area Contract Manager	Responsible for the preparation, financial analysis, administration and negotiation of facility, and organizational contracts in Louisiana for the LBHP program. Interacts with all areas of organization at the CMC and Magellan-wide to coordinate organizational network management and organizational network administration.
Project Manager	Serves a key role in planning, managing, and measuring the overall activities of large scale, multi-functional network services projects. The project manager will have responsibility to provide project management planning, execution and reporting to individual project teams. This position will support both provider relations and network development projects and assist with network development aspects of program expansion in collaboration with the vice president of transformation and adult and child administrators to ensure all LBHP requirements are met.
Provider Training Specialist	Coordinates provider training and education, network regional meetings, provides technical assistance to network providers (credentialing, contracting, claims, etc.), provides liaison services between network providers and the CMC departments, and assists providers in developing program and administrative changes to support revised, new and/or expanded services. Staff members serving in this position serve as experts on network issues for their respective assigned territories.
Provider Relations Liaison	Responsibilities include provider interaction while promoting and maintaining a provider relations model of network management, developing provider oriented materials, collegial partnership with providers, provider education, responding to providers, problem solving with CMC staff and other internal operations stakeholders to achieve positive outcomes and/or improve mutual understanding.
Contract Coordinator	Assists the contract manager with production and distribution of all contacting documents and ad-hoc agreements. Provides expert consultation and participates in training regarding contracting methodology, policy and procedures. Facilitates resolution of contract issues, obtains legal review and approval of wording changes in contract documents.
Reporting Specialist	Maintains vital information related to highly complex and customized reports including GEO access, network sufficiency, provider terminations, appointment availability, and network development plan. Maintains various databases and platforms to achieve the most efficient

Position	Responsibilities
	and complete use of the information system to support the LBHP delivery system. Responsible for meeting reporting deadlines (weekly, quarterly, annually) as defined by LBHP the RFP and the network management administrator
Network Coordinator	Under the direction of field network director/manager, the incumbent is responsible for the support of all activities related to developing and maintaining the physician, practitioner, group, and/or facility/organization. Interacts with all areas of organization at the organization to coordinate network management and network administration responsibilities.

CORPORATE PROVIDER RELATIONS STAFF SUPPORTING LOUISIANA

Magellan has a designated network development team poised to implement the formal network contracting process in Louisiana upon contract award. The entire network implementation team will take a proactive approach to credentialing and contracting with existing providers identified by DHH-OBH and the members of the LBHP. Our entire corporate network staff will play a role in ensuring that the network is ready to provide services once the contract goes live. The network implementation will be led by Matt Miller, National Vice President of Networks and Brian Smock, National Director of Public Sector Networks. We will also assign two experienced public sector network project managers, with a combined 20 years of experience, to coordinate the network implementation team for Louisiana. Our corporate team has been successful in all our previous public sector network implementations. We have never incurred a performance penalty due to failure to meet deliverables; and have a demonstrated ability to transition large public sector programs and develop the required network without disruption to members. Immediately upon contract award, resources will be mobilized and on the ground in Louisiana to provide technical support for the credentialing process. Corporate support will continue throughout the life of the contract. Our Louisiana network team will be part of the larger public sector network group and will draw on the experience of their colleagues for help in problem resolution and sharing best practices.

ONGOING PROVIDER SUPPORT AND COMMUNICATION

We are proactive in our communications with providers. We serve as a reliable resource and provide value by supporting providers in reducing their administrative burden by streamlining claims payment and reimbursement mechanisms; improving the clinical efficacy and the quality of services provided to members; and in expanding and enhancing the service delivery system through program development, education, and training. The partnership that Magellan has developed with our provider community is represented in our innovative service development, positive system change, quality clinical outcomes, and overall provider satisfaction in our public sector programs. Our overall provider satisfaction rating of 91.6 percent demonstrates this in a tangible way. An additional indicator, and one of the scores we are most proud of, is that 95.6 percent of the time providers are satisfied with “the professional behavior and courtesy of Magellan Health Services staff.” It is of note that our provider satisfaction surveys responses are anonymous and providers are assured that their response cannot affect their credentialing, accreditation, and network or referral status.

ii. Provide an organizational chart for NM that includes position titles, numbers of positions, qualifications and reporting relationships. Discuss how provider relations, network development and network monitoring will be addressed. Suggested number of pages: 3 exclusive of organizational chart.

OVERVIEW

Magellan's provider network is one of our most valuable assets and we are committed to a collaborative approach to network development and management. Over the past two years we have come to understand that some of the unique needs of local Louisiana communities include a shortage of robust crisis services, delivery of services to a culturally diverse population, an inadequate number of licensed professionals, and minimal use of EBPs. Our strategy for building a provider network will address these and other unique needs of the communities and will be based on our experience and a tested network development methodology. We successfully used this methodology transforming delivery systems in a wide range of environments, in states as diverse in population and programs as Arizona, Iowa, Florida, Pennsylvania, and Nebraska. Utilizing targeted provider trainings, provider relations site visits, and prompt day-to-day issue resolution, we develop strong, lasting, and mutually respectful relationships with network providers that affect positive system change to benefit members and delivery system stakeholders.

LOUISIANA APPROACH

Our approach begins with learning about the system. In June of 2011 we conducted several listening sessions with the Louisiana provider community. These outreach efforts allowed us to gain a better understanding of the provider network along with the unique challenges faced by consumers in Louisiana. Some of the issues voiced by providers include:

- Limited exposure to managed care leading to provider apprehension
- Providers with minimal experience submitting claims for reimbursement
- Access to services in rural areas, lack of providers
- Provider infrastructure is limited outside of the human service districts
- Concern about cost and resources associated with the requirement to become accredited
- The cultural background of members has a significant impact on how, where, and whether they seek care.

This provider feedback has informed the initial development of a provider relations strategy specific to the unique needs and opportunities for improvement in Louisiana. Our strategy is designed to meet providers where they are in terms of infrastructure, quality of care, and capacity and move forward from there. Our plan supports providers, as they are at the forefront of State initiated system changes. Simply put, our strategy is to build from the strengths of the system; collaborate with the regions and LGE's; engage providers through clear communication; demonstrate a commitment to system enhancement; describe how the SMO can be aligned with providers as they strive for improved quality of care; and communicate the value that Magellan will bring to providers as they do the difficult of work of supporting consumers.

We believe this approach is critical as system change can easily lose momentum if providers become cynical about the system redesign, and the intended focus on improving services for consumers gets lost in frustration about the required system changes. Missteps around implementation issues can reverberate for years.

Our provider relations approach is designed to mitigate that risk by working collaboratively to support providers that will face challenges associated with a major system redesign while providing services to all members regardless of geographic location or cultural background.

We understand that having an SMO as a partner in the delivery system will be new to Louisiana providers. We also understand that providers are at various levels of readiness for managed care. Upon contract award, we will begin to work with Louisiana providers to help them move through the credentialing process.

NETWORK STRATEGY COMMITTEE

The Network Strategy Committee (NSC) will serve as the hub for information gathering and sharing as well as for strategic network expansion planning for delivery system wide initiatives, as well as those specific to each of the local regions. In addition to the NSC, our network development administrator and a provider representative are also members of the SMO Governance Board.

The purpose of the NSC, which reports to the Quality Assurance/Performance Improvement (QA/PI) Committee, is to be a source of feedback to and from the provider community, stakeholders, consumers and the LBHP. The NSC is focused on reporting on and improving access to appropriate services for members, identifying opportunities for improvement in processes for providers, discussing implementation and transformation issues and maintaining an open line of communication between Magellan, providers, stakeholders and consumers. The NSC will be a data sharing and information gathering committee that is used as a resource to assist with the network development annual plan. The NSC will evolve over time as the system needs change. We have identified a three phase plan and anticipate that each phase will take approximately one year to complete. We will actively monitor the progress of each phase, and adjust the beginning and end dates of the phases as necessary. In phase one, the NSC will be focused on implementation issues and creation of the annual network development plan. In phase two, as the system moves forward, the NSC will closely monitor access and capacity and begin to look at provider profile data with the end goal being development of consensus on profiling measures. In phase three, the NSC will monitor and provide ongoing feedback on access, review network development strategy, the annual plan, review provider profile data, and discuss provide ongoing feedback on future system enhancements. We will use ongoing feedback from the committee to assess things such as provider communication in general, service gaps and appointment availability data, and GeoAccess. GeoAccess is an industry leading software application used to create maps, charts, and tabular reports which enable a detailed view of network accessibility.

We also see the NSC as a conduit to share information on evidenced based programs, best practices, and cultural competency, as well as a forum to prioritize initiatives which involve the service delivery system. Feedback will be solicited from a variety of sources including, but not limited to, consumers and family members, providers, committees and workgroups, GeoAccess results, LBHP, and QA/PI committees.

The information gathered from these sources will be provided to the NSC via committee members. The committee will have the responsibility of analyzing the reports. Identified issues and trends will be examined at the regional level. Based on feedback received from stakeholders in each individual region, the NSC will then develop and implement strategies to meet the needs of and set the course for network expansion in each of the regions. This structure allows for a de-centralized approach that brings experience and expertise closer to the needs of the local community. Our intent is not to address increasing capacity in a vacuum or in a siloed approach. We recognize that to effectively serve the community and stakeholders, we need to involve the community and stakeholders in developing creative solutions. In addition to receiving input from various entities, we will request specific information from stakeholders and utilize it to be sure we do not repeat unsuccessful past attempts. while at the same time bringing a fresh and new perspective to expanding provider capacity. We will maintain open communication with stakeholders regarding strategies and planned initiatives to ensure community understanding.

PROVIDER RELATIONS

ONGOING OUTREACH AND ORIENTATION: A PROVIDER RELATIONS MODEL

Our provider relations team, which will be in continuous contact with the provider community, will be trained to identify administrative areas that may warrant further provider education. These include but are not limited to: claims submission, billing procedures and troubleshooting, complaints received, enrollment and eligibility submissions, obstacles reported during pre-authorization, and correct and timely submission of required reports. As warranted, our staff will contact the provider to discuss the situation and work cooperatively to implement a solution. Our provider relations representatives will be available for "on-demand" training requests by providers. Additionally, the type of training or technical assistance will be reported to identify specific trends which may lead to broader, system-wide training. We anticipate there will be significant training needs around basic managed care procedures, the LBHP program and intended goals, authorization requests, verifying eligibility, claims submission, EDI testing and submission, cultural competency, use of Magellan Web tools, and contracting and credentialing procedures.

Magellan staff will continually seek additional ways to enhance provider training and technical assistance. Each provider will have a designated provider relations contact person from the SMO team. The staff person will conduct regular scheduled status check meetings by phone or in person with providers during start up and ongoing. Part of these regular provider meetings will be to address and understand any specific training needs. Further, we will be conducting online surveys to assess implementation and other needs on an as needed basis. In addition, the State, our clinical, quality, or customer service staff may identify issues through conversation with providers during routine interactions such as coordination of consumer care, during the authorization process, or telephonic reviews. Our teams will also identify technical assistance needs through broader based reporting such as claims denial reports, ambulatory follow up, readmission rates, and average length of stay trending against benchmarks. As warranted, our staff will contact the provider to discuss the situation and work cooperatively to implement a solution. Additionally, the type of training or technical assistance provided will be monitored to identify specific trends which may lead to identifying the need for broader, system-wide training

NETWORK DEVELOPMENT

We have a successful track record of implementing complex, statewide behavioral networks expeditiously and efficiently and will do the same in Louisiana. We have already begun provider outreach activities in Louisiana. Table 2.e.ii-1 outlines our three phase approach to network for the LBHP, with some activities having already been completed.

Table 2.e.ii-1—Initial LBHP Network Development Timeline

Milestone	Date
Phase 1	
Identify Existing Network	April 2011
Send initial introduction letter to current system providers	April 2011
Begin outreach to providers in Louisiana	April 2011
Send LOI mailing to all current network providers	May 2011
Conduct introductory Provider Listening Sessions	June 2011
Send follow-up mailing to all current network providers	July 2011

Milestone	Date
Send Initial award announcement to current network providers- ensure with all current providers are included	September 2011
Send credentialing applications to current network providers	September 2011
Establish Provider line and points of contact for provider questions	September 2011
Conduct Magellan Orientation Forum (Initial discussion/overview/ opportunity for questions)	October 2011
Run preliminary GeoAccess reports by region for each LOC	November 2011
Send approved Contracting packets to current network providers	November 2011
Conduct Magellan Technical Training Forums	December –February 2012
Network fully credentialed and contracted	February 2012
Contract Go-Live	March 1, 2012
Conduct Magellan Technical Training (follow-up sessions)	March – June 2012
Phase2	
Complete the crisis system build out in all regions	June 2013
Complete accreditation of all organizations by 18 months after contract start	August 2013
Expand EBP capacity through learning and technical assistance	July 2013
Support the CSoC governing body as wraparound agencies (WAAs) and family support organizations (FSOs) expand to additional regions	July 2013
Phase 3	
Move definitively from provider management to provider oversight and partnership	March 2014
Consider alternative reimbursement models; pay-for-performance initiatives (such as Partners in Care); and creative provider partnerships	July 2014
Review and analyze program data to identify additional network EBPs, and develop a strategy to implement them in targeted location	August 2014

We will bring our considerable expertise to Louisiana in developing a robust provider network and set in place the infrastructure and the technical support necessary to develop this network.

Our experience with assuming a very large and complex program in Maricopa County, Arizona showcases our ability to contract and operationalize a network while meeting all client expectations. Upon contract award we immediately began outreach, collected credentialing packets, and gathered required data. Utilizing a team of 3 project managers and 10 network contracting staff we brought in 124 total agencies at 504 locations within 80 days of notification of contract award. If selected, Magellan will bring the same commitment and resources to assist the LBHP with the transformation of the delivery system.

NETWORK MONITORING

Network staff will continuously monitor, report, and adjust network sufficiency. Results of the network sufficiency analysis will help ensure that service types and capacity meet the system needs. Various data points will be utilized including, but are not limited to:

- GeoAccess analysis results, density analysis, current and anticipated enrollment and penetration data
- demographic data including cultural and linguistic needs
- utilization data, grievance, and appeals data
- satisfaction surveys, stakeholder participation in committee structure, input from LBHP members
- provider onsite reviews and surveys of appointment availability and treatment record reviews of high volume providers.

As part of our QA/PI program, Magellan employs data collection, monitoring, and reporting activities in order to continuously monitor providers to ensure that they comply with appointment access standards. We do this in a variety of ways including:

- Reviewing appointment logs and random telephone surveys to assess providers' ability to meet crisis, urgent, and routine appointment access standards, including evening and weekend appointments
- Monitoring complaint indicators related to access
- Stakeholder recommendations and feedback is incorporated in our network development plan
- Identifying providers to fill service or geographic gaps. When a care manager identifies a provider that will fill a gap in service he or she completes a Provider Nomination form. Provider nominations will be reviewed monthly at the NSC.

We also survey the provider network to evaluate the average number of calendar days for appointment availability. Variables measured include number of hours for crisis, urgent, and routine appointments; currently accepting new patients; in-office wait time; and any barriers to scheduling appointments with consumers. We propose a quarterly sampling of consumers who have called Magellan for a referral for outpatient treatment during the previous three months. This sampling will allow us to trend consumer feedback related to appointment availability.

As requested, we have provided an organizational chart for network management that includes position titles, numbers of positions, and reporting relationships in Figure 2.e.ii. We have included qualifications for the positions identified in the organizational chart in Table 2.e.ii-2 which immediately follows the organizational chart.

Figure 2.e.ii.—Network Organizational Chart

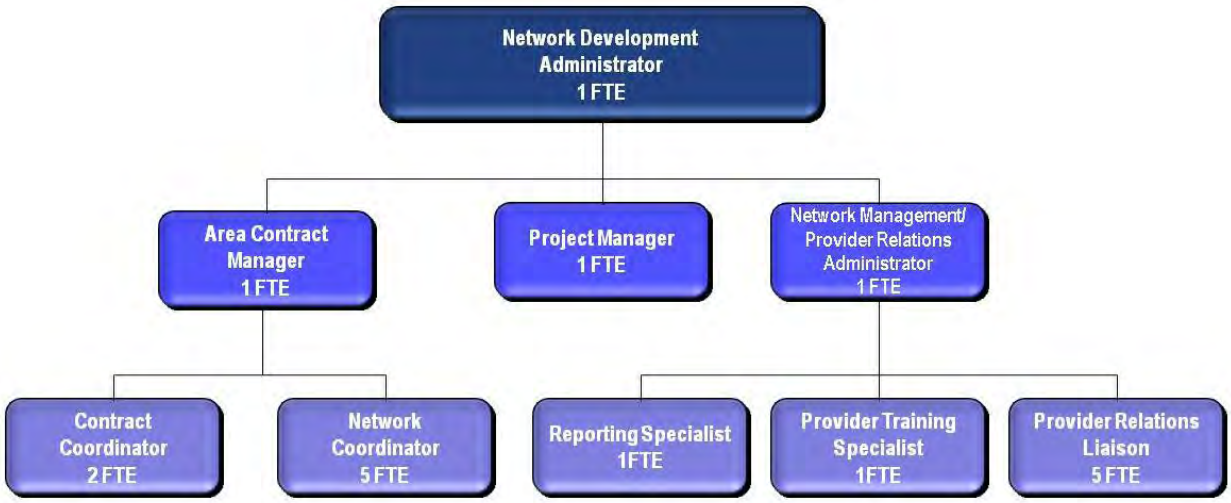


Table 2.e.ii-2 – Summary of Qualifications

Position	Degree, Years of Experience, and Special Requirements
The Network Development Administrator: **1 FTE**	Master's degree and LMHP with significant experience and expertise in the development of provider behavioral health services for: 1) children and youth involved in multiple services systems (child welfare, juvenile justice and behavioral health and in or at risk for out of home placement), and 2) adults with SMI and/or addictive disorders. 5 to 8 years of experience required.
The Network Management and Provider Relations Administrator **1 FTE**	Master's degree and LMHP with significant experience and expertise in the management of provider behavioral health services for: 1) children and youth involved in multiple services systems (child welfare, juvenile justice and behavioral health); and 2) adults with SMI and/or addictive disorders and the ESP practices recognized by the Substance Abuse and Mental Health Services Administration (SAMHSA) for these populations and high risk groups such as individuals with co-occurring major mental disorders and addictive disorders. 5 to 8 years of experience required.
Project Manager **1 FTE**	Bachelor's degree with 3 to 5 years experience. At least three years project or network management experience. Experience in healthcare industry in operations (claims, network, HMO), finance, information technology, or project management.
Provider Training Specialist **1 FTE**	Bachelor's degree with 3 to 5 years of experience in managed care provider relations/management.
Provider Relations Liaison **5 FTEs**	Bachelor's degree with 3 to 5 years of behavioral health provider relations experience.
Area Contract Manager **1 FTE**	Master's degree preferred or bachelor's degree with 6 to 8 years of experience in public sector contracting.
Contract Coordinator **2 FTES**	Bachelor's degree with 3 to 5 years of behavioral health contracting/provider relations experience.

Position	Degree, Years of Experience, and Special Requirements
Network Reporting Specialist 1 FTE	Bachelor's degree with 3 + years of information technology (IT)/reporting experience.
Network Coordinator 5 FTES	Bachelor's degree with 1 to 3 years of behavioral health provider relations experience.

iii. Describe how the Proposer's information management system will support NM and development. Suggested number of pages: 2

Magellan supports network development and network management initiatives through management information systems that are configured to collect data specifically relevant to the requirements of the customer. We have access to the source code for all our systems, which allows us to build and configure those systems according to the specific needs of the business. In this way, the needs of our customers define our systems, as opposed to allowing restrictions of a particular system to define how we serve the customer.

Magellan's network operations team analyzes the requirements, defines what they need and the information technology team then configures the systems to support the unique business processes for each Medicaid program and nuances that may be associated with them. We have successfully configured our systems to fit the differing business needs for public sector contracts, such as our customers in Iowa, Nebraska, Florida, Pennsylvania, and Arizona. This degree of flexibility also allows Magellan to modify practices and systems in order to comply with state-specific regulatory requirements.

Magellan's long-term experience with public sector accounts continually informs our approach to applying technology to network management. Our approach to Louisiana, outlined in Question 2.e.i. of this section, requires strong information gathering and retrieval systems, administrative support technologies and a reporting structure to support the network management and related quality initiatives. Below are examples of tools utilized by our network operations team to accomplish these goals.

INTEGRATED PROVIDER DATABASE (IPD)

IPD is a relational database developed for the business to be used as Magellan's single provider data repository and be capable of housing and differentiating between Magellan networks which allows us to create distinct state and or funding source specific networks as needed. It supports the contracting and credentialing process and allows the operations group to collect additional data needed for their network development and management functions, including but not limited to, network participation status, licensure, reimbursement schedules, billing relationships, rates and electronic funds transfer (EFT) information. Tracking of programs each provider delivers can also be collected by location, program, gender and age group allowing network staff to track the multiple programs and licenses that organizations might have.

The provider data in the IPD is utilized and tightly integrated with all other functions within Magellan, including our provider search, clinical authorization, claims payment, reporting and application as well as Magellan's Web site. Magellan's Web site allows providers to view their information in the IPD and submit any necessary updates to the provider network department.

Integrated in the provider system is a module called Recruitment Tracker developed as a tool to collect information at various levels and report regarding the provider recruitment status for a specific network development project to assist staff in their network development efforts.

Information that can be tracked includes: appropriate contacts for the provider, responsible internal staff, notes specific to the recruitment, what levels of care/services are being pursued, and the ability to store any other type of information that is important to track for the provider and/or initiative (for example, high volume provider, mandatory provider) allowing the users a large degree of flexibility to customize for their needs.

CLAIMTRAK SCHEDULING

ClaimTrak contains scheduling functionality allowing appointment availability information to be captured for the providers using the application. The data captured helps support network management to identify capacity issues- when providers are full and support access when we need to make urgent referrals to providers and openings can be identified.

CORRESPONDENCE TRACKING

Magellan's correspondence system automatically feeds outgoing correspondence into our document tracking system and all incoming documents are imaged and stored as well. These documents are stored and retrievable by provider ID. Documents received via paper or electronically (Web, e-mail, fax) are routed to the appropriate team for processing. This allows network staff to keep track of communications between Magellan and providers so we know who has been contacted and where they are in the process

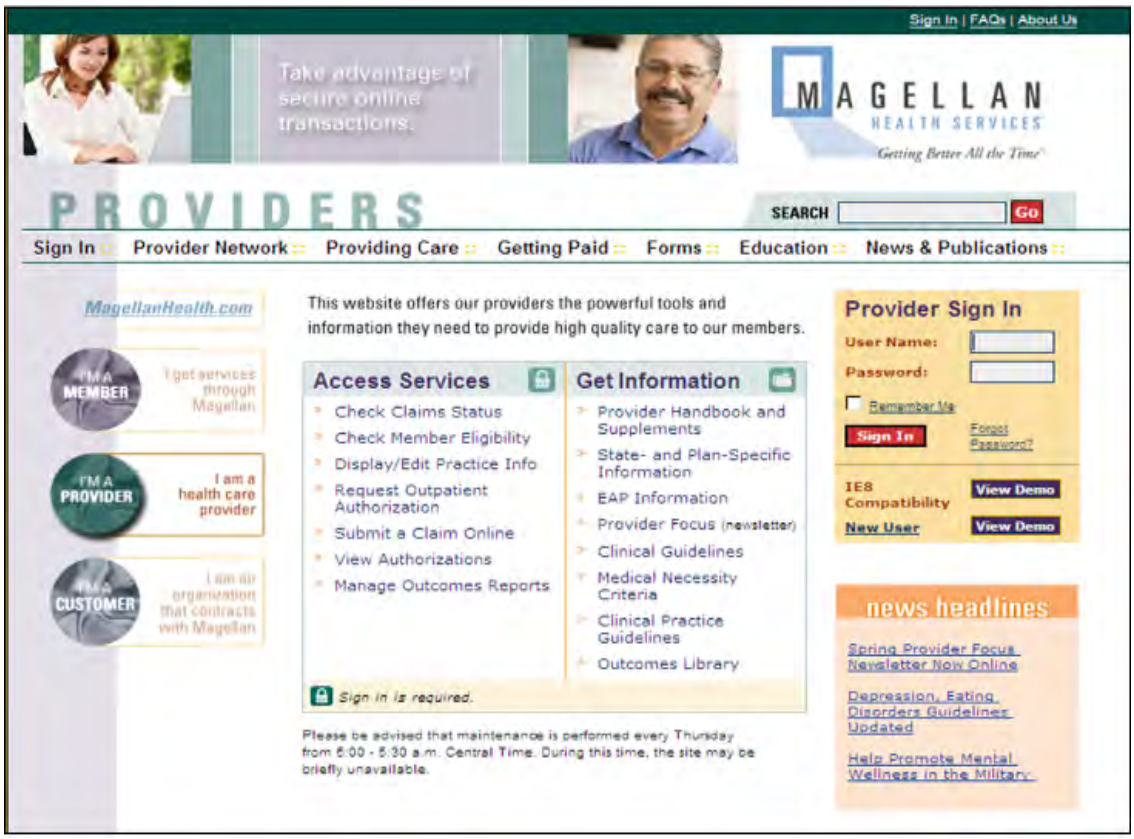
REPORTING

Numerous reports have been developed for network development and management activities, but Magellan has also recently implemented COGNOS which will allow users to develop their own ad-hoc reports to more quickly obtain information which might fall outside existing standard reports.

WEB

In addition to electronic claims submittal, Magellan offers network providers a variety of functions through our award-winning Web site. Among its many features, providers have the ability to check the status of a consumer's eligibility, check authorization status, check claims status, maintain their provider information, and complete the re-credentialing process. Figure 2.e.iii shows a screen print from the Magellan Web site provider portal.

Figure 2.e.iii - Magellan's Provider Web Site Screen Print



iv. Address the Proposer's experience with contracting for services typically provided by child welfare and juvenile justice agencies that are funded through State general funds or Grants (i.e., not Medicaid-reimbursable services). Suggested number of pages: 3

Magellan has broad experience contracting with child welfare and juvenile justice agencies that are funded through state general funds. We also have significant experience in states where services that were traditionally funded outside of Medicaid were transitioned to Medicaid funding. We have the systems and experience to assist the DHH-OBH in its goal to maximize the appropriate use of Medicaid funding as well as effectively assist with utilization of state general funds and other sources of funding. Below we highlight examples of our experience in Florida, Pennsylvania, and Arizona. The following summaries of Magellan programs across the country illustrate our flexible and targeted approaches to program development and underscore our commitment to the central tenets underlying child welfare efforts: safety, permanency, and well-being. They also illustrate how Magellan programs are designed to streamline processes, identify needs, and enable professionals to embark quickly on necessary courses of action to better serve children.

Our approach is always to build upon existing community strengths such as the participation of Louisiana in the MacArthur Foundation Models for Change initiative. The focus of the initiative was to develop better interagency collaboration at the local level, and better coordination between state and local levels, to expand alternatives for youth involved with the juvenile justice system, increase access to evidence-based practices, and reduce minority contact with the juvenile justice system. There was recognition that community alternatives did not exist, and that the

availability of EBPs at the local level is rare. It was also reported that there was a need to create a consistent screening and assessment process using appropriate tools.

In Louisiana, local Models for Change work occurred in five locations encompassing seven parishes: Caddo, Calcasieu, Jefferson, Rapides and 16th Judicial District (St. Martin, Iberia, St. Mary), and included collaboration with university, professional and state partners. Some of the results included: implementation of evidence-based screening and assessment instruments, the development of a middle school intervention program, the increased availability of EBPs such as functional family therapy (FFT), Strengthening Families program, Parenting Wisely program, and Positive Adolescent Choice Training. These are experiences that will inform and support our SMO activities to expand the availability of services for children and adolescents who require services from multiple agencies.

FLORIDA CHILD WELFARE

In Florida, we collaborated with child welfare agencies to create the Child Welfare Prepaid Mental Health Plan which offers multi-tiered approaches to care coordination that reduce fragmentation and fill gaps in care for enrolled children and their caregivers. This program is more than a contract with child welfare agencies; it is an example of a public -private partnership leading to improved outcomes for children. The program called the Community Based Care Partnership (CBC Partnership) represents collaboration and a legal partnership with 18 participating CBC's responsible for child welfare services coupled with Magellan's infrastructure; technology and proven practices of managed behavioral health. The overarching goals of the CBC Partnership are to improve the lives of and achieve better outcomes for the children in Florida's Child Welfare system through improved access to mental health services delivered in a community-based system. In order to accomplish these goals, the CBC Partnership relies on the following:

- the leadership and vision of CBC's engaged in the CBC Partnership
- the financial resources, technical capabilities, and clinical excellence of Magellan
- the passion and caring of family members and caregivers
- better outcomes for children (linking services to permanency)
- better access to Medicaid funded mental health services
- improved mental health program design (CBC involvement at all stages).

To ensure that mental health services are in place to support the safety, permanency, and well-being of children, the overall child welfare case plan is coordinated with the mental health treatment providers which is key to ensuring that all work together for the benefit of the child. The CBC Partnership care management and utilization management program is designed to provide oversight of routine care and tailored oversight of more intensive levels of care by using clinically driven triggers and predictive modeling to identify those enrollees in need of additional support. Utilization review activities are carried out as part of the partnership by Magellan through licensed care managers at our Florida CMC. These activities are carried out in full partnership with each of the CBCs, with CBCs dealing directly with the CMC for any needed authorization.

Enrollees who demonstrate a higher level of need either through repeated use of restrictive levels of care (such as inpatient readmissions) or multiple co-occurring needs (such as adolescents with co-occurring mental health and substance abuse needs or children involved in multiple service systems) are assigned to Recovery/Resiliency Care Management (RCM).

RCM care managers work proactively with the enrollees they serve, their families, and their natural supports to ensure that individualized crisis plans are developed and used, that follow-up appointments are made and kept, and that additional regular reviews of progress toward agreed-upon goals are carried out and treatment plans modified as needed to support ongoing resiliency.

Flexible, Coordinated Care Helps Stabilize Children and Families — The CBC lead agencies serve as the link between 400 mental health network providers and the CBC Partnership, advocating for the right services to stabilize children and their families. Magellan provides the clinical expertise to shape mental health care through care management approaches and information systems infrastructure to support the system.

The CBC Partnership's innovative programs provide continuity of care and stability, promote positive behavioral health outcomes for children and enable quick access to a full array of services. Some examples of these services include the following:

- Targeted case management and wraparound services meet individual needs and facilitate essential services for children including integrated psychiatric and medical care, medication management, onsite services at school and at home, outpatient services, and therapy.
- Access to a range of services, such as 72-hour crisis respite care, reduces use of the clinically unnecessary involuntary commitment.
- Mental health services are integrated into children's permanency plans, increasing reunifications and adoptions—which doubled from 1,500 in 1996 to 3,000 in 2009.
- State-of-the-art monitoring and outcomes reporting tools ensure that quality-of-care standards are met. Web-based systems assist in tracking and trending service quality and delivery.

PENNSYLVANIA

Integrated Child Service Initiative – This initiative required multi-system collaboration in the recruitment and development of a network to serve children involved with Children and Youth Services (CYS) and Juvenile Probation Office (JPO). Multiple meetings were facilitated with the County offices to determine priorities and to review timelines and budgets for each service. Provider recruitment included residential programs as well as non-traditional outpatient services. A significant challenge, similar to those facing Louisiana, was the identified providers that exclusively served these populations and were not Medicaid enrolled, did not submit actual claims to the state or any insurance company, and were not licensed under program models which the Pennsylvania HealthChoices Medicaid program traditionally utilized. To facilitate this system change, provider forums were held to discuss the initiative, the Medicaid enrollment process, credentialing, and Magellan contracting. We worked with each provider individually to develop their program description, apply for Medicaid enrollment, and in some cases licensure, and discussed the rate setting process. Our initial efforts in 2006 focused on residential programs that were identified by the County CYS and JPO as "preferred providers." Our recruitment and program development efforts resulted in the contracting of six residential treatment facility (RTF) providers representing 18 new programs to the network. Through these efforts we developed additional provider capacity, ensured that providers transitioned in to Medicaid successfully, enhanced quality and assisted the Commonwealth of Pennsylvania in its goal to maximize the use of Medicaid funding.

Transitioning behavioral health services funded CYS and the juvenile justice system to the state's behavioral health Medicaid program continued after the first implementation of mainly residential programs. Following that first phase, Magellan worked with multiple providers to develop "blue print" evidenced based, behavioral health rehabilitation services alternative services in 2007 and 2008. Magellan worked with identified providers to develop a Family Focused Solution Based Service program with FFT providers, and a Multisystemic Therapy (MST) provider. These

services have been successful in fulfilling a specialized role in our network and have successfully diverted many members away from higher levels of care. Further, the movement of these programs allowed funding again to shift from funds for JPO and CYS to the Medicaid program allowing the State to maximize its use of state and federal resources

ARIZONA

In May of 2009, Magellan, as the Regional Behavioral Health Authority for Maricopa County, set out to meet a need identified for substance abuse treatment services for adolescents in the juvenile justice system. Based on analysis of community need, Magellan reached out to substance abuse treatment providers with evidence-based treatment models already in place that were effective in reducing substance use and other problem behaviors among youth involved with juvenile justice. Another criterion for selection was the cultural relevance of the provider agency's treatment models to the targeted racial/ethnic groups, for example, Latino and Native American youth.

By identifying four treatment provider agencies, Magellan sought to achieve increased access to evidence-based, culturally relevant substance abuse treatment, maximize choice between treatment approaches to match with individualized needs, and reduce substance use-related incarceration and recidivism of adolescents, particularly those youth who represent racial and ethnic minorities. To ensure that adolescents in need of these services would be referred to the programs, a campaign of marketing the programs to juvenile probation and juvenile corrections was launched. Magellan requested quarterly reports of the number of adolescents served and their clinical outcomes, including: change in substance use from admission to discharge; successful treatment completion; and recidivism to a juvenile justice secure setting. The programs were asked to actively seek to serve Latino and Native American youth in need of substance abuse treatment.

Since the implementation of this effort, Magellan has been able to collect outcomes information for seven quarters. During the period of July 1, 2009 through March 31, 2011, substance abuse treatment services using the identified EBPs were provided to over 600 adolescents involved in the juvenile justice system, as follows: adolescent – community reinforcement approach (A-CRA) = 300 adolescents; MST = 60 adolescents; brief strategic family therapy (BSFT) = 197 adolescents; and Matrix Model = 81 adolescents. Of 221 adolescents for whom race/ethnicity was reported, 118 were Latino and 2 were Native American. Of the 273 adolescents who completed treatment during this 21-month period, 64 percent (175) had decreased or eliminated their use of substances. More than 70 percent of the adolescents completed treatment without returning to a juvenile justice secure setting, demonstrating a recidivism rate of less than 30 percent. For each of the EBPs utilized, the results were as follows:

- A-CRA – Of 101 adolescents completing treatment, 64 percent had decreased or no use of substances and 82 percent avoided recidivism to a juvenile justice secure setting.
- MST – Of 35 adolescents completing treatment, 71 percent had decreased or no use of substances and 69 percent avoided recidivism.
- BSFT – Of 106 adolescents completing treatment, 58 percent had decreased or no use of substances and 53 percent avoided recidivism.
- Matrix Model – Of 31 adolescents completing treatment, 26 percent had decreased or no use of substances and 81 percent avoided recidivism.

This program has been recognized by SAMHSA and has been selected as a finalist for SAMHSA's Science and Service Award.

v. Provide an example of how the Proposer has developed, organized, or implemented another public sector mental health and substance abuse provider network to successfully achieve system goals similar to those outlined in the RFP. Provide a contact from a contracting agency that can verify the Proposer's experience. Suggested number of pages: 3

DEVELOPMENT OF THE PROVIDER NETWORK

Being accountable to consumers, family members, the State, and stakeholders translates to ensuring that the network is able to meet the needs of all members as of go live date. Our experience in Maricopa County, Arizona, is similar to Louisiana in that the system was undergoing extensive transformation and had distinct adult and children's components. There are also similarities in the approach we employed in Maricopa and our approach in Louisiana including the following:

- on the ground presence prior to contract award
- provider forums – with significant emphasis on relationship building
- established commercial network that we can leverage to increase capacity.

Our network management approach and structure played a critical role in training and retaining providers, coordinating with stakeholders, managing and facilitating network development activities, and collaborating with internal departments to build an environment of continuous quality improvement and outcomes.

PHASE ONE

For more than a year prior to the release of the RFP, Magellan worked diligently to ensure that we would provide a program for Maricopa County that minimized disruption for consumers and their family members as the system transitioned. From the outset we focused on listening to community members, including providers, as a vital component in designing the service delivery system. We conducted more than 200 meetings with providers, consumers and their families, and community stakeholders. We incorporated the information received from these meaningful outreach strategies into our overall network system design.

Specific outreach strategies geared toward the provider community included hosting provider forums and sponsorship of conferences with provider representatives who were delivering services in Maricopa County. These personal interactions allowed us to listen to feedback that was instrumental in network program development. The following consistent themes emerged from these conversations:

- a need for open and straightforward communication
- an organization that exhibits expertise and leadership
- a commitment to follow through and accountability
- a collaborative relationship between the provider community and the Regional Behavioral Health Authority.

Magellan considered all feedback received and designed a network structure to address the concerns of the provider community. The overall structure has been designed as a collaborative provider relations model that integrates both the network management and development functions. The organizational structure integrates the internal development and management functions of the provider network with a focus on information sharing among all departments throughout Magellan and the provider community.

Our structure was designed to be flexible and has successfully met the changes essential in the Maricopa County Behavioral Health System, including the three-stage network transition and the total system transformation.

In designing our organizational structure, we incorporated the proven methodologies from our existing public sector programs throughout the country and best practices that the Arizona Department of Health Services (ADHS) identified for the local community. In addition, we designed a model that allowed us to transition service delivery in accordance with the ADHS' Network Transition Plan. Magellan developed and implemented a network that not only met but exceeded the capacity of the former vendor's network. The network was in place prior to Magellan starting to deliver services in Maricopa County. We structured our development and management plan to accommodate funding, contracting, and reimbursement methodologies needed to ensure that there was no disruption in care during the transition to Magellan and that providers remained financially sound. We ensured that no providers were harmed due to potential cash flow issues during the transition.

Our formal network development activities in Maricopa County began immediately after the RFP was released. Establishing the network, conducting a complete assessment of capacity, and developing enhancement strategies were key components of our network implementation plan. Letters of intent (LOIs) were sent to all of the current service providers and included a survey of all specialties currently offered by each provider. This strategy allowed us to assess current specialty capacity while also allowing us to begin applicable credentialing processes, to populate the provider specialty and appointment availability databases, and to develop member communications designed to provide a seamless transition of services to Magellan on contract start date.

We received an overwhelming positive response from providers when we mailed LOIs and survey materials and followed up via phone, e-mail, and fax. A team of professional Magellan contract managers were utilized to assist in the contracting process immediately upon contract award. The network implementation team ensured that all current providers in the delivery system continued to serve Maricopa County consumers and family members.

PHASE 2: IDENTIFICATION OF GAPS AND DEVELOPMENT OF OUTPATIENT/SUPPORT SERVICES

At the end of our first year we completed a comprehensive network analysis which allowed for the review of a wide array of service providers who perform different roles within the service delivery network. Depending upon the provider's role, Magellan considers different elements when monitoring capacity. The primary elements reviewed to monitor capacity within the provider network currently and retrospectively are as follows:

- appointment availability
- timeliness of services
- availability of funding
- current utilization
- staffing patterns
- length of stay
- number of active enrollments
- number of referrals
- referral patterns
- complaints data
- geographic accessibility.

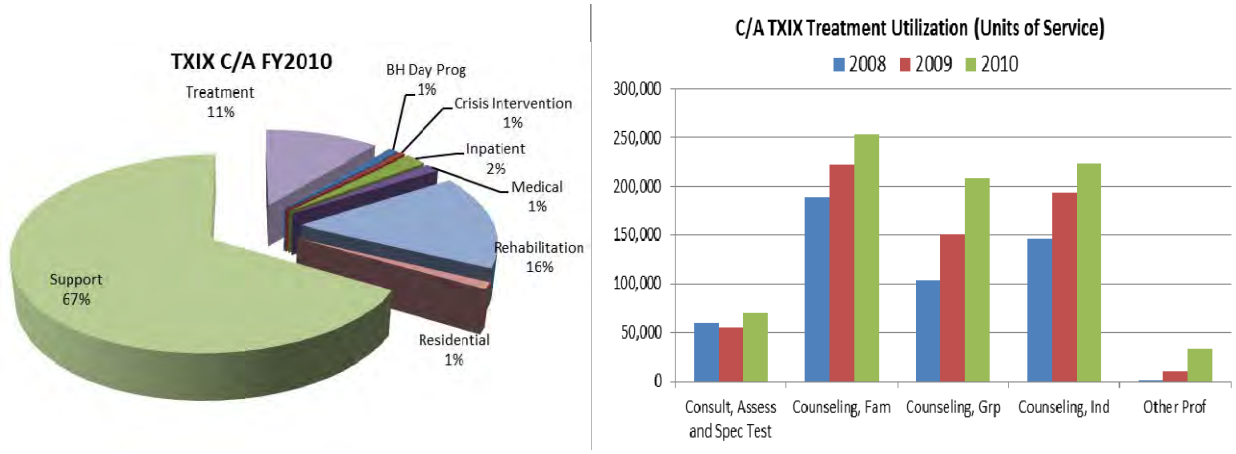
Magellan has continued this process annually to identify network enhancements, changes and newly presented gaps. In addition to this annual process we have implemented a Web-based provider reported unmet needs data base that captures and identifies service capacity problems and/or service gaps in real time. This allows us to seek out new services and/or providers for the network, expand current providers or red flag performance issues that can be given attention and remedied.

To systematically support the network activities described around gap identification and program and service expansion and enhancements, we build a network management structure that includes the following elements:

- Analysis performed by network team to determine merit of the request; includes current performance if this is a current provider or gathering program description and information if for a prospective provider.
- Data and a request go to cross functional development team to review request against annual system of care plans and other network strategic initiatives. A summary is compiled to include the request, recommendation for action, supporting justification for the recommendation to include financial impact, to include funding source (for example, Title 19 seriously mentally ill , non-titled) as well as population (for example adult or child/adolescent) and program description and operation. This research may include a site visit to get an understanding of a potential provider as part of the decision making process.
- This summary is then reviewed by an executive oversight committee and a decision is rendered and communicated to the existing or prospective provider.

The committee is responsible for providing overarching direction, including the incorporation of policy decisions, related to service development initiatives and the system of care plans (adult and child). This entire process is also designed for rapid solutions so that we are nimble in response to the needs of the system. Figure 2.e.v provides an example of children's Medicaid utilization data that is collected by covered service category and a subset of treatment service categories. Through this process we then compare against current service capacity in each area and adjust the system accordingly each year. In addition to what was previously described prior to making expansion decisions we analyze population by age, gender, race/ethnicity and geographic area to ensure expansion with the right "fit" provider(s) is done. The second chart reflects how we have responded year over year by expanding services in the identified areas of the system.

Figure 2.e.v – Medicaid Utilization Data



PHASE 3: ENHANCE / DEVELOP CRISIS SUPPORT AND SAFETY NET

Phase 3 was driven by incorporating all the data gathered from gap, analysis, utilization data, membership information including ethnicity, and stakeholder input to inform the development of cost effective services. Utilizing this data allowed us to be strategic in how and where we developed services. We approached this through direct collaboration with providers who had expressed interest in service development, through a request for information or RFP process, or through expansion of existing provider capacity through program development at existing locations. Provider selection for program expansion varies based upon the circumstances. There are times when Magellan agrees to collaborate on pilots with providers who take the initiative to approach us with innovative concepts, research or designs to improve service delivery and impact the quality of care in a positive way. There are also times when we select providers based on volume, specific populations, specific ages, outcomes, resource capacity, quality of services (history of no quality of care concerns, corrective action plans) and our assessment of their ability to manage a pilot. Once we select a provider and programs are implemented we continue to monitor performance to ensure that the desired outcomes of program expansion are accomplished.

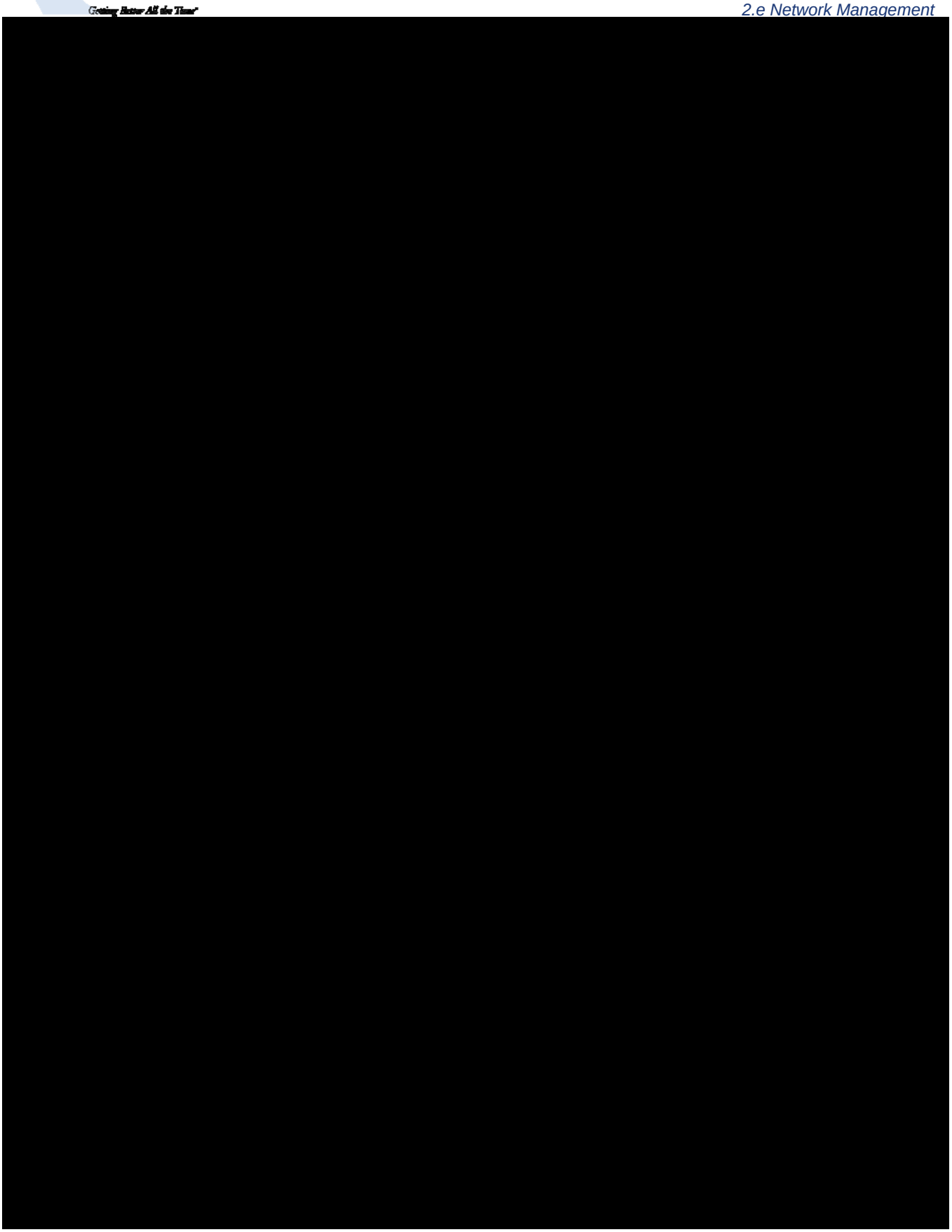
Contact Information

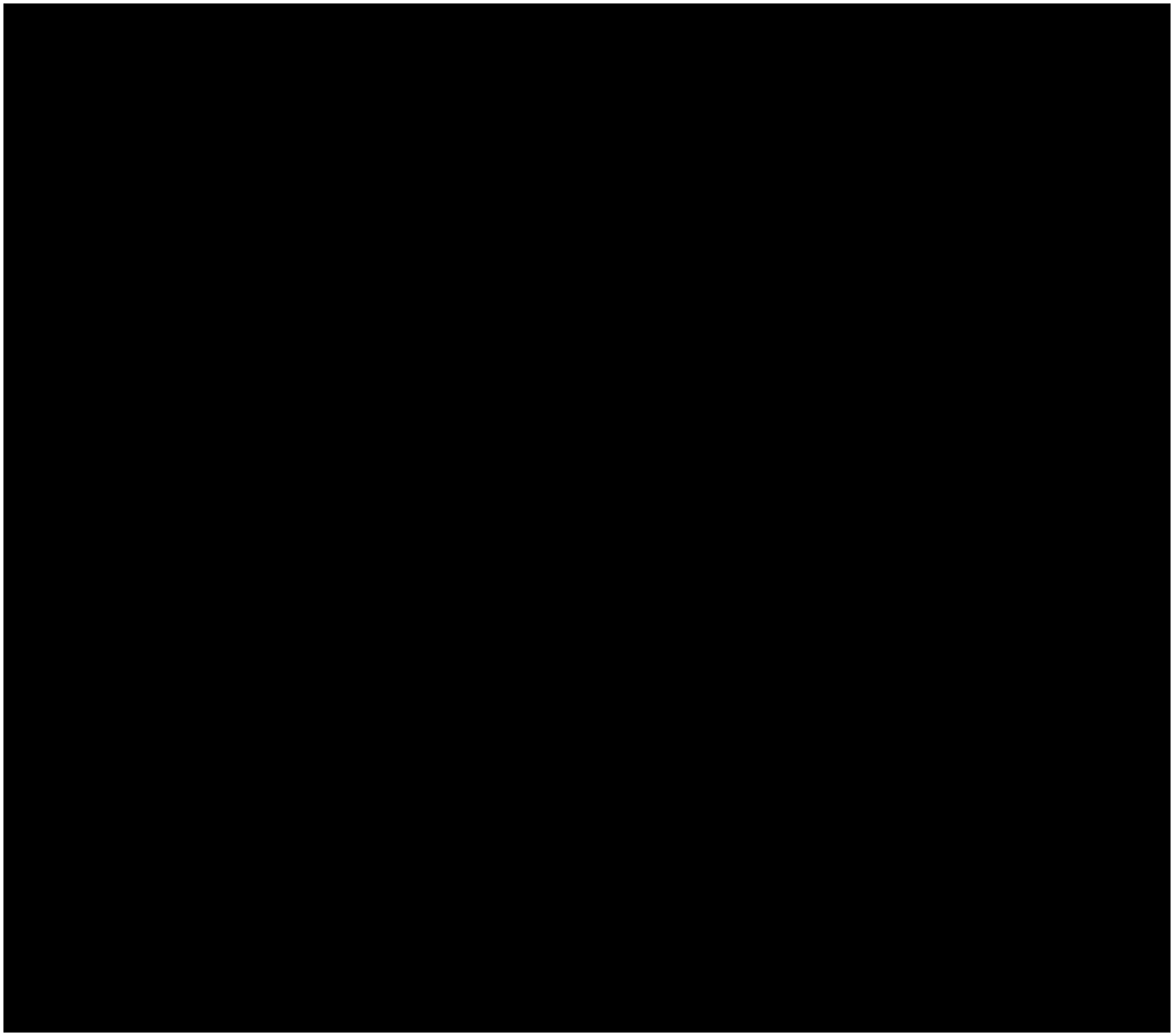
The person that can confirm this experience is Dr. Laura Nelson. Contact information for Dr. Nelson is as follows:

Laura K. Nelson, M.D.
Chief Medical Officer, Arizona Department of Health Services
Deputy Director, Division of Behavioral Health Services
150 N. 18th Ave, Suite 500
Phoenix, AZ 85007
Phone (602) 364-4566
Fax (602) 542-1062
Email:laura.nelson@azdhs.gov

vi. Describe the Proposer's approach to contracting with the current provider delivery system in a new client state to assure continuity of care during the program start-up and implementation period. Describe how the Proposer will transition providers that do not meet credentialing requirements or do not offer services covered by Medicaid or other funding sources identified by DCFS, DHH-OBH, DHH-OCDD, DOE, and OJJ. Suggested number of pages: 6

[redacted]





CREDENTIALING

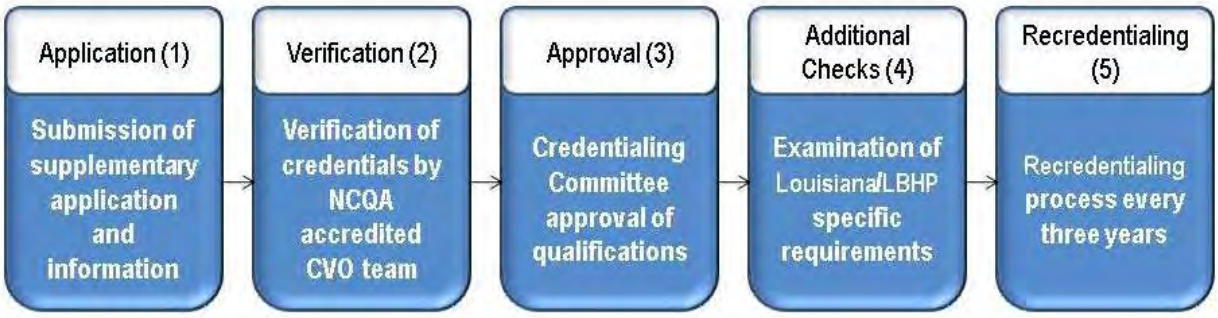
Consistent with requirements in 42 CFR 438.214 Magellan utilizes a credentialing and recredentialing process that meets State and federal regulations for selection and retention of providers, credentialing and recredentialing, and nondiscrimination while at the same time reducing the administrative burden for providers. We will meet all requirements of the Scope of Work. Magellan will contract with all providers of behavioral health services who are appropriately licensed and/or certified and meet the state of Louisiana credentialing criteria, who agree to the standard contract provisions, and who wish to participate in the network. We understand that we are not obligated to contract with any provider unable to meet contractual standards.

Members will have choice of network providers at the appropriate level of care and may change providers. If a member is already established with a provider who is not part of Magellan's network we will make every effort to arrange for the member to continue with the same provider if the member wishes to do so. If a member should need specialized services that are not available through the network we will arrange for the service to be provided outside

of the network if a qualified provider is available. In this case we will coordinate with any out-of-network provider with respect to payment and the member will never pay more than if the services were delivered within the network. Our clinical staff works closely with the provider and member to ensure that there is no disruption of services. Unless the out of network service is highly specialized and available through one provider, members will be given the choice of at least two providers.

Magellan has been certified by NCQA as a Credentials Verification Organization (CVO) meeting NCQA's credentialing standards for the accreditation of managed care organizations, the first managed behavioral health organization to achieve this designation; we have been certified for all 10 verification services. Achieving NCQA CVO certification demonstrates that we have the systems, process, and personnel to thoroughly and accurately verify providers' credentials and ensure all providers meet DHH-OBH credentialing requirements as set forth in Attachment C. We ensure that providers are properly licensed under applicable Federal and State laws or regulations through a rigorous credentialing process in adherence with NCQA requirements. We participate in the Council for Affordable Quality Healthcare Web-based UniversalProvider Datasource® to help reduce the amount of administration and paperwork required to complete credentialing. Our process is presented in Figure 2.e.vi.

Figure 2.e.vi – Credentialing Process



A summary overview of the credentialing process includes an initial screen of providers prior to sending an application; all appropriate credentials undergo primary source verification by our credentialing staff and our in-house legal team investigates any adverse action cited in legal documents or taken by licensing or professional societies; certification and ongoing review of Medicaid eligibility through established procedures to verify the status of participating providers against the Office of the Inspector General (OIG) List of Excluded Individuals and Entities (LEIE) from participation in federal health care programs; provider files are forwarded to the Regional Network Credentialing Committee (RNCC) for review and approval; providers are credentialed every three years. Credentialing information, which is collected again from providers, is combined with quality data including profiling data, complaints, medical record review results, enrollee satisfaction data (if applicable),and other appropriate data and reviewed by the RNCC.

Administrative credentialing of organizations includes verification that the organization is in good standing with state and federal licensing and regulatory agencies, as applicable; is not on the LEIE- there are no Medicare and/or Medicaid sanctions; current licensure or certification in accordance with relevant state law, if applicable; meets our minimum requirements for professional and general liability insurance coverage of $1 million per occurrence and $3 million aggregate; successfully completes our requirements for malpractice claims history review; completion and submission of all required application materials and related documents, including any documentation of current accreditation; and is not subject to any contingencies or provisions placed on licensure and/or accreditation.

Credentialing of Supplemental and Alternative Services

As services and delivery systems have evolved in many public sector programs, credentialing unlicensed, but state agency certified community organizations and practitioners has become more common. Some consumer and family-run programs are examples of programming in which agencies or individuals may not be required to meet "traditional" credentialing and licensure criteria. In general, we have designed our organizational credentialing model as described above to be flexible to meet the needs of a changing service delivery system, and we have been successful in partnering with states, providers, and other public sector programs to meet the specific services of a particular service delivery system.

For providers or provider types not meeting traditional standards, such as non-licensed masters level clinicians that meet state identified requirements to provide services, the qualifying/credentialing process is conducted by clinical, network, or quality staff and includes a review of documentation, program descriptions (if applicable) and for organizations or agencies an onsite review similar to the review of traditional providers in cooperation with DHH-OBH. This umbrella review includes examining all applicable documentation including: state licenses or certifications (if applicable), accreditations (if applicable), staff roster and resumes, employee handbooks, current liability insurance, case management documentation, and the quality assurance plan. The decision to approve the provider into the service delivery system will be based on a review of the above, while adhering to the guidance provided by DHH-OBH for the supplemental enrollment process if applicable. Magellan will continue, with input from the state, providers and other stakeholders, to further refine these criteria to ensure the Partnership's goals are implemented, and that consumer-run and specialized clinicians and organizations that promote individualized and person-centered services are included in the delivery system.

Identifying Special Skills or Abilities to Serve Priority Populations

As part of the credentialing process, we will distribute a practitioner questionnaire that will include a specialty and cultural competency survey form to supplement the organizational credentialing application. The supplemental form and survey will allow us to accurately collect the data needed and to identify populations served, and cultural, linguistic, and specialties available as well as potential deficiencies and to assist Magellan and DHH-OBH in developing specific plans designed to fill any identified gaps. The specialty and cultural competency form will include, but not be limited to the following specific information practitioner/staff name; degree; license or certification; employment status; ages served (children/adolescents, adults, older adults, special populations, minority specialty; and languages spoken, including American Sign Language.

We also track level of care including, but not limited to, inpatient psychiatric hospital services; inpatient drug and alcohol detoxification; psychiatric partial hospitalization services; halfway house mental health clinics, licensed mental health professionals; psychiatric residential treatment facility ; outpatient substance abuse crisis intervention services; parent support and training; peer support; short term respite; crisis stabilization; skills building services for children ; and certified peer support specialists. Our systems are configurable and we have the ability to track any program or practice service that is available in any setting.

Transitioning Providers That Do Not Meet Credentialing Requirements or Offer Appropriate Services

Magellan will provide support to providers that do not meet credentialing requirements or do not offer services covered by Medicaid or other funding sources identified by Department of Children and Family Services (DCFS), DHH-OBH, DHH-Office for Citizens with Developmental Disabilities (OCDD), the Department of Education (DOE), and the Office of Juvenile Justice (OJJ). Our goal is to offer assistance to providers to help them develop the necessary skills and capabilities to participate in the provider network. For example, we will review the program

descriptions of these providers and compare them against State requirements. We will then assist the provider in developing a plan that will allow them to correct deficiencies and to meet credentialing requirements. Another way we can assist this group of providers is to do a mock site visit and review our site visit tool. This will help providers identify deficiencies and allow them to correct them prior to the actual site visit. Our goal is to be able include all providers that are currently serving Louisiana members in the Magellan network. Should a provider not meet requirements for inclusion we will ensure that all patients continue to receive services and allow up to 90 days of continued care while transitioning the member to a qualified network provider. In this scenario our clinical team will be working closely with the member and provider to ensure there is no disruption in care and the transition happens smoothly.

LOUISIANA BEHAVIORAL HEALTH TRAINING AND TECHNICAL ASSISTANCE CENTER

Successful program development requires a multiyear plan focused on the desired outcomes in the years following the initial program implementation. Magellan is committed to a long term partnership with Louisiana; to that end we propose a training and technical assistance center. Our goal is to devote resources to creating something of lasting value for the residents Louisiana. The Louisiana Behavioral Health Training and Technical Assistance will support workforce development, improve provider competency, and assist human service professionals such as law enforcement, the coroner's office, teachers, children and youth and juvenile probation professionals that work with members with mental health issues.

MAGELLAN TRAINING PHILOSOPHY AND EXPERIENCE

Magellan efforts have kept pace with the changing perspectives and technologies related to training. Training practices and solutions have changed substantially over the past few years. The number of training options has increased so rapidly that e-Learning, distance learning, video conferencing, and self-directed programs are becoming more common in the workplace. The term "training" itself has been expanded to the more all-encompassing term "learning"— denoting a broader sense of skill-building opportunities with assignments, activities, and focused coaching complementing and enhancing traditional methods. It is this approach to training that Magellan wants to help establish in Louisiana.

In line with this approach, Magellan has developed a training infrastructure for its program in Maricopa County, Arizona. With the participation of diverse stakeholders, Magellan helped develop a Mental Health Consortium for Community Learning (MHCCL) designed to provide education and training on a wide range of clinical skills and experiences essential to the delivery of services in accordance with Arizona System Principles. The consortium is a collaborative partnership that includes Magellan, mental health providers, individuals receiving mental health and substance abuse services, family members, stakeholders, and other community experts, all of whom have a vested interest in the development and enhancement of the behavioral health delivery system. The MHCCL has developed relationships with community colleges to offer college level credits for courses completed. This not only enhances the integrity of the training but also provides an opportunity for both educational and career advancement for non-credentialed staff, individuals receiving services, or other community members and stakeholders. In addition, MHCCL works with colleges and universities to offer internship and practicum opportunities to increase the number of qualified staff in the workforce.

MAGELLAN'S COMMITMENT

Magellan is committed to making an investment in Louisiana to build and develop a Louisiana behavioral health training and technical assistance infrastructure that will be a legacy of this contract. Magellan envisions a collaborative relationship with a Louisiana university or consortium of universities to help establish such an

infrastructure. Without such a center, expanding the workforce, and assuring responsiveness and quality, becomes an enormous challenge. Toward this end, as part of this response, Magellan is making a financial commitment of $200,000 to help establish the center. Initially, Magellan will set up a resource bank of national experts to support the Louisiana-based Center. However, the intent is that at the end of the contract period this Center would be self-sustaining.

GOAL

The goal of the Louisiana Behavioral Health Training and Technical Assistance Center is to develop a sufficient, capable mental health workforce throughout the state through collaborations among public agencies serving persons with behavioral health needs and with higher education.

RATIONALE

In the listening sessions conducted in the state by Magellan, and in discussions with various stakeholder groups, key issues related to workforce development that were identified included the following:

- The lack of an adequate professional workforce to address the behavioral health needs of special populations such as children and youth and older adults. In Louisiana, as in the rest of the country, this lack was more acute in rural areas.
- University and community college programs are not preparing graduates for the realities of practice. They are also not addressing emerging practices and concepts such as evidence-based practices, cultural competence, and recovery. This lack of congruence between the training being provided and the training that is needed is a major problem.
- Primary care physicians and professionals are inadequately trained to screen, detect or address mental health problems.
- Human service professionals and others who have to help or provide services to persons with mental illness (law enforcement, child welfare, teachers) lack adequate training related to mental illness, their treatment and expectations in terms of behaviors and responses.

There is broad recognition that workforce development is a critical area that needs to be addressed to improve access and the quality of mental health services in Louisiana. Current training initiatives are sporadic and relatively uncoordinated. The state lacks an institutional locus through which such training can be coordinated and provided.

PRELIMINARY OBJECTIVES

Clearly, many of the objectives of the institute will need to be developed in partnership with key stakeholder groups in the state. In broad terms, objectives that could be considered include the following:

- better collaboration with Louisiana community colleges and universities
- training mid-level providers (nurse practitioners and physician assistants) to provide basic levels of behavioral health.
- support for consumers and family members as members of the workforce
- use of technologies such as distance learning
- provide credentialing and curriculum development for front-line mental health workers

- support a rural workforce development initiative
- training consumers, family members, providers, advocates related to recovery and resilience, key system functions, advocacy (e.g., for housing), data, evaluation, and other functions.

INITIAL ACTIVITIES

- develop collaborations with universities and community colleges.
- support credentialing of providers
- facilitate the credentialing and employment of consumers and family members in the workforce
- address rural workforce development needs through the use of telehealth and other technologies.

vii. Describe how the Proposer will secure sufficient numbers of providers to assure service access on Contract Start Date. What barriers are anticipated with having sufficient access by Contract Start Date? What strategies would the Proposer employ to address these barriers? Identify any staff or subcontractors who will facilitate the transition and discuss their qualifications. Suggested number of pages: 4

As part of our preparation for this RFP, we ran a GeoAccess analysis to determine where potential network access issues exist. We completed the analysis using LBHP identified providers and Magellan's standard access requirements for urban, suburban, and rural areas using a representative sample of the population of the entire state. We have already identified areas where accesses to inpatient and outpatient services are an issue. Plaquemines Parish has three cities including Venice, Boothville, and Buras where the nearest inpatient facility or community based provider is more than 60 miles away. Once we receive membership information we will complete a full analysis to determine where geographic gaps in service exist and will target our existing network providers to work toward improved access in those regions.

CURRENT MAGELLAN LOUISIANA PROVIDER NETWORK

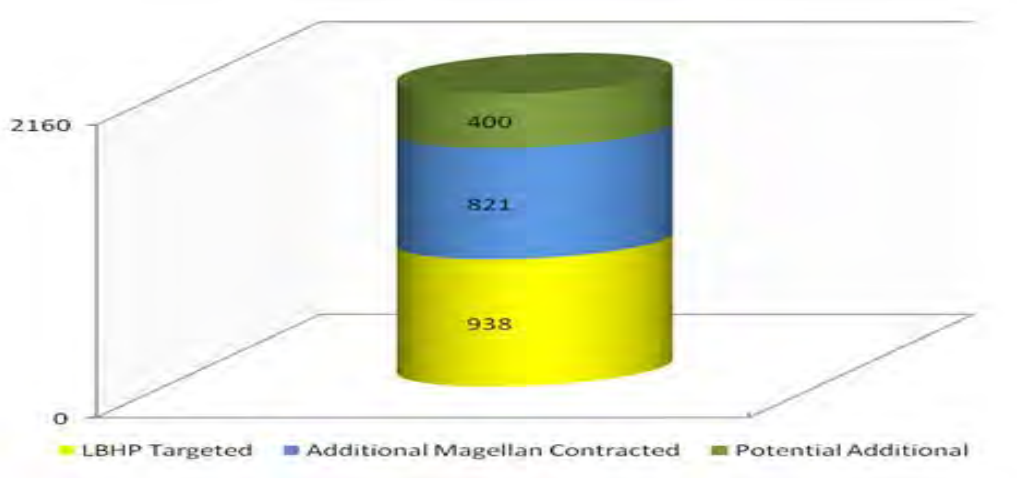
For the past 12 years Magellan has had a working partnership with BCBSLA. We currently have a robust network of providers under contract who are providing services to BCBSLA members. We have a successful track record of increasing access and developing new services in Louisiana, which includes the following:

- increased facility network by 100 percent over a year period including expansion in 16 parishes that included 32 new facilities
- program and service development including specialty providers and providers to respond to the Autism legislation
- extensive post-Katrina monitoring and outreach from 2005 to present which includes GeoAccess analysis of impacted ZIP codes as well as telephonic outreach to providers in both the impacted ZIP codes and throughout the State
- development of a partnership with Mercy Family Center to develop resiliency focused supportive therapy groups for teens most impacted by Deep Water Horizon spill in cooperation with Catholics Charities.

As shown in Figure 2.3.vii our current network of 821 contracted providers is almost equivalent in size to the network of 938 providers serving the LBHP. We will offer these 821 providers the opportunity to sign a Louisiana LBHP

addendum potentially doubling the size of the network that is currently serving LBHP members. While some of this network has in the past primarily provided services for commercial populations, our experience in other states is that most will expand their contracts with us to address the needs of this program. We have also identified 400 potential additional providers that appear to be enrolled in the Louisiana Medicaid system but were not included on the most current list issued by the LBHP.

Figure 2.e.vii – Network Composition



Current Network Development Activities

Magellan has been working diligently to ensure that we will provide a program for the citizens of Louisiana that minimizes disruption for consumers and their family members as the system transitions from the current system to the Magellan SMO.

We began implementing our network development and provider relations model for Louisiana in April when we identified the existing provider network and sent a letter introducing Magellan to the network. In May we sent an LOI mailing to all current providers. Thus far we have received 177 signed LOIs from LBHP identified providers including all five of the LGEs. Included in those signed LOIs are several critical organizations such as Compass Health, two WAA's and two FSO's, as well as currently contracted Magellan providers including Northwestern Human Services (NHS) and Resources for Human Development of Louisiana; Eckerd Youth Alternatives; and National Mentor. In addition, 58 locations of the LBHP targeted organizations are already contracted with Magellan as well as 174 individual practitioners. Beyond having signed letters with the LGEs, we have had strategic discussions with their leadership around service delivery models. These conversations have included discussion of LGE's serving on a statewide policy/operational committee to advise the SMO on issues to bring a level of consistency to access and evidenced based practices across the state. We have also discussed their willingness to serve as a lead for a policy/operation committee for their region which would include stakeholders and local advocates with Magellan as an equal member.

Identification of Barriers

In addition to more than a year of outreach activity, in June of 2011 we conducted several listening sessions with the Louisiana provider community. These meetings and outreach efforts have afforded us a chance to gain a better understanding of the providers and the issues unique to Louisiana. This knowledge has allowed us to develop a provider relations strategy specific to the needs and opportunities for improvement in Louisiana.

Magellan's strategy has been developed to meet these unique challenges while providing services to all Louisianans regardless of geographic location or cultural background.

Based on provider feedback we have identified the following barriers:

- accreditation requirement
- credentialing
- claims processing /payment Issues
- rural parts of state have limited resources.

Our strategy is designed to meet providers where they are and to move forward from there. Led by DHH-OBH, the Louisiana service delivery system is continuing its march toward system transformation. As this transformation continues, we will take responsibility for assisting providers in doing their part, both as individual service providers and as a delivery system, to meet the innovative changing environment to best serve the needs of consumers and family members within all levels of care. It will take all of us working together towards the same goal to realize true transformation.

SOLUTION- SUPPORT FOR ACCREDITATION

As an example of the tangible and proactive support we will deliver for providers, we have signed LOIs from the Council Accreditation (COA) and from the Commission on Accreditation of Rehabilitation Facilities (CARF). We have engaged in detailed conversation with leaders at both organizations around the LBHP requirement for providers to become accredited within 18 months of startup, identified in the LBHP presentation. We have engaged in dialogue around ways in which Magellan and the accreditation entities can partner to support providers including: participation in joint forums where an overview of accreditation materials is presented to providers, streamlined communications around this initiative and development of creative strategies that improve efficiency for CARF, COA, providers, and Magellan. The work associated with accreditation can be significant especially for providers with minimal infrastructure and quality improvement staff. We applaud the use of accreditation to enhance the quality of care delivered by organizations; however, to complete accreditation providers will incur significant cost. In addition, to do this in the midst of significant system transformation, will require investment of staff as well as financial resources on the part of providers. Magellan is prepared to support the LBHP and providers in a very tangible way by creating a program that will allow providers with less than two million dollars in annual revenue to take out an interest free loan funded by Magellan to cover the cost for Joint Commission, COA, or CARF accreditation application fees. Through the interest free loan program we will provide up to two million dollars of assistance to support providers as they begin the accreditation process. This will virtually eliminate the concern that accreditation is an unfunded mandate which providers have to shoulder themselves in the midst of, what may be for some providers, a costly system transformation. Further, we will cover the cost of up to three regional start-up training sessions to assist providers in their efforts to launch the accreditation process. We believe this approach differentiates us, shows our commitment to quality, and will provide tangible and meaningful assistance to providers.

SOLUTION – SUPPORT AND TECHNICAL ASSISTANCE DURING THE CREDENTIALING PROCESS

The entire network implementation team will take a proactive approach to credentialing and contracting the existing network. We understand that the credentialing process is new for many providers in Louisiana and we will offer technical assistance and support in order to simplify this process for providers. We will have Magellan staff on the

ground to assist providers. We will use Webinars on credentialing and startup related issues posted to the Web site so that providers have access to 24/7 technical assistance during the credentialing process.

SOLUTION – CLAIMS PROCESSING AND PAYMENT ISSUES

As noted earlier in this proposal, we believe that successful implementation will require early and frequent on the ground support of providers. We will conduct provider forums throughout the State in October and November so that we can provide the basic plan information providers will need to complete credentialing. This proactive approach will be critical to ensure a smooth credentialing process. As we get closer to go live we will conduct more detailed training in January and February on authorization processes and claims submission training. In fact, to make access to training as easy as possible, we will have claims and technical assistance open house days where Magellan staff are available for one-to-one support as providers set up for submission of claims. These open house days have proved very successful in our other programs.

Magellan will conduct provider orientation sessions prior to and after go live at various locations across Louisiana. A core component of these orientation sessions is education on claims processing and payment. Our goal is to make sure that all providers are comfortable with the claims submission process well in advance of them submitting their first claim to Magellan. We will also work with providers that are able to set up electronic claims submission and payment which speeds payment. We will identify providers with barriers to electronic submission and provide alternatives such as our online claims submission tool- Claims Courier. Our provider relations staff will be available via the toll free number so that providers have easy access to information should they have questions. Detailed instructions are posted the provider portal of Magellan's Web site. We will use Webinars posted to the Web site so that providers have access to 24/7 technical assistance during the credentialing process.

SOLUTION – SERVICES FOR RURAL AREAS

Magellan employs a variety of methods to deliver services to rural areas. We recognize the benefit of telehealth as a means of improving access to services. The benefits of telehealth include improved access to specialists, improved quality of care through specialty evaluation and diagnosis, decreased wait time for evaluations, reduced need to transport children/adolescents to other locations for treatment. Other solutions that are successful for increasing capacity in rural areas include the provision of transportation services for service appointments, mobile crisis teams deployed in rural areas, the use of social media to convey behavioral health information, increased use of prescribing psychologists and advanced nurse practitioners. Where access is a critical issue and no viable alternatives are available we will explore alternative provider contracting strategies to provide additional access. Since there are significant challenges related to lack of access in rural areas we will work out collaborative relationships with the Federally Qualified Health Centers (FQHCs) in Louisiana, we will work with our provider network to enhance their awareness of these resources and connect members when needed to necessary health care that is delivered in the FQHC's. As we do in other states, with DHH-OBH approval, Magellan would welcome the opportunity to contract with FQHC's that employ qualified behavioral health care professionals to expand access to members.

STAFFING/SUBCONTRACTORS

Magellan does not use subcontractors for network implementation activity. The network implementation for Louisiana will be led by the following Magellan team members:

Matt Miller. As national vice president of provider networks Matt Miller is responsible for the oversight and direction of the provider network including Magellan's Public Sector Solutions. Matt leads network development and provider relations activities for new business development opportunities, implements new programs, and manages network activities in Magellan's existing programs nationwide. He has extensive experience working with public sector

programs and stakeholders to develop effective systems of care. Matt holds a Bachelor of Arts degree from Gustavus Adolphus College in St. Peter, Minnesota.

Brian Smock. As national director of behavioral health networks, Brian is responsible for pre- implementation network assessment, RFP responses, and post award network development. His team includes the public sector project managers mentioned below. Brian has a unique perspective on provider relations informed by experience as a provider and his work in managed behavioral health organizations. His experience includes work as a clinician in a family therapy agency, serving in leadership roles in large non-profit provider organizations, working as clinical director for a startup provider owned behavioral health managed care organization, and serving on the leadership team at a Local Management Entity in North Carolina. Brian has twenty years of public sector, network development, and provider operations experience and has deep exposure to network development during statewide transformation efforts. He holds a Master of Arts degree from Wheaton College in Wheaton, Illinois.

Carrie Becker. As project manager for the Network Department, Carrie supports public sector business development and implementations. She has been involved in the implementation and network development of several public sector accounts, including most recently Florida, Arizona, and Nebraska. Carrie works in coordination with the entire network team to ensure that providers are recruited, credentialed, contracted, and trained. Specific tasks include meeting with providers, hosting local provider forums and training sessions, drafting provider communication documents, tracking and monitoring provider responses, and coordinating with other Magellan departments on behalf of providers. Carrie has been with Magellan for 10 years. She holds a bachelor's degree from the University of Missouri–St. Louis, where she graduated magna cum laude.

Tracey Alfaro. As operations manager of the network team, Tracey is responsible for supporting public sector network operations, including business development activities related to network development and implementation of new business. She supports and coordinates current public sector network operations in development of best practices, information sharing, and implementation of successful provider relations activities across public sector care management centers. She also provides team leadership on network projects to ensure accurate compliance and corrective action plans, to support care management center network staff in responding to client and public sector needs, and ensure timely delivery of field network projects, as assigned. Tracey has been with Magellan for 10 years. She holds a bachelor's degree from East Stroudsburg University in Pennsylvania.

viii. Describe the Proposer's plan for expanding the network to include family-based and community services for the 650-750 children/youth currently in out-of-home placements. Discuss the approach to developing alternative services including: (a) Input from the Proposer's CM and UM staff; (b) Input of youth/families, adults and system stakeholders; (c) Establishment of priorities for network development; (d) Assessment of current provider capabilities; and (e) Collaboration with WAA and the adult and child-serving State agencies in plan development. Suggested number of pages: 5

In Louisiana utilization of out of home (OOH) care and inpatient services has been the solution largely due to a lack of community-based alternatives readily available across the state in the communities where people live, work, and play. Over the last several years Louisiana has begun to build the system infrastructure necessary to achieve their vision of having a comprehensive system of care that is inclusive of collaborative stakeholder partnerships, community-based services that are available and accessible, and family and peer supports that are formal and informal, is managed with high quality and cost effectiveness with a targeted focus around better outcomes for children and their families. Magellan brings the ability to build off of the current strengths of the Louisiana CSoCs, LGEs, Crisis Collaboratives, and cross sector partnerships to expand the network in order to reduce the length of stay of those youth currently in OOH, divert those who do not need that level of acuity, and manage care when children truly need that very brief targeted treatment intervention. Magellan manages care for more than one million

publicly funded children and adolescents and their families. Our management approaches to achieve clinical excellence and cost savings have gained the respect of our industry. Our role as change agents is demonstrated by innovations such as the development of a whitepaper, "Perspectives on Residential and Community-Based Treatment for Youth and Families," (www.magellanhealth.com/media/2718/CommunityResidentailTreatment_White_Paper.pdf) that has served as a catalyst to significantly reduce OOH care and increase home and community based services. This paper provided the framework for planning and implementation of community alternatives across Magellan's CMCs.

Assessing the Needs of Children Currently in Out-of-Home Care: Utilization Management and Care Management Involvement

Upon contract award, our care management and utilization management (UM) teams will collaborate with the appropriate WAA to begin an assessment of all children in OOH care in the following areas:

- demographics – age, gender, race/ethnicity, home community
- date of admission
- reason for admission
- list of any involved systems (DCFS, OJJ, DHH-OCDD)
- list of any involved family members
- current treatment plan including any progress reports and indications for targeted discharge.

This assessment will be the starting place to identify if placement occurred in lieu of available services or if discharge has been delayed due to lack of service capacity or availability in the child's home community. This process will be reviewed at weekly clinical rounds where care management and UM staff meet with the clinical management team. Through these clinical rounds alternative services needs of members are identified. care management and UM staff identify providers and community resources they can facilitate connection to or determine if the particular service is not part of the current Magellan network. This individualized review includes the development of each child's plan of care (POC) tracking progress toward their discharge back to the community.

An overall aggregated system assessment of needs and services is reported to the Utilization Management Committee (UMC). The UMC reports to the QA/PI Committee and will meet monthly to discuss recommended system improvements including network changes, enhancements, or expansion. The overall QA/PI Committee structure includes the clinical staff that are part of the Network Strategy Committee (NSC), described in greater detail below. This provides a direct link between Magellan's care management and UM staff and the development and prioritization of network needs.

Assessing the Needs and Feedback of the Community: Youth, Family, Adult, and System Stakeholder Input

Upon contract award the Magellan Implementation team will begin to gather targeted feedback around community strengths, needs, and ideas. Some proposed areas for discussion include, but are not limited to:

1. Why children end up in OOH care in Louisiana and their own community?
2. What would have helped their family feel supported and not have to seek OOH care?
3. What do youth feel is needed in their community so they feel like they have alternative options for recreation, support and education?

4. What services are missing from their community?
5. What services helped their families the most in the past?
6. What community options do the children and families rely on the most?
7. Are there available transportation options? If yes, what are they?
8. Do youth and families have access to technology options such as tele-health or video conferencing? If yes, is the technology secure?
9. What can be done to improve the system?

We will organize small focus groups throughout the State in community locations convenient for youth, families, adults, and community members, as well as offer video conferencing options to reach as many people as possible. Magellan will also interview youth and their families that are in OOH care. To ensure ongoing dialogue we will organize the Family, Advocate and Stakeholder Advisory Group (EFSAG) with youth, families, adults, and system stakeholders as partnering members. The purpose of this committee is to obtain member, family, advocate and stakeholder input that will help inform and guide the quality of recipient services while also promoting greater choice, direction, and control for all consumers. Membership will consist of enrollees, family members, and other stakeholders - one of whom will be a parent of a child or adolescent member. Magellan staff will participate as ad hoc members.

State Agency Partnerships in Network Expansion

In addition to the EFSAG membership of our system stakeholder partners, it is essential to ensure that we understand the vision and goals of each state agency partner when building and expanding the network. The children's administrator, in partnership with the adult system administrator and vice president of transformation will meet with each state agency and governing entity including DHH-OBH, DCFS, OJJ, DOE, DDD, CSoC, WAA and LGEs to gather their feedback on services available in the community for each of the regions; services that need to be developed for children; and to identify ways the SMO could better collaborate with all the state agencies which share responsibility for multisystem involved children. We will establish protocols which outline our working relationships around system planning, development and management.

Establishing Network Development Priorities: The Magellan NSC

The NSC will serve as the hub for information gathering and sharing as well as for strategic network expansion planning for delivery system wide initiatives as well as those specific to children in out of home placement. The NSC is a source of feedback to and from the provider community, stakeholders, consumers and the LBHP. Related to children placed out of their homes, the NSC will be focused on improving access to evidence based practices that will allow children to return to their homes. First we will assess the needs of the population, identify the best programs and target areas where community based programs need to be developed. We will then assess cost effectiveness and develop budget parameters for new programs. Magellan will either issue an RFP, or request for information or utilize existing providers that have expressed interest in developing the appropriate type of program.

Assessing the Current Provider Network

Magellan uses a variety of strategies and tools to assess provider capability. We will collect information from Louisiana directories to create a consolidated inventory of all providers across the state by region. We will then identify all programs, services and EBPs offered by each provider. We will utilize the asset and geo mapping processes as tools to further organize this inventory of provider information. We will cross reference this assessment

related to children placed out of their homes to focus on improving access to programs that will enable children to return to their homes. .

We have an established site visit policy and tool that we use to collect information for a variety of reasons including credentialing, investigating adverse incidents and quality concerns, investigating complaints related to service delivery, verifying that record keeping practices meet standards, and to meet requirements of clients and various accreditation standards that are applied to Magellan. The site review process affords us an opportunity to thoroughly assess provider capabilities. Our site review tool requires assessment of the following categories:

- accreditation and state licensure
- governance
- clinical operations
- quality management
- utilization review
- member/consumer rights
- clinical documentation / treatment record practices
- confidentiality
- safety and physical plant
- licensed professional staff / other direct care staff
- access to office-based outpatient services.

Another tool we use to assess provider capability is the RFP process. When expanding capacity and developing new services we often issue an RFP and ask providers to respond. While designing the RFP we develop questions to assess specific provider capabilities directly related to the service we are trying to develop. Through this process we also weave in our operating lenses (peer and family involvement, race and equity, outcomes, community collaboration) that are required elements for providers to be able to demonstrate as part of their programming.

Training and Technical Assistance: Collaboration with WAA and other State Agencies

One of the parallel processes through assessment, planning, and network expansion is to provide training and technical assistance related to enhancements and changes. Magellan will utilize its training consortium and its partners to incorporate supportive practice models throughout the provider continuum. This will include Magellan experts partnering with the existing WAAs and FSOs to utilize the National Wraparound Initiative's guiding principles to build a training program for the expansion and inclusion of these principles into the entire service model. Concurrently we will establish a complementary training program targeted for residential; treatment facilities to align their program models with wraparound and system of care principles. We will partner with and incorporate expertise from SAMHSA's *Building Bridges Initiative* as a tool to do this.

ix. Describe the resources for providers to obtain information about covered services, billing requirements, payments, and training, or other resources. Suggested number of pages: 3

Magellan supports providers with a broad spectrum of resources designed to assist then in obtaining information about covered services, billing requirements, payments, training, and many additional resources. Along with our provider relations and training activities, ongoing technical support, scheduled regional claims open house days, and onsite support from our network, clinical, and quality improvement staff, providers will find a wealth of resources via the provider Web portal, the provider handbook, and provider newsletters. A summary of these resources can be found in Table 2.e.ix-1.

Table 2.e.ix-1 – Provider Resources

Onsite Meetings with Key Providers	Once awarded the contract we will initiate on site meetings with providers to develop the key relationships necessary for a successful partnership.
Provider Orientation Sessions - Implementation	We will conduct an initial Statewide provider orientation initiative and at least two subsequent rounds of provider orientation sessions. Specifics for these orientations will be approved in advance by the DHH-OBH.
Provider Orientation Sessions - Ongoing	Following the initial orientation sessions, we will determine, in conjunction with DHH-OBH leadership, the need for additional orientation. Ongoing training, technical assistance, computer-based learning environment, comprehensive learning management system, and on-site training and learning opportunities are available for network providers. We will work with the delivery system to help enhance, track, and report on individual and system training needs. Throughout the contract term we will offer training opportunities that will benefit the overall delivery system.
Ongoing Technical Assistance	Provider training and technical assistance continue beyond implementation based on trends, identified needs, priorities, and data analysis. Technical assistance needs are identified during day-to-day contact with providers, and can be conducted with individual providers or through provider forums, newsletters, mailings, online tutorials, or electronic provider notices. Our Louisiana network team will work in the community and provide an ongoing communication link with all providers. Providers will be also supported by the Louisiana CMC based staff. Providers have access to Magellan staff members knowledgeable in the Louisiana program 24/7/365. The NSC will also serve as a communication vehicle between the provider community and the larger LBHP program.
Provider Forums	In Louisiana, Magellan proposes assisting the LBHP by holding regular provider forums. This forum concept allows providers to identify, discuss, and help provide solutions to administrative or operational concerns. Each forum will include the DHH-OBH, Magellan subject matter experts from our various departments such as clinical, customer service, quality improvement information systems, and will feature a topic that has been derived from input received from providers and that focuses on current issues. Providers will engage in open dialogue with the DHH-OBH, Magellan, and other providers in order to troubleshoot and put forth recommendations for issue resolution.
Provider Site Visits	Magellan network staff will contact providers at regular intervals, address operational issues, make sure that communication lines remain open
E-learning - Essential Learning	Magellan will offer e-learning courses to providers through our partnership with online training resource, Essential Learning. Providers view this as a valuable service, particularly for those providers in rural areas who have difficulty attending workshops or conferences in person. There are nearly 500 courses to choose from including courses in addictions, developmental disabilities, computer skills, children services, and many other areas. There are also video workshops and conferences. **Providers obtain continuing education credit for each course they take and as a Magellan network provider this service is offered at no charge**.

Provider Handbook	Magellan will develop a provider handbook that will be available on the provider Web site after being approved by the DHH-OBH. Printed copies of the handbook will be available for distribution upon request. The handbook will include, but not be limited to, all requirements of the scope of work.
Provider Newsletter – *Provider Focus*	Louisiana providers will have access to *Provider Focus*, Magellan's quarterly provider newsletter. The newsletter will include articles by clinical professionals covering both mental health and substance abuse topics. The newsletters will also be posted to Magellan's dedicated Louisiana Web site after being approved by the DHH-OBH.

In addition to the options listed above, Magellan offers network providers a variety of resources through the provider portal of the Web site. Table 2.e.ix-2 outlines the robust suite of resources available to providers.

Table 2.e.ix-2 - Magellan's Provider Website Features & Applications

Provider Network	
Active Network Providers	Includes credentialing; re-credentialing; site visits; treatment record reviews; contracting; contract termination.
Potential Providers	Includes credentialing process; provider selection criteria; network contacts.
Provider Discounts	Included reducing the cost to run a practice. Magellan also passes along Vendor Discounts to Providers including Dell Computers; Staples Office Supplies; HP and Compaq.
Providing Care	
Initiating Care	Policies/procedures; authorization process; assessment process; member rights and responsibilities.
Clinical Guidelines	Includes clinical practice guidelines; clinical monographs; medical necessity criteria; substance se solutions; psychological testing guidelines; seclusions and restraints.
Getting Paid	
Preparing Claims	Includes claims filing procedure; elements of a clean claim; claims do's and don'ts; coordination of benefits.
Paper Claim Forms	Includes CMS-1500; UB-04.
HIPAA	Includes coding information; professional services (claims submitted primarily on CMS-1500); facility/program services (claims submitted primarily on UB-04);" Where Do I Find the Code Sets?"; facilities and programs; state-specific code sets for Medicaid; "Making HIPAA Work"; security; resources
National Provider Identifiers (NPI)	Magellan requires providers to submit their National Provider Identifier (NPI) on all HIPAA-standard electronic transactions. All standard electronic transactions received without NPIs will be rejected.
Electronic Transactions	Provides numerous tools and resources to assist you in preparing to send to and receive electronic communication from Magellan. Magellan's claims tools are designed to save providers time and eliminate paperwork burden while supporting accurate, timely claims payment.
Companion Guides	The Magellan Health Services Companion Guides provide detailed instructions on exchanging HIPAA compliant ASC X12N transactions with Magellan. Magellan Standard Companion Guides include information regarding Working with Magellan; Connectivity; Contact information; Control segments; Magellan business rules; Acknowledgments; Testing. The transaction-specific Companion Guides include Magellan's business rules specific to the individual type of transaction.
Electronic Funds	Providers can take advantage of online Electronic Funds Transfer (EFT) for claims

Transfer	payments. Providers can request to have certain claims payments directly deposited to your business bank account. EFT is available to organizations and individual providers who own the Taxpayer Identification Number (TIN) linked to the submitted claim. Individual providers within an organization are not able to receive EFT claims payment.
Options to Submit Electronic Transactions	
Claims Courier	Accessible via this Magellan provider website, Claims Courier is a Web-based data entry application for providers submitting professional claims on a claim-at-a-time basis. Providers can gain access to Claims Courier by signing onto the site with your username and password, and following the instructions for "Submit a Claim Online." Claims Courier streamlines the claims process by eliminating the claims middleman, and there is no charge to providers for using the service.
Direct Submit	Through this Magellan application, HIPAA-compliant 837 files can be sent directly to Magellan in bulk, without accompanying claim data entry or the involvement of a clearinghouse. Direct Submit is available to all providers regardless of claims submission volume. There is no charge to you for using the service.
Clearinghouses	External EDI clearinghouses act as a middleman between the provider and Magellan, and can transform non-HIPAA-compliant formats to compliant 837s. Magellan accepts 837 transactions from a number of clearinghouses.
Education	
CEUs & CMEs	Magellan offers free continuing education credits to our contracted providers through our online education partner, Essential Learning. CME credits are available at no charge to physicians.
Cultural Competency	Cultural Competency Resource Kit; Tools for Providers; Sources.
E-courses	Recovery and resiliency and peer support e-courses.
Fraud, Waste, and Abuse	FAQs; Provider Handbook (Fraud and Abuse, Section 4); Magellan's Fraud and Abuse Policies (Appendix J); State False Claims Laws.
Education Materials	Member Website; Medication-Related Materials; Primary Care Physician Education.
Outcomes Library	Magellan's secure Web-based outcomes measurement system—known as ***Outcomes360***[SM] — features tools that enable members (consumers) and/or their caretakers to assess and track progress related to their mental and physical health. The Outcomes360 tools are key components of Magellan's behavioral health outpatient programs through which we focus on improving members' health and wellness, quality of life and physical and emotional health. ▪ Consumer Health Inventory (CHI) -- Tool completed by consumers age 14 and older covered by government (e.g., federal and state) sponsored programs. ▪ Consumer Health Inventory – Child Version (CHI-C) -- Tool completed by caregivers of children under 18 years old. ▪ Child and Adolescent Needs and Strengths (CANS-MH)
Online Training	Magellan offers a variety of online training resources you can use to help enhance both the clinical and administrative aspects of your work as a Magellan behavioral health provider.
Targeted Training	Our **Targeted Training** modules are additional self-paced trainings that focus on specific topics of interest in the area of behavioral health service delivery. Providers, consumers and family members may find these courses helpful. For example, Child and Adolescent Needs and Strengths (CANS) Training and Recovery & Resiliency.
Website User Guides	Website User Guides provide concise, step-by-step instructions about how to complete various administrative tasks on MagellanHealth.com/provider.
News & Publications	

Handbooks	Magellan's National Provider Handbook and Supplements; Handbook Appendices; Organization Provider Handbook Supplement; State-, Plan-, & EAP- Specific Supplements
ProviderFocus Newsletter	*Provider Focus*, our e-newsletter for providers, contains current articles and information relating to Magellan and our local service centers.
Available Demos of Online Tool	
Demos of Online Tools	Our **Demos of Online Tools** are self-paced training modules designed to help you navigate Magellan's Web-based applications in the area of claims, electronic transactions and more. Note that you have the ability to start, stop, pause or rewind the demos at any time as needed.
Authorizations	**View Authorizations Demo;** Check Member Eligibility; Get Autism Authorizations; Request Outpatient Authorizations
Claims	**View Entire Claims Demo;** Check Claims Status; Corrected Claims; Create a New Claim from a Copy; View Rejected Claims; Submit a Claim Online; View Submitted Claims
Electronic Transactions	**View Entire Electronic Transactions Demo;** 835 Transactions; Claims Clearinghouse; EDI Testing Center; Electronic Funds Transfer; Submit EDI Claims
Manage Outcomes	Manage Outcomes
My Practice	Admin Setup; Display Roster; Lookup Contact Info; Manage Mail Options; Provider FAQs
Provider Status	Check My Status; Get Recredentialing Application

Our support for providers goes beyond technical assistance, providing information and 24/7 access to our suite of Web-based tools. We understand that providers in the public sector environment are often non-profit organizations working in a regulated environment with thin financial resources. In response, we look for ways to add value for providers that go beyond what the competition usually provides including: offering our corporate discounts at Staples, HP, Compaq, and Dell. Providers can use our buying power as a large organization to save on purchase of computers and other equipment. We offer our online learning catalogue through our partner Essential Learning which allows providers to save significant amounts on staff training, we also offer a suite of Recovery and Resiliency E-courses—all free of charge. In Louisiana, we will continue to look for ways to support providers through efficiency and cost savings.

x. Describe how the Proposer will develop service alternatives to unnecessary inpatient utilization for children and adults, including those with addictive disorders. Discuss strategies the Proposer has used to develop services that divert individuals from non-medically necessary inpatient care, decrease length of stay, and prevent readmissions. Discuss the approach for developing service alternatives including: (a) Input from the Proposer's CM and UM staff; (b) Input of individuals, families and system stakeholders; (c) Establishment of priorities for network development; (d) Assessment of current provider capabilities; and(e) Collaboration with DHH-OBH in plan development. Suggested number of pages: 5

We understand one of the most critical needs in Louisiana is for development of a more robust crisis response system. This gap was identified numerous times in discussions with Louisiana providers and staff at LGE's. The *Roadmap for Change: Bringing the Hope of Recovery to Louisianans with Mental Health Conditions* states that *"Louisiana lacks alternatives to traditional crisis services thus creating an even greater shortage of the State's acute, inpatient bed capacity"*. We have heard anecdotally that the Order of Protective Custody (OPC) process is over utilized, at times leading to unnecessary inpatient utilization. We heard providers say members end up receiving services in inpatient units due to lack of high quality community-based programs which, if available, would help members maintain community tenure.

There are also issues related to ingrained patterns in the community that create barriers to developing community-based levels of care; crisis diversion beds that are not used, in part, due to long standing patterns of law enforcement and members who are unaware of other resources are used to going directly to emergency rooms to seek care without seeking support from less intensive community programs.

It is easy to discuss the principles of service access and choice, but it can be much more challenging to actually develop the services necessary to implement the vision. With decades of network development experience in the public sector, Magellan assures DHH-OBH that we have the organizational commitment, the knowledge, and the resources to develop a full array of service options for adults, children, and youth along the continuum of care. Once this broad continuum of programs and providers is in place, it will no longer be necessary to refer consumers to inpatient and residential treatment settings simply because there are no safe and effective alternatives available. Given the option of staying with family in the community, or spending time in a hospital or residential setting, most people will choose the community-based setting.

One of our highest priorities will be to assess service gaps, meet with providers to establish development priorities, and actively begin the process of enhancing treatment options in established locations, and bringing new services to underserved areas. We have talked to many people in Louisiana involved in different aspects of the health care system. As described at length throughout this section, we are proposing to build on the areas of service excellence in place today to develop a full continuum of outpatient programs, specialized services for persons with complex situations including dual diagnosis, and focused alternatives for different populations such as children and youth. As a result, the treatment planning process will shift from identifying slots that are available and referring consumers automatically to those services to a collaborative process focused on planning for and delivering services that are needed. One of the first steps will be to expand options at the point of entry to treatment for consumers who are experiencing a crisis. We will then assess the benefits of such expansion and adjust ongoing network development plans as necessary.

Input from Magellan Care Management and Utilization Management Staff

Input from our care management and utilization management (UM) staff is incorporated into our planning for developing service alternatives to unnecessary inpatient utilization for children and adults, including those with addictive disorders. Care management and UM staff participate in weekly clinical rounds with the clinical management team. Through this process Magellan is constantly monitoring the need for alternative services for members. Care management and UM staff are also able to identify providers and community resources that are not part of the Magellan network structure.

Another way care management and UM staff are incorporated into the planning process is through the Utilization Management Committee (UMC). The UMC reports to the QA/PI Committee and will meet monthly. The Committee is responsible for oversight of clinical programs; adopting and implementing UM policies and standards; developing operational procedures consistent with policies; evaluating patterns of care and key utilization indicators; approval and implementation of medical necessity criteria; and approving and monitoring the UM Program Description and Work Plan. By utilizing the Quality Management Reporting Template and Follow-up Action Grid information is shared between the UMC and the QA/PI Committee. Committee members share this information, as appropriate, with their respective stakeholders through various deliverables, quarterly provider profiles, and monthly dashboards. There is robust representation of the clinical staff on the UMC including the medical administrator, the chief medical officer, clinical managers and supervisors, and care managers. Clinical staff are also included in the NSC. This provides a direct link between Magellan's care management and UM staff and the development and prioritization of network needs.

Clinical input is also incorporated through UM monitoring. Magellan's utilization reports track authorizations and claims in order to facilitate real-time utilization monitoring. If the inpatient hospitalization rate appears inappropriate or inconsistent with projected targets, a clinical and quality analysis is completed. Indicators of inappropriate utilization include these factors:

- admissions that do not meet medical necessity
- admissions that are medically necessary, but length of stay is excessive (usually due to lack of adequate discharge planning and/or ineffective treatment planning)
- outlier inpatient facilities
- inadequate family involvement in treatment leading to readmissions
- lack of thorough treatment planning and discharge planning
- inappropriate use of medications in children and adolescents
- call recording and monitoring through the use of our Qfiniti system.

Input from Individuals, Families, and System Stakeholders

Individuals, families, youth, adults, and system stakeholders have input into developing service alternatives to unnecessary inpatient utilization for children and adults, including those with addictive disorders through their inclusion in Magellan's committee and oversight structure. System stakeholders including members, family members, advocates, and providers are standing members of the QA/PI Committee. The committee will be responsible for oversight of quality improvement within the service delivery system and will monitor quality improvement and system performance in accordance with quality improvement information sources, and establish and provide oversight of performance improvement projects (PIPs). The QA/PI Committee will review performance measures as identified in the Quality Assurance/Quality Improvement Plan (QA/QIP), incorporate feedback, and oversee internal and external quality improvement initiatives.

Individual, families, youth/young adults, adults, and system stakeholders are also members of Magellan's EFSAG. The purpose of this committee is to facilitate member, family, advocate and stakeholder input that will help inform and guide the quality of recipient services while also promoting greater choice, direction and control for all consumers. Membership will consist of enrollees, family members, and other stakeholders. Magellan staff will participate as ad hoc members.

Establishing Priorities for Network Development

The NSC will serve as the hub for information gathering and sharing as well as for strategic network expansion planning for delivery system wide initiatives as well as those specific to developing service alternatives to unnecessary inpatient utilization. The NSC is a source of feedback to and from the provider community, stakeholders, consumers, and the LBHP. Related to developing service alternatives to inpatient, the NSC will be focused on improving access to appropriate evidenced based practices that will allow children and adults to remain in the community, avoid unnecessary hospitalization, and develop appropriate crisis programs as an alternative to inpatient admission. We will utilize a strategic approach to network development by first assessing the needs of the population, working with stakeholders to identify the best programs and where such community-based programs will need to be developed. We will then assess cost effectiveness and develop budget parameters for new programs Magellan will either issue and RFP, request for information or utilize existing providers that have expressed interest in developing the appropriate type of community diversion program.

Assessing Current Provider Capabilities

As described in our response to question 2.e. viii, Magellan uses a variety of tools to assess provider capability. We have an established site visit policy and tool that we use to collect information for a variety of reasons including credentialing, investigation of adverse incidents and quality concerns, investigating complaints related to service delivery, verify that record keeping practices meet standards, and to meet requirements of clients and various accreditation standards that are applied to Magellan. The site review process affords us an opportunity to thoroughly assess provider capabilities. Our site review tool requires assessment of the following categories:

- accreditation and state licensure
- governance
- clinical operations
- quality management
- utilization review
- member/consumer rights
- clinical documentation / treatment record practices
- confidentiality
- safety and physical plant
- licensed professional staff / other direct care staff
- access to office-based outpatient services.

Another tool we use to assess provider capability is the RFP process. When expanding capacity and developing new services we often issue an RFP and ask providers to respond. While designing the RFP we are able to craft questions that allow us to assess specific provider capabilities directly related to the service we are trying to develop.

Collaboration with DHH-OBH in Plan Development

Magellan will solicit DHH-OBH active participation in network expansion throughout the life of the contract including participation in the NSC and the Governance Board. DHH-OBH will also approve the regional network development plan. In addition to this our children's administrator and our adult system administrator and vice president of transformation will meet y with DHH-OBH along with other state agency system and governing entities such as DCFS, OJJ, DOE, OCDD, CSoC, WAA and LGEs to gather their feedback on services available in the community for each of the regions and service gaps which need to be developed to support individuals. We anticipate working in partnership with these State entities, under the guidance of the DHH-OBH, in developing service alternatives.

Successful Strategies to Divert Unnecessary Inpatient Utilization

Using facility-specific performance data such as readmission rates, length of stay, adverse incidents, Magellan will work with individual facilities to improve quality of care and service to achieve recognized standards and shape performance with an emphasis on resiliency and recovery. We have found provider profiling to be an important tool to support efficiency gains in the network.

Medical necessity criteria and UM take into account the particular circumstances of children and adolescents and help determine whether inpatient care is necessary. Our medical necessity criteria also include quality of care elements to help assure the best possible outcomes.

Magellan has developed interventions to ensure that members who require immediate, intense care but do not need inpatient services have a variety of resources to meet their needs. These resources are described below and range from assessment, triage, and brief urgent care to short-term observation.

Mobile Crisis Service. We will make this covered service available through coordination with the identified, state-contracted providers. These providers will be available 24 hours a day throughout Louisiana to provide intervention in times of crisis. We will ensure that these providers will partner with Child Adolescent Response Teams (CART) to assess regional coverage and support. Community-based mobile crisis services are an important resource to appropriately assess urgent and emergent situations and divert to non-acute services that may better serve the member's needs. The targeted outcome is to reduce psychiatric hospital, observation, and crisis stabilization days. In our experience, mobile crisis services are generally successful in stabilizing members within the community more than 80 percent of the time, significantly reducing utilization of higher levels of care.

Observation Beds (23-hour). Facilities currently contracted with the state for 23-hour observation services will continue to provide this critical level of care. These observation services will be provided in settings licensed as a sub-acute facility for members who are experiencing acute and severe behavioral health symptoms, but do not require admission to the facility as an inpatient. Services may include emergency assessment; crisis intervention and stabilization; individual, group, and family counseling; referral for detoxification; and outpatient services. This service includes 24-hour nursing supervision and physicians on site or on call. The targeted outcome is to reduce hospital days and to ensure that appropriate, high quality care is provided to the member. In similar programs, between 50 and 65 percent of individuals were successfully discharged to the community following a 23-hour observation stay.

Telehealth. Secure Web-based tele-evaluation, consultation, and, in some cases, psychotherapy, are now technologically feasible. Magellan is in the final stages of contracting with a company to make this technology available, allowing members access to specialist services from their own home or from a therapist's office. This technology will help prevent unnecessary emergency room visits and admissions to inpatient facilities

Peer-run Warm Lines. In addition to the member services line, telephonic peer support (warm lines) can be effective for individuals who are isolated or live in rural areas where face-to-face peer support is not available. Magellan has experience in working with consumer organizations to implement and sustain peer-run warm lines to offer non-crisis peer support and telephone outreach. We propose to support the development of a toll-free statewide peer-run warm line in collaboration with the Office of Consumer Affairs in year two by contracting with a consumer-run organization to provide warm line services. Training and technical assistance will be provided.

xi. Describe how the Proposer will develop and maintain sufficient qualified service providers to ensure culturally-appropriate services, including outreach, engagement, and re-engagement of the Latino, African American, Vietnamese, Native American and other minority populations and delivery of a service array and mix comparable to the majority population within each region. Suggested number of pages: 3

The diversity of the population in Louisiana, which includes differences related to race and ethnicity as well as to geographic location, requires a robust strategy to ensure that providers throughout the state are able to deliver care based on the cultural, ethnic, and linguistic needs of members. Our overarching approach to cultural competency is to ensure that access, quality of care, and outcomes are not adversely affected by culture, race, or ethnicity. The purpose of cultural competence is to reduce disparities and to ensure quality for *all* persons receiving services. Our

approach is *action-oriented,* emphasizing monitoring and measurement of cultural responsiveness. Cultural responsiveness is embedded system wide in all Magellan functions including access and member services, network management and development, care management, and quality management.

An important aspect of the cultural responsiveness strategy is measurement and data analysis. A key to promoting cultural competence and monitoring change associated with implementation of initiatives is the capacity to collect and analyze data that provides ongoing information regarding equity in access, quality, and outcomes for diverse populations within Louisiana. Measurement allows for monitoring changes over time so that the impact of interventions can be monitored. Key activities to address cultural competency and ongoing monitoring include population assessment, organizational and provider assessment, access standards, language accessibility, written materials in needed languages, recognition of differences in consumer and family roles, quality of care standards, development of service capacity, and continuous quality improvement.

Within our organization, Magellan integrates cultural and linguistic competency throughout our policies, programs, and operations, elevating the standards for systems of care through the following activities:

- providing online resources and toolkits for our staff, providers and communities to maximize successful outcomes for culturally diverse populations
- building a network of providers that reflect the diversity and languages of local cultures
- conducting ongoing staff and provider training to build on cultural awareness, skills, and practices in developing and delivering culturally proficient services
- outlining clear goals, policies, operational plans, management accountability and oversight mechanisms to provide culturally and linguistically appropriate services
- incorporating supports such as family involvement and traditional healing practices, when appropriate.

Louisiana already has several mechanisms to address the issue of cultural competency. The recent experience of natural disasters such as Hurricanes Katrina, Gustav, Rita, Ike, and the Gulf oil crisis has helped the organization and emergence of these responses. The Louisiana Spirit initiative has identified the strengths of community and church organizations that relate to particular communities including Vietnamese, African-American, and Latino communities that came together to collectively address the crises. These are strengths on which to build partnerships at both the regional and the state levels to increase awareness, to tailor the design of systems to fit the help-seeking behavior of specific communities, and to increase access and engagement.

Magellan recognizes that we will need to have an infrastructure that ensures that we have the availability of interpreters and that service access addresses the various family models and roles of different cultures. Magellan is committed to ensuring that individuals with behavioral health conditions and their families receive effective care with outcomes that support successful participation in all aspects of their lives. Responding to changing community demographics means we have to continually ensure we are providing relevant services to the individuals and families we serve. Our goal in serving this diverse population is developing and maintaining a provider network that is competent in delivering care that is both sensitive and responsive to the cultural and linguistic needs of the diverse populations of Louisiana. Our network teams have begun an analysis of the skills of the Louisiana provider community through the use of a survey that was included with the initial LOI mailing.

Magellan uses a comprehensive approach called *asset mapping* to help us identify services and understand the unique strengths of each individual region. Asset mapping involves bringing together local stakeholders to identify all of the resources available in a service area, including both formal and informal resources.

We will create cultural maps at the parish level to be consistent with other planning bodies such as the LGE, including the CSoC areas. In the process we foster the building of relationships towards a shared vision for strengthening the community.

In conjunction with asset mapping, we will undertake a *cultural mapping process*, to identify the cultural strengths and needs and gaps of the each region. The findings from both the asset mapping and cultural mapping processes will be shared with the governance board which will use the results to inform the priorities and shape program development for the region going forward. Cultural mapping includes matching census data with Louisiana eligibles along with existing member populations receiving services, including ZIP code mapping of where existing members and eligible populations reside with where available services are located.

To supplement these mapping processes, Magellan will also conduct organizational cultural competence assessments. The specific tools – such as the Cultural Competency Assessment Scale (Siegel, Haugland and Chamber, 2004) or the Cultural Competency Activities Assessment (Ganju, 2004) – will be selected in partnership with Louisiana stakeholders. The purpose of these assessments will be to monitor progress and change in cultural responsiveness.

In addition to the data approach, small focus groups are conducted, in the recipient's and family's preferred language, to determine the cultural needs of the region. This process allows us to understand first-hand the unique needs of each community. We will create cultural maps at the county level to be consistent with other planning bodies such as the LGE, including the CSoC areas.

Once we have developed our cultural map for each region we will partner with the communities and stakeholders to develop a strategic action plan which will address the service gaps identified, strengthen weaknesses, and support identified system strengths. This strategic action plan will also be presented to the governance board for review and feedback. Together we will prioritize the focus of the strategic plan which includes items such as languages needed, workforce strengths, community assets, most effective outreach methods and materials, and programmatic needs.

MARINATING A SUFFICIENT NUMBER CULTURALLY COMPETENT SERVICE PROVIDERS

Our strategies for maintaining a sufficient number of culturally competent service providers include offering a robust cultural competency training program for providers along with a plan to recruit needed providers to serve the culturally diverse population. Magellan's cultural competency provider training curriculum is a key component of ensuring our network success in providing culturally competent care. In 2006, Magellan enlisted the assistance of Miriam Delphin, Ph.D., Assistant Professor and Director of Cultural Competency Programming and Consultation with the Program for Recovery and Community Health at Yale University School of Medicine, to create cultural competence training modules for our staff and providers. Dr. Delphin also created an online cultural competence resource tool kit (available on Magellanhealth.com) to complement the training. In 2007 and continuing into 2008, this interactive, hands-on cultural competence training was provided throughout all of our CMCs. Magellan's national director of cultural competency will deliver this training for providers and stakeholders in Louisiana. The training offered to providers includes concrete tools for use in the development of culturally appropriate individualized service plans for children and their families. Some components of the training include introduction to cultural tenets; definitions; stereotypes, worldview and personal filters; disparities in outcomes and reasons for them; strengths, needs, cultural discovery techniques and resources; Culturally and Linguistically Appropriate Standards (CLAS) standards; introduction to cultural terminology; cultural sensitivity; and cultural competence skills. Ongoing training occurs through a variety of methods including traditional classroom presentations, lectures, online/on-demand training, and informal brown bag lunch presentations.

Continuing education unit credits are available for successful course completion, and efforts are now underway to develop additional online training interactive cultural competence courses for Magellan's staff and providers.

To address the need for culturally and linguistically competent providers, Magellan proposes a recruitment strategy that is responsive to regional needs. We already have implemented strategies that include outreach and have extended LOIs to all current providers serving service recipients. We fully intend to meet or exceed the current capacity of qualified service providers to ensure that culturally and linguistically appropriate services are and remain available to all service recipients who need them. Strategies to maintain and grow the capacity of the provider network will emphasize local outreach to affected communities. These include the following:

- Development of regional stakeholder groups comprised of members, local community leaders, and family members representative of these populations to act as a think tank and advisory group on the best ways to increase services.
- Partnerships with community organizations to better serve ethnic minority communities. These organizations would include the Hispanic Chamber of Commerce of Louisiana, the Shreveport-Bossier African American Chamber of Commerce, the Intertribal Council of Indiana, and the Asian Pacific American Society Inc. and Valley Interfaith Organizations, among others.
- Identify agencies that are currently serving these populations for other needs and partner with them to increase their knowledge of the behavioral health referral process.
- Initiate the collection of data to determine baseline levels of care in each of the populations identified and the development of goals to improve existing services provided by the service delivery system for each population. Ongoing review and analysis of the unmet needs database will be one source of data.
- We will expand access using our existing network with a focus on adding providers that align with the cultural needs in the community.

ENGAGEMENT/RE-ENGAGEMENT OF IDENTIFIED COMMUNITIES

As described, after we have completed our research, gaps and assets identification, together with members from minority communities and other stakeholders such as the LGE's, we will develop a plan to either develop additional available services, or recruit for additional covered services that the minority populations have identified as critical for their communities. This plan includes a communication, training and education component for local communities of color, but also the greater community to create awareness. We have seen first-hand that when communities are asked to identify their needs and co-create a plan to address those needs, they become fully engaged in those systems of care. Magellan's collaboration with the statewide, regional and local provider communities will provide many opportunities to ensure that service delivery and desired outcomes are appropriate for the identified populations. Some examples include the following:

- Collaborating with providers to develop and report on outreach initiatives to economically challenged and culturally and linguistically diverse populations.
- An online organizational cultural assessment that identifies an organization/agencies cultural strengths and areas to build.
- Training and providing tools for providers to adopt and report on the implementation of CLAS.
- Incorporating performance expectations through contracts and scopes of work.

- Conduct routine provider reporting on cultural and linguistic staff competencies.
- Encourage providers to provide salary incentives to bilingual staff.
- Sponsor cultural competency training throughout the year and highlight national best-practices in this area.
- Assist providers in increasing provider capacity that targets these populations.
- Track penetration and service utilization by race and ethnicity in order to measure if outreach and educational strategies are impacting access and continued engagement in services across the continuum of what is available within the members' benefit.

Magellan is committed to working within the LBHP community to both recruit and develop providers who are competent in linguistically and culturally appropriate skills for responding to the individual needs of each member and their family. However, if a need still exists after we have exhausted all potential recruitment strategies within the Louisiana provider community, Magellan will look toward recruiting providers from the extended/ surrounding community to provide services that meet the cultural competency needs of the network.

xii. Describe the Proposer's plan for implementing a statewide network of crisis response providers to serve people of all ages. Provide an example of the Proposer's success in developing, implementing and managing crisis response network providers. Suggested number of pages: 4

BACKGROUND

Few states have faced the succession of challenges that have buffeted the Louisiana behavioral healthcare system since 2005 when Hurricanes Katrina and Rita devastated the gulf coast. In 2008, Hurricane Gustav effectively shut down the Baton Rouge state government for weeks. Hurricane Ike became the third-costliest hurricane ever to make landfall. The 2010 Gulf oil spill hit the Louisiana shoreline, fishing industry, restaurant owners and tourism harder than any other state, and Mississippi River flooding earlier this year forced thousands to be evacuated yet again.

It is impossible to separate out the psychiatric crisis service system and its development from the impact of these disasters, as the emotional toll and displacement of individuals, families and communities has had an enormous impact. The Cope Crisis Line of Via Link in New Orleans was shut down for months following Katrina and the Baton Rouge Crisis Intervention Center was overwhelmed into 2006. Despite a baseline of higher rates of poverty and co-morbid chronic illness, Louisiana was one of twenty-five states facing reductions to its public mental health system budget in fiscal years 2009, 2010 and 2011, at a time when unemployment was rising along with Medicaid enrollment and demand for care.

A *Roadmap for Change* in 2006 charted a plan to eliminate the fragmentation in continuity of care and service coordination and provide a transformation of the state's mental health services and systems which would dramatically improve access to care. In 2008, the state legislature passed ACT 447 which required each region/LGE (Authorities and Districts) to develop comprehensive crisis response system plans. The legislation also required the licensure guidelines which were developed in 2009 to support crisis receiving centers in Louisiana.

This legislation was based on the tenet that appropriate crisis identification and stabilization services, including a coordinated system of entry into the crisis system, are critical to successful recovery for people in behavioral crisis. The legislature further found that successful crisis identification and stabilization services will most successfully be developed and maintained through collaboration between the State, local communities, and stakeholders of the crisis system.

Each human services district developed a plan to operate a crisis network utilizing their existing resources and coordinating inter-jurisdictional services to develop efficient and effective crisis response to serve all individuals on a 24/7 basis. These collaborative groups included local behavioral healthcare providers, the regional coroner's office, the local emergency medical services system, law enforcement, and representatives of the consumer community, the advocacy community and the local public and private hospital emergency departments.

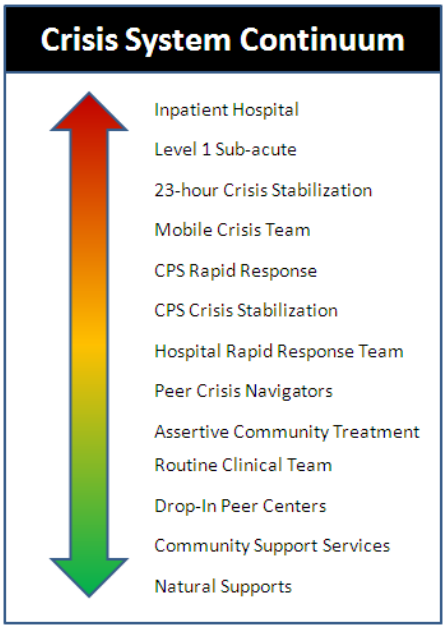
Subject to appropriation, the plan included collaborative local planning for the establishment and implementation of regional crisis centers which would receive, evaluate, triage, refer or treat people in behavioral health crisis, and serve as a central component of the crisis response system. Most regions implemented mental health emergency room extension units (M-HERE) to provide basic evaluation, triage, intervention, referral, and linkage for individuals presenting in hospital emergency rooms for behavioral health conditions. Also, CARTs have been implemented throughout the state (though two regions use a slight variation on the model) and provide six phases of intervention that begin with a crisis call. Seventy-five percent of those who make the initial call receive a face-to-face assessment, and only 10 percent result in an inpatient hospitalization.

In early 2010, the plan to consolidate the Office of Mental Health and the Office for Addiction Services within the Louisiana DHH referenced improvements to access to care through a "Single Point of Entry" system. *"Regional access centers should include a consolidated (mental health and addictive disorders) call center, which can handle routine call-ins, as well as emergency and after-hours calls [eventually linked statewide]."*

In summary, there has been a significant investment by DHH and Louisiana stakeholders in developing the architecture for a comprehensive and coordinated crisis services system. This process has continued in spite of the successive blows to the state that have come from the disasters of the last six years and the impact on the local economy paired with the challenges occurring nationally. Each community has maintained the basic elements of a 24/7 system, including crisis lines, evaluation, and regional acute units. However, the factors described above have made it nearly impossible to move beyond the due diligence into the implementation stage related to mobile crisis response services (very limited or unavailable), but the timing is now right for that to occur.

VISION

Figure 2.e.xii-1 Crisis Continuum



Magellan believes that the ready availability of a continuum of crisis services 24 hours per day, shown in figure 2.e.xii-1, every day for those individuals and families in emotional distress is a critical component of recovery and has cascading benefits for therapeutic relationships, positive results and service efficiencies. Skilled and timely clinical interventions at the point of crisis prevent suicides, homicides, unnecessary hospitalizations, and arrests or detentions, reducing likelihood of removal of children and youth from family, and reduce dangerous and threatening situations. In our experience these resources result in increased community tenure and reduced costs for unnecessary and intrusive hospitalizations.

It is evident from the past six years that the people of Louisiana are resilient, hopeful and optimistic. The "Louisiana Spirit" Crisis Counseling Program funded by FEMA brought together resources in a "ministry of presence" after Katrina and Rita to those who were struggling to put their lives back together. In like fashion, Magellan will support a 24/7

coordinated crisis services system that will actively outreach, engage and collaborate with those individuals with behavioral health and addiction crises. In collaboration with DHH, DCFS and the LGEs and utilizing the planning of the last six years, Magellan will implement a robust system that dramatically improves outcomes for those in crisis.

PLAN

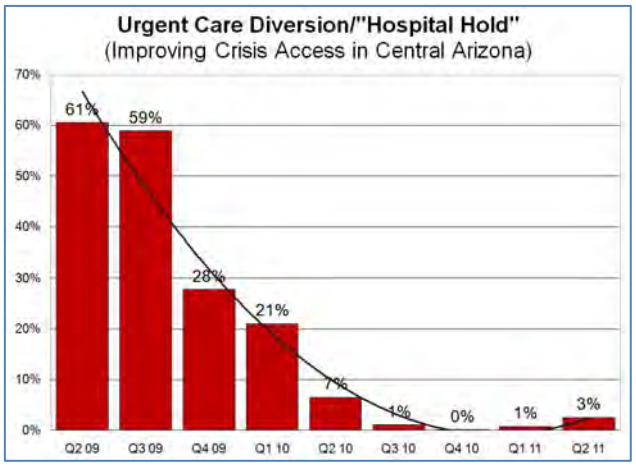
Magellan will have a fully operational network of crisis response providers available 24/7 as of the contract start date which will respond to referrals on a 24/7 basis 365 days per year. To accomplish this immediate task, Magellan will work with the crisis management services and hotlines that are manned by the Regions/Districts. We will also engage the Louisiana 2-1-1 network of six information and referral centers. These centers will are as follows: (Centerpoint Community Services/2-1-1 which serves 11 parishes in the Shreveport area; United Way of Northeast Louisiana/2-1-1, which serves 15 parishes in the Monroe area; VIA LINK/2-1-1, which serves 10 parishes in the New Orleans area; Baton Rouge Crisis Intervention Center/2-1-1, which serves 11 parishes in the Capital area; 232-HELP/2-1-1, which serves 10 parishes in the Lafayette area; 310-INFO/2-1-1, which serves 7 parishes in the Lake Charles area and the Louisiana Association of United Ways. These six agencies are interconnected through a common communications system which allows for greater coordination.

The Baton Rouge Crisis Intervention Center (BRCIC) and Via Link Cope Line in New Orleans are both accredited by the American Association of Suicidology (AAS) as crisis intervention centers and have demonstrated success in triage, intervention and referral of those who are suicidal or experiencing a psychiatric crisis. Given the unique approach in Louisiana in which the Coroner's Office (and not law enforcement) is responsible for emergency psychiatric petition to a hospital (usually an emergency department) for evaluation, BRCIC's internationally-recognized partnership with Louisiana coroners to assist family members bereaved by suicide is extremely important. The Local Outreach to Suicide Survivors (LOSS) program was first developed in the 1970s and cited in the recent Suicide Prevention Resource Center (SPRC) publication *Charting the Future of Suicide Prevention: A 2010 Progress Review of the National Strategy and Recommendations for the Decade Ahead*.

Magellan will also work with M-HERE, CART, and other key crisis providers, including the Louisiana State University Health Sciences Center in Shreveport to continue existing state-funded and supported resources. In the months following contract launch, Magellan will coordinate with the crisis collaborative for each LGE to analyze its comprehensive plan for coordinated crisis services and evaluate the implementation of mobile crisis teams, and/or crisis receiving centers, where appropriate. In partnership with DCFS, we will assess current CART capacity across regions and evaluate how to expand and/or complement with targeted stabilization and rapid response teams.

EXPERIENCE

Figure 2.e.xii-2 – Urgent Care Diversion



Our approach for Louisiana is modeled after the Arizona program described below which utilizes collaboration to integrate and coordinate the efforts of crisis services providers and to create a public accountability for positive results. Together, we and our Phoenix urgent care centers virtually eliminated diversion ("hospital hold") in 2010, as shown in Figure 2.e.xii-2.

Extended delays in emergency departments for behavioral health assessment and linkage were commonplace in metropolitan areas across the

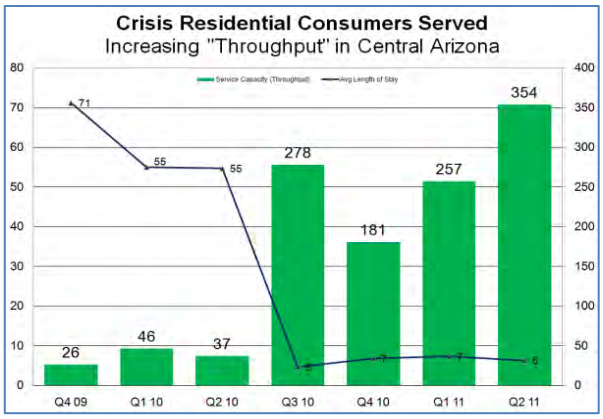
country. However, the combination of Medicaid enrollment and increased demand alongside the reduction in state behavioral health funding and outpatient service capacity has presented unprecedented challenges for psychiatric emergency services programs. This was the situation Magellan faced in Arizona in 2009.

Magellan has developed and operates emergency services programs for children and/or adults in all 13 of our public sector behavioral health contracts. The scope of services includes a full safety-net continuum of 24/7 psychiatric crisis lines, peer-operated warm lines, mobile crisis teams for children and adults, designated child protective services crisis response and stabilization teams, specialty developmental disorders crisis teams, hospital emergency room rapid response teams, crisis respite centers, community-based psychiatric urgent care centers, and inpatient emergency evaluation and stabilization.

In Arizona, Magellan assumed responsibility as the Regional Behavioral Health Authority (RBHA) in 2007. Between fiscal years 2008 and 2010, the system experienced nearly $70 million in service reductions. To maintain a crisis safety net and insure outcomes we launched a crisis integration taskforce which included more than 85 members of the local community, including law enforcement and first responders. This initiative led to a host of interventions, including the creation of a new service, dedicated 24/7 peer staff crisis navigators, to ensure seamless transition from the "acute" crisis to post-crisis services.

We tracked the initiatives of this task force to ensure improved cost effectiveness, accountability, and positive outcomes while reducing the utilization of higher levels of care, hospitalization, court ordered treatment and incarceration. These included:

Figure 2.e.xii-3 – Crisis Residential Service Capacity



1. Dramatically reduced the average length of stay in a community-based crisis residential program to dramatically increase numbers served ("throughput") as shown in figure 2.e.xii-3.
2. Implemented outpatient services for opiate detoxification freeing up additional capacity for those with more acute needs in sub-acute detoxification units.
3. Introduced a medications only clinic for individuals with general mental health and substance abuse services and coordinated referrals from urgent care centers with crisis navigator staff.
4. Began routine facility-based crisis provider planning meetings, developed coordination protocols for the partner agencies and implemented a public provider outcomes dashboard.
5. Expanded crisis intervention team (CIT) training for law enforcement that focuses on de-escalation and brief crisis intervention skills.

Magellan's support team includes national level subject matter expertise and industry leaders. A local area Magellan staff person works closely with crisis providers, law enforcement, coroner's office, first responders, hospital associations and other key stakeholders. Magellan has created a replicable crisis services management model, with essential elements, and thoroughly documented the approach in a transparent and public fashion. This includes reporting the outcomes and success of the program. We would work collaboratively with the Louisiana "safety-net" crisis provider system to assess the readiness and starting point and could move quickly to begin making an impact.

xiii. Describe the Proposer's provider profiling system proposed for this Contract. List the elements the Proposer will use to profile providers:

(a) Indicate if the profiling elements will differ by provider

Our approach to provider profiling is to promote transparency, accountability, and actionability on meaningful measures for providers, consumers, stakeholders, and the LBHP. Our profiles cover a balance of measures across clinical outcomes, recovery orientation, coordination of care, and administrative and accountability domains. We use national, state, and industry standards where available and look to set thoughtful benchmarks and targets to improve performance where there is no established standard. We use fidelity tools and treatment record reviews to measure quality performance, and use these measures for quality improvement activities and to correlate with outcomes. We respect providers as partners in profiling as the aggregate of all providers is our performance. Our co-ownership of performance is the foundation of our work to help providers achieve their best. Above all, we use provider profiles to meet local goals, such as fostering consumer, family, youth, and person driven behavioral health services, increasing access to services, promoting recovery and resiliency, improving quality and use of outcomes informed care, and increasing natural supports to sustain youth and adults in their own homes. To meet those goals, we work with providers, consumers, stakeholders, and systems of care to understand, use, refine, and act upon provider profiles.

We propose a provider profile based on the above principles, covering the performance measures identified in the *Quality Strategy for the Louisiana Behavioral Healthcare Prepaid Inpatient Healthcare Plan Waiver*, and aligning with the goals of the DHH-OBH presented in Quality Strategy and the RFP. The profiling elements will differ based on service category of 24 hour level of care, substance abuse, or outpatient/community and have breakouts for adult, youth by age groups, and CSoC youth. The profile seeks to measure uniformly whenever possible to directly compare areas of performance. CSoCs by region have the same measures as 24 hour levels of care and outpatient services to assess how CSoC youth needs are being met compared to non-CSoC youth. The profile also brings demographics to the forefront to consider access and health disparities by race, ethnicity, and community; priorities for DCFS, OJJ, DOE, and DHH-OBH. Core measures to monitor the network are identified in Table 2.e.xii.

Table 2.e.xii—Provider Profile Elements

Provider Profile Medicaid and CSoC Table	MH Inpatient Adult	MH In-patient Youth	SA In-patient & Rehab	RTF	Out-patient Adult	Out-patient Youth	CSoC (WAA/ Region)
Demographics							
Consumers served by provider - unique count	x	x	x	x	x	x	x
Age by groupings (0-5; 6-12; 13-17; 18-21; 22-64; 64+)	x	x	x	x	x	x	x
Gender	x	x	x	x	x	x	x
Race/ethnicity	x	x	x	x	x	x	x
Work/school status	x	x	x	x	x	x	x
Youth IEP (0<6, 6-12; 13-17; 18-21)		x		x		x	x
Housing/residency status	x	x	x	x	x	x	x

Provider Profile Medicaid and CSoC Table	MH Inpatient Adult	MH In-patient Youth	SA In-patient & Rehab	RTF	Out-patient Adult	Out-patient Youth	CSoC (WAA/ Region)
Youth placed in restrictive settings outside their home		x		x		x	x
Youth DCFS involvement		x		x		x	x
Criminal/juvenile justice involvement	x	x	x	x	x	x	x
Utilization Management							
Services by LOC, Services/1000	x	x	x	x	x	x	x
MH/SA Inpt Admits, Admits/1000 for outp	x	x	x	x	x	x	x
ALOS or units, ALOS or units by Dx Cat	x	x	x	x	x	x	x
MH/SA AFU 7 Days, 30 Days	x	x	x				x
MH Readmission 30 Days, 90 Days, Readmission by Dx group	x	x					x
SA Readmission 45 Days, Readmission by COD			x				x
Emergency Dept usage # and #/1000					x	x	x
Crisis service utilization, Services/1000					x	x	x
Cost per person, served per month	x	x	x	x	x	x	x
Discharge type	x	x	x	x	x	x	x
Access							
First appt within 14 days					x	x	x
Second Appt within 14 days					x	x	x
Pharmacy (0-5; 6-12; 13-17; 18-21; 22-64; 64+)							
Consumers prescribed psychotropic medications	x	x	x	x	x	x	x
Consumers prescribed duplicative medications	x	x	x	x	x	x	x
Poly pharmacy (3 or more)	x	x	x	x	x	x	x
Clinical Practice Guideline (CPG) pharmacy	x	x	x	x	x	x	x
High Risk							
High Risk % Pharm CPGs	x	x	x	x	x	x	x
Community Tenure	x	x	x	x	x	x	x
Administrative and Accountability							
Denied Claims	x	x	x	x	x	x	x

Provider Profile Medicaid and CSoC Table	MH Inpatient Adult	MH In-patient Youth	SA In-patient & Rehab	RTF	Out-patient Adult	Out-patient Youth	CSoC (WAA/ Region)
Complaints Undup Member, Complaints/1000	x	x	x	x	x	x	x
Quality of Care Concerns, Quality of Care Concerns/1000	x	x	x	x	x	x	x
Adverse Incidents, AI/1000, AI by type	x	x	x	x	x	x	x
Restrictive interventions (seclusion and restraint)	x	x	x	x	x	x	x
Clinical Quality and Outcomes							
Evidence Based Practices, EBP Fidelity					x	x	x
Clinician ratings CANS by domains, show improved functioning		x		x	x	x	x
Clinician ratings LOCUS by dimensions and level, show improved functioning				x	x	x	x
CHI Emotional Health Score Improvement						x	x
CHI-C Psychosocial Score Improvement					x	x	x
Family and Peer Services							
Use of family services		x		x		x	x
Use of youth support services		x		x		x	x
Use of peer support services	x		x		x		
Peer specialists engaged in service, Peer specialist per clients served	x		x		x	x	x
WrapAround							
Wrap-around plans, youth in wraparound		x		x		x	x
Youth screened, identified as at-risk and referred to wrap-around agency		x		x		x	x
Natural supports vs claims paid services							x
Client Surveys							
Survey #, response rate	x	x	x	x	x	x	x
Easy/timely access to services and providers,	x	x	x	x	x	x	x
Client/family involvement and choice in treatment planning	x	x	x	x	x	x	x
Satisfaction quality, outcomes, and coordination of services provided	x	x	x	x	x	x	x

Provider Profile Medicaid and CSoC Table	MH Inpatient Adult	MH In-patient Youth	SA In-patient & Rehab	RTF	Out-patient Adult	Out-patient Youth	CSoC (WAA/ Region)
Improved functioning,	x	x	x	x	x	x	x
Reduced symptom severity	x	x	x	x	x	x	x
Improved quality of life	x	x	x	x	x	x	x
Clinical Recordkeeping (Treatment Record Reviews)							
MH TRR scoring by category	x	x	x	x	x	x	
SA Retrospective Review scoring by category	x	x	x	x	x	x	
Application of Principles of Recovery and Resiliency							
Specific MH TRR indicators	x	x	x	x	x	x	
Specific SA Retrospective Review indicators	x	x	x	x	x	x	
Linkage with Primary Care Physicians							
Coordination of Care scores from TRR	x	x	x	x	x	x	

(b) Describe the process for collecting accurate baseline data that engenders provider confidence and the time table for development of accurate baseline data; and

We use national and industry standards for direction on formulas, benchmarks, or comparisons where they exist, such as readmission and aftercare follow-up. If there is no standard, we ensure adequate sample sizes and data integrity prior to determining a baseline, such as the first year of performance, as well as adequate sample sizes for comparison to baseline such as quarterly, year-to-date, and/or rolling year measures. We establish thresholds for high volume providers for profile inclusion based on the sizes of the providers in the system. For measures with quick ramp up, such as number of youth with wraparound plans, month over month improvement may be used for implementation. We have internal expertise on data integrity, survey development, and reduction of bias to tap as needed. We propose that profiling to start with non-claims data for the first quarter and with claims data items starting at the second quarter to allow for lag time.

In developing a profile we engage providers early and often, meeting with providers before the contract start date to explain the data collected, the source(s), and any benchmarks and baselines to educate and solicit feedback. We encourage providers to analyze and to use data to improve performance. We also educate providers on processes such as continuous quality improvement o improve performance. We use consultants to train based on needs, such as the Network for the Improvement of Addiction Treatment (NIATx) to teach addiction treatment and behavioral health providers how to improve access to and retention in treatment for members seeking help with substance abuse. We solicit and respond to provider feedback on concerns, issues, and data. Before reporting profiles publicly we meet with providers on their own measures through quarterly level of care reviews. We use regional collaboratives, forums, or other venues to disseminate information and gather feedback from groups of providers.

(c) Include a description of the parties who will have access to the provider profile and how the information will be utilized. Describe how the Proposer has used provider profiles for other public sector BH managed care contracts. Suggested number of pages: 5

We propose that providers have access to their own data through a provider profile dashboard. This dashboard will allow providers to track their performance on a timely and actionable basis, as well as see the comparison to the Magellan network. Providers will be able to set a customized view to track their "favorite" measures as well as be able to drill down to their own data with an excel download. Regions will also have access to their own data compared to the entire state of Louisiana. Our provider profile dashboard will be staged with non-claims measures with available data completed for first quarter reporting and claims based measures, which experience data lag, completed for the second quarter. A sample provider profile dashboard is shown in figure 2.e.xii.

Figure 2.e.xii—Provider Profile Dashboard

Performance reporting is vital to achieving the State's improvement goals for behavioral health services. We are committed to providing DHH-OBH and other stakeholders with robust and enhanced tools that give them greater ability to implement these fundamental changes in behavioral health care service delivery. Our experience is that stakeholders bring valuable insight and knowledge to understand and change a system. DHH-OBH will have access to the provider profile dashboard in full. Magellan will share provider profile reports with analysis with the governance board, NSC, Regions, LGE's, the LBHP, FSOs, and consumer and family groups using visual graphical representations of aggregate and provider level data on a quarterly basis. Profile reports and analysis will be provided to the inter-department monitoring team (IMT) to facilitate the development and implementation of the

quality management strategy. Drill down data for analysis will be provided where there is an indicated concern in the provider profile data or from a system partner.

Public accountability includes public access to meaningful and actionable information. In Maricopa County we created an innovative online provider outcomes dashboards (persons with serious mental illness [SMI], children, and general mental health/substance abuse) with and for consumers, their families, provider agencies and other stakeholders to demonstrate key aspects of behavioral health management and drive performance improvements. This easy to use online tool provides accountability and transparency through visual representations of no more than 18 critical indicators and is organized in clinical/management categories building off a scorecard model. The four adult SMI areas are: service maximization/administration, coordination of care, clinical quality and recovery outcomes. Meeting regularly with providers and stakeholders, the provider outcomes dashboard demonstrated month-over-month improvement from March 2009 through July 2010, even during the complex transition phase in 2009 and SMI service reduction of 2010, including:

- Individual service plans (ISPs) current improved over 50 percent (56 percent in May 2009 to a system-high of 85 percent in May 2010)
- ISP quality improved over 30 percent (47 percent in March 2009 to 62 percent in July 2010)
- Title XIX Medicaid coverage increased 25 percent (52 percent in February 2009 to 65 percent in July 2010)
- Encounter values increased 44 percent (63 percent in March 2009 to a system-high of 91 percent in June 2010)
- Assertive Community Treatment Fidelity increased 34 percent (68 percent in March 2009 to a system-high of 91 percent in January 2010)
- Customer satisfaction in March 2009 was 83 percent but was at system-high of 92 percent in November 2009.

The children's dashboard has three areas: National Outcome Measures (NOMS), birth through four years functional outcomes, and five through 17 years functional outcomes. This dashboard rolled out in January 2011 and has already begun to show promising results particularly in the NOMs for children actively enrolled in behavioral health treatment:

- 90 percent of children are living in the community with family
- 98 percent of youth without an arrest in the last 30 days
- 95 percent of youth reported as have no substance use.

We propose creation of two Louisiana provider outcomes dashboards, one for the children's system of care and one for the adult system of care. In our second year of implementation, we will engage consumers, families, providers, and stakeholders to identify the top 12-15 measures on in a balanced scorecard approach of clinical outcomes, recovery orientation, coordination of care, and administrative and accountability domains to show quality to the overall system of care. In this collaborative process, data definitions, specification manuals, and visual representations for a public dashboard are established. Early in year three, the provider outcomes dashboards will be publicly accessible through our Website. This approach is consistent with our overall phased approach to system transformation in Louisiana and allows time for data gathering and consensus building prior to public display of data.

Provider profiling is an integral component of Magellan's quality improvement (QI) approach. We have been profiling providers to improve care and service to consumers since 1996. Our extensive experience have given us the expertise to develop and implement effective approaches in working with providers and stakeholders to use provider profiling to support provider self-management and drive improved system performance. We routinely deliver profiles to providers, customers, and stakeholders electronically and use profiles in our QI activities, including meeting individually with large or underperforming providers and in our quarterly provider collaborative meetings. All customers receive full provider profile reports. We respond to local needs and structures in developing profiles, processes, and involving consumers. Our experiences with provider profiles and responses to local structure and needs are demonstrated below:

In Iowa we deliver quarterly electronic provider profiles for all large inpatient, substance abuse, and outpatient providers on utilization, quality of care, and outcomes measures. Providers receive their own measures compared to the aggregate of all providers in that level of care. We conduct quarterly provider collaborative meetings by level of care where we review the aggregate of the provider performances and educate providers on how to use their profile reports for quality improvement. An onsite review occurs with providers for specific action planning. All quality of care concerns are addressed by additional QI involvement. Specific provider profile measures have been used for pay for performance to improve system performance. For example, Iowa selected one multi-year QI program for a pool of large providers, across levels of care and in good standing, to work on achieving specific and challenging targets for readmission, decreasing emergency department usage, providing recovery training to all staff, and increasing clinical outcomes reporting. Providers were given a shared incentive pool from reinvestment with a formula based on multiple targets being met and the percentage of the population served. The participating providers were able to reduce in two years readmission by 0.9 percentage points (compared to other providers decrease by 0.54 percentage points) and decrease use of the emergency room by 1.58 percentage points (compared to other providers' increase of 2.78 percentage points). The results of the pilots are being used to inform development of pay for performance across the network.

In Pennsylvania we send inpatient, outpatient, and community levels of care providers a comprehensive provider profile with analysis annually of demographics, and utilization compared to last year's performance and other providers, as well as outlier items, satisfaction, and quality of care concerns. We synthesize the information into annual program evaluation reports to compare aggregate and individual provider performance to previous years and identify trends, outliers, and responses to quality activities throughout the year. Provider forums are held in the first quarter to review the annual program evaluation reports, identify system concerns, solicit feedback from providers on the system concerns, and request action plans from providers. Mid-year Provider Forums are held on the status of plans and performance. Providers also have on site reviews of individual performance and quality activities. Various pay for performance programs based on profile measures have been implemented to achieve specific targets on overutilization and quality concerns, such as readmission, length of stay, access, substance use screening, and use of clinical best practices such as family therapy and coordination at discharge. For example, in Lehigh County a tiered award system was developed to improve school based partial hospitalization performance for reduced length of stay, reduced inpatient admission, and increased use of outcomes in treatment planning. The prospective earned incentives ranged from 2 percent to 3.5 percent for rate increases for the next quarter. In the first year, one school based partial hospitalization program was able to meet all three standards. The program has been expanded for incentives to range from 2.5 percent to 5 percent and targets adjusted to include inpatient admission, family therapy best practices, collaboration with community services, and discharges to the community.

xiv. Describe at least one (1) goal, measureable outcome and strategy from another client state where improvements in the availability of and member engagement in culturally appropriate services occurred. Also, describe one (1) strategy that did not result in positive change and the Proposer's understanding of why this strategy was not successful. Suggested number of pages: 3

Our work in Maricopa County, Arizona with the Latino community provides a good example of our ability to develop strategies that result in the improvement in the availability of member engagement in culturally appropriate care. In 2009, the 85040 ZIP code in Maricopa County had one of the highest populations of Latinos in the county, the lowest enrollment in behavioral health and Medicaid services, a high percentage of residents under the age of 21, and a high crime recidivism rate. Magellan organized a community planning effort to design, develop, and implement a grassroots campaign with a goal to increase education and awareness of behavioral health services for the Latino youth population in 85040. This initiative included the creation of a local coalition comprised of residents of the ZIP code and individuals who worked and/or provided services in the area.

Measureable Outcome: Within two months from the launch of the initiative we had enrolled 700 new members in our Medicaid services! This resulted in Magellan expanding the targeted outreach and engagement initiative to additional areas in the county with high Latino populations.

Strategy: We conducted several focus groups of residents: youth 13-21, mono-lingual Spanish speaking adult residents not currently engaged in Medicaid, mono-lingual Spanish speaking adults currently receiving behavioral health services, Latino adults with children under 18, and Latino students. They told us about what they knew about behavioral health, where and to whom they go to for information they trust, and how they like to receive information.

With the information received, we created training for local Promotoras who are lay community volunteers, about behavioral health, what it is, and where to go for help. Additionally we partnered with youth from one of the agencies on the coalition and they created a "fotonovela" which is a small pamphlet akin to comic book format, with photographs instead of illustrations, combined with small dialogue bubbles. They typically depict a simple story enveloped in a dramatic plot that contains a moral). Then they 'starred' in this educational piece targeted to youth 11-21 and their parents. In addition to the development of Promotoras and fotonovelas in English and Spanish, they distributed development wheels that describe appropriate behaviors of infant and children and related behaviors parents should be encouraging. Sample fotonovelas are shown in Figure 2.e.xiv.

Figure 2.e.xiv - Sample Fotonovela

Strategy that did not work and had limited impact: In October 2007, we started a cultural competence committee in Iowa with the goal to increase providers' awareness and ability to engage members from different cultures and racial groups. We conducted statewide training on cultural competency which providers viewed as helpful and positive. We also conducted a survey of providers and hoped to identify best practices and then replicate them across the state. We did identify some providers that had some remarkable programs; however, they were not easily replicable. For example, one provider in Sioux City had many members of African American and Latino descent that were accessing Medicaid. However, we found out that they had a jail diversion program there that collaborates with the mental health center and the substance abuse treatment provider that came about through a community effort. Overall, our efforts to identify and replicate best practices had a more limited impact than we had originally anticipated.

What we learned: We realized through this effort that cultural competency interventions need to be implemented on a community level instead of on a statewide level, since each community is vastly different, with unique demographics, needs, strengths, and resources. That understanding informed our approach in Maricopa County where we targeted our efforts on a particular ZIP code area.

xv. Describe the strategies the Proposer will use to facilitate BH provider, PCP, DCFS, OJJ, DOE and OBH collaboration other than at the individual case level. Describe the Proposer's experience in at least one (1) example of collaboration including the actions and strategies taken and results. Suggested number of pages: 3

We know from experience that any successful system transformation requires dedicated coordination, communication, and collaboration among all levels, systems, jurisdictions, personnel, and members. Magellan's extensive experience with interagency collaboration and coordination has prepared us to smoothly coordinate efforts to best serve members. Magellan will establish strong and cooperative working relationships with all DHH agencies, other relevant state agencies, primary care providers, behavioral health providers, consumers, families, and caregivers. Relationships with all of our system partners will center on a mutual commitment to these three principles: collaboration, communication, and consultation. The leadership team at the Louisiana CMC will be engaged with the LBHP and other stakeholders, it will be critical to the success of the program for this partnership to be established early and on a solid foundation. The following are the specific approaches that we will take to promote collaboration.

SYSTEMS LEVEL

Dedicated staff: Dedicated staff will address systems level policy, program planning, and monitor key performance indicators for the LBHP. Our vice president of system transformation, children's system administrator, adult system administrator, director of recovery and resiliency, cultural competency director, and director of network administration will serve as key points of contact. They will be able to discuss and identify priority areas and also coordinate opportunities for other key personnel to collaborate on any current oversight issues and new program changes. The contract director will have responsibility for ensuring collaboration and coordination with other state agencies.

Another key component of our strategy to facilitate collaboration is our NSC which will serve as the hub for information gathering and sharing as well as for strategic network expansion planning for delivery system wide initiatives as well as those specific to each of the local regions. The purpose of the NSC, which reports to the QA/PI Committee, is to be a source of feedback to and from the provider community, stakeholders, consumers and the LBHP. The NSC is focused on reporting on and improving access to appropriate services for members, identifying opportunities for improvement in processes for providers, discussing implementation and transformation issues and maintaining an open line of communication among Magellan, providers, stakeholders and consumers. We will utilize the NSC to engage the stakeholders identified above on a systemic level. We will identify a primary care physician (PCP) representative that can speak to global and statewide issues on behalf of PCP's and utilize that resource to work toward better integration of behavioral health and primary care.

In addition to inclusion of a PCP representative on the NSC, to further efforts at collaboration we propose the Primary Care and Behavioral Health Integration Work Group. This workgroup will provide opportunities to better serve our shared members through coordinated efforts to enhance care management and improve quality. Membership includes representatives from each Coordinated Care Network (CCN) prepaid and CCN shared savings plan, the SMO, the LBHP, Louisiana Primary Care Association and the Louisiana Medical Society. Quarterly meetings will be hosted in rotation by each organization represented. The focus in year one will be to establish letters of agreement between the organizations which would include details around information sharing within the workgroup in accordance with HIPPA guidelines, identification of standing agenda items, and development of workgroup topics that would support better overall healthcare outcomes for members. Some potential areas of collaboration we propose would include discussion on how the group can work to do the following.

- maximize care and clinical integration
- development of integrated information management process to facilitate collection and sharing of appropriate clinical data to maximize care coordination
- develop an operational structure to ensure attainment of all agreed upon goals.

In year two the group will select a specific project to work on combining efforts to make measureable improvement to a target area such as providing more integrated and cost effective care for medically fragile members with SMI reduction of emergency room services for members with SMI, or identification and intervention to address suboptimal behavioral health practitioner prescribing practices. We believe this expanded approach to integration with PCP's which is broader in scope than requested, will facilitate better integration of care leading ultimately to more efficient use of healthcare dollars for the state of Louisiana.

Monthly operations meetings: Monthly operations meetings will ensure that our work efforts are coordinated and meet the shared goals of the providers, agencies and Magellan. Meetings will include the monitoring and review of performance indicators, updates on key initiatives or large projects using a project management approach, and updates on process and quality improvements when we become aware of and work to improve or enhance a system

performance issue or concern. Our goal is to ensure transparency about areas of strengths and challenges and promote joint accountability for making system improvements.

Ad-hoc program development meetings: We will also have meetings on an as needed basis around about any special projects, initiatives, quality improvement activities, or roll out of specific policies or programs.

Interagency protocols: We will develop collaborative protocols with DHH-OBH agencies and other relevant state agencies that outline the mutual roles and responsibilities between Magellan and the particular state agency. These protocols will outline expectations about communications, data and reporting, care coordination of members, collaborative projects, and other topics as well.

Reports and analysis: We will regularly share reports and analysis with system stakeholders plans showing performance indicators (such as admissions, readmission rates, and follow-up after hospitalization rates) for their specific populations. We will also respond to ad-hoc requests for data or reports as well.

PROGRAM LEVEL

Program and policy development and planning: We will collaborate on areas such as identification of best practices among behavioral health providers, training of behavioral health providers including Webinars and other forums, Information technology enhancements such as our service history summary. This will take place via face-to-face meetings, group meetings, e-mails, and other avenues.

Minutes will be posted on Magellan of Louisiana Web site and available to all stakeholders. The Interagency Transformation Workgroup will include representatives from all child and adult servicing agencies that are a part of the LBHP. The mission of the work group will be to examine how proposed changes in the delivery systems, including efforts to support the development of WAA, FSO's and the CSoC in general. We will prepare for the effect of these major changes on interagency coordination, and explore how we might lay the groundwork for making necessary adjustments going forward. Information from the workgroup will continuously inform already established groups such as the Children's Behavioral Health Advisory Council.

MAGELLAN EXPERIENCE WITH COLLABORATION ACROSS MULTIPLE SYSTEMS

We recognize the importance of building strong collaborative relationships with all systems that will help us deliver better services and achieve more positive outcomes for the members we serve. Coordination and collaboration with multi-systems are infused in the daily operations of each of our care management programs. Only by establishing effective lines of communication and linkages with multiple systems, can a holistic approach to service provision be implemented. We have experience in collaborating with multiple systems including, but not limited to, the Department of Children, Youth and Families-Child Protective Services (DCYF-CPS), Department of Education, Arizona Governor's Office of Children Youth and Families, juvenile probation, Adult and Juvenile Court Systems, juvenile corrections, Department of Developmental Disabilities (DDD), Tribal Nations, Maricopa County Jails, Fire and Police for numerous municipalities, Department of Corrections, adult probation and parole, and Department on Aging.

An excellent example of our cross-systems collaboration has been our innovative collaboration in Arizona implementing the Sequential Intercept Model, which provides a conceptual frame work for communities to organize targeted strategies for justice involved individuals with mental illnesses and provides a focal point for communities to assess available resources, determine gaps in services and plan for community change. This partnership included Maricopa Superior Court, Comprehensive Mental Court, and Maricopa County Adult Probation, Phoenix Police Department, Maricopa County Correctional Health Services, Maricopa County Sheriff Office, consumers and family members. This collaboration has produced consumer informed programs in the county jails, courts and mental health probation, including implementation of a Comprehensive Mental Health Court, and establishment of a jail-behavioral health system data link to more quickly identify inmates with mental health issues at booking.

The great success of this collaboration has been presented nationally with a jail diversion graduate at the national GAINS conference and has led to implementation of:

- consumer run groups as part of jail diversion, consumers training law enforcement, and consumer representatives on governance board
- CIT implementation leading to 255 crisis mobile team responses to police officers annually and a reduction in law enforcement wait times at the psychiatric emergency room from 75 minutes to under 7 minutes
- court administrative orders fostering shared information and improved outcomes
- enhanced screening, improved continuity of care and re-entry planning for the mentally ill in the jail
- specialized supervision on SMI probation unit producing 78.86 percent rate of successful completion of probation with only 4.4 percent convicted of a new felony while on supervised probation.

The CIT training program is one the leading programs of its kind as it provides first responders, such as police officers and emergency medical technicians, with a better understanding of mental illness and the skills needed for safer intervention in situations where people are experiencing psychiatric crises. Programs are adapted to the needs of each community. Working with Phoenix/Mesa area police departments, Magellan developed unique training content and invited national experts and local presenters to classroom sessions to focus on community resources for assistance to officers and individuals; presentations by consumers and family members; situational role play and communication development; appropriate diversion from criminal justice to the behavioral health system; navigating and avoiding barriers within the system.

The Phoenix metropolitan area police department has responded very positively to this initiative. The department's coordinator has publicly commented that police officers trained in CIT are more effective at meeting the needs of people with mental illness. Because officers learn how to respond safely and quickly to crisis situations, the program reduces officer and citizen injuries, decreases arrest rates for people with mental illness, and helps link people more quickly with appropriate treatment. As a result of their CIT partnership, Magellan and local law enforcement shared data, identified mutual needs, and actively engaged the community in redesigning the regional crisis system.

More globally, CIT training and exposure to facts around mental illness and stigma reduction means fewer injuries to officers and people in crisis and improved communication with crisis services. In Maricopa County, Magellan's involvement produced additional benefits:

- Data sharing—Behavioral health providers are able to analyze problems jointly, act proactively, gauge member service levels, and monitor improvements.
- Community education—CIT is not just teaching first responders how to interact with the behavioral health system in classroom sessions. It is teaching behavioral health practitioners, recipients, and families how to interact effectively with law enforcement leading to improved outcomes for all involved.
- Jail diversion and transfer to treatment—Phoenix metropolitan area law enforcement officers now access diversion facilities/services approximately 12,000 times a year, averaging 1,000 handoffs per month to detoxification, urgent psychiatric center, and mobile crisis teams. This has reduced incarceration, increased linkage to long-term treatment and produced higher cost savings in the criminal justice system. Speedy transfers to treatment save police time and money and reduce the need for costly emergency psychiatric services.

- Youth leadership and inspiration - MYLIFE has given youth skills to have an actionable voice, to be able to give back to their community and provide peer leadership to other youth whom are struggling to find their way to better choices and outcomes. They have held more than 150 youth meetings and have reached more than 17,000 youth, families and community members through their presentations and events.

A second example related to collaboration with PCPs and family health centers includes our Integrated Health Home (IHH) project. This initiative is part of a larger health and wellness steering committee that includes both representative leadership from the behavioral health community and the broader physical health provider community. IHH is a partnership of Magellan, the four largest adult behavioral health providers for individuals with SMI and Maricopa Integrated Health System (MIHS). MIHS operates a tertiary, acute care hospital, behavioral health inpatient and 11 FQHC look-alike family health centers across Maricopa County. In the collaboration, we are out stationing nurse practitioners and physical health providers in the SMI behavioral health clinics, integrating the two electronic health medical records, jointly assessing, planning and treating and tracking outcomes together. The project launch featured an announcement by the Arizona governor, ADHS leadership and the provider partners.

An example of how we collaborate with local school districts comes from our Pennsylvania HealthChoices program. Education plays a critical role in children's' development and positive learning experiences foster resiliency. Schools provide a logical setting for early identification of children at risk for serious emotional/behavioral health needs and for the effective provision of services. Magellan's program for HealthChoices successfully combines school-wide positive behavioral support with effective mental health services. This combination fosters a school environment that is conducive to learning and improves children's connection to their school and community.

In Montgomery County, Pennsylvania, this is best exemplified through the family focused solution based services (FFSBS) program at the Abington School District, which is part of the statewide School Wide Positive Behavior Support (SWPBS) initiative. This school district approached the County and Magellan for assistance when their grant was running out. They were looking for a way to continue providing on site behavioral health services to youth in their district. After numerous meetings and discussion, the district chose to implement a FFSBS program to meet the needs that were historically served through the SWPBS grant. Through this HealthChoices-funded program, providers and staff continued to offer school based services, while also providing supplementary services in the home and via add hours as needed. Additional partnerships have been developed to create school based partial hospitalization programs to meet the unique needs of certain districts.

Similar school-based programs have been developed with several outpatient satellite clinics operating in Bucks County across several districts. Collaboration with the Office of Children and Youth and Juvenile Probation Office, as well as the districts, has assisted in identifying schools with the highest needs for prevention and intervention services across the County. In Delaware County, the Positive Education Programs being run in the Chester Upland School District is a Re-Ed model that blends special education and mental health services for a high need community. Magellan plans to support development of additional school based programs in 2011.

The examples above highlight only a few of our programs. We believe collaboration with the child and adult serving agencies leads to better outcomes and is a Magellan core strength. We also see the potential for an even more robust type of collaboration building from the model designed in Louisiana through the partnership of the agencies of the LBHP. The opportunity to support children and adults utilizing multiple funding streams and maximizing limited resources could put Louisiana at the forefront of efficient management of state and federal resources and become a model other states will emulate.

F. MEMBER RIGHTS AND RESPONSIBILITIES

Describe how the Proposer will assure Members understand and know how to exercise their rights. Include a description of how the Proposer will assure members' rights are recognized and supported by employees and providers. Suggested number of pages: 2

Recognition, support, and communication of member rights are among Magellan's core principles in every program that we are involved with. Our commitment will be *demonstrated through actions* in a comprehensive approach to ensuring that Louisiana Behavioral Health partnership (LBHP) members understand their rights and feel comfortable in exercising them without fear of adverse action by Magellan, providers, or contractors. Magellan will adopt the Member Rights Statement provided in the Department of Health and Hospitals-Office of Behavioral Health (DHH-OBH) *Member Handbook* template, ensuring it is written at a fifth-grade reading level. The *Member Handbook* includes comprehensive information that members and their families are entitled to access, as well as the inclusion of all DHH-OBH requirements for member rights as outlined in the Louisiana Medicaid Coordinated Care Network Program Member's and Member's Bill of Rights. We will ensure that Magellan staff, providers, and contractors comply fully with DHH-OBH expectations and our written policies and procedures to ensure protection of member rights, including supporting each of the rights delineated in the Member Rights Statement. This will occur through our Quality Improvement program and our treatment record reviews with providers and contractors.

Understanding and Exercising of Member Rights. Magellan will notify members of their rights through the *Member Handbook,* available to all members and mailed to all new members at the time of enrollment. The *Member Handbook* will include the Member Rights Statement and other clearly written information about member rights, including but not limited to advance directives and choices of provider selection We will also mail the Member Rights Statement to members after enrollment to further increase awareness and encourage members and family members to call if they have any questions or if they feel their rights may have been violated. In addition, we will provide members with the toll free number to contact the DHH-OBH complaint line if they wish. When mailing materials to members, we will respect their privacy by avoiding any references identifying a member as a behavioral health consumer. We will also exclude references to the program name on the envelope.

Provider Review. To reinforce the message of the aforementioned written materials and to ensure that members understand their rights, Magellan will contractually require providers to review the Member Rights Statement with members at their first appointment. After the provider answers member questions and addresses concerns, both provider and member will sign and date the statement to document that the review took place and that the member has a thorough understanding of his/her rights. The provider will be required to maintain an original in the treatment record, provide the member a copy for his/her records, and document the review in the electronic health record (EHR). Providers will subsequently review the statement and obtain the recipient's signature every year at the time of the annual mailing of the member rights statement. Magellan will monitor this process through reports generated from the EHR system and/or treatment record review audits conducted during provider site visits.

Our goal is to reach every provider and social service agency that touches the member and enlist their support in ensuring that the member understands his/her rights and assisting members and their families to exercise these rights when needed. Community stakeholders including faith-based organizations, mental health advocates, the Office of Consumer Affairs, and community-based organizations will be contacted and supplied with information to create additional opportunities to communicate member rights to recipients. The provision of member rights information to these organizations further demonstrates our commitment to ensuring members' rights are recognized and enforced for Louisiana's members.

The Member Rights Statement and other member rights information will always be accessible on the Magellan SMO Web site and at provider locations. Web sites will be in English and Spanish and expanded as necessary. Members will receive notification of any changes to member rights within 90 days of the change, as well as annual notification of member rights through a direct mail letter that includes any updates to member rights policies and procedures. The *Member Handbook*, newsletter, Web site, as well as notices of action and determination will all include a toll-free number and invitation to members and family members to call with questions or concerns. We will monitor the effectiveness of the member rights communication approach through feedback from members and their families, advocacy groups, and community stakeholders.

Member Rights Communications Materials. All LBHP member rights materials will be developed with input from recipient and stakeholder advisory committees and written to be easily understood by the service recipient at the 5th Grade level. Materials containing the Member Rights Statement will be available in English, Spanish, and Vietnamese, and in alternative formats to include Braille and audio tapes. Magellan will convert member materials into another language when review of demographic data indicates another language spoken by at least 5 percent of the eligible population or 3,000 individuals whose principal language is not English, whichever is less.

Ensuring Member Rights Are Recognized and Supported by Providers. The Member Rights Statement will be prominently displayed in our providers' offices. We will provide comprehensive training and technical assistance to staff, providers, volunteers, and contractors to ensure that they fully understand member rights and provide services in a manner that supports these rights and are consistent with the LBHP member rights policies and procedures. These requirements will be reinforced as a provision of the network provider contracts.

Ensuring Member Rights Are Recognized and Supported by Employees. All Magellan staff will receive a comprehensive new employee orientation which includes training on Louisiana Member Statement of Rights. Member service representatives, clinical and quality management staff receive additional training on how to assist members in exercising their rights. We will also employ peer personnel who can assist members in exercising their rights if they do not feel comfortable talking with our member services staff.

Consumer Advocate Support. Magellan will partner with consumer advocate groups, the Office of Consumer Affairs, as well as other peer and family support service organizations, to provide additional information and guidance to members and their families/representatives on understanding and exercising their member rights. These efforts will be coordinated through the Magellan of Louisiana Training Consortium.

G. TECHNICAL REQUIREMENTS

LOUISIANA STRENGTHS

Many of the State's advances in information technology, including the migration to Web-based systems, the compatibility of structures and data formats across diverse data systems, efforts to develop an open-source electronic health record system integrating mental health and addictive services, the utilization and authorization system in place for Medicaid mental health rehabilitation services, and data reporting using dashboards and indicators, will serve as critical building blocks for Magellan information technology implementation in Louisiana. While there has been a lack of resources to actualize some of the goals inherent in these efforts, the commitment and knowledge base that exists will be a major strength for next steps in IT development and implementation. More specifically, some of these building blocks currently in place include the following:

- Plans in place for Office of Behavioral Health (OMH-IIS) legacy systems being phased out in favor of one, comprehensive Web-based system.
- The structure and formats of specialized data systems—including the CRIS data system for the Child and Adolescent Response Team (CART), the ECSS-MIS web-based system for Early Childhood Supports and services (ECSS), the RiteTrack system for Louisiana Youth Enhancement Services (LaYES), and data systems supporting the Louisiana Spirit Crisis Program—are compatible with OMH-IIS. This will facilitate integration of these systems in the future.
- The effort with the National Data Infrastructure Improvement Consortium (NDIIC) implement electronic health records systems (where it was determined that DHH-OBH should consider pursuing an open source/ hybrid solution as the most cost effective approach) to address the needs of both mental health and addictive disorders service delivery and reporting.
- The annual Survey of Regions and Districts that obtains data for federal reporting, as well as for planning of resources and workforce delivery, from LGEs and regions.
- The MHR/MHS system and the UTOPiA systems: The Mental Health Rehabilitation/Mental Health Services system supports client, assessment, and service data collection and reporting for Medicaid mental health rehabilitation provider agencies (MHR) and for some DHH-OMH contracted mental health service program providers (mainly case management) (MHS). The Utilization, Tracking, Oversight, and Prior Authorization (UTOPiA) system supports prior authorization of services and utilization and outcomes management at the state and area levels.
- LGE initiatives to implement electronic heath records systems.
- The culture that already exists with DHH for the use of dashboards and indicators related to behavioral health. The monthly reports that are provided to the Assistant Secretary of Behavioral Health could be the initial basis for building the Magellan Dashboard and outcomes system for Louisiana.

MAGELLAN COMPLEMENTARY STRENGTHS

Magellan brings long-term information technology experience serving public sector contracts in other states including Iowa, Pennsylvania, Florida, and Arizona. In our most recent public sector implementation Magellan was able to install and bring up a system that included over 600 interfaces with 100 percent sign-off from the State that objectives were met. This implementation was completed in 59 business days. We have demonstrated success in implementing information management systems that streamline the process of provisioning treatment, as well as collaboration with state government and regional agencies. Our experience has continually informed our approach to bringing enhanced systems to our public sector customers.

We offer the expertise of a strong IT team backed with corporate support. We have access to our source code, so we configure our systems to the specific needs of our customers. Our extensive experience in data management will result in secure, HIPAA-compliant data transfers between our systems, the State's MMIS, and the associated agencies included in the service matrix for consumers. Magellan will support the State's accountability requirements through our approach to data warehousing and reporting. We will provide comprehensive reporting on financials, utilization management, and demographics. Magellan has the flexibility to provide reports on any information we receive on behalf of our customers.

We are aware that the State requires assurance that all consumer data is secure and restorable in the event of an emergency. Our off-site backup and storage provides security against loss of essential consumer data in the event of a disaster.

Our strong telecommunications and networking systems ensure the needs of the consumer can be met via several resources. Magellan's innovative use of the Web offers secure, Web-based systems that can handle the real-time information needs of the consumer population in Louisiana. Our consumer and provider Web sites are substantial resources of information on behavioral health-related concerns and local services.

Our *Clinical Advisor* application, built upon the ClaimTrak platform, will offer providers a Web-based, fully customized electronic health medical record (EHMR) designed specifically for use by the behavioral health profession. For Louisiana providers who do not currently have an EHMR application, this will give them the advantages of greater data functionality without additional infrastructure investment for their practices.

TRANSFORMATION MILESTONES

YEAR ONE OBJECTIVES AND MILESTONES – ESTABLISHING THE BASELINE

- on program start date, have already in place an efficient claims system that pays providers accurately and on time
- establish secure browser-based application with real time data access by DHH-OBH and providers
- create baseline provider profile for all providers.

YEAR TWO OBJECTIVES AND MILESTONES – RAISING THE BAR

- increase number of providers who utilize the electronic claims submission process

- evaluate baseline data and complete analysis of causative factors for overutilization of higher cost services, long lengths of stay and readmissions
- continue to improve upon IT performance and interfaces to remain responsive to needs of stakeholders
- continue enhancements of browser-based application to include additional electronic health record interface elements as the program evolves
- provider profiles used as tool to implement better practices, and benchmarking.

YEAR THREE OBJECTIVES AND MILESTONES – REALIZING THE VISION

- continue to increase number of providers who utilize the electronic claims submission process
- continue system enhancements to further support the program; providers themselves are using the provider profiles to manage their own performance.

REGIONAL AND POPULATION-BASED APPROACH

Transitioning to a comprehensive Web-based data approach will improve care through more consolidated consumer information in the form of an EHMR. Our proposed clinical application will provide a consistent, accurate flow of member, provider and historic utilization data that is updated in real-time. This type of electronic information sharing can be essential for providers who are treating consumers on referral.

i. Describe the Proposer's telephone system capabilities, call center software and operating systems. Suggested number of pages: 1

Magellan employs Avaya S8730 private branch exchanges (PBXs) for voice services for all of our call centers and will bring this functionality to Louisiana. All call centers are built to the Avaya critical reliability standard. Redundant, geographically-dispersed Enterprised Survivable Servers (ESS) ensures telecom service is uninterrupted.

Callers are routed in on network carrier DS3s and T-1 facilities that utilize caller identification for each call. The toll-free numbers that come in to us on the carrier network utilize routing controls that allow Magellan to control the call for daytime, night time, holiday, and disaster call routing. Magellan also has the ability to route calls internally on a fully redundant, dual carrier Voice-over Internet Protocol (VOIP) enabled on a data network utilizing multiprotocol label switching (MPLS).

The Avaya Call Manager 5.2—running on an Avaya S8730 Redundant PBX—has the capacity to handle more than 12,000 concurrent calls and 36,000 distinct agents. Magellan can respond easily to calls originating from anywhere in the world, as well as to any unexpected spikes in call volume.

This PBX configuration includes the following features: call vectoring, skill-based routing, event tracking, time of day routing, caller ID, three-way and conference calling, and dedicated TDD equipment.

Magellan uses the Avaya CMS and the IEX TotalView software for call forecasting, management, and reporting functions. We have the ability to set up sophisticated call-routing rules, allowing for live answer. Call center activity is monitored using CMS real-time and historical reports, allowing us to make staffing and call-routing changes intraday based on performance.

CALL CENTER QUALITY MONITORING THROUGH QFINITI

From general inquiry questions to any and all behavioral health calls, the Qfiniti Enterprise suite is a comprehensive and integrated system that allows Magellan to deploy proven, scalable quality monitoring and call agent evaluation programs. Elements of the Qfiniti Enterprise suite that will be leveraged to support call quality monitoring in Louisiana include the following:

- Qfiniti Observe provides monitoring options that include transaction-based recording of voice, screens, or both, allowing supervisors to monitor contacts for performance, accuracy of information, and examine processes for best practices. Using Observe, supervisors can add coaching notes, voice comments, and screen edits to each monitored interaction.
- Qfiniti Advise is a centralized evaluation and analysis solution that enhances coaching and eLearning effectiveness, streamlines quality management tasks, and improves scoring consistency. Some of the benefits of Qfiniti Advise include online calibration, trending and analysis, scoring and evaluation, and self-evaluation tools to reinforce supervisor coaching.
- Qfiniti Expert is a powerful eLearning tool that automates agent education through the targeted, intelligent delivery of online training programs. It gives supervisors the ability to track the progress and retention of agents and helps them identify trends and training gaps.

ii. Describe how Information Technology (IT) and claims management functions will be organized, including staff that will be Louisiana based and staff available from the Proposer's corporate operations. Provide an organizational chart for IT and claims management that includes position titles, numbers of positions, and reporting relationships. Describe the qualification of staff. Suggested number of pages: 4 exclusive of organizational chart

Magellan's local office in Baton Rouge will include a support staff with a dedicated Information Systems Administrator, reporting and analytics personnel, database administrators, and associated personnel in order to serve the needs of Magellan's contract with the State. We will also designate a team of qualified claims administration and support staff.

Magellan's objective to bring competent, efficient services to our consumers and customers is reflected in how we strategically locate our data systems and claims processing operations. Our primary data center is located in Maryland Heights, Missouri, with additional facilities in Columbia, Maryland and Phoenix, Arizona. Core systems that support claims management, data exchanges, telecommunications management, data warehousing, and reporting are located at the Missouri data center. Magellan provides connectivity to our centralized applications from these three geographically diverse data centers, which results in improved system efficiency, accuracy and performance to Louisiana. This connectivity is provided via two carrier-diverse MPLS networks. All locations are connected to both

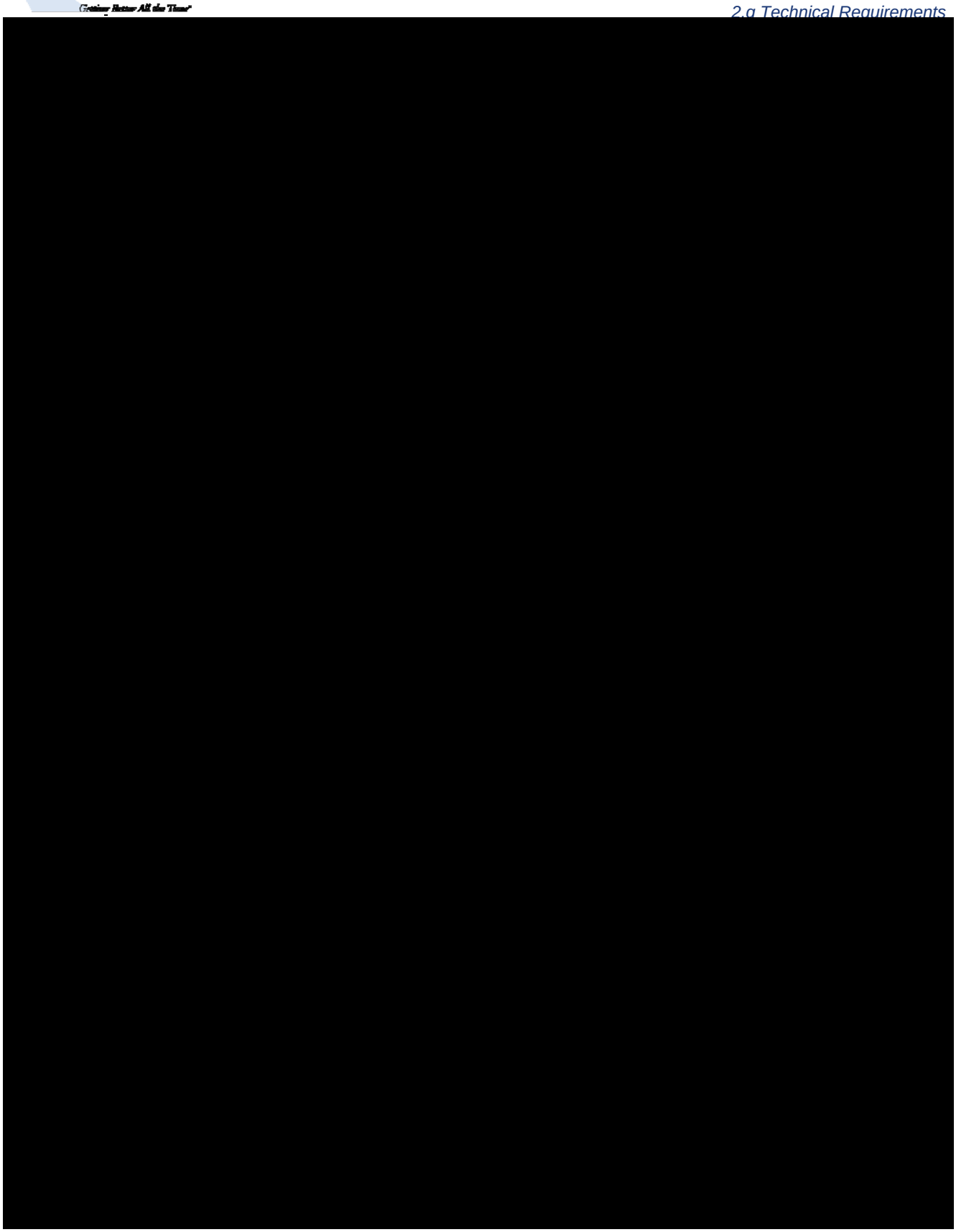
networks using redundant Cisco routers into our MPLS cloud, where traffic is routed to and from the data centers. The three data centers in Arizona, Missouri, and Maryland are linked to Magellan's field operations company-wide via our WAN converged (voice and data) communications architecture.

Our centralized operations for telephonic contact, data management and claims processing allow us to manage the details of contract administration with speed and efficiency. Linkage with our facilities in Columbia and Phoenix provide us with exceptional redundancy and flexibility in the event of a disruption in services, such as due to a natural disaster or pandemic event.

Our systems are developed and maintained in-house by our highly qualified corporate IT department. These professionals possess decades of experience working with health care technology and provide us with ample resources to meet the data processing and reporting requirements stated in the RFP. Companywide we employ more than 800 IT professionals working under the direction of our Chief Information Officer, Gary Anderson.

Our Claims staff is similarly qualified and we support our claims team with ongoing training in systems, benefits and processing, as outlined in Question 2.g.iii. All candidates—including those applying for technical and financial support roles—must meet specific criteria regarding professional qualifications, level of education, and years of experience required to perform the role for which they are applying. Job descriptions outlining these specific requirements are developed within the department or team directly accountable for the position and reflect the needs of the specific job role.

To serve the technological needs of the State as outlined in the RFP, we will install the necessary hardware and services to support the use of Citrix servers, ClaimTrak, Windows servers, SQL and back-up technologies. The local systems infrastructure will include telecom, datacom, LAN/WAN capabilities and desktop support. The Louisiana data systems, including ClaimTrak, will be supported from our Missouri Data Center. We will also draft a specific Disaster Recovery plan for the Baton Rouge office. Figure 2.g.ii.1 is an organizational diagram illustrating the structure of the Information Systems staff that will support the Louisiana plan. Figure 2.g.ii.2 is an organizational diagram illustrating the structure of Magellan's Corporate Information Technology staffing.



iii. Describe training for IT and claims staff, including any subcontractors. Suggested number of pages: 5

Magellan's training initiatives for employees and contractors company-wide are part of a continuous effort to improve the expertise of those who directly and indirectly serve our members and customers.

CLAIMS PERSONNEL TRAINING

Before processing claims, all new hires receive training tailored to industry fundamentals, Magellan claims processing policy and procedures, the claims system, and customer-specific requirements. Passwords and log-in access to the claims system are requested by the claims supervisor and assigned prior to the training class. During class, each trainee's performance is monitored for progress through testing and other assessments. In the later stages of the training, each trainee processes production claims in a controlled environment with 100 percent audit and immediate feedback. The trainee must meet stringent quality standards prior to being released from trainee status. In addition, Magellan's claims processors receive multi-faceted training—facilitated by Magellan's Claims Training Department—which covers systems, benefits, and hands-on processing, as described below.

System Training—Each claims processor completes a system training program. The primary objective of this training is to teach the processor how to navigate Magellan's claims system effectively and efficiently. Throughout the training, processors have the opportunity to practice hands-on entry of sample claims.

To support the training, Magellan provides each processor with a system user manual to reinforce the training and to utilize for future reference.

Benefit Training—Following successful completion of system training, each claims processor begins benefit training on the account to which the processor is assigned. As part of the classroom training, the claims training department provides each claims processor with account-specific benefit information, which includes information such as covered lives, risk arrangements, benefit plan design, and performance guarantees. The *Claims Trainee Performance Policy* provides guidelines that are used during a 90-day introductory period to govern trainee performance, evaluation, and graduation to a standard claims associate position.

Hands-On Processing—Hands-on processing begins with a review of benefit information and claims processing, which utilizes sample claims within a test system that mirrors Magellan's claims system. Following successful completion of this stage of training, claims processors handle "live" claims within a classroom setting. Less experienced processors receive a phased training that extends six to eight weeks. Magellan's quality improvement staff audit 100 percent of claims processed in training classes and continues to audit 100 percent of claims processed by each newly trained processor until the processor achieves the required quality scores. Standards, attendance, and length of training also are important elements of Magellan's claims training program as described below.

Standards—The three key areas reviewed to evaluate trainee performance are productivity, quality, and attendance. Each trainee receives formal classroom training with a timeframe based upon the task for which he or she is being trained. Quality audit standards must be attained while in the classroom. Trainees are released to the unit upon

meeting the quality audit standards and begin processing claims according to the guidelines listed later in this document.

Attendance—The first 90 days of employment consist of a large amount of training that is critical to the trainee's future success. As a result, new service operations associates are not granted vacation time during the first 90 probationary days. Any unscheduled days off are granted based on the procedures outlined in the *Service Operations Attendance Progressive Performance Guideline*.

Length of Training—The length of training classes differs depending on the complexity of the tasks:

- Batch Entry: two weeks of classroom training or less
- Claims Specialists No Experience: six to eight weeks of classroom training
- Claims Specialists Experienced: four to six weeks of classroom training
- Inpatient Claims Training: three to four weeks of classroom training.

The training department trains new candidates to achieve the quality requirements listed below.

Batch Entry Training—Trainees must have three consecutive days of 97.25 percent processing accuracy or better during classroom training. During the two-week training period, the batch entry trainee processes up to 50 claims per day. This number may fluctuate to acquire skill set. Claims Specialist Training: Trainees must have two consecutive weeks of 98.00 percent overall quality score or better during classroom training to be released. During the four to eight week training period, the claims specialist trainee processes up to 30 claims per day.

Inpatient Training—Trainees must have two consecutive weeks of 98.00 percent overall quality score or better during classroom training to be released. During the three to four week training period, the trainee processes up to 15 claims per day.

Feedback is given to the trainee by the trainer within 24 to 48 hours after processing the claim. The auditing of claims is done by either the quality management department or the training department based on need.

Initial Release "RE Progression Plan" Production and Quality Guidelines

Claims production requires time and experience. Once a trainee has been released to the floor production requirements will be measured weekly and will be phased in over a period of time. Graduated production requirements are based upon the complexity of the task that was trained.

Employees must maintain quality and show improvement in production based on the RE Progression Plan. If the trainee is not progressing according to plan they may be placed on disciplinary action up to and including termination.

Trainee Audits

All claims processed by trainees are audited; this allows for immediate audit feedback. While trainees are in class, the trainee is held to a maximum of 30 claims production per day with focus on accuracy before targeting production. When errors are identified, the trainee should not continue to process new claims until the errors can be resolved.

The trainee and trainer must review the audited claims and correct any errors. The trainer will ensure all errors are corrected prior to release of payment or denial.

At the end of the class, each trainee will be assessed to determine his or her status for moving onto the team. Trainee audits will gradually be reduced from the classroom standard rate of 100 percent to an average two percent audit for trained claims associates, based upon quality results and agreement among the supervisor, auditor, and trainer. Should the trainee not progress to the quality required, the trainer and/or supervisor will determine what actions need to be taken to improve performance.

A trainee released with possible disciplinary action rating will be the responsibility of the supervisor/manager of the claims unit. Supervisors who would like to extend the training and/or auditing of individual who fall into this category will need to do so with the agreement of the training and audit managers and approval of operations management.

During specialty training classes for existing processors (inpatient; alternative levels of care), claims will be audited at 100 percent but processing of these may be limited to a maximum of 15 per day or 60 claims, total. After the training class, claims will continue to be audited at 100 percent (15 per day maximum) for one additional week. At this time the supervisor determines the appropriate action plan for the processor.

As an example of our intensive training for claims processing, we meet the 99 percent procedural accuracy rate stated in the RFP for many of our public sector customers such as Pennsylvania and Arizona.

Training Specific to the Louisiana SMO Contract

Our approach to supplemental claims training to those designated processors who will serve the State's contract will be to instruct those processors on the specific populations involved and those funding streams that will pay claims for this contract.

Ongoing Claims Processor Training

As new procedures or process changes occur, updates are disseminated through service operations standards documents, training alerts, and focused training sessions. Supervisors cover training alerts and process updates during regular team meetings. Signed acknowledgements of receipt of training alerts and updates are maintained in the claims quality improvement/compliance unit. As claims associates progress, it is their supervisors' responsibility to request specialized courses before assigning them to more complex tasks.

IT Training

Within Magellan's IT department, we provide training programs for team members that are tied to individual programs developed in concert with supervisors.

Fraud and Abuse Recognition Training

Magellan recognizes the importance of education and training as a systematic means to identify and report suspected cases of fraud, waste and abuse. The Compliance Department and the Human Resources Department are responsible for coordinating the training efforts for the Compliance Program.

Magellan conducts and documents mandatory compliance training sessions for all new employees (including IT staff, claims processors and managers), physician advisors, and behavioral health care professional advisors within 30 days of hire and annually thereafter. The initial training for all employees and professional staff members includes a review of the corporate compliance handbook, the standards of conduct, and all applicable policies and procedures ("Compliance Handbook Training). The Compliance Handbook training covers the following:

- responsibilities of all employees in relation to the detection, prevention, and reporting of suspected fraud, waste, and abuse
- responsibilities of the compliance department and the special investigation unit (SIU)
- 'red flag' indicators of potential fraud, waste, and abuse
- procedures for the reporting of suspected fraud, waste, and abuse
- identification of potential Medicaid and Medicare fraud, (e.g. facility, professional, and prescription drug), and on the Federal False Claims Act, State false claims laws and associated whistleblower protections afforded under such laws, and the role of such laws in preventing and detecting fraud waste and abuse
- federal and state anti-kickback laws
- real life case scenarios of fraud, waste and abuse
- the corporate compliance hotline and other avenues to report suspected cases of fraud, waste and abuse
- information on conflict of interest, HIPAA and state law privacy; federal stark law; business ethics, record retention and many other areas of importance.

The training includes a post-test which requires a certain minimum score. Employees who do not achieve the minimum score are required to retake the training.

In addition, all Magellan employees must complete an annual training on fraud identification recognition and education (F.I.R.E). This training must be completed by new employees within 30 days of hire and annually thereafter. F.I.R.E training is a more comprehensive training on fraud, waste and abuse and covers the following topics:

- Introduction to Fraud: Introduces employees to the topic of fraud by defining the terms fraud, waste, and abuse and explaining the different types of fraud that employees may encounter.
- Understanding Fraud: Describes the costs of health care fraud and shows employees the impact that fraud, waste, and abuse can have on employees and on the company. This part closes by looking at who commits fraud and how they do it. By understanding how fraud is committed, we will be better positioned as employees to learn how to fight these problems.
- Fighting Fraud: Learn what is being done to fight fraud and abuse at the Federal and State government levels, by consumers, and by companies like Magellan and our employees.
- Your Responsibilities: Recognize "red flag" indicators of potential fraud and be able to recall the steps that employees must take to report suspected fraud, waste or abuse to the special investigations unit.

- Real life case scenarios of fraud, waste and abuse to educate employees on how to recognize fraud, waste and abuse.

Trainings are offered through on-line modules and often include post-testing. Training slides and records are available for external review as appropriate. The online training system records employee completion and supervisors have the responsibility to ensure all employees complete the training in a timely manner. It is clear, through HR policies, that the required trainings are an expected job responsibility, and failure to complete the training courses can result in disciplinary action.

In addition to the above, employees working in the claims processing area are also provided additional targeted training on recognizing and identifying fraud waste and abuse at the time of employment with Magellan.

Training and education on fraud, waste, and abuse should be a continuous process. Therefore, in addition to the above trainings, Magellan conducts an annual "Compliance Awareness Week," which is a week-long series of activities and programs designed to educate and raise awareness of compliance and compliance related issues, including fraud waste and abuse. The compliance department also publishes a monthly article on important compliance issues including topics such as identifying and detecting fraud, waste and abuse, the Corporate Compliance Hotline and federal and state whistleblower protections. Lastly, during National Fraud Awareness Week, the SIU publishes articles of interest related to fraud waste and abuse identification.

Magellan IT and claims staff receive additional technical training on the key functions of their respective duties, including IT systems and claims processing. Learning opportunities include live in-class facilitation, small group or individual coaching, on-the-job mentoring, online computer-based training, and self-study methods.

DISASTER RECOVERY PREPAREDNESS

As part of our disaster recovery preparation, we see comprehensive documentation as a key element to the challenges we may face in the event of a complete shutdown of our data center due to natural disaster, man-made disaster or a pandemic event.

Our information technology team has prepared a comprehensive, detailed and annotated manual that outlines clearly all the essential steps involved in restoring our systems at our designated hot site, SunGard Recovery Services. In the event that personnel from our Maryland Heights, Missouri, data center would be unavailable to restore systems, our disaster recovery manual could be used by a qualified outside administrator to restore Magellan's systems.

Plan rehearsals for disaster recovery are conducted by Magellan personnel on an annual basis. For a more comprehensive outline of our Disaster Recovery Plan, see Question 2.g.xiv.

iv. Describe the Proposer's software systems and hardware for managed care and claims payment functions. Include any ancillary modules or systems in use for other related functions (e.g., provider, eligibility, authorizations, data store) and how the systems are interfaced. Please provide a workflow diagram of the process as indicated in the Implementation Planning section of the RFP. Suggested number of pages: 6

Magellan's approach to management information systems is to integrate the flow of data and services in ways that will provide a seamless experience for those who use them. Our clinical, eligibility, provider and claims processing systems are linked to ensure that users have access to up-to-date information right at their desktop.

CLAIMTRAK

Magellan proposes the use of ClaimTrak, a secure, browser-based application, to serve the provider needs for the SMO contract. ClaimTrak is a multifaceted system that integrates an electronic health record with back office administrative capabilities and is currently deployed in 17 states. The application gathers and presents data on authorizations, treatment plans, labs, medications and other pertinent consumer data. ClaimTrak records and integrates treatment services, capturing them for transmission to Magellan as encounter data for claims processing.

CLAIMS ADJUDICATION AND PAYMENT SYSTEM (CAPS)

CAPS is a commercially developed claims system that supports all eligibility, benefit, and claim functions. Magellan supports the system internally and owns the source code, which allows maximum flexibility to modify the application as our business needs evolve. CAPS is linked to our clinical system. This integration between the applications allows eligibility information to display in the clinical system, ensuring appropriate authorizations. In addition, clinical authorizations load automatically to CAPS, facilitating timely and accurate claims processing and payment. CAPS is a robust claims pre-processing, adjudication, and administration system that Magellan has used and continuously enhanced since 1994. We selected CAPS because it is a superior integrated claims adjudication and payment system.

CAPS is a single unified claims platform that supports claims payment to authorized providers based on the authorizations contained in the clinical information system and can support payment to non-participating or non-authorized services as supported by the benefit plan. CAPS supports auto-adjudication of clean claims that are received electronically or submitted on paper. The system and processes are tested and audited on an annual basis to meet Sarbanes-Oxley and Statement on Auditing Standards (SAS) 70 requirements and demonstrates that Magellan has rigorous controls and safeguards in place.

ENROLLMENT SYSTEM

Magellan's enrollment system resides on CAPS. This system is reliable, efficient and fast, and today it supports all Magellan's customers. Because claims and enrollment data are housed and monitored within one unified system, Magellan staff is fully able to verify enrollment online during phone conversations with consumers or providers while also validating enrollment during claims processing.

When providers or consumers visit Magellan's Web site, they are able to view enrollment information online to ensure coverage. Magellan's enrollment system has complete flexibility to maintain consumer enrollment and benefit information by variables such as specific groups, divisions, locations, work sites, by consumers versus dependents, or other categories.

INTEGRATED PROVIDER DATABASE

Magellan's provider system, the integrated provider database (IPD) is an internally developed application housed on the iSeries Power 7. Magellan owns the source code to the IPD application, allowing us to add and enhance modules as we expand our product line to keep pace with emerging industry trends and specific customer needs.

The IPD application is the single provider data repository that is capable of housing and differentiating between Magellan and client provider networks. It supports the contracting and credentialing process and subsequent data, including but not limited to, network participation status, licensure, reimbursement schedules, billing relationships, rates and electronic funds transfer (EFT) information.

The IPD is a secured application. It has the ability to display and/or modify provider information and is restricted by function. The provider data in the IPD is utilized and tightly integrated with all other functions within Magellan, including our clinical system, provider search, CAPS, reporting and Magellan's Web site. Some examples are noted below:

- provider data is fed to the provider search function to enable clinicians, consumers, and other stakeholders to locate and identify providers most appropriate for consumer needs and preferences
- the clinical authorization system stores identifying provider data from the IPD in the consumer authorization, which is used by the claims system, supporting appropriate provider payment.
- provider billing and network status information is shared with the CAPS claims system to support appropriate claims processing.
- provider data is used as the foundation to produce client required reports either directly from the IPD or from the data warehouse.

- Magellan's Web site allows providers to view their information in the IPD and submit any necessary updates to the provider network department.

ENTERPRISE DATA WAREHOUSE

Magellan's core Data Warehouse is housed on a high performance Oracle RAC (Real Application Clusters) environment that provides high availability and redundancy while enabling the expansion of processing capacity in a cost-effective manner. Oracle's Enterprise Edition 10g (R2) database engine provides the high performance database engine for the core data warehouse. In addition to Oracle, Magellan utilizes Microsoft SQL Server 2005 to provide a robust, cost effective OLAP/Data Cube solution. The SQL Server 2005 environment runs on HP Proliant servers. The reporting and analytic tools run on similar HP Proliant servers and take advantage of grid computing to allow access by a large number of users, provide excellent performance, and create a scalable environment with redundancy and failover.

INTERACTIVE VOICE RESPONSE (IVR)

In addition to our live call center, we also offer Louisiana access to Magellan's Interactive Voice Response (IVR) system. IVR gives Magellan's consumers and providers self-service access via telephone to information 24 hours a day, 7 days a week, including weekends and holidays. Using natural speech recognition technology with a supporting touch-tone option, this next-generation IVR offers the following benefits:

- Members and providers can check on the status of authorizations and claims.
- Members can locate behavioral health providers in their areas. The search can be a general ZIP code provider search, or it can include filtering technology to appropriately match consumers with network providers who meet consumer-defined criteria, such as specialty, gender, language, or ethnicity.
- Providers are able to request initial outpatient authorizations.

The system, which is compliant with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), enables providers to gain access to key practice information.

To access the IVR, consumers and providers call their toll-free number, and can subsequently make use of the IVR by using ordinary voice commands to direct the flow of information. In cases where the consumer has a clinical emergency or the provider needs assistance, Magellan offers a soft-exit from the IVR so that the caller can elect to speak with a "live" associate at any point in the IVR call flow. Upon request, we will be happy to arrange a demonstration of Magellan's IVR system.

TELECOMMUNICATIONS ENVIRONMENT

[redacted]

v. Describe how the BH MIS will electronically and securely interface with the DHH Medicaid Medical Information System (MMIS) system, the WAAs, the DHH•OBH data warehouse, including the capability of interagency electronic transfer to and from the participating state agencies (DHH, DHH-OBH, DCFS, DOE, & OJJ) as needed to support operations. Suggested number of pages 3

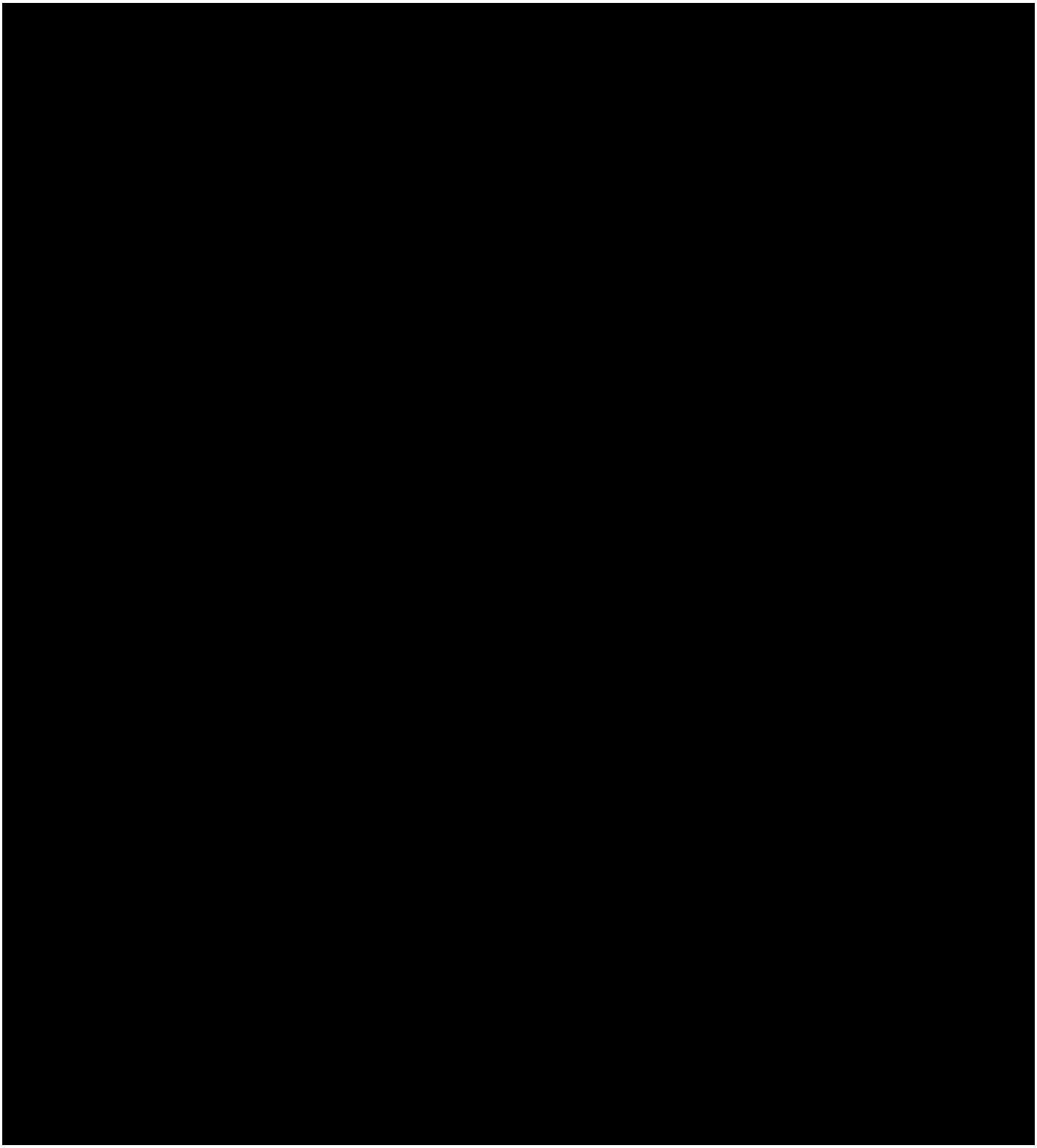
Magellan has extensive experience establishing interfaces for transferring data between MMIS systems, external agencies and our own systems. During implementation, members of our IT team will meet with representatives of the appropriate state agencies and the supporting agencies to establish the data transfer criteria needed to build and maintain efficient data transfer interfaces to serve the needs of the LBHP.

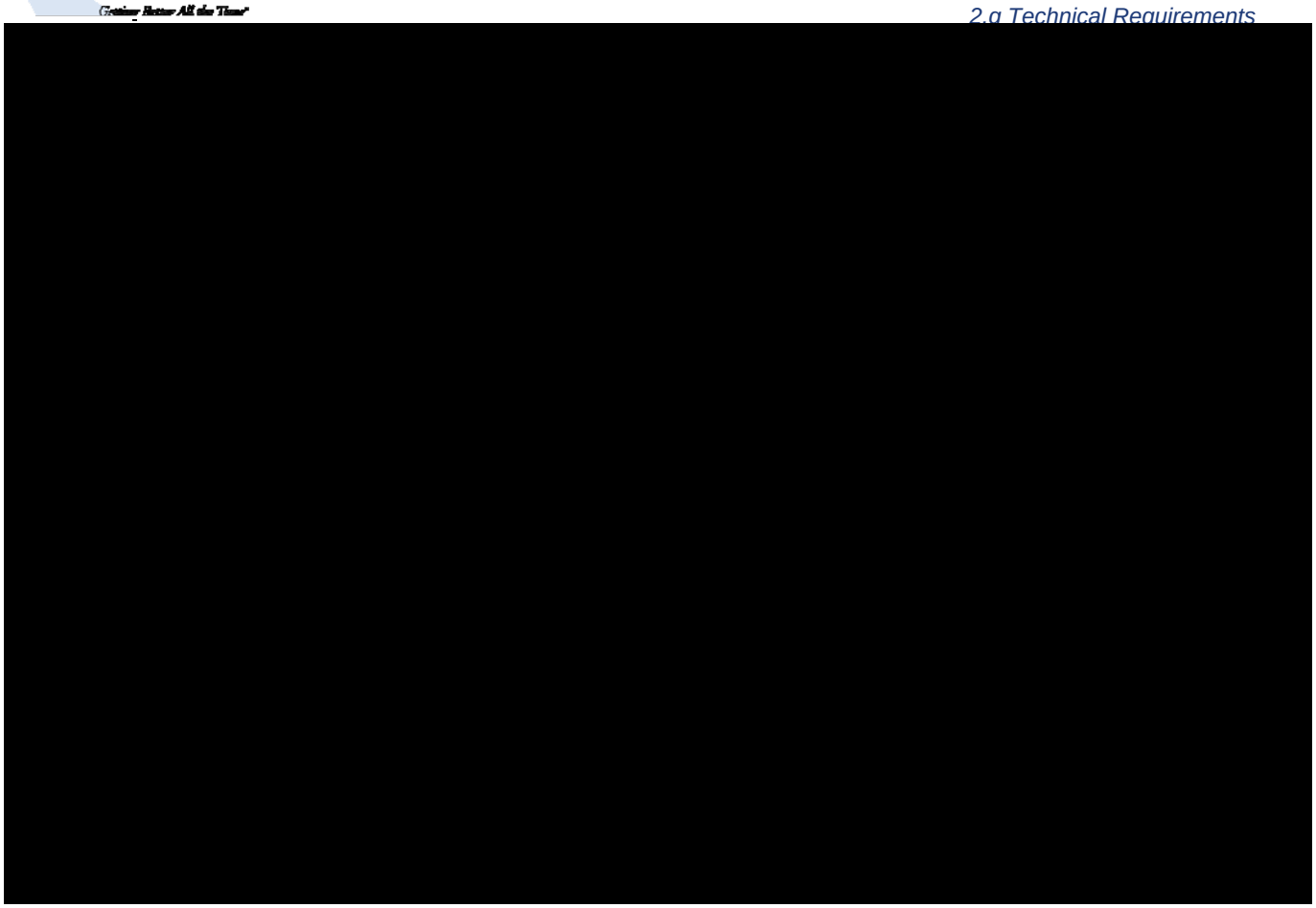
Currently, Magellan supports Electronic Data Interface (EDI), File Transfer Protocol (FTP), SOAP/XML, and Network Data Mover (NDM). FTP with PGP Encryption is Magellan's preferred process for transmitting and receiving files.

[redacted]

All data feeds, regardless of format, are processed through a translation-and-edit phase prior to updating Magellan's core system. To ensure accurate data is loaded to our systems, data analysts review the edit reports and either omit

or correct errors as specified by the client. Files that contain no errors are then submitted to update the master files within the core system.





vi. Describe Proposer's web-based capabilities to receive and respond to providers and State agencies for referrals and prior authorizations for services. Suggested number of pages 2

Magellan proposes a comprehensive one-and-done solution where providers and state agencies can access information, make referrals and receive prior authorizations for care. Through our interactive Web site, information, and tools—such as eligibility look-up, provider/specialty directory, prior authorizations, and contact information—will be available.

We will use ClaimTrak, a secure, browser-based application that Magellan has used in Arizona since 2007 and which operates in similar capacities across 17 states. Through this application, providers are able to enter and retrieve information on a consumer's authorization for treatment, treatment plan, medications, labs, outcomes and other pertinent data, including referrals to State agencies for services. The integration of ClaimTrak with our core information technology systems allows for the authorization request and subsequent approval to be transmitted in real time.

In addition to the clinical application and ClaimTrak's ability to capture information at the provider and agency level on referrals, Magellan provides a fully functional provider portal that allows the submission of prior authorizations requests. This provider portal also provides information on a provider's existing authorization requests and their status.

Magellan's award winning Web site provides support and assistance to providers, consumers, families, advocates and stakeholders. Consumers can use the Web site to locate providers by location, find out about benefits available to them, and complete a self-referral. The Web site also contains information on a variety of behavioral health topics, such as tips for preparing for their appointment. Network providers can use the Web site to check the eligibility status of a consumer, check authorization status, check their credentialing status, and learn where they are in the credentialing process. They can obtain clinical protocols such as Magellan's evidence-based treatment guidelines for a number of conditions, including depression and schizophrenia.

WEB SITE AWARDS

WEB MARKETING ASSOCIATION – WEB AWARD

Magellan has been a proud recipient of Standard of Excellence WebAwards since 2005. For the sixth year in a row, Magellan is pleased to have been recognized at the annual WebAwards, with the following awards in 2010:

- Outstanding Website for Magellan Dashboard Reporting
- Health Care Standard of Excellence for Magellan of Pennsylvania
- Health Care Standard of Excellence for NIA Provider Site

The WebAwards, sponsored by the Web Marketing Association, is a premier annual Web site award competition that names the best Web sites in 96 industries while setting the standard of excellence for all Web site development.

W^3 AWARDS

For three consecutive years, Magellan is proud to have been recognized by the W^3Awards, honoring outstanding Web site, Web advertising, and Web video. Judged for creativity, usability, navigation, functionality, visual design, and ease of use, our *Customer Dashboard* was recognized with a Gold level award in 2008 and a Best in Show award in 2009. In 2010, Magellan received Silver awards for our NIA Provider and Magellan of Pennsylvania Web sites.

EHEALTHCARE LEADERSHIP AWARDS

For five consecutive years, Magellan is pleased to have been recognized and honored by the eHealthcare Leadership Awards. In 2010, Magellan's NIAhealthcare.com Web site received a Silver award for Best Site Design category under corporate business improvement. The 2010 eHealthcare Leadership Awards recognized outstanding Web sites during the Annual Healthcare Internet Conference. With more than 1,300 entries, the Web sites were judged based on a standard of Internet excellence and in comparison to other organizations. Presented by eHealthcare Strategy & Trends, the 2010 eHealthcare Leadership Awards program recognized the best Web sites from a wide range of healthcare organizations in 17 different categories.

DAVEY AWARD

The *Davey Awards* honors smaller firms who create big ideas on small budgets. In 2010, Magellan was awarded silver Davey Awards in the following categories:

- NIA Provider Site
- Magellan of Pennsylvania.

AMERICAN BUSINESS AWARDS WINNER

With more than 2,600 entries submitted for the 2008 American Business Awards, Magellan Health Services won a "Stevie" in the Corporate Information category for the company's dashboard reports. In 2009, Magellan Health Services was recognized as a finalist for the American Business Awards in the *Health Products & Services* and the *Best Overall Web Design* categories. Honoring companies of all types and sizes and the people behind them, the "Stevies" recognize outstanding performances in the workplace worldwide. For additional information about awards Magellan has received in previous years, please visit www.MagellanHealth.com.

vii. Describe how the Proposers BH MIS will met the requirements for regular (e.g., bi-weekly) electronically transfer client/episode-level recipient, assessment, service, and provider data to the DBH-OBH data warehouse / business intelligence system operated by the State for purposes of state and federal reporting (e.g., SAMHSA National Outcome Measures (NOMS), Treatment Episode Data Sets (TEDS), Government Performance Reporting Act (GPRA,) and for ad hoc reporting as needed by the state for service quality monitoring and performance accountability as outlined in the Quality Management Strategy). Suggested number of pages: 4

In question 2.g.v, we outlined our capabilities for interfacing with supporting service agencies for the transfer of data. Magellan will create an interface to transfer data to the DHH data warehouse to meet those reporting initiatives outlined in the RFP. We leverage our technologies for data interfaces wherever they may be applicable and necessary to serve the various data requirements of a customer contract. We affirm that Magellan will make any data collected in our systems available for transfer to the appropriate State or Federal agencies to fulfill reporting requirements for TEDS, NOMS and the GPRA.

During the implementation, Magellan will work with the State to determine the data transfer layouts, business rules associated with the eligibility and funding streams, and methods that will best ensure all eligibility files will be transmitted in a timely manner with full compliance and accuracy. Magellan is very experienced in meeting the unique needs of clients with multiple enrollment groups, coming from multiple file sources, through the use of our Groups/Plans/Divisions structure within our eligibility system.

Magellan has collected and disseminated data for the State of Nebraska on all state-funded Behavioral Health admissions and discharges via the magellanhealth.com/provider Web site since 1999. The data set was originally developed based on the requirements of the MHSIP data set and has evolved over time to be consistent with Federal requirements.

The data conforms to all SAMHSA/CMHS data requirements and is used to report data for the Nebraska Federal Block Grant, TEDS (Treatment Episode Data Set) reporting and the new SOMMS (State Outcomes Measurement and Management) data initiative.

We currently collect data for the NOMs domains and are developing processes to incorporate this data into a reporting capacity. Data for reporting the NOMs domains are gathered from demographic forms, claims forms, and the Consumer Health Inventory Web-based tool, designed to be completed by the consumer and to produce immediate feedback reports for both the consumer and the clinician.

For the Medicaid file from the State, Magellan will load all of the information in the file. This includes unique consumer identifiers, available coordination of benefits information, and other indicators provided in the plan documentation in the Procurement Library, as well as additional information supplied by the State. We would also need any additional documentation of Medicaid data on the proprietary file that would be required to be captured to support accurate reporting.

Magellan will also configure the existing interfaces with the Web-based registration applications to ensure correct mapping is in place for all of the necessary information related to differing funding streams, National Outcome Measures (NOMS), and the Treatment Episode Data Set (TEDS). These interfaces will load the data to Magellan's eligibility system using the same tables and structure used for the Medicaid file from the State. Enhanced logic is in place on the eligibility system to check the multiple eligibility sources for duplicate records prior to being loaded to Magellan's system.

Using the provided documentation, our eligibility system is configured to support accurate registrations, administration of authorizations, adjudication of claims as defined by the benefits and funding streams involved. Our steps for developing a data interface are as follows:

- review the data to be transmitted and meet with State IT representatives to resolve any questions
- map data elements to our system fields and apply business rules
- create a System Change Document detailing the functional/technical requirements of the new process
- obtain State and business unit approval of the functional requirements
- build any cross-reference tables and develop code in a development system
- request small test files from the State or external entities to test connectivity and basic formatting
- develop detailed system testing plans
- complete the new code and complete unit testing
- after unit testing, move code to test environment for system testing by IT analysts against test plans
- develop test plans
- request successively larger test file(s) from the State/other entities for testing scenarios.

Once IT analysts complete system testing, Magellan will work with the State to execute the testing plans. This test runs through the entire process from file transmission, receipt at the State, working edits, to final reporting.

If, at any point, we detect an error or need to make an adjustment, the process returns to the earlier step until the issue is resolved. Once testing is completed successfully, the business unit provides written approval and the code is

promoted to production via our standard change management process. We will involve the State in every step of the iterative testing process, as desired.

Once linkage and test data loads have been successfully completed and we have successfully tested the file exchange functionality to the satisfaction of the State, sign-off will be obtained for the readiness of the eligibility/enrollment process from the State.

Our [redacted] is a relational database using the consumer ID as the key to store and refresh case data. As additional data elements are needed, we create new tables tied to the consumer ID. Magellan's reporting application is both robust and flexible, and can provide ad hoc reporting on any data that we collect on behalf of the State. We own the source code to all our core applications which allows us to be flexible in accommodating our customers' reporting needs.

viii. Describe the Proposer's use of Internet website for providers, including any interface with the claims system, eligibility and provider data. Include provider capabilities to use the website to submit authorization requests, claims or inquiries. Suggested number of pages: 4

Through our suite of Web services, we offer a secure, password-protected administrative site for our network providers. With a simple click on "I'm a Provider" on the welcome page of www.MagellanHealth.com/provider, providers can access valuable information to enhance their collaboration with Magellan, streamline their administrative functions, and augment their professional development—ultimately enhancing their overall service to our consumers .Our provider site uses information from our clinical, claims and provider systems to bring current, updated information to the interface.

Through our online services, we enable our providers to reduce their administrative burdens so they can devote their time to what they do best—delivering quality clinical care to our consumer. With an online provider password and login registration, providers can electronically do the following:

- update their practice information
- enter pre-authorization requests that are leaded directly into Magellan's clinical system after successfully passing system edits
- request initial outpatient authorizations
- request continued sessions (for outpatient mental health or substance abuse treatment, using Magellan's online Treatment Request Form)
- submit a claim online through Claims Courier
- access managed care treatment authorizations and claims payment status
- inquire about benefit programs and consumer eligibility.

Also included on the specialized Web site for providers are the following:

- program-specific information

- links to behavioral health and community resource Web sites
- Magellan's Provider Handbook
- Magellan's Clinical Practice Guidelines and Medical Necessity Criteria
- information on HIPAA code sets
- "Ask Magellan," a guide of frequently asked questions offering specific information, resources, and Magellan contacts
- *Provider Focus*, Magellan's provider newsletter.

Additionally, our Web site offers value-added services that enable our providers to easily enhance their professional development, clinical knowledge, and overall service to our consumers. Providers can access a variety of up-to-date, electronic Consumer Education Materials developed by Magellan's clinical team. These Prevention Program and General Mental Health brochures are designed to educate consumers about a range of common behavioral health and wellness concerns, and can be e-mailed to consumers or printed for hard-copy distribution or display in providers' offices.

Our Web services also enable providers to earn free continuing education units (CEUs) by participating in online courses at no charge to the provider. Providers can earn continuing medical education (CME) credits online through a link to Duke University School of Medicine.

We are pleased to report that there has been widespread satisfaction and usage with Magellan's online service for providers. Through MagellanHealth.com/provider, we continue to strengthen our commitment to our providers to reduce the "hassle factor" by offering a wealth of online information, tools, and resources to support them in serving our consumers and facilitating their professional relationships with Magellan.

ix. Describe the Proposer's system's ability to provide an electronic data interface to allow transfer of Health Insurance Portability and Accountability Act- (HIPAA) compliant information from and to WAA, DOE or other agencies. Include the transfer of eligibility and encounter data in the Proposer's response. Suggested number of pages: 2

In questions 2.g.v and 2.g.vii, we outlined our capabilities for interfacing with supporting service agencies for the transfer of data and our process for developing new data transfer interfaces. Magellan will leverage those processes in order to transfer and receive information between Magellan and WAA, DOE or other agencies, as required by the State.

[redacted]

We support Electronic Data Interface (EDI), File Transfer Protocol (FTP), SOAP/XML, and Network Data Mover (NDM). FTP with PGP Encryption is Magellan's preferred process for transmitting and receiving files. All of Magellan's data interface processes and transmission methods are 100 percent HIPAA-compliant.

ELIGIBILITY DATA

All membership feeds, regardless of format, are processed through a translation-and-edit phase prior to updating Magellan's core system. To ensure that accurate data is loaded to the eligibility system, eligibility analysts review the edit reports and either omit or correct errors as specified by the client. Files that contain no errors are then submitted to update the eligibility master files within the core system.

Membership files are received by us, then are batch-processed through the EDI certification environment following the flow used for all eligibility file uploads:

- Encrypted files are sent via FTP to Magellan's external FTP server and then transferred to the internal FTP server, where they are decrypted.
- Magellan Health Services Validate (MHS Validate):
  - Monitors the internal FTP server and transfers the decrypted files to trading partner-specific folders on the production EDI server.
  - Opens the files and confirms they can be read. A TA1 response is transmitted back to some trading partners indicating whether a file has been accepted or rejected. If the file is rejected, all processing on the file stops, and the trading partner is required to submit a corrected file.
  - Confirms the trading partner information.
  - Completes HIPAA/X12 validation by processing the files through EDIFECS.
  - Creates a 997 response file that reports back all non-compliant transactions. 834 files are processed as a whole, so if a transaction fails, the file fails and is rejected, and no further processing will occur at Magellan.
  - Sends the accepted membership records through the Message Queue. The Message Queue collects input statistics and then manages the translation of the membership data into the host file format. Membership data is not stored in the transaction database.
- During the translation, a count of the number of transaction sets is maintained, and if this count does not equal the number in GE1 (the number of transaction sets included), the host file is not sent via FTP. If the counts are equal, then no transaction sets are bad, and it initiates the transmission of the file to the host system.
- File receipt is logged into the Membership Load Tracking Database.
- Conversion program is run, mapping membership to system defined plan/divisions based upon indicators defining population segments and benefits.
- Edit is run, producing a report listing errors and summary information. Error checking includes validation of dates, checking for duplicates, and ensuring that any key fields are not blank (i.e. name, address).

- Edit report is analyzed.
- Any errors are corrected or removed (as defined by protocol for that client).
- Re-edit is run if changes or removals have been made.
- File is updated to CAPS.

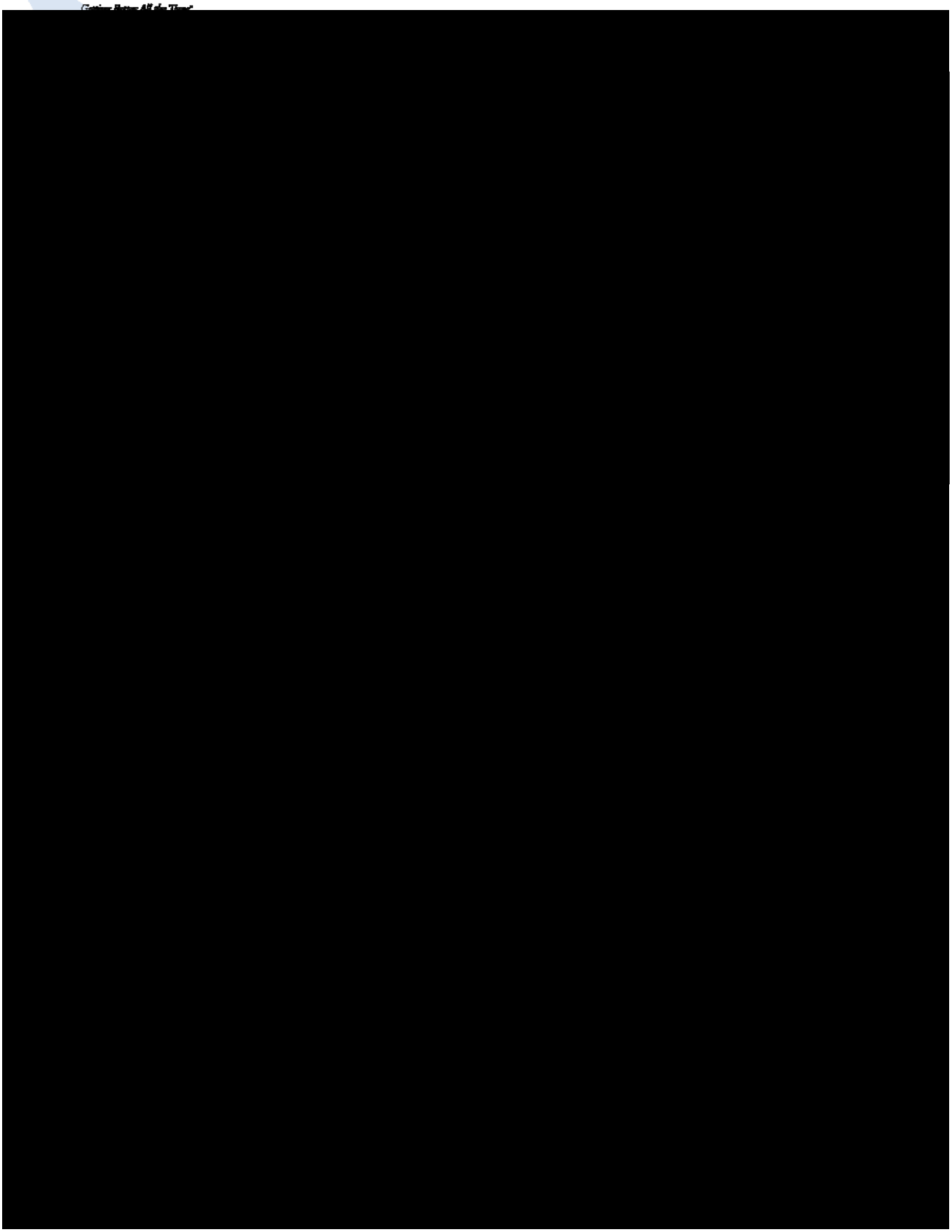
ENCOUNTER DATA COLLECTION

Magellan's standard format for exchanging encounter data is the ASC X12N 837. Magellan has developed a Standard Companion Guide for this format that provides detailed information on exchanging electronic information with our trading partners. The Standard Companion Guide outlines the overarching requirements and includes security information, file format requirements, testing, response times, and interchange specifications. Adjudicated encounters are pulled directly from our claims system, CAPS, once the claims have been finalized. Transmission of encounter data can be scheduled as required by the State and would include error resolution timeframes. As a general rule, Magellan utilizes the HIPAA-compliant code sets for encounter submissions. Magellan has implemented Sarbanes-Oxley guidelines that ensure accuracy, timeliness and completeness of encounter data submissions for all Magellan business.

x. Describe the Proposer's experience and capabilities in using, creating, and sharing data and maintaining electronic health records. Suggested number of pages: 2

Magellan has the expertise to provide support and data for electronic health record generation. We propose the use of ClaimTrak, a secure, browser-based application that collects consumer data such as authorizations, treatment plans, pharmaceutical data, labs, outcomes, and services, then allows for real-time retrieval of consumer data by authorized users. We are currently using ClaimTrak in Maricopa County, Arizona as our primary clinical application.

[redacted]



Magellan offers to the State the expertise we have accumulated and the benefit of indispensable lessons learned through implementing public sector contracts across the nation. Our information technology (IT) systems form the backbone of Magellan's clinical, claims, Web site, provider, and enrollee verification operations, allowing us to generate the information and data needed to provide the State with a range of useful reports. We pride ourselves on the integrity of the data we capture and also on our ability to use this data to continuously improve our care delivery system. We look for new ways to offer innovative solutions to our clients and offer our electronic health record and online dashboard reporting capabilities as examples of these innovations. Another differentiator is our extensive data warehouse, which is used to support operations and quality initiatives, as well as to improve outcomes.

The frequency of data exchanges are determined by the business needs, as well as the ability of the systems to efficiently and accurately exchange information within the requested time.

Magellan's Web team works with the Legal, Security, and Compliance departments to confirm that the design of the mechanism for accessing the electronic health records, the record format and design comply with HIPAA, other federal and all state privacy and confidentiality regulations.

xi. Describe the Proposer's system's ability to send and receive data from other agencies consistent with the collaboration requirement in the Scope of Work. Suggested number of pages: 3

Magellan is committed to providing any mechanisms that may be required to send and receive data in proprietary formats consistent with collaborative agreements, waivers and other inter-agency requirements. ClaimTrak, which we are proposing for this bid as a browser-based application, currently receives data from our PNOs for our Maricopa business. Magellan will electronically and securely interface with the DHH MMIS, the WAA and the DHH-OBH data warehouse. We currently have interfaces in place for other state customers to share data with various agencies such as courts, department of corrections and county agencies within our Maricopa, PA HealthChoices, Florida, and Iowa infrastructure via file transmission, B2B VPN and HTTPS Web sites.

ClaimTrak will allow for access for the various state agencies to both enter and review necessary data. Once data is entered into the ClaimTrak application, it is available for all appropriate parties on a real-time basis for outcomes, treatment plans, crisis plans and POCs and more can be shared with other agencies immediately after entry. We see this as a strength that allows us to work in a collaborative manner with the state agencies and other stakeholders to provide effective care.

Magellan's systems are flexible and can exchange data electronically with other stakeholders using either a standard or a proprietary data interface. [redacted] A more comprehensive discussion of our data interfaces and our Universal Interface Tracker is included in the response to Question 2.g.v.

xii. Describe the Proposer's reporting capabilities. Include the reporting functionality, where the reporting is performed (e.g., online or separate database) with how current data is for reporting. Describe ad hoc reporting capabilities and who can perform them. Provide a listing of system reports and their frequency. Suggested number of pages: 5

Magellan understands the importance of reporting in fulfilling the responsibilities of public sector accounts. Magellan's MIS systems provide state-of-the art performance in gathering and processing data in order to fulfill the reporting requirements outlined in the Statement of Work. To support the State of Louisiana, we will have reporting and analytic personnel and database administrators on-site in Baton Rouge who will produce the reports for this contract. During implementation members of our Analytic Services Department will meet with representatives of the State to determine the frequency of reports and the data they will contain.

The foundation of our information resources is our Enterprise Data Warehouse. The data warehouse collects information that includes clinical data, authorizations, claims and encounters, provider-based information, membership-related data, financial information, and products and services data. Magellan systems contributing to the Data warehouse for the State of Louisiana include ClaimTrak, Integrated Provider Database (IPD), Claims Adjudication and Payment System (CAPS), Magellan's Web Site and our Interactive Voice Response (IVR). We propose that the data warehousing systems for the Louisiana business will be supported by our Maryland Heights, Missouri data center.

MAGELLAN'S DATA WAREHOUSE

[redacted]

Magellan possesses a variety of state-of-the-art reporting and analytic tools to meet the reporting and analytic needs of the organization. Magellan's Analytic Services Department focuses on getting the right information to the right people at the right time. Over the past few years, Magellan's focus has been on an information self-service model. The model works by having the Corporate IT team provide the following functionality to the business: the core, quality data; standardized, flexible enterprise reports; the deployment of technology that allows the business to easily see and explore data; an infrastructure where business and IT can partner to use the right information tool for the job.

[redacted]

The following section contains a list of the reporting and analytic tools currently available within Magellan. The details of their benefits as well as information about the target user and the intended uses of the tool are referenced.

Enterprise Reporting – Actuate e.Reporting Suite—Actuate provides browser-based access to a full suite of parameterized, preprogrammed reports. This tool allows users to generate, view and access standardized and customized reports in DHTML, XML, PDF, Excel, and ASCII text. This tool supports hyperlinks, multi-layered sort, report data grouping and wildcard data search. Most of the reports accept customized input parameters and contain extensive filtering capabilities that allow the user to target information that meets their specific, business needs. These reports were developed to provide a wide array of detailed information to users whether they are focused on the financial, operational, and/or clinical impact of Magellan's service. As a powerful Enterprise report development tool, development of reports in Actuate is restricted to report developers with the skill and technical expertise to create professional, customized, intricate and flexible reports.

ProClarity and SQL Server 2005 OLAP/Data Cubes—The ProClarity tool provides an internal analytic tool that allows users to monitor business performance, visualize and explore multidimensional data, perform root cause analysis, and provides an intuitive way to view, navigate and analyze data. Users can create their own, customized views of the data. One of ProClarity's strengths is the ability for the user to graphically navigate through data by drilling up, down, and across. Data from ProClarity can be exported to Excel, Outlook or PowerPoint. ProClarity is targeted at the typical business user, putting its strength and focus on being a user friendly, graphical tool that empowers the end user to create their own view of the underling data without having to understand the complexities of the underlying data structures. ProClarity even allows for the creation of key performance indicators by the power user.

Cognos Reporting Tool – With the start of the 2010 year, Magellan purchased IBM's Cognos 8 Business Intelligence suite. Cognos is a BI software tool that expands the capabilities of reporting, analysis, event management, score-carding, and dashboards.

It will expand our current abilities of aggregating and drilling down to details, shorten time-frames for decision-making with self-service reporting and strengthen the use of existing data by making it more readily available.

Oracle Discoverer—Oracle Discoverer provides end users with a powerful user-driven ad hoc tool. Discoverer looks into data on the warehouse and allows the user to click and drag fields onto reports or queries. The complexities of joins and relationships between tables is handled in Discoverer's Business Area, allowing the user to focus on finding

new ways to use the data, writing queries and creating and basic reports. Discoverer can also export data into a multitude of formats including HTML, PDF, Excel, ASCII text, WKS (Lotus 1-2-3), GIF, TIFF and others.

AD HOC REPORTS

When a client has a reporting need that falls outside of our standard reporting set, Magellan is able to meet that need with an ad hoc report. Any information that Magellan collects but does not display on the standard report set can be made available on an ad hoc basis. Magellan has learned over time, that the majority of the ad hocs requested are not complex and can commit to a turnaround time within four business days. For the complex ad hoc, Magellan's team will work with the State to work out a mutually agreed-upon deliverable date.

Ad hoc reports are provided to our customers at no charge. The estimated production time for an ad hoc depends on the complexity of the report. Custom and ad hoc reports are completed by a mutually agreed-upon due date; our target timeframe is five days to delivery.

MAGELLAN'S *CUSTOMER DASHBOARD*

Magellan recognizes that secure, online access to report data is growing in importance to our customers. We have responded with our *Customer Dashboard*, a password-protected portal that provides updated and actionable report data.

Through the dashboard, we will provide information from our data warehouse regarding our operations relevant to this contract in order for the State to easily monitor current utilization trends and predict future trends. The graphic elements of the dashboard allow the user to drill down to the specific data of interest, such as a bar on a graph. Tabs located across the top of the screen present the data organized by category. Online summary information will include provider network data, services requested, claims payment timeliness, authorization summaries and norms, and utilization data by demographic categories.

Figure 2.g.xii.—Customer Dashboard

This collaborative reporting portal is customizable for each program's unique needs and can be modified to meet the specific reporting needs of the State. For example, a page customized for Louisiana can offer the following reporting capacities:

- Information about provider density within the Magellan network: Density refers to the number of providers who are members of our network within a specific area. We can display how many providers are located within a specific area and drill down to specific ZIP codes within that area. Additional information will be provided to allow the user to see specific breakouts of providers, such as M.D. versus non-M.D. providers and facilities.
- Call log volumes: Magellan tracks information regarding the calls received. This information, obtained from Magellan's call management systems, includes data such as the average speed of answer.

  Magellan tracks callers' stated reasons for calling (such as request for information, referrals), and the dashboard translates information into usable data.
- Information about consumers in treatment: Magellan tracks the number of consumers who receive care and breaks this information down according to levels of care. For example, some consumers are seen for outpatient levels of care and others receive more intensive care in an inpatient setting. The dashboard provides counts of consumers seen for each level of care, customized to the levels specified by the State. We also link this information with financial information in order to display on the dashboard the dollar amounts of claims associated with the consumers for a specific level of care.

We summarize and update data for the dashboard on a monthly basis using data gathered from the prior month or regular reporting period. The details are presented in colorful graphical formats with interactive tools in order for users to drill down to the current data of interest. Measures on the dashboard reports are table driven and can be customized to suit the future needs of the State.

The reports on dashboard can be downloaded in PDF, MS Word or MS Excel formats.

In summary, Magellan's Enterprise Data Warehouse and suite of reporting tools, as well as our dashboard capability, provide a substantial core infrastructure we will use to meet the reporting requirements for the State. Magellan's systems have been designed to work with standardized code sets that are compliant with the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

xiii. Provide a detailed description of scheduled and unscheduled system downtime for the past 12 months for all government contracts. Suggested number of pages: 2

[redacted]

Our data center is staffed 24 hours of the day, seven days of the week. Magellan staff monitors the systems constantly to maintain uptime and performance. System capacity is forecasted regularly to ensure adequate system resources are available to support current and future business. In the unlikely event of downtime, staff can contact our help desk 24 hours a day, and providers can contact Magellan's Provider Service Line for downtime procedures and estimated outage durations.

Each morning, during non-business hours (typically 4:00-5:00 a.m. Eastern) we conduct a routine check of our applications, systems, and services to ensure they are operational and working properly. Throughout the day, automated tools proactively monitor our IT infrastructure, perimeter, systems, and databases, and report on issues or items that are outside of thresholds set to define optimum operation and performance. This includes tools to monitor the facilities and environmental conditions, the WAN, local area network, Intel server infrastructure components, and midrange systems. This computing facility infrastructure design configuration formulates to a data center reliability rating of Tier 3.

Scheduled downtime for routine system maintenance occurs on the third weekend of each month and typically takes between four and eight hours, depending on the type of maintenance required. Any time consumed in excess of the scheduled downtime hours is considered unscheduled downtime.

xiv. Describe the Proposer's system data archive and retrieval system including disaster recovery procedures, including loss of the Proposer's main site or computer systems. Indicate when the disaster recovery was last used or tested and describe the outcome. Suggested number of pages: 4

Magellan has taken steps to eliminate or reduce to a minimum, unplanned data and telecommunication systems outages using current hardware and software technologies. Backup power generation systems, environmental and systems monitoring applications, hardware and network redundancies, mirrored disk, and data replication are some of the technologies utilized to reduce downtime exposure during normal day to day operations.

Magellan operates call centers across the continental United States. To maintain consistent high quality customer services during temporary telecommunication disruptions or office closures, Magellan has the ability to reroute telephone traffic from any Magellan CMC, including After Hours, to an alternate call center restoring critical customer services within a matter of minutes.

Secure VPN access is provided to key employees enabling them to work from home should office facilities be unavailable or unusable due to sustained damages, isolation, quarantine, etc. In combination, these two measures can be used to counter the impact of high absenteeism associated with a pandemic event.

Backup and Off-Site Data Storage

Iron Mountain provides secure offsite storage for recovery media and materials. Should Magellan declare a 'Disaster', Iron Mountain will deliver tapes for the last 15 days' backups along with pre-assembled recovery materials to the designated recovery site. Iron Mountain transports encrypted backup media between their vaulting facility and the Magellan data center daily. The media is transported in locked bar-coded containers. Secure Synch, Iron Mountain's web based application software, is used to track off-site media inventory. Within Magellan, the media is tracked in a consolidated database using various system backup applications.

Backups are performed daily (incremental) and weekly (full save) for all mid range platforms. Full backups are performed nightly for Intel systems. [redacted] Tapes are stored off-site for six (6) weeks. When returned, they are placed back into the tape library for re-use. Archive tapes are stored permanently offsite. Archives are full system backups performed on the last full weekend of the month for most mid range systems or, on the last day of the month for Intel systems and the mid range iSeries production systems.

Recovery Plan Summary

We have constructed a comprehensive plan that details the recovery process. Included in the plan are defined recovery roles and responsibilities, systems backup and recovery procedures, off-site media storage information, detailed production system hardware and software configurations / specifications, and emergency & critical business contacts information.

The plan is intended to minimize impact on the business as a result of total or partial loss of data processing capabilities due to environmental and / or hardware failures, or the loss of use of Magellan's data center facilities.

Such an event, resulting in a projected loss of more than 48 hours processing time may be deemed disastrous and considered cause for activating the recovery plan.

Magellan has contracted with SunGard Recovery Services to provide hardened, state-of-the-art hot and cold site facilities with fully redundant power and telecommunications capabilities at their Philadelphia, PA recovery center. The hot site is connected via a T3 to the Magellan MPLS WAN. The hot site provides space for immediate recovery, while the cold site provides space for long-term recovery requirements.

Once the recovery plan is activated, all or part of Magellan's data processing activity is moved to and restored at the alternate hot site within 72 hours. Affected systems are recovered from the most recent tape backup on SunGard equipment.

Magellan has a target Recovery Time Objective (RTO) of 72 hours from the point of disaster declaration for all business critical systems. The actual recovery times recorded for each of our production systems in recent recovery rehearsal exercises fall well within the stated objective. Table 2.g.xiv.1 includes the hardware and applications covered in this recovery plan.

PLAN REHEARSAL AND ADMINISTRATION

Plan rehearsals are conducted for each platform at least annually by Magellan staff at the designated recovery sites. Production processing will be transferred to the backup servers for a short period. Once recoverability has been validated, processing will shift back to the production equipment.

A minimum of 40 hours test time is allocated to each system. Historically, these systems have been recovered within 24 to 30 hours in rehearsal exercises. The remainder of the test time is typically allotted to user acceptance testing. Application testers connect to the backup equipment from SunGard's St. Louis Metro Center. Connectivity to the Magellan WAN is tested at the beginning or each rehearsal exercise. The test equipment is then isolated to protect production data during the remainder of the exercise.

Rehearsal results are summarized and reported to Senior Management within two weeks of exercise completion. The recovery teams keep detailed logs for use in updating backup and recovery procedures at the conclusion of each exercise. Recovery plans are reviewed quarterly and updated at the end of each exercise or as changes in the Magellan computer operations environment dictate.

Plan documentation is imported by plan administrators into Paragon, a recovery planning software application that is hosted for Magellan by SunGard, Availability Services. Paragon data is replicated in real time from the primary server located in one of SunGard's secure northeastern recovery centers to a second server at another SunGard facility in a different geographical region. Automatic fail-over is employed to insure high availability of the application. Magellan plan administrators are able to access plan data at any time from any internet connection.

Plan documents are created and maintained by Magellan recovery team staff. The full recovery plan is distributed to all data center staff in electronic format.

While we have never had to implement our disaster recovery plans in an actual disaster scenario, we occasionally exercise the rerouting of telephone services to alternate Magellan offices for temporary office closures due to severe weather or routine safety rehearsals such as fire and tornado drills.

xv. Describe the Proposer's technical support or "help desk" services available to front-end users of your information systems. Suggested number of pages: 2

Providers or agency personnel who have problems accessing or using our systems can call the IT Support Center (ITSC) at 877-807-2363 24 hours per day, 365 days per year. The ITSC staff will respond to questions or initiate a request for problem resolution.

All IT-related issues are submitted via the Help Desk Expert Automation Tool (HEAT) application for resolution and tracking purposes. When the IT Service Center (ITSC) receives an issue, a HEAT ticket is created with the user's demographics. If the issue cannot be resolved during first call, the ITSC assigns the ticket to the appropriate IT staff. Issues affecting a group of users, which we considered "Global," and are routed using an escalation process. If the issue results in system downtime, Outage Management procedures are instituted.

General issues are assigned via HEAT. The "Assignee" resolves the issue or further assigns the ticket if necessary. Reports are taken weekly to manage tickets that have not been resolved within required time limits.

Password resets are resolved during the first call or within 30 minutes of the initial call. The ITSC has access to reset passwords for all systems for which they create access.

ITSC On-call Procedures

Magellan's ITSC is staffed 24 hours of the day, seven days of the week. After-hours support is provided by on-call technicians. These technicians are supplied with the necessary tools they need to resolve any issues that may arise during their shift. Each on-call technician is given an on-call cellphone and charger, an on-call laptop, IT escalation list, IT regional operations contact list, telecom monthly on-call schedule, and a change management outage schedule.

For routine issues the on-call technician is expected to resolve any issue within a reasonable amount of time, generally within one hour. If an issue requiring immediate resolution arises and the technician is unable to resolve the issue, then the issue is escalated to the appropriate level support group. If the issue does not require immediate resolution then the technician will assign the issue to the appropriate second- or third-level support group for assistance/follow up on the next business day.

When a call is received that the technician determines to be an unscheduled system or global outage the technician will escalate to the appropriate support group and will also notify any additional individuals on distribution lists as determined by policies related to outage procedures.

Global Issues

An issue is designated as a Global Issue if it affects a group of users or customers. This may include performance problems, connectivity problems, system downtime, database problems, or any issue that causes work stoppage. The ITSC technician will follow established escalation procedures. Documentation is maintained in the ITSC "HEAT Contacts" folder containing contacts information for each IT support group in Magellan. The ITSC tracks the issue until it is resolved. Periodic updates will be obtained from the IT staff and relayed to the customers affected.

OUTAGE MANAGEMENT

The ITSC is responsible for maintaining a HEAT ticket for all outages reported. Requests for unscheduled outages that will affect multiple locations and cause work stoppage in several areas require an Emergency System Outage Information notification sent to the Magellan Leadership e-mail group. We report scheduled outages via the change management process to the ITSC. The ITSC will send a System Outage Information notification to the affected groups weekly (or as needed for emergencies).

When an unscheduled outage already has begun for a widely used system, a notification message is sent without the normal System Outage Information format. This is either via e-mail when available or by Telecom via the phone and overhead systems when e-mail is not available.

These messages may include information regarding the history of the issue, what IT is doing to correct the problem and what the end-user can do in the interim. These are sent to the Magellan leadership group by a designated ITSC technician or manager.

xvi. Describe the Proposer's ability to access the system for end users not working in the office. Suggested number of pages: 2

As a browser-based application, ClaimTrak can be accessed from any location; from providers working remotely to agency employees in the field. Any authorized user with a valid login ID and password can access and use the system. This level of portability and flexibility of access is a key factor in proposing the use of ClaimTrak for this contract.

Magellan provides secure VPN access for employees enabling them to work from home and for key employees to access the system remotely should office facilities be unavailable or unusable due to sustained damages, isolation, or quarantine. Rules regarding remote access are covered in our Remote Network Access Policy.

Individuals accessing the Magellan network via a direct connection such as IPSec VPN are required to use company-owned equipment. Equipment owned by employees or contractors of Magellan may access our resources via a Magellan-approved gateway solution such as the Magellan Web-based secure socket layer (SSL) gateway. The connection, in this case, is “indirect” and is referred to as a proxy or as socket tunneling.

Remote access for employees or contractors is granted by the security department via our Information Technology User Access Request Form, which is submitted to the Magellan Help Desk for review and approval. All users with remote access privileges are responsible for the activity performed with their User IDs and all remote access users are bound by the security policies regarding Magellan User IDs and passwords.

All systems accepting remote connections from public network connected users include a time-out system. When there has been no activity on a computer terminal, workstation or microcomputer (PC) for 15 minutes, the system automatically blanks the screen and suspends the session. Re-establishment of the session takes place only after the user has provided the proper password.

SYSTEM ACTIVITY LOGGING

Magellan's routine security assessments and vulnerability testing mitigates any issues or risks that may be found. We use industry standard testing toolsets and engage third-party, independent agencies such as Cybertrust to verify security infrastructure. Computer systems handling sensitive information securely log all significant security-relevant events. Examples of security-relevant events include the following:

- attempts to guess a password
- attempts to use privileges that have not been authorized
- modifications—authorized or unauthorized—to production application software
- modifications—authorized or unauthorized—to system software
- attempts to modify or disable logging.

All Web developers have access to the "Web dev errors" mail box where regular updates about any errors or intrusion detections are sent. These errors and possible attacks are logged permanently in our database for future reporting and are mitigated.

We maintain audit trails on all systems that process sensitive information. All production application systems that handle sensitive Magellan information generate logs that show every addition, modification, and deletion to such sensitive information. We regularly back up all audits/ management trails and store them in a secure location.

All computer systems running Magellan production application systems include logs that record, at a minimum, the following data:

- user session activity including User IDs, login date/time, logout data/time and applications invoked
- creations, changes and/or deletions to critical application system files
- additions and changes to the privileges of users
- system start-ups and shut-down
- password activity, specifically when and who last changed a password, and when and who last changed account privileges.

Audit trail retention and security involves retaining all computerized logs containing security-relevant events for at least one year. All computerized logs must be available online for 45 days. During this period, such logs must be secured such that they cannot be modified, and able to be read only by authorized persons.

Magellan's Security Department is responsible for reviewing all security audit trails regularly and within a scheduled timeframe. Anomalies must be immediately reported to appropriate supervisory personnel for follow-up action.

Magellan tracks activity on our MagellanHealth.com Web site in a dedicated database. We can generate reports to show specific user activity, including—but not limited to—the detailed actions within a specific Web-based

application. For example, if a provider conducted an eligibility search, we could recreate all of the search parameters and results. It also is possible to track user activity in accessing applications and specific records.

Logging is enabled on our Web server that tracks pages viewed by specific IP addresses and indicates when they were viewed. Extensive custom auditing mechanisms are built into MagellanHealth.com; the built-in auditing features by the operating system and Web server software were not sufficient for our needs.

xvii. Describe the Proposer's experience with the 270/271 Eligibility Request/Response transactions as well as submitting and receiving 834 Enrollment/Disenrollment transaction sets. Suggested number of pages: 3

[redacted] In 2010, Magellan processed more than 17 million eligibility requests and responses from various sources including hospitals, clearing houses as well as state agencies such as youth services, DFS and school districts. [redacted] The process for converting to the 5010 standard involves the trading partner successfully completing testing for 5010 transactions before they are moved to production.

TRADING PARTNER ENROLLMENT PROCESS

- trading partners that desire to trade the 270/271 transaction set would initiate the process by placing a call to Magellan's EDI hotline and notifying the EDI analyst of their wishes to test with Magellan.
- the analyst discusses the secure file transmission options available with the trading partner and gather needed information for the communications link.
- the analyst fills out the proper request forms with the trading partner's information to have various systems at Magellan set up for communications.
- once the link is configured, the analyst contacts the trading partner for verification.
- after successful communications testing, the analyst moves on to testing the trading partner 270 files.
  - the analyst manually processes the 270 through the validation engine to ensure the 270 is compliant and notifies the trading partner of any issues.
  - the analyst processes all valid 270 transactions and verifies that the trading partner receives and processes the 271 responses.
- when both the trading partner and Magellan are satisfied with the transaction testing, the trading partner is moved into production for the transaction set.

Magellan's systems are flexible and can be configured to accommodate a wide range of eligibility file format accepting [redacted] We are experienced in working with preferred proprietary formats as well as standard HIPAA-compliant file layouts. Magellan prefers to receive enrollment/eligibility information in the HIPAA-compliant 834 file format.

Magellan's standard turnaround time to process eligibility files (update or full file refresh) and have them available online is 24 to 48 hours from receipt of the data.

[redacted] Magellan can process as frequently as daily, or as infrequently as monthly based upon client requirements. [redacted] We have never experienced problems based upon the size of a file or volume of transactions and are not aware of any constraints with our hardware or software. We do not anticipate any timeliness issues with processing the LBHP data. [redacted]

All membership feeds, regardless of format, are processed through a translation-and-edit phase prior to updating Magellan's core system. Errors in the 834 file format itself typically result in a rejection of the entire file back to the originator. Data that passes the 834 syntax editing is translated into a "core system load" file format for data editing. To ensure that accurate data is loaded to the eligibility subsystem, eligibility analysts review the edit reports and either omit or correct errors as specified by the client. Files that contain no errors are then submitted to update the eligibility master files within the core system. We have also developed the functionality to process 834 audit files for state customers and other Medicaid covered populations. This interface is not used to update Magellan's membership data but rather is used to report discrepancies back to the client.

Eligibility File Processing Steps

- Encrypted files are sent via FTP to Magellan's external FTP server and then transferred to the internal FTP server, where they are decrypted. A few files are received via Network Data Mover (NDM).
- Magellan Health Services Validate (MHS Validate) :
  - Monitors the internal FTP server and transfers the decrypted files to trading partner-specific folders on the production EDI server.
  - Opens the files and confirms they can be read. A TA1 response is transmitted back to some trading partners indicating whether a file has been accepted or rejected. If the file is rejected, all processing on the file stops, and the trading partner is required to submit a corrected file.
  - Confirms the trading partner information.
  - Completes HIPAA/X12 validation by processing the files through the EDIFECS validation engine
  - Creates a 997 or 999 response file for V4010 and V5010 respectively that reports back all non-compliant transactions. 834-files are processed as a whole, so if a transaction fails, the file fails and is rejected, and no further processing will occur at Magellan.
  - Sends the accepted membership records through the Message Queue. The Message Queue collects input statistics and then manages the translation of the membership data into the host file format. Membership data is not stored in the transaction database.
  - During the translation, a count of the number of transaction sets is maintained, and if this count does not equal the number in GE1 (the number of transaction sets included), the host file is not sent via FTP.

If the counts are equal, then no transaction sets are bad, and it initiates the transmission of the file to the host system.

- File receipt is logged into the Membership Load Tracking Database.
- Conversion program is run, mapping membership to system defined plan/divisions based upon indicators defining population segments and benefits.
- Edit is run, producing a report listing errors and summary information. Error checking includes validation of dates, checking for duplicates, and ensuring that key fields are not blank (i.e. name, address).
- Edit report is analyzed.
- Any errors are corrected or removed (as defined by protocol for that client).
- Re-edit is run if changes or removals have been made.
- File is updated to Magellan's CAPS system.

xviii. Describe the Proposer's experience with the HIPAA 835 and electronic funds transfer. Suggested number of pages: 2

[redacted]

Providers can sign up for electronic fund transfer (EFT) and electronic remittance advice (ERA). With EFT, funds are transferred electronically into the provider's bank account. ERA is an electronic version of the explanation of payment (EOP) that providers typically receive via mail on paper. The options of EFT and ERA are available to providers whether the provider is submitting files directly to Magellan, working with a clearinghouse, or submitting their claims on paper, but by combining electronic file submission, EFT, and ERA, providers have the opportunity for a completely paperless claim encounter process.

Magellan offers EFT as a payment option to all organizations and individual providers who have a TIN linked to the submitted claim. Providers sign up for electronic fund transfers via Magellan's provider Web site (www.magellanprovider.com) or by a paper form that can be securely faxed or mailed. This data (bank account type and number and routing number) is captured in our integrated provider database (IPD), at the TIN level, and providers are set up in test mode. The first claim a provider submits after they are set up is used to test the data they provided to Magellan; claims are paid by paper check until the test cycle is completed.

When our CAPS runs payables, it processes through our edits to check whether the provider has indicated a preference for payment through EFT. If both the fund and provider are eligible, CAPS marks a claim as EFT. Payable data is then picked up by WebChecks. When the EFT flag is detected, WebChecks picks up the bank account type and number and routing number when sending data to EDI. EDI gathers all EFT records for the day and formats it into an 835 which is then sent to Wachovia Bank. Wachovia transmits payment to the accounts indicated on the 835 within 24 hours of receipt.

Providers can check the status of a claim or a payment online through our provider Web site or by telephone using our Interactive Voice Response (IVR) system.

xix. Describe the Proposer's system's ability to send and receive data from other agencies such as eligibility (HIPAA 834) and member's plan of care data consistent with the collaboration requirement in the Scope of Work. Suggested number of pages: 3

Magellan has read and understands the State's requirements for collaboration of core initiatives with service agencies. We understand the need for secure, efficient consumer data integration in order for those agencies to effectively serve the needs of Louisiana's population covered under the SMO contract

At the core of Magellan's value proposition is consumer data integration. As a basic and standard starting point, Magellan's care management system includes systems that provide customer specific information on vendors, protocols, nuances and other cross referral information to ensure ease of engagement with service agencies to meet treatment needs.

The ClaimTrak system allows real time sharing of consumer's individual care plans, assessments and other pertinent treatment information. During the intake process, enrollment data is entered directly into ClaimTrak, where it is made available as a HIPAA 834 and can be transmitted to Magellan, the DHH-OBH data warehouse or shared with state agencies who will provide services to consumers.

Magellan finds that a tailored approach to interface is what serves our customers best. Magellan's current interface protocols include ongoing data exchange where Magellan receives pharmacy and medical claims for integration purposes other State customers, as well as health plans and commercial customers. [redacted] In all cases, Magellan develops a custom approach to working with each customer to deliver integrated programs and efficient data exchange.

INTERFACING CAPABILITIES

Magellan has extensive experience in establishing interfaces and data exchanges with our many customers' diverse systems and is able to interface with multiple service agencies as required by our customers. Magellan supports many methods of data exchange, including secure file transfer protocol (SFTP), file transfer protocol secure (FTPS), file transfer protocol (FTP) with PGP encryption, network data mover (NDM), EDI, real-time SOAP/XML exchanges, business-to-business VPN, HTTPS file transfer, and many other forms of media. FTP with PGP encryption is Magellan's preferred process for transmitting and receiving files.

When needed, the State or a designated third party can perform online updates to eligibility via email. Magellan can also receive manual updates via fax. Manual updates are handled according to urgency. The turnaround time for urgent or inpatient requests is 24 hours. For non-urgent or outpatient requests, there is a 48 hour turnaround time.

ELIGIBILITY DATA TRANSFER

Magellan's systems are flexible and can be configured to accommodate a wide range of file formats. We are experienced in working with preferred proprietary formats as well as standard HIPAA-compliant file layouts.

Magellan's IT team will work with representatives of the State and service agencies to establish secure methods of eligibility file transfer.

All membership feeds, regardless of format, are processed through a translation-and-edit phase prior to updating in Magellan's core system. To ensure accurate data is loaded to the eligibility system, eligibility analysts review the edit reports and either omit or correct errors. Files that contain no errors are then submitted to update the eligibility master files within the core system.

Magellan's standard turnaround time to process eligibility files (update or full file refresh) and have them available online is 24 to 48 hours from receipt of the data.

TREATMENT PLAN DATA TRANSFER

Treatment plan data is maintained in Magellan's clinical system. Magellan will exchange this information with the State or designated service agencies as required. As treatment plans are created or changed, the system's built-in triggers will set files to run through a nightly process extracting treatment plan data and transmitting it to the client as frequently as daily. Magellan will work with those entities to develop a mutually agreeable file format and frequency for exchanging this type of data.

The key to successful vendor interface efforts is pre-implementation dialogue with all vendors to identify and solidify customer health objectives and to diligently and collaboratively build interface processes that are seamless to the consumers, can be effectively supported by vendors, yield measurable outcomes, and ultimately result in holistic service delivery that improves health.

xx. Describe The Proposer's current status of implementing the HIPAA ANSI 5010 formats and preparation for the ICD-10 implementation. Suggested number of pages: 3

[redacted]

Magellan has developed a strategy plan, including a timeline of key milestones and benchmarks, for the ICD-10 conversion. This includes budgeting projections through 2013 to ensure that no other planned information technology investments will be deferred in order to comply with this standard. We have completed an organizational impact review and a business model implications analysis to assess what impact these changes will have on Magellan's day- to- day business operations. Strategy and planning currently in development include the following activities:

- development of implications analysis
- application-specific planning and release schedules
- testing and integration with our trading partners.

For ICD-10, Magellan will make modifications to our claims adjudication and payment system (CAPS), and our utilization management applications, including ClaimTrak. Magellan's IT team continues to gather information on

ancillary applications that may need to be modified to handle changes to the ICD code set. Magellan plans to begin external testing with our clients during the last quarter of 2012. Magellan will be in full compliance with the new regulations by the effective date of October 1, 2013.

xxi. Provide claim submission statistics as directed below for the most recently completed month overall for your current clients, for electronic and paper submissions. All formats, including proprietary formats, should be included.

Note: Statistical information provided for June, 2011.

xxii. Describe the Proposer's process for receipt, storage, and data entry of provider paper format billings. Suggested number of pages: 2

Currently, Magellan receives approximately five percent of its provider claims in paper format. Claims that require initial data entry go through the following process:

Paper claims are received by Magellan's Claims Mailroom unit. The mailroom staff opens and prepares all mail for scanning. Upon receipt, each mail bin is logged on a control sheet, which is monitored and signed off by the mailroom supervisor or manager. One hundred percent of the mail is either prepped for scanning or distributed to Magellan staff for handling.

The mailroom staff prepares batches of documents to be scanned by sorting the mail by account and document type. The claims from each bin are sorted into batches with a batch cover sheet and imaged. The paper claims are scanned under specific accounts, document types and document subtypes. During scanning, the account ID for each customer is assigned to all consumers of that batch. During the imaging process, the scanning equipment assigns a document control number (DCN) to the claim which appears in the Viewer/Worker. The DCN field holds 14 characters. The DCN field is configured with 2-year spaces, three Julian date spaces, three scanner ID spaces, and six sequential counter spaces.

Batch pages are utilized for all scanning and each patch page contains a barcode. The barcode designates whether the following claims are single page or multi-page and whether the document type is inpatient, outpatient, special, MPPS, or OCR.

Based on specific accounts and claims systems, documents are scanned to the appropriate data entry workflow queue or the OCR software. Only red-type CMS 1500 forms are eligible to be scanned into OCR. OCR either reads the claim with enough confidence to send it to CAPS or it sends the claim to keyer verification client (KVC) to verify the claim data. After successful verification, OCR submits claims via an EDI file to the CAPS system, where they go through the same adjudication process as batch entered and EDI claims. Claims that cannot be loaded to CAPS through OCR are rejected back to HealthAxis, which then routes the claim images to the appropriate worker queue for manual processing.

All documents not eligible for OCR are scanned to the appropriate data entry workflow queue. The claims processors retrieve the documents for data entry into Magellan's claims systems. With claims that are routed electronically, a desktop application (Image Worker) is utilized for keying from image. Users are assigned specific rights to data entry sub-queues. When users access Worker, they see a list of sub-queues that have been assigned to them using the User Administration program. As the user selects a sub-queue, the first five claims in the sub-queue are cached to the user's workstation. As claims are worked, new claims remaining in the sub-queue will continue to be cached to the user's workstation (five at a time) for processing. Multiple users can access the same data entry sub-queue simultaneously. A message is displayed if the sub-queue has no documents to process.

The user examines the image and takes an appropriate action, according to the needs of the particular claim. The image worker disposition report tracks the disposition of each claim worked during the day by individual. The Team Lead reviews the report daily to ensure all claims are worked to completion and is responsible for taking action on any claims that have not been completed in a timely manner.

A DCN reconciliation report is used to identify DCN numbers marked as "claim entered in the system" and match it to the corresponding claim in the system. The data is produced ninety days prior to the scan date entered on the report menu. Only DCN numbers that do not have a match appear on the report. The DCN numbers remain on the report until either a match is found in the claim system or a different claim disposition is selected. The disposition can only be changed with the proper security. The report is worked and claims are closed timely.

Paper claim forms are managed according to rules established by our record retention, transport and destruction policy. Once imaged, the electronic version of the claim form is stored indefinitely and is available for retrieval when needed.

xxiii. Describe the Proposer's internal claims audit including percent of claims audited. Provide a sample of the reports used in this process. Suggested number of pages: 5

Magellan's Quality Auditing team in the service operations unit performs quality and adjudication accuracy audits across all claims systems, accounts, payment amounts and levels of care. The auditing unit reports under the senior vice president of operations. Aspects of the audits may vary according to specific client and regulatory requirements.

Adjudication accuracy measurements are based on samples of production. The audit of each claim in the sample is documented through an online checklist and audit tool within the Magellan Audit Database application. Specific items addressed cover all aspects of the claims adjudication process including Magellan standard practice and regulatory or client specific requirements.

A standard report of each audit is generated by the Audit application and is forwarded to the individual processor and supervisor for review and corrective action, including adjustment of the claim for under or overpayment, or investigation to determine further actions for an overpayment.

Images of claims with an overpayment are routed to the cost containment department and indicate the action taken on CAPS. The quality auditor monitors timely response to the audit report. The auditor, processor, and supervisor sign off for each identified error. Disagreement on errors is resolved through a formal rebuttal process, which elevates the matter to progressive levels of operations and compliance team management. Audits are validated based on system information rather than original source information (i.e., actual contracts, benefit plans, rate schedules, and so forth.).

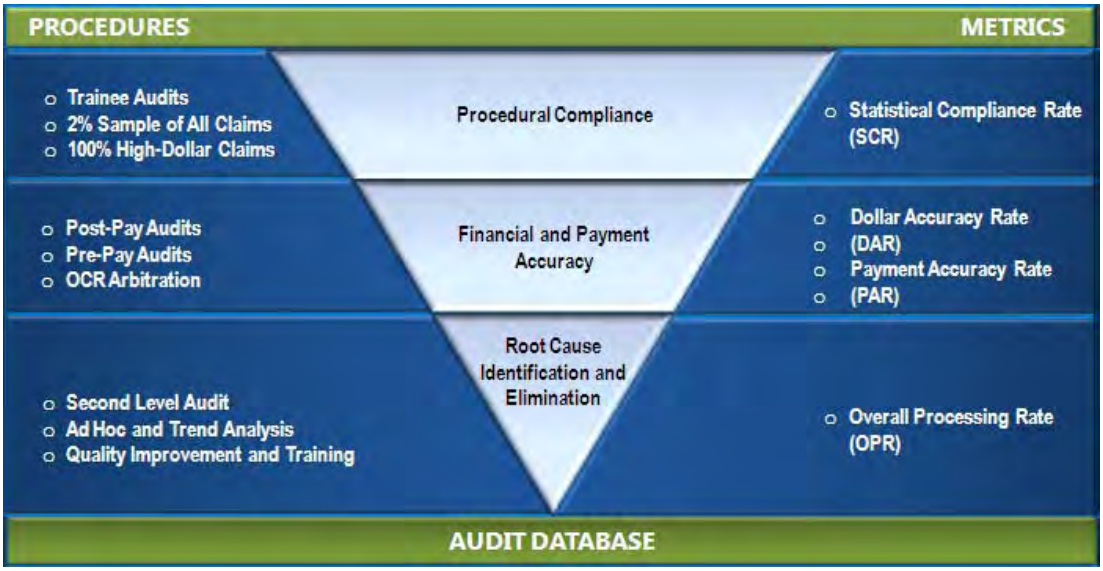
Magellan's claims auditing function has three main objectives, as shown in Figure 2.g.xxiii.1.

Figure 2.g.xxiii.1.Claims Auditing Objectives

	Claim Audit Type	Audit Objective
Objective 1	Procedural Compliance	Ensuring compliance with both general and account-specific adjudication guidelines
Objective 2	Financial and Payment Accuracy	Ensuring the accuracy of amount paid
Objective 3	Root Cause Identification and Elimination	Analyzing the audit results in detail to get to the root causes of inaccuracy, and implementing the corrective measures to remove those root causes

The audit program is composed of three major quality assurance processes that entail review of (1) an average of a two percent sample size selection of finalized claims (post-disbursement); (2) 100 percent high-dollar pre-disbursement audit, and (3) 100 percent review of novice processors. These objectives are supported by the following key elements of Magellan's claims auditing process, shown in Figure 2.g.xxiii.2.

Figure 2.g.xxiii.2. Key Elements of Claims Auditing Process



AUDIT DATABASE

Magellan Audit calculates statistical, dollar payment, and processing accuracy ratings. The performance goals and calculation method of each measurement are shown in Table 2.g.xxiii. Audit will incorporate any extra-contractual obligations into our calculations and report results to clients in accordance with contractual performance standards and guarantees.

Table 2.g.xxiii. Performance Goals for Louisiana

	Financial	Statistical	Payment	Processing Accuracy
Performance Goal	99%	99%	97%	97%
Accuracy Rating	Dollar Accuracy Rate (DAR)	Statistical Compliance Rate (SCR)	Payment Accuracy Rate (PAR)	Overall Processing Rate (OPR)
Definition	Defined as the percentage of dollars reviewed that were correctly issued.	Defined as the percentage of claims processed with correct statistics (non-financial errors).	Defined as the percentage frequency of accurate payments (without regard to disbursement amounts).	Frequency measure that depicts percentage of all claims processed accurately regardless of error type.

	Financial	Statistical	Payment	Processing Accuracy
Formula	Formula—Total dollars paid less the total amount mispaid (absolute value of over plus under payments), divided by the total amount paid.	Formula—Total claims reviewed less the number of claims with errors, divided by the total number of claims reviewed.	Formula—Total claims reviewed less number of claims with disbursement errors, divided by the total number of claims.	Formula—Total claims reviewed less the number of claims with both payment and non-payment errors, divided by the total number of claims reviewed.

All quality audit results are documented and reported through a centralized audit database. A specific checklist developed by a user committee is hard-coded into the audit database allowing each auditor across all Magellan areas to audit the same data elements. The audit database can produce specific audit reports by account, processor, and detail. Supervisors can run a standard audit report on individual processors but are not required to do so as their main focus at the individual level is their involvement in the error sign-off process. Cumulative audit findings generated by the standard audit report are reviewed on a continuing basis by immediate supervisors and at least monthly by senior management as part of the service operations executive report. No sign-off of the cumulative audit report occurs either at the supervisor or senior management levels although it is eventually reviewed by the chief operating officer (COO). The QA department reviews the top 20 accounts in aggregate, as well as individual account performance goals. Quality performance of each processor is a key individual performance measurement. Processors not maintaining required standards are subject to progressive disciplinary steps, which may result in termination for failure to achieve standards.

A standard report of each audit is generated by the audit application and is forwarded to the individual processor and supervisor for review and corrective action, including adjustment of the claim for an underpayment or investigation to determine further actions for an overpayment. Images of claims with an overpayment are routed to the cost containment department and indicate the action taken on CAPS. The quality auditor monitors timely response to the audit report. Sign-off occurs for each identified error among the auditor, processor, and supervisor. Disagreement on errors is resolved through a formal rebuttal process that elevates the matter to progressive levels of operations and compliance team management. Audits are validated based on system information rather than original source information (i.e., actual contracts, benefit plans, and rate schedules).

POST PAY AUDITS

Magellan audits an average of two percent of all completed claims, including both those manually processed and those that are auto-adjudicated. We use a daily automated report of finalized claims for this random audit sample selection process.

PRE-PAY AUDITS

Magellan conducts pre-pay audits on all high-dollar claims. For this purpose, “high-dollar claims” are defined as those claims with a paid or denied amount of $5,000 or more. Exceptions to this definition are based on account contract standards. High-dollar claims are placed on audit hold systemically by our claims applications, CAPS. The auditor has a 48-hour turnaround goal to complete the audit and release the claim if there are no errors noted. If errors are noted, the claim is forwarded to the supervisor of the processor for review, corrective action, and release of the claim.

In addition to these internal claims audit functions, Magellan has two other significant audit processes that review the controls for claim processing: compliance with the Sarbanes-Oxley Act of 2002 and a SAS 70 Report on the Controls Placed in Operations and Tests of Operating Effectiveness-Claims Processing.

As a public company, Magellan is required to comply with the Sarbanes-Oxley Act of 2002. External auditors have verified Magellan's compliance since inception of the requirements. This Act requires that management and the external auditors review the internal controls over all processes that have a material impact on the financial statements. The findings of these significant audit efforts are then reported to executive management and Magellan's Board of Directors. These reviews include areas of business operations such as claims processing, benefit/eligibility loading, clinical care and authorization, and provider set-up and maintenance. In addition, supporting processes such as finance and IT are covered.

Magellan's business process owners have documented the business process and key controls for the business areas discussed above. Management also is required to certify on a quarterly basis that the processes are in place and functioning as intended. Magellan's internal audit function is responsible for testing the controls documented by management.

In 2005, Magellan began having a SAS70 report prepared by an external accounting firm over claims processing, and Magellan has been SAS70 compliant since September, 2005. This audit effort reviews the key business processes supporting claims processing. Similar to Sarbanes-Oxley, the key focus is on the identification and testing of key business controls. The Report on the Controls, Places in Operations, and Tests of Operating Effectiveness—Claims Processing are prepared annually and is available to all of Magellan's customers. The report covers the following business processes:

- customer account setup and maintenance
- enrollment
- provider credentialing
- rate schedules input and updates
- authorization
- claims receipt
- claims adjudication
- claims payment
- adjustments.

xxiv. Explain the Proposer's high-level testing process to fulfill the claims testing processes requirements.

Encounter extract testing begins with internal unit testing performed by the programmer, with systems analyst assistance, once development is complete. After satisfactory testing at this level, both the program source and

objects are promoted to a secure testing environment. In this environment, the systems analyst performs more in-depth system integration testing including the testing of larger volumes of data and utilizing the EDIFECS validation engine to identify any potential issues. Once Magellan's internal testing has been completed, test files are submitted to the client for end-to-end testing. At this time, the client will process the files through their validation engine, load the encounters to their test system and perform whatever adjudication processes their systems might include to ensure no issues exist. Response files will then be generated by the client and processes by Magellan in order to validate the entire process.

In an iterative process, if no defects are found, the source and objects are rejected from the secure testing environment and moved back into the programmer's development environment for correction. Once errors are corrected, the source and objects are moved back into the secure testing environment and testing is repeated until all errors have been addressed.

Magellan's IT department services and maintains our systems, employing the developers and analysts involved in those activities. We own the source code to our systems, allowing us to exercise complete control over the change management and high-level testing process, including the processes of testing customer configurations and other modifications to our CAPS system. Magellan, as a public company, is required to comply with all aspects of the Sarbanes-Oxley Act of 2002 (SOX). External auditors have verified Magellan's compliance since the inception of the requirements.

When we need to customize or make programming changes to our systems, we have internal controls in place to ensure these system enhancements are highly coordinated to prevent them from interfering with our business operations. When an implementation is scheduled, Magellan freezes all internal system development, changes, and maintenance to ensure no system disruptions affect services.

All maintenance/repairs follow procedures outlined in our Software/ Hardware/ Data Change Management Policy. The purpose of the policy is to ensure updates made to applications, systems, direct accessed data, and hardware are:

- documented in a clear, concise manner
- managed to prevent system/performance conflicts
- scheduled to minimize impact on normal business operations
- approved and communicated effectively to all IT departments and the user community
- implemented to support efficient and stable updates in the future.

Even minor changes to our systems follow the procedures outlined in our policy. This allows us the ability to track all aspects of the work for systems management and budgeting. We execute projects in distinct phases, each having specific activities and deliverables and following a formal, customized workplan that controls every step.

Magellan follows a unidirectional software development life cycle (SDLC) for all of our applications. Each solution is developed in a development environment, then promoted to a staging environment for testing, then promoted to the production environment for use. This ensures each environment is properly updated as changes are made.

To identify and prioritize new requirements, a Magellan employee creates a system project request (SPR) and then obtains vice president approval before routing it to IT. For emergency requests, the employee contacts the IT support center, who creates a Help Desk Expert Automation Tool (HEAT) ticket. These SPRs and HEAT tickets are prioritized by a committee of the business owner vice presidents. When an SPR or HEAT ticket is activated and resources are assigned, the IT systems analyst works with the users to gather and refine the functional requirements.

The project team transforms the functional requirements into a technical design. A system change document (SCD) describes each component. If the development and testing processes subsequently identify a need for additional changes, we evaluate the impact of each change, submit it for project management or Steering Committee approval, and update the change in new versions of the business requirements, functional requirements, SCDs, and testing plans (sign offs), documenting the software development life cycle.

As part of our commitment to stringent internal controls, Magellan has implemented the use of a repository of documentation for software changes and upgrades in Magellan's Web-based change management application (MKS Integrity Manager). This software enables IT personnel to communicate change activity to a central location, allows change information to be stored in a database, provides real-time access to the current agenda and schedule of changes, and provides real-time access to past and future submitted changes.

Programmers check out the source code from the secure development environment using MKS Integrity Manager. Changes to the source can only be made once the source code has been copied from the secure development environment to the programmer's personal development environment via an approved promotion request. Changes to source code in the secure development environment are not possible and can only be made to the copy of the source that was placed within the programmer's personal development environment.

As we create/modify programs, we use the "check-in/check-out" capability of MKS to maintain version control. This approach ensures that we:

- coordinate changes across multiple projects
- only allow authorized personnel to make changes
- maintain an audit trail that identifies who has touched the code
- obtain proper approvals before we promote changes to another environment.

Once development is complete, the programmers perform program and unit testing. After satisfactory testing, both the program source and objects are promoted to a secure testing environment. In this environment, the systems analyst performs more in-depth system integration testing before turning the project over to the business owners for user-acceptance testing. In an iterative process, if any defects are found, the source and objects are rejected from the secure testing environment and moved back into the programmer's development environment for correction. Once errors are corrected, the source and objects are moved back into the secure testing environment.

Once the testing phase is completed, code changes are moved to a staging environment for implementation. Communications to affected users are sent using our centralized notification process, and the required approvals from IT management, and the change management process are recorded in MKS Integrity Manager.

At the assigned time, authorized individuals move any code or technical changes to the production environment. The project team validates the changes and then notifies the affected departments that the changes are ready for use.

xxv. Describe the Proposer's process of paying claims and ensuring prior authorization has been obtained. Include the process or system functions that ensure only the number of services authorized are paid. Suggested number of pages: 3

The claims adjudication and payment system (CAPS) is a commercially developed claims system that supports all eligibility, benefit, and claim functions. Magellan supports the system internally and owns the source code, which allows maximum flexibility to modify the application as our business needs evolve. CAPS is linked to our clinical systems. This integration between the applications allows eligibility information to display in ClaimTrak, ensuring appropriate authorizations.

Clinical authorizations are loaded by our care manager and/or web-based authorization system automatically to CAPS, facilitating timely and accurate claims processing and payment. CAPS supports claims payment to authorized providers based on the authorizations contained in the clinical information system and can support payment to non-participating or non-authorized services as supported by the benefit plan. CAPS configuration will support varying providers, network and past authorization requirements for different types of services and service locations. CAPS automatically documents the number of services previously paid in the system and compares services billed against those that have been authorized. This tracking functionality prevents claims paid in excess of those originally authorized.

CAPS is highly configurable and can be programmed with account-specific system edits and algorithms. These edits will stop a claim from completing auto-adjudication if, for example, a claim cannot be matched with a corresponding authorization. Standard edits in CAPS relating to authorizations include number of claims for services met or exceeded by total authorizations or authorizations allowed for a fiscal year, services not performed, the authorized payable provider is not found in our system or that the authorized service is not found in the system.

Each claim or invoice is reviewed line by line to determine whether the service was authorized and provided within the service period. CAPS also reviews the number of units or services authorized and the presence of any special payment arrangements or fees. The same process is followed for claims received from out-of-plan providers, using the authorization as the guide for determining the appropriate payment.

If a matching prior authorization is not available in the system as required by plan benefits, the claim is pended for manual review. The claim may then be pended to route to Network to research the provider prior to making a final determination.

xxvi. Describe the fields utilized in the exact duplicate match. Suggested number of pages: 1

If a claim matches another claim already in the system for the following data elements: consumer, provider, dates of service and services rendered, the claim will pend for manual review to determine if it is a duplicate claim. A claims processor can override a potential duplicate where not all elements match. However, only a supervisor can override a duplicate where all elements match.

The fields utilized in an exact match can be configured by account. In a standard approach, an exact duplicate would be when the provider, date of service, procedure code/modifier and billed amount all match. However, to support some of our public sector customers, we have the capability and have utilized place of service for consideration of an exact match.

xxvii. Describe the process for determining covered service payments that may not require an authorization. Suggested number of pages: 2

Magellan's CAPS system allows for custom configuration to pay claims for services that do not require an authorization. Our claims edits can identify and pay claims based on elements such as the following.

- eligibility restricted to a specific window of time, such as services allowed during the initial 90 days of a consumer's membership.
- number of services to be performed
- number of days of a specific service.

For the proposed contract for Louisiana, Magellan will provide the following services without a pre-authorization:

- medication management: Magellan will pay for the first 12 sessions without an authorization.
- individual, group and family therapy: Magellan will pay for the first 12 sessions without an authorization.
- crisis services, emergency room services and case conference calls: Magellan will pay these services based on the CPT code billed.

During implementation, our IT team will coordinate with the State to determine what types of services will fall into this category.

xxviii. Describe the process of ensuring that paid claims are for providers that are credentialed to perform the specific service rendered. Suggested number of pages: 2

Magellan's CAPS system includes processing edits that specifically check for valid credentialing of a provider in relation to the procedure code presented in the claim. Claims that fail to pass these system edits are pended and routed to a processor for manual review.

Our network department is responsible for assuring that all our providers are credentialed to perform the services required. Each provider's demographic and credentialing information is loaded into our integrated provider database (IPD). The IPD is the single provider data repository that is capable of housing and differentiating between Magellan and client provider networks. It supports the contracting and credentialing process and subsequent data, including but not limited to, network participation status, licensure, reimbursement schedules, billing relationships, rates and electronic funds transfer (EFT) information.

The IPD is a secured application. It has the ability to display and/or modify provider information and is restricted by function.

The provider data in the IPD is utilized and tightly integrated with all other functions within Magellan, including ClaimTrak, provider search, CAPS, reporting and Magellan's Web site. Some examples are noted below:

- provider data is fed to the provider search function to enable clinicians, consumers, and other stakeholders to locate and identify providers most appropriate for consumer needs and preferences
- the clinical authorization system stores identifying provider data from the IPD in the consumer authorization, which is used by the claims system, supporting appropriate provider payment.
- provider billing and network status information is shared with the CAPS claims system to support appropriate claims processing.
- provider data is used as the foundation to produce client required reports either directly from the IPD or from the data warehouse.

Magellan's Web site allows providers to view their information in the IPD and submit any necessary updates to the provider network department.

xxix. Describe the Proposer's storage of and use of national provider identification (NPI) numbers. Limit two (2) pages.

Magellan's IPD has the ability to store NPI at various levels. While all NPI records must be associated with a Magellan provider ID (MIS#), Magellan's system allows for the ability to house this information at a much more granular level. NPIs can be stored at the service address, TIN or taxonomy code level for those instances where a single provider might utilize multiple NPIs. The IPD system also allows for date sensitivity utilizing effective and end dates for each entry.

ENTRY AND VALIDATION

- network operations staff maintain NPI entries in the Magellan system
- NPIs submitted to Magellan by a new provider can be confirmed against the NPPES site or verification of an official NPPES/CMS letter
- edits exist in the system to ensure that NPI's adhere to the format rules that were specified by CMS including a logic check on the check digit
- Magellan has developed processes for other Medicaid clients to accept provider data from the State's MMIS and compare against data in Magellan's provider data system to ensure the data is kept in sync.

USAGE

- Claims Payment

- NPI along with other identifying factors such as name, TIN etc. are used in the provider selection process for claims adjudication.
- Magellan claim systems can be configured to pay claims for only those providers that have been verified to be providers registered on the state's roster.

- Interfaces and Reporting
  - NPI is frequently included in provider files sent to clients along with other requested data elements.
  - NPI is included in encounter submissions.
  - NPI can be sent on any reports that require provider data to be included.

xxx. Describe the process for capturing DOE data as encounters. Suggested number of pages: 2

INDIVIDUAL HEALTH PLAN (IHP) PROCESS

Magellan will receive Department of Education (DOE) data related to Medicaid funded school-based behavioral health services.

- this information will be sent to Magellan on the IHP by the Local Education Agency (LEA) for all behavioral health services for which schools will seek reimbursement.
- information from the IHP will be captured in Magellan's clinical system and utilized as pre-authorization for these services.

DOE CLAIM SUBMISSION

Magellan will work with the DOE to develop the best method for submitting these services for claims processing. A few electronic options for achieving this are listed below:

- 837 format submitted to Magellan directly by the DOE
- 837 format submitted to Magellan via a clearinghouse
- proprietary formatted file submitted to Magellan
- claims entered directly into the browser-based MIS system by the DOE representative.

CLAIM ADJUDICATION

Claims will be loaded into Magellan's Claims Adjudication and Payment System (CAPS) for adjudication.

- Edits will be applied verifying, consumer and provider eligibility as well as prior authorization. Those services matching an existing IHP will be authorized for payment when all other edits are met.

- Provider will be identified as either a school employee or non-employee.
  - Magellan will issue payment for school-based providers who are not school employees, but will merely forward approved claims for school-employee provided services to the state for payment.
  - No payment will be issued by Magellan for services provided by school employees.

ENCOUNTER SUBMISSION

The submission method for these encounters will be coordinated with the DOE. These could be included within the same 837 formatted feed as other encounters or some other electronic format as preferred by the State.

Figure 2.g.xxx. Encounter Submission

xxxi. Provide a list of the system edits and their description to be used when processing the medical claims. Suggested number of pages: 8

Magellan's CAPS is a robust claims pre-processing, adjudication and administration system that Magellan has used and continuously enhanced since 1994. Magellan owns the source code for all our systems, including CAPS, and all system and programming development and maintenance is performed by our in-house team of Information Technology professionals.

KEY CAPS FEATURES AND CAPABILITIES

Following are the key features of CAPS that are specific to the delivery of behavioral health services:

- online consumer eligibility information
- built-in, integrated ICD-9, CPT-4, and HIPAA validation tables
- COB and savings reports; subrogation is available in all States in which subrogation is permitted
- claims auto-adjudication
- duplicate claims checking
- automated editing for verification of patient maximums or benefit limitations
- group setup capability that includes multiple benefit plans
- full membership capabilities
- National Provider ID (NPI)
- linkage of a provider to multiple individual and network funding streams
- pricing capabilities that allow for specific nuances with respect to provider reimbursement (capitation, fee-for-service, case rates, Medicare reimbursement, usual and customary rate, or default pricing by plan)
- selection of a reimbursement schedule according to the enrollment status of the patient
- batch processing, optical character recognition (OCR), and electronic data interface (EDI) capabilities
- inquiry capability—look up claims and status
- sponsor specific nuance screens, allowing for comments and/or special handling by account management, customer service, care managers, and claims processors
- integration of claims and care management systems.

CAPS is a single unified claims platform that is highly configurable and can be programmed with account specific system edits and algorithms. These edits will stop a claim from completing auto-adjudication should manual intervention by a resolution specialist be required. CAPS is capable of supporting multiple funding streams and can be configured to the State's specifications.

Some of the standard edits that will be in place specific to the delivery of behavioral health services in State of Louisiana are shown in Table 2.g.xxxi. A complete listing of Magellan's claim edits has been included in Attachment 2.

Table 2.g.xxxi. System Edits

Edit Category	Description
Member Eligibility	If the member listed as receiving services is not reflected as eligible on the date of service, the claim is pended for manual review. The claim may then be routed to the eligibility unit to research the member prior to making a final determination.
Covered Services / Benefits Eligibility	If the benefits and services on the claim do not match with system benefits configuration, the claim is pended for manual review. The claim may then be routed to the benefits unit to research the member's plan benefits prior to making a final determination.
Provider Eligibility	If the servicing provider is not eligible to be reimbursed based on either network status or degree level, the claim is pended for manual review. The claim may then be pended to route it to the Provider Network department to research the provider prior to making a final determination.
Rate Issues	If rates for the servicing provider are not loaded in the system or are not otherwise available to the processor through standard procedures, the claim is pended for manual review.
Prior Authorization Issues	If a matching prior authorization is not available in the system as required by plan benefits, the claim is pended for manual review. The claim may then be pended to route it to Network to research the provider prior to making a final determination.
Third Party Liability (TPL)/ Coordination of Benefits (COB)	Claims which require coordination of benefits are pended for manual review. Such claims may include data indicating prior payment by another payer, or an attached Explanation Of Benefits (EOB) from a primary payer.
Missing or Incomplete Information	If required fields are not completed in accordance with CMS and state guidelines for a clean claim and as described in the Magellan Provider Handbook, the system will pend for manual review. If after reviewing the original claim image the claim is still incomplete, it will be denied and returned to the claimant for correction.
Duplicate Claims	If a claim matches another claim already in the system for member, provider, dates of service and services rendered, it will pend for manual review to determine if it is a duplicate claim. A claims processor can override a potential duplicate where not all elements match; however, only a supervisor can override a duplicate where all elements match.
Timely Provision Requirements	Some groups edit if Received Date is greater than the "to" Date Of Service by a specific number of days. Can be set on an in or out of network basis.
Appropriateness of Services	Magellan's claims system is currently able to determine the appropriateness of services/procedures given based on a consumer's age. An additional edit can be applied to track services given a consumer's sex as well as other characteristics that are desired by State of Louisiana.
Coding Validation	Magellan's claims system has built-in, integrated ICD-9, CPT-4, and mental health UCR tables, which claims are checked against to ensure appropriate claims processing.

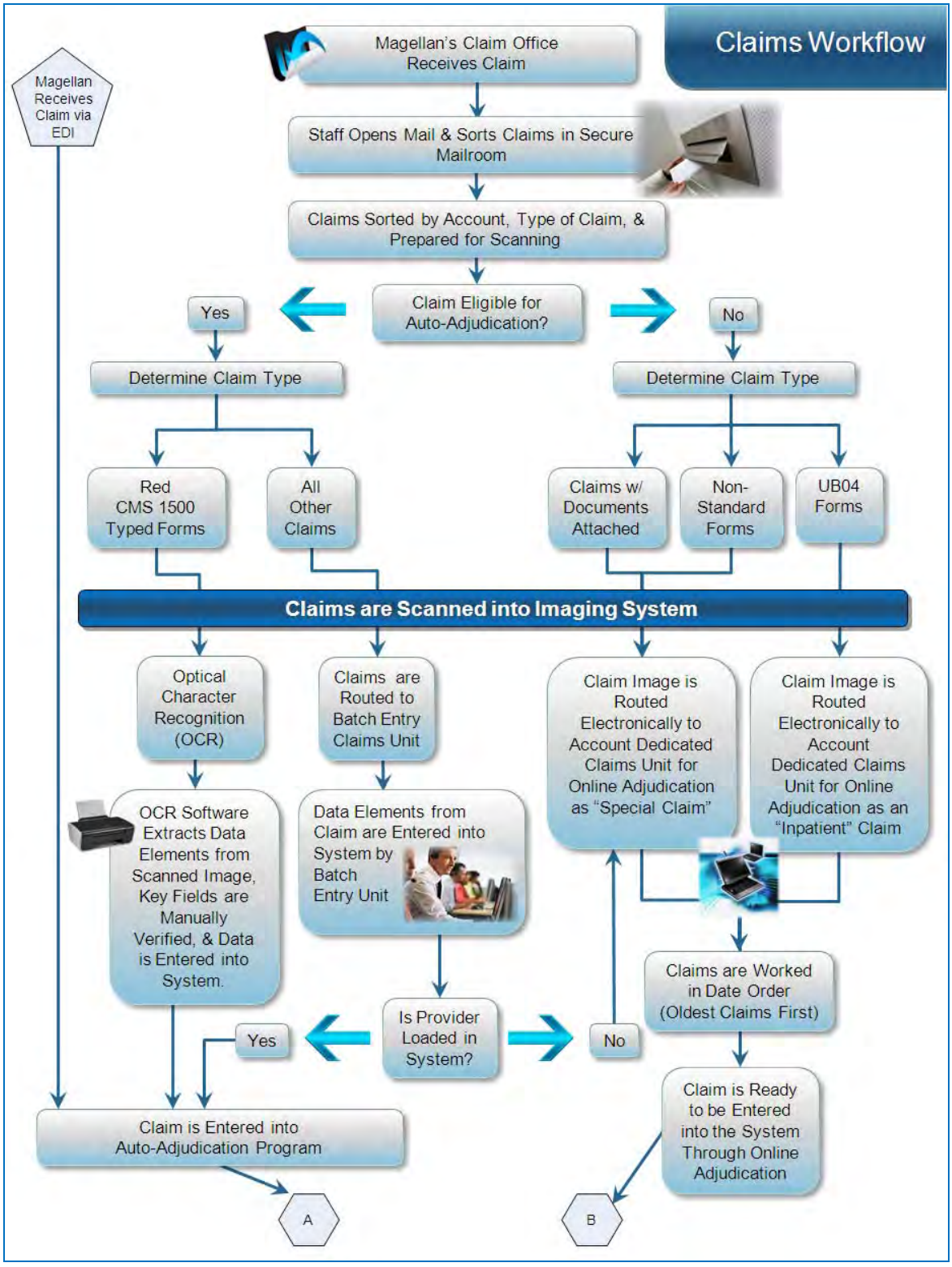
Edit Category	Description
Multiple Funding Arrangements	The system will be configured to recognize when one benefit code/funding arrangement has been exhausted.

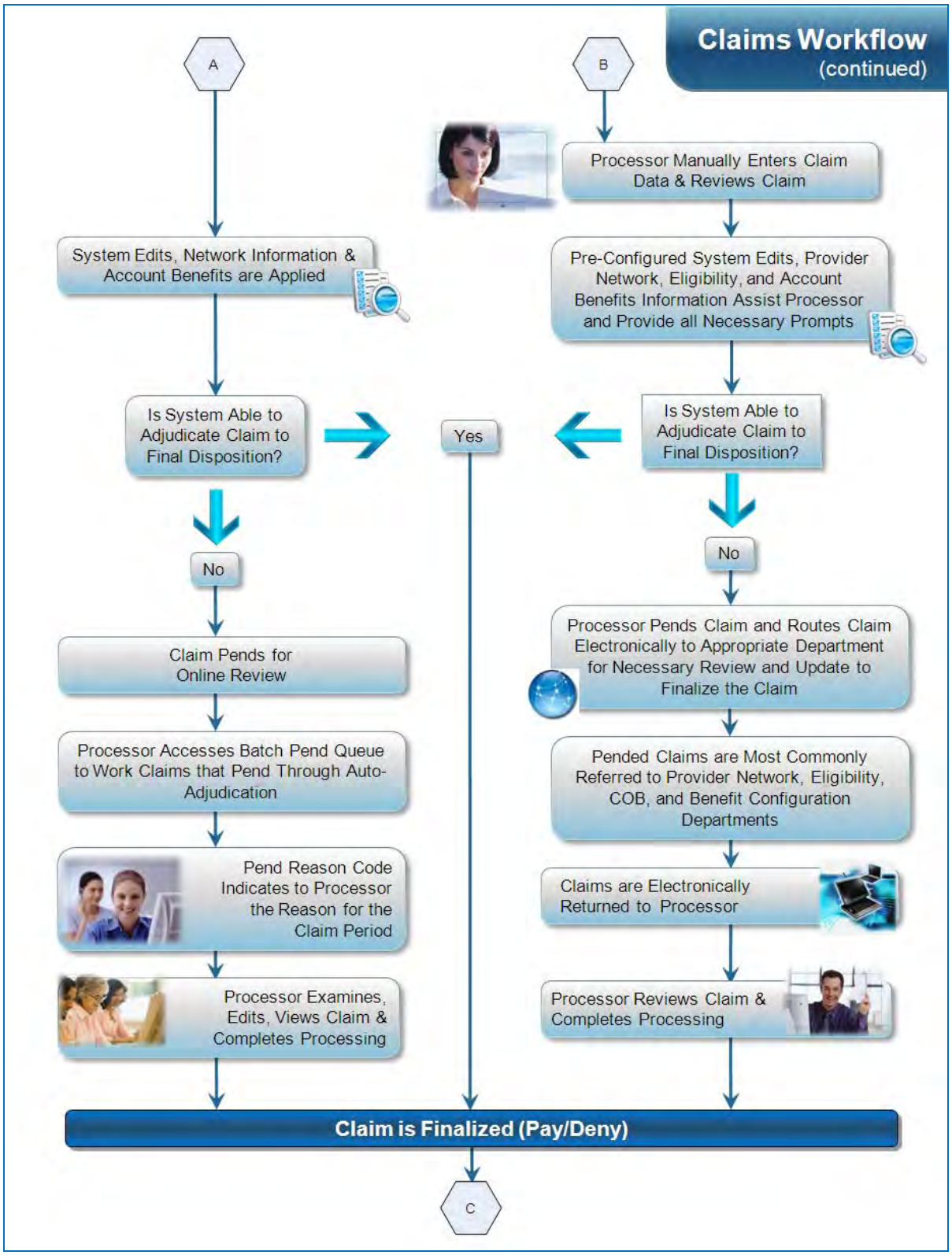
Once the adjudication process applies the system edits, a claim either adjudicates to a pay/deny status or is pended for additional review. The system supports an online pended queue that can be assigned to staff using multiple rules. Once a claims processor enters the pended queue, claims are presented to the processor using a first-in/first-out rule. The processor examines the edits and has access to view the claim image, provider, and authorization information. The processor then is able to finalize the pended claim using the online adjudication process.

Those claims that are not entered by batch, for example, CMS 1500 with attachments and UB04s are routed electronically to the appropriate claim unit for online adjudication by claims processors.

The following series of figures outlines our claims processing workflow, from receipt of a claim to the final payment of benefits. In the first figure, we outline the process of claim receipt/entry to the point where it enters CAPS for adjudication. In the second figure, we indicate how our system edits are applied early in the claims adjudication process.

Figure 2.g.xxxi.1. Claims Workflow




Claims Workflow
(continued)
A
B
Processor Manually Enters Claim Data & Reviews Claim
System Edits, Network Information & Account Benefits are Applied
Pre-Configured System Edits, Provider Network, Eligibility, and Account Benefits Information Assist Processor and Provide all Necessary Prompts
Is System Able to Adjudicate Claim to Final Disposition?
Yes
Is System Able to Adjudicate Claim to Final Disposition?
No
No
Claim Pends for Online Review
Processor Pends Claim and Routes Claim Electronically to Appropriate Department for Necessary Review and Update to Finalize the Claim
Processor Accesses Batch Pend Queue to Work Claims that Pend Through Auto-Adjudication
Pended Claims are Most Commonly Referred to Provider Network, Eligibility, COB, and Benefit Configuration Departments
Pend Reason Code Indicates to Processor the Reason for the Claim Period
Claims are Electronically Returned to Processor
Processor Examines, Edits, Views Claim & Completes Processing
Processor Reviews Claim & Completes Processing
Claim is Finalized (Pay/Deny)
C

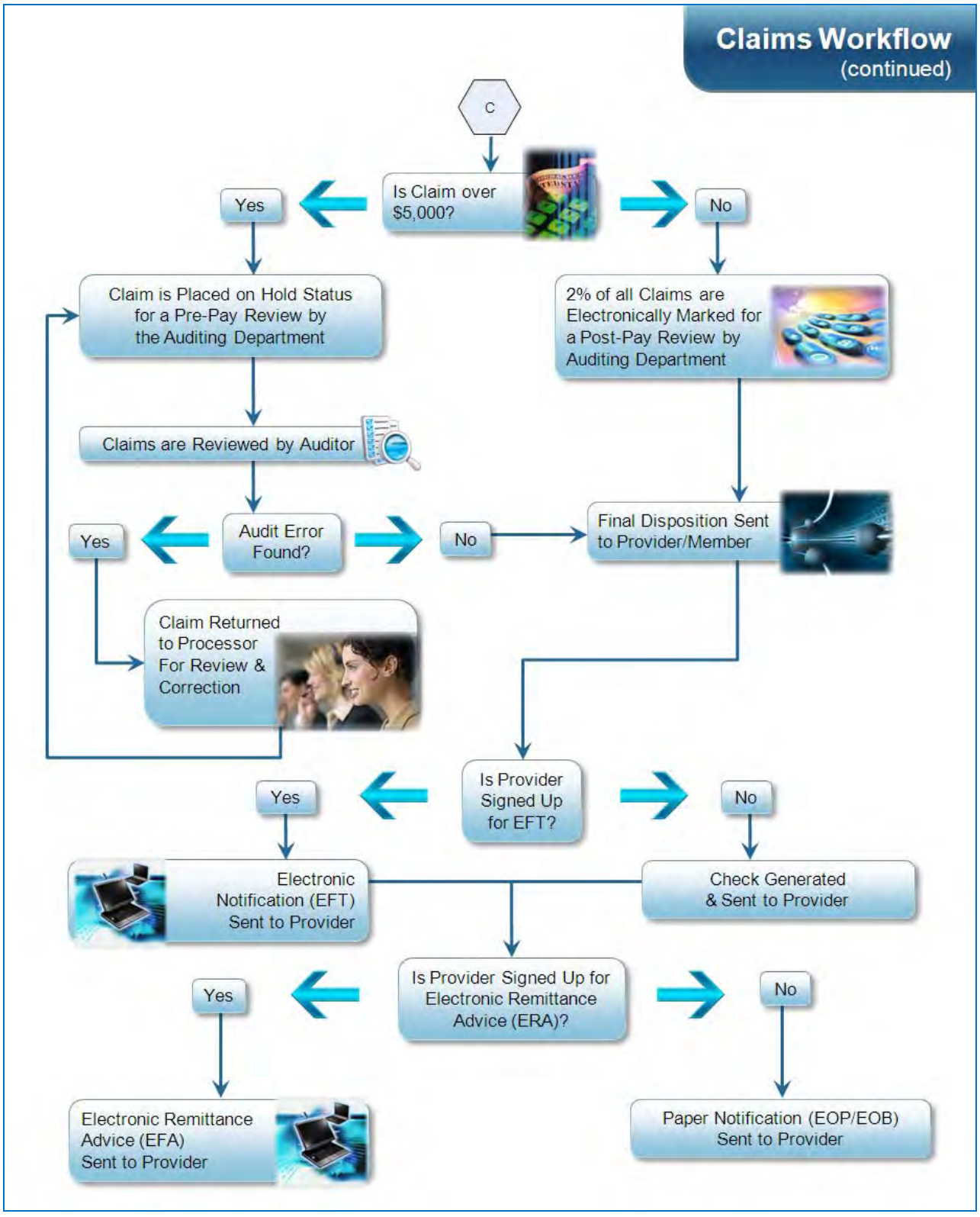

Claims Workflow
(continued)
C
Is Claim over $5,000?
Yes
No
Claim is Placed on Hold Status for a Pre-Pay Review by the Auditing Department
2% of all Claims are Electronically Marked for a Post-Pay Review by Auditing Department
Claims are Reviewed by Auditor
Audit Error Found?
Yes
No
Final Disposition Sent to Provider/Member
Claim Returned to Processor For Review & Correction
Is Provider Signed Up for EFT?
Yes
No
Electronic Notification (EFT) Sent to Provider
Check Generated & Sent to Provider
Is Provider Signed Up for Electronic Remittance Advice (ERA)?
Yes
No
Electronic Remittance Advice (EFA) Sent to Provider
Paper Notification (EOP/EOB) Sent to Provider

Figure 2.g.xxxi.2 EDI Claims Workflow details the methods providers may use to submit their claims and the path an electronic claim takes to get into our claims payment system.

During implementation, members of our IT team will meet with representatives of the State to review our standard claims edits and how they will apply to claims adjudicated on behalf of the State. At that time we will determine whether additional claims edits are needed to service the account.

COST AVOIDANCE

NCCI Avoidance utilizes correct coding methodologies in order to control improper coding leading to inappropriate payment.

[redacted]

xxxii. Provide the policy and procedure for fraud detection in claims submissions.

The built-in system edits that guard against fraud both during pre-processing and post processing of claims are configured to detect fraud indicators in the beginning of the adjudication process, before a pay/deny status is assigned. These edits include standard system edits that are common for processing all claims, and customer-defined edits that serve specific requirements of an individual customer's claims processing requirements. CAPS safeguards against such occurrences as:

- duplicate billing (the system prevents adjudication of more than one claim for service by applying the same procedure/diagnosis code to the same participant on the same date. This edit can be configured to specifications required by the customer.)
- charges for non-authorized services
- charges from network providers that exceed negotiated fees
- charges from out-of-network providers that exceed usual and customary rates (automatic payment reduction may be overridden by a claims supervisor in special circumstances)

On a routine basis, Magellan's claims processors hard-copy screen all claims for indicators of fraudulent submission. We complete retrospective reviews to analyze claims that fall outside the utilization boundaries established by our routine claims experience reports.

In addition to system edits that identify inappropriate provider claims, within our corporate security department, Magellan maintains a sophisticated special investigations unit (SIU), which is a member of the National Health Care Anti-Fraud Association (NHCAA). The SIU is responsible for detecting, preventing, and investigating suspected claims fraud and abuse by consumers, providers or other entities. The SIU investigates allegations of provider claims fraud, including:

- billing for services not rendered
- "upcoding" (exaggerating diagnosis of services rendered)
- unbundling
- misrepresentation of non-covered services
- duplicate billing.

Magellan's SIU reports any suspicion or knowledge of consumer fraud or abuse to the Office of the Inspector General (OIG) or other oversight agency(s), including client-specific state agencies, as appropriate. Every open case of detected offenses is monitored by Magellan's Director of the SIU every 30 days until resolution. This includes the development and monitoring of corrective action initiatives related to any confirmed instance of non-compliance, fraud, and/or abuse.

In Question 2.g.iii, we describe our required fraud and abuse training for all Magellan employees and contractors, including the targeted training required for all working in our claims processing department.

xxxiii. Describe the Proposer's coordination of benefits (COB) experience for determining payment. Suggested number of pages: 5

Magellan proposes utilizing our cost containment department, which is dedicated to developing methods for detecting "Other" or third party liability (TPL) and capturing savings for our customers. The cost containment department is accessible and highly visible to customers and providers of care. Its main function is to provide claims examiners with the best resources for discovering and processing claims involving COB, and for tracking the amount of money saved through COB. TPL includes the following:

- commercial coverage (e.g., Blue Cross and Blue Shield, Cigna, Aetna, Travelers)
- Medicare
- subrogation, including personal injury protection
- workers' compensation.

Our cost containment department makes use of the following legal resources to determine primary and secondary payment status:

- NAICA (National Association of Insurance Commissioners) Model COB Regulations are used to determine primary payer for commercial insurance
- CMS (Centers for Medicare and Medicaid Services) Guidelines are used for Medicare
- Applicable state and federal laws.

Magellan recognizes that Medicaid is always the payer of last resort. Therefore, it is critical to have procedures in place for determining TPL and for handling third-party collections. System edits are in place to identify potential TPL situations and proper coordination of benefits logic is applied in claims payments. This system is programmed using "Order of Benefit Determination" logic, assuming Medicaid is the "payer of last resort."

Magellan's CAPS has the ability to record third-party coverage down to the dependent level. The system carries effective and termination dates for coverage so that there is a historical record for claims payment purposes. The other insurance data is captured in one of two methods. Louisiana may provide third party coverage as part of the membership feed, in which case the other insurance database is updated with the membership load. TPL is entered on a claim by a checked box on the claim form indicating coverage or by money amount entered in the other insurance field or EOB is attached. When other insurance is identified in this manner, the data captured to coordinate benefits is manually entered by the cost containment department.

When a claim comes in with no information about other primary or secondary insurance, and we do not have information in our database, CAPS automatically generates a letter requesting this information. Claims examiners also forward COB leads and discrepancies based on explanations of benefits (EOB) that are attached to claims to the claims recovery department for final determination. New leads for primary coverage, determined as a result of investigation or received on returned COB letters, are entered into the claims processing system, which will then flag future claims for COB. Regardless of how the data is initially captured, the system will generate a follow-up COB letter to the consumer after 365 days, requesting updated information.

Table 2.g.xxxiii outlines the total dollar amount and percentage of COB Savings against claim dollars paid in FY 2010.

The cost containment department also performs queries over the CAPS system on a monthly basis to identify claims with COB. Reports are generated from the analytic services department, enterprise reporting group, and/or the cost containment department business analyst. These reports reflect consumers' files that have been updated within the

prior month, comparing them against any claims that may have been paid during that month, where benefits were not coordinated. If overpayments are identified, an auditor in the cost containment department then reviews the consumer's claims history through the corresponding claims system and identifies all potentially overpaid claims and initiates the overpayment recovery process.

Magellan achieves COB savings in several ways through our CAPS system. CAPS can be configured to coordinate using standard COB or benefit-less-benefit guidelines. In addition, the system has the ability to activate COB Savings Bank on an "account" basis, allowing flexibility to support customers who want COB Savings, as well as those who do not. The system also supports the entry of the COB allowable amount, and, based on the guidelines of the plan, either the lower or higher allowable can be considered.

xxxiv. Describe the Proposer's third party liability and COB process for identifying other health insurance. Include the capture and storing of other health insurance information. Include any system edits invoked during claims processing. Suggested number of pages: 3

Magellan utilizes data provided by the State and presented on claims to identify the presence of primary insurance, which will be part of the eligibility information Magellan receives from the State.

System edits in CAPS will identify claims which require coordination of benefits and will pend them for manual review. Such claims may include data indicating prior payment by another payer, or an attached EOB from a primary payer. Other system edits include those that will indicate other primary coverage, such as coverage from a spouse. Coordination of Benefits designation is a required field for our CAPS system.

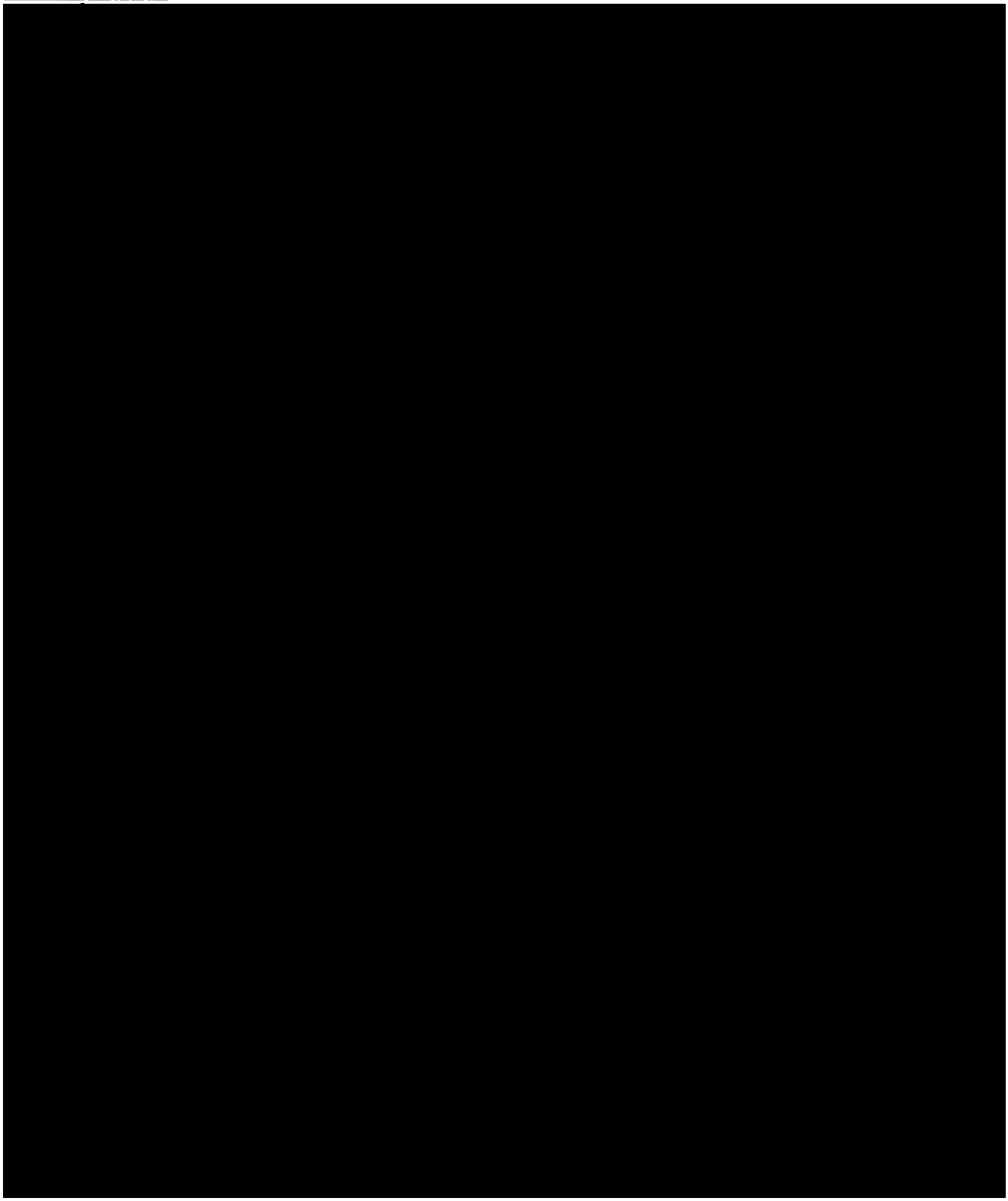
Magellan supports COB investigation in several ways. Magellan is able to pay and pursue, pursue and pay, or administer our standard, which is to pay for inpatient and alternative levels of care and to pay and pursue for outpatient services. Based on the individual customer contract, Magellan will deny claims identified with other insurance coverage. Should Magellan identify the presence of primary insurance and claims have already been paid, overpayment recovery will be initiated.

Depending on the method specified by the State, Magellan can and will configure our claims processing system (CAPS) to support paying or pursuing as appropriate, with a COB inquiry letter generated as the result of an initial claim. The letter will be sent to the consumer. In addition, our system supports ongoing administration of the COB method while also generating additional requests for COB information (from the consumer) at configurable intervals until the requested information is received.

Once the COB information is received, the claim system is updated to reflect the reported information, and if no other insurance exists, all previously denied claims are reviewed and adjudicated in accordance with plan provisions. If other insurance information is reported, the previously denied claims remain in the denied status until such time the primary carrier EOB for each service is provided.

xxxv. Describe the Proposer's hardware and platform on which the software runs. Describe the environment in which the processor is or will be located. Suggested number of pages: 3

Magellan's primary data center is a Tier 3 rated facility located in Maryland Heights, Missouri. It is constructed with true floor-to-ceiling walls with no exterior windows. A badge reader located at the solid wood entry door limits access to authorized employees. A sign posted at the data center entry requires employees to swipe their own ID badge. Tailgating is prohibited. All doors are covered by digitally recorded closed circuit television cameras. Monitors are located in the data center command center and the Magellan security office. Data center staff is on site 24 hours of the day, seven days of the week, every day of the year. Visitors to the data center are required to sign in and out upon entering and leaving and must be escorted by an authorized Magellan employee.



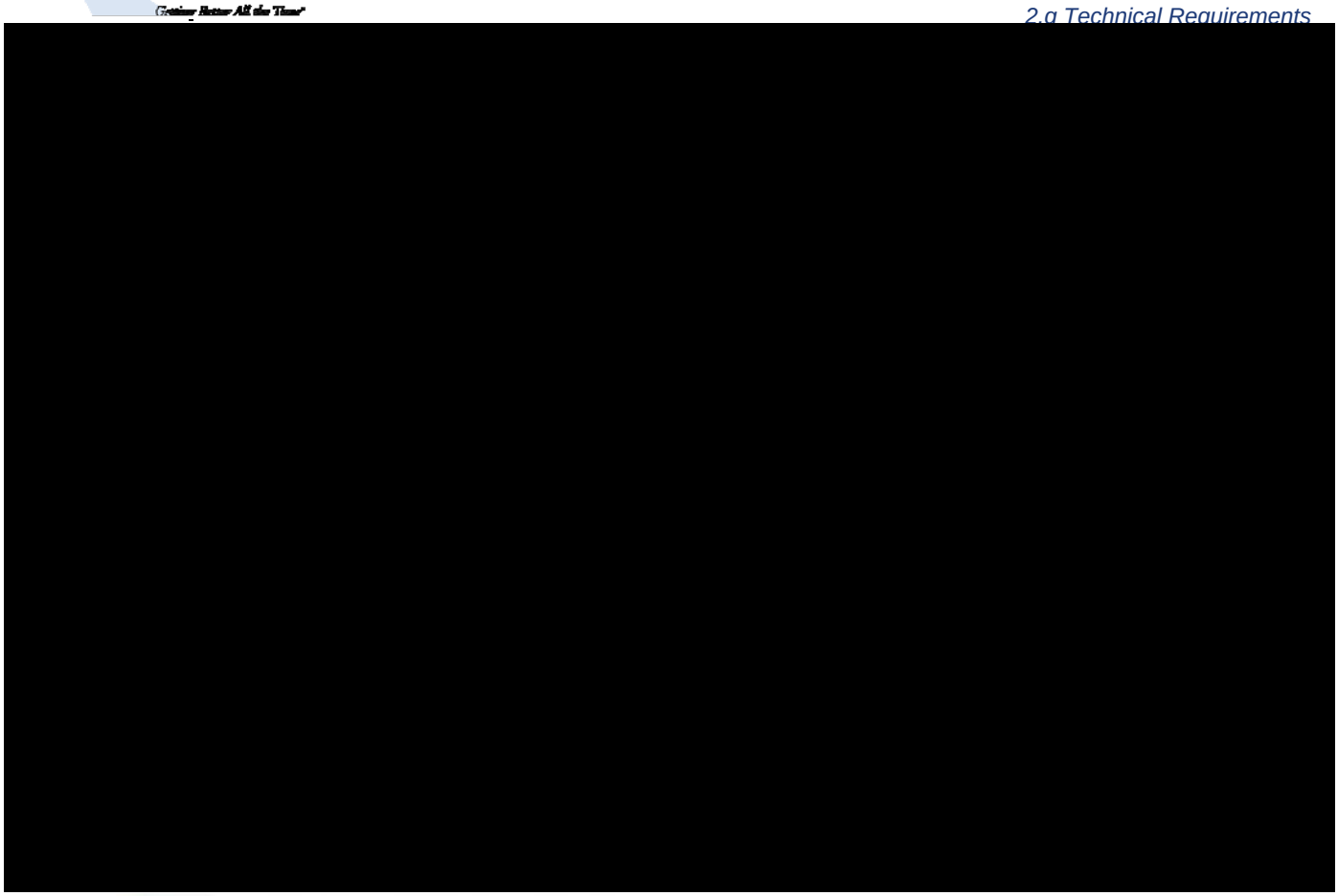
xxxvi. Describe the Proposer's operating system/network infrastructure on which the software runs. Describe the programming language utilized and the software used to develop it. Describe how the source code can be purchased and if the Proposer can customize the software. Describe the Proposer's policy and procedure on software upgrades. Suggested number of pages: 5

Magellan's IT Department services and maintains our systems, employing the developers and analysts. We own the source code to our systems, which allows us to exercise complete control over the change management process. Magellan, as a public company, is required to comply with all aspects of the Sarbanes-Oxley Act of 2002 (SOX). External auditors have verified Magellan's compliance since the inception of the requirements.

Magellan provides connectivity to centralized applications to all of our service centers from our three geographically diverse data centers. This connectivity is provided via two carrier-diverse MPLS networks. All locations are connected to both networks using redundant Cisco routers into our MPLS cloud, where traffic is routed to and from the data centers.

The data centers in Phoenix, Arizona, Maryland Heights, Missouri, and Columbia, Maryland are linked to Magellan's field operations companywide via our WAN converged (voice and data) communications architecture. This converged WAN was built with 100-percent Cisco networking equipment. We have redundant circuits and routers at all service center locations. The architecture's redundancy ensures that greater than 100 percent excess bandwidth is available. Magellan has the capacity to reroute calls over our converged WAN or the Public Switched Telephone Network (PSTN), providing an additional layer of redundancy.

As shown in the next image, business partner file transfers are accomplished using a combination of dedicated circuits (Extranet) that are used to build our business partner network and VPN tunnels, terminating either in the Maryland Heights, Missouri, or Columbia, Maryland data centers. Business partners who connect to Magellan via secure VPN can access our network resources. These two data centers are connected via our converged WAN using diverse carriers and redundant Cisco routers.



As shown in the next image, providers, customers, and clearinghouses also can access Magellan using the Internet to connect to our provider Web sites located in our data centers. To access the Internet, users traverse local routes and firewalls to get to one of our two redundant Internet access points.

CHANGE MANAGEMENT

When we need to customize or make programming changes to our systems, we have internal controls in place to ensure these system enhancements are highly coordinated to prevent them from interfering with our business operations. When an implementation is scheduled, Magellan freezes all internal system development, changes, and maintenance to ensure no system disruptions affect services.

All maintenance/repairs follow procedures outlined in our Software/ Hardware/ Data Change Management Policy. The purpose of the policy is to ensure updates made to applications, systems, direct accessed data, and hardware are:

- documented in a clear, concise manner
- managed to prevent system/performance conflicts
- scheduled to minimize impact on normal business operations
- approved and communicated effectively to all IT departments and the user community
- implemented to support efficient and stable updates in the future.

Even minor changes to our systems follow the procedures outlined in our policy. This allows us the ability to track all aspects of the work for systems management and budgeting.

We execute projects in distinct phases, each having specific activities and deliverables and following a formal, customized workplan that controls every step.

Magellan follows a unidirectional software development life cycle (SDLC) for all of our applications. Each solution is developed in a development environment, then promoted to a staging environment for testing, then promoted to the production environment for use. This ensures each environment is properly updated as changes are made.

To identify and prioritize new requirements, a Magellan employee creates a system project request (SPR) and then obtains vice president approval before routing it to IT. For emergency requests, the employee contacts the IT support center, who creates a Help Desk Expert Automation Tool (HEAT) ticket. These SPRs and HEAT tickets are prioritized by a committee of the business owner vice presidents. When an SPR or HEAT ticket is activated and resources are assigned, the IT systems analyst works with the users to gather and refine the functional requirements.

The project team transforms the functional requirements into a technical design. A system change document (SCD) describes each component. If the development and testing processes subsequently identify a need for additional changes, we evaluate the impact of each change, submit it for project management or Steering Committee approval, and update the change in new versions of the Business Requirements, Functional Requirements, SCDs, and testing plans (sign offs), documenting the software development life cycle.

As part of our commitment to stringent internal controls, Magellan has implemented the use of a repository of documentation for software changes and upgrades in Magellan's Web-based change management application, MKS Integrity Manager. This software enables IT personnel to communicate change activity to a central location, allows change information to be stored in a database, provides real-time access to the current agenda and schedule of changes, and provides real-time access to past and future submitted changes.

Programmers check out the source code from the secure development environment using MKS Integrity Manager. Changes to the source can only be made once the source code has been copied from the secure development environment to the programmer's personal development environment via an approved promotion request. Changes to source code in the secure development environment are not possible and can only be made to the copy of the source that was placed within the programmer's personal development environment.

As we create/modify programs, we use the "check-in/check-out" capability of MKS to maintain version control. This approach ensures that we:

- coordinate changes across multiple projects
- only allow authorized personnel to make changes
- maintain an audit trail that identifies who has touched the code
- obtain proper approvals before we promote changes to another environment.

SERVICE PACKS, REVISIONS, AND PATCHES

Magellan ensures that all service packs, revisions and patches are properly installed and that proper installation instructions are followed. When patch software is released, an evaluation is made of the patch and documented by the patch management team. The enterprise server administrator and the desktop patch management group determine the urgency of vulnerabilities and related software updates once released, typically from Microsoft security bulletins through email received from Microsoft, the Microsoft Security Response Center (MSRC) or a review of the Security section from Microsoft's Web site. Other sources such as Windows Update, Technology & Business Daily Scoop, Schavlik and Google are queried and checked thoroughly for their relevance to the IT infrastructure. Once a decision and approval to deploy the software update or security patch is made, a thorough test of the software update or security patch is made in a production-like environment to confirm that it does not compromise business critical systems and applications.

OS Patches on Windows servers are tested and loaded within four days. Desktop Windows OS and third party patches/upgrades are loaded in a three-tiered process.

1. They are first loaded to an "IT Operations Only" test system to test the functionality of the release.
2. Following functional certification by the system administration team, they are loaded on to the development, test, and training systems for application compatibility testing.
3. Once certified for compatibility by the applications development teams, the release can be installed on the production environments.

The same three-tiered installation process is followed for third-party software upgrades and patches. Highly-critical patches may be pushed immediately with little testing if there is a major security risk.