



Medicaid Managed Care Readiness 101

-- For Agency Staff --

Learning Objectives

- **To Understand:**
 - Basic principles of Managed Care as a payment vehicle for health care services
 - The structure of the current NYS Medicaid Managed Care program
 - Anticipated changes as the State rolls out a new Medicaid Managed Care Model to support those with Behavioral Health needs.
- Begin to think about the steps you and your organization can be taking to prepare



What is MCTAC?

MCTAC is a training, consultation, and educational resource center that offers resources to all mental health and substance use disorder providers in New York State.

MCTAC's Goal:

To provide training and intensive support on quality improvement strategies, including business, organizational and clinical practices to achieve the **overall goal of preparing and assisting providers with the transition to Medicaid Managed Care.**



Who is MCTAC?

McSilver Institute
for Poverty Policy and Research
NYU SILVER SCHOOL OF SOCIAL WORK



MCTAC Offers:

- Support and capacity building for providers
 - tools
 - consultation
 - informational forums
 - assessment tools
 - learning communities
- Critical information along each of the domain areas necessary for Managed Care readiness
- Feedback to providers and state authorities on readiness for Managed Care.
- MCTAC will serve as a clearing house for other Managed Care technical assistance efforts



**Leadership and Staff
Members will need to Work
Together to Support these
Initiatives in ways that Create
Synergy within the
Organization....**



Setting The Stage For Understanding Managed Care



Vision for Medicaid Reform

“It is of compelling public importance that the State conduct a fundamental restructuring of its Medicaid program to achieve measurable improvement in health outcomes, sustainable cost control and a more efficient administrative structure.”

- Governor Andrew Cuomo, January 5, 2011

EXPECTED OUTCOMES:

- Improved Health Status
- Improved Quality of Care
 - Reduced Costs

Care Management For All



Medicaid Expenditures: 2013

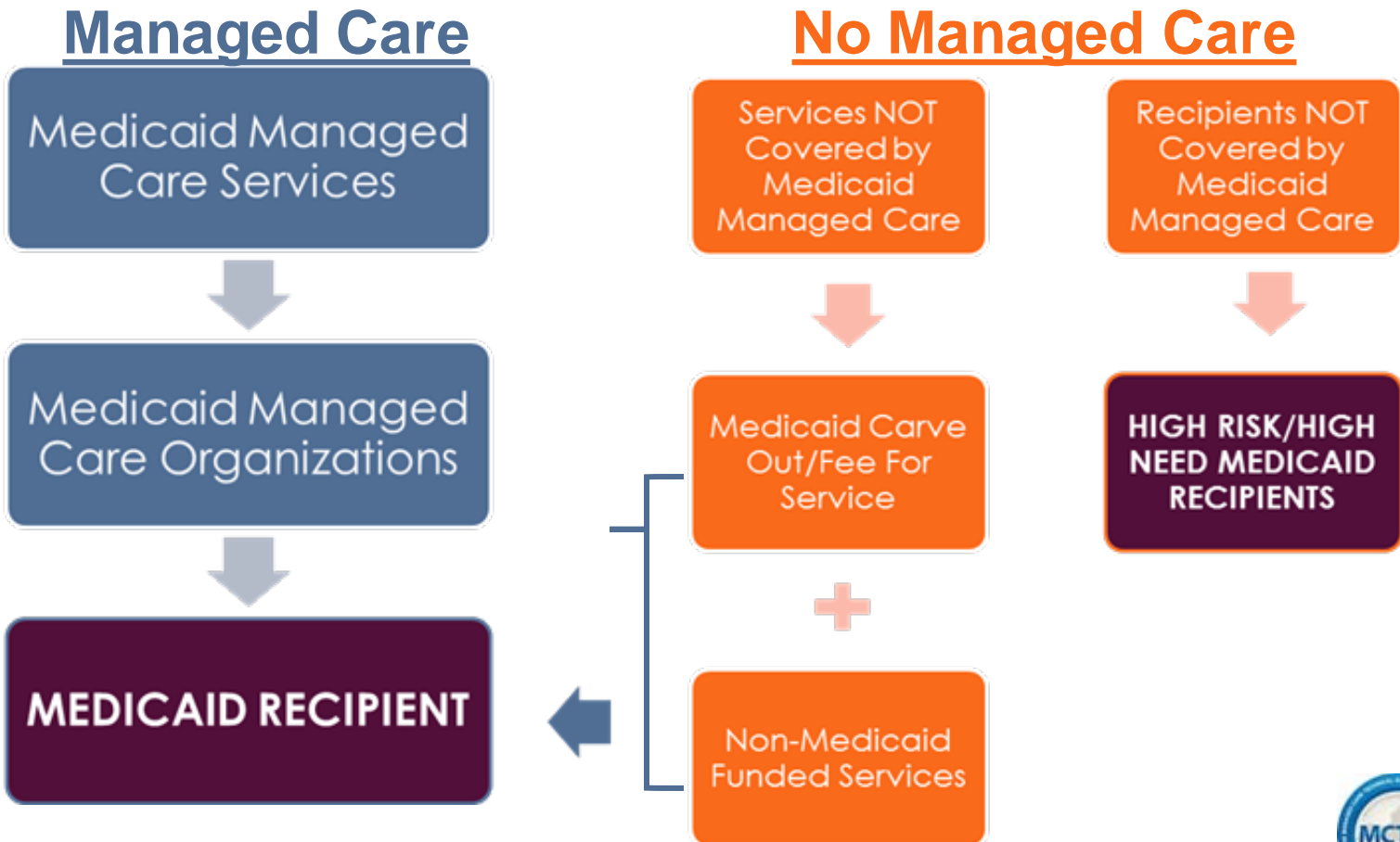
\$49.1 billion



Managed Care 101



The Publicly Funded Behavioral Health System Today



Managed Care: Definition

- An integrated system that **manages health services** for an enrolled population rather than simply providing or paying for the services
- Services are usually delivered by providers who are contracted under a capitated payment structure or employed by the plan
- Value of services vs. volume of services



Managed Care: Goals

- **Control Costs**
 - Health care costs growing faster than GDP
 - Reduce inappropriate use of services
 - Increase completion: focus on value
- **Improve Service Quality**
- **Improve Population Health**
- **Increase Preventive Services: Promote Health** (not just treat illness)



Managed Care: Key Ingredients

- Care “management”
 - Utilization management
 - Health management
- Vertical service integration and coordination
- Financial risk sharing with providers



Managed Care: Key Components

- Network of providers created via contracting
- Prior approval required for inpatient admissions, specialty visits, elective procedures, etc.
- Benefits package with a defined set of covered services
- Contained list of covered pharmaceuticals (Formulary)
- Utilization review practices to manage inpatient admissions and length of stay
- Credentialing
- Outcomes & data driven decision making



How Managed Care Is Paid

Capitation

- Managed Care Organization receives a **fixed** payment each month for each member: Per Member Per Month (PMPM) from New York State
 - Fixed fee is for a specific time period (typically a month)
 - Covers defined set of services (these are the benefits)
- Provider accepts risk for delivering services:
 - Agrees to comply with prior authorization and utilization management practices
 - May enter into pay for performance arrangement



How Providers Are Paid

- Negotiated fee for service: some MDs, ancillary services, labs, etc.
- Capitation Rate: MD groups, hospitals or Accountable Care Organizations (ACOs) may enter into such agreements.
 - May include shared risk/savings arrangement
- Per diem/ fixed daily payment: hospitals, SNF
- Payment based upon the episode of care:
 - Diagnostically Related Groups (DRGs)- Today
 - Acute /post acute bundled payments- Future



Determining Service Provision and Payment

YES

- Member?
- Service Included?
- Medically Necessary?
- Authorization?
- MCO Network?

The answers to all of the above questions must be “**YES**” if the service is to be paid by the MCO.



Health Care System Challenges

- 20% of people discharged from general hospital psychiatric units are readmitted within 30 days.
 - A majority of these admissions are to a different hospital.
- Discharge planning often lacks strong connectivity to outpatient aftercare.
 - Lack of assertive engagement and accountability in ambulatory care.
 - Contributes to: readmissions, overuse of ER, poor outcomes and public safety concerns.
- Lack of Substance Use Disorder (SUD) care coordination for people with serious SUD problems leading to poor linkage to care following a crisis or inpatient treatment.
- People with serious mental illness die about 25 years sooner than the general population, mainly from preventable chronic health conditions.



Other Health Care System Challenges

- **Criminal Justice**
 - People with mental illness and/or substance use disorders are over represented in jails.
- **Employment**
 - Unemployment rate for people with serious mental illness is 85%.
 - 33% of people entering detox were homeless and 66% were unemployed in 2011.
- **Homelessness**
 - A significant percentage of homeless singles populations has serious mental illness and/or substance use disorder.



Other Health Care System Changes Anticipated....



DIA: Drowning in Acronyms!

ACO
RPC
MRT
DISCO
MLTC
FIDA
Health Homes
HARP
BIP
LGU
DSRIP
MCO
HCBS

Services To Be Covered by MCO as of October 1, 2015 for NYC and no earlier than April 1, 2016 for rest of state

(Not paid for by MCOs today)

- Continuing Day Treatment
- Partial hospitalization
- PROS
- ACT
- Substance Use Disorder outpatient services... Including OTP
- Residential rehabilitation(SUD residential services to be redesigned and clinical services to become billable)
- Inpatient Psychiatric services (currently FFS for all SSI Medicaid recipients)
- Rehabilitation services for residents of community residences (beginning in year 2)



Managed Care Organizations and Health and Recovery Plans (HARPs)



What is a HARP?

Health and Recovery Plans (HARPs)

Via New York State DOH:

“Distinctly qualified, specialized and integrated managed care product for individuals with significant behavioral health needs”

Enrollees can receive current services as well as Home and Community Based Services

Eligibility based on utilization pattern or functional impairment.



Managed Care & HARP

○ What will Change?

- All Medicaid recipients will be members of a Managed Care Plan (except those dually-eligible for Medicare)
- Individuals w/significant needs can become a part of a Health and Recovery Plan (HARP) - receive services not available through the standard BH plan
- HARP members will be eligible for Home and Community Based Services (HCBS)
- The HARP model:
 - Is person centered, recovery-focused
 - Relies on care management for high need individuals
 - Emphasizes community services rather than inpatient services
 - Integrates Services
 - Creates greater system accountability and supports for achieving outcomes



Health and Recovery Plans (HARPs)

Who is eligible?

- Must either meet the target risk criteria and risk factors or be identified by service system or service provider identification

Target Criteria:

- Eligible for Mainstream enrollment and Medicaid enrolled
- 21 and older
- Serious Mental Illness/Substance Use Disorder diagnoses
- Not dually eligible for Medicare
- Not participating in OPWDD program

All HARP enrollees will be expected to have a Health Home Care Manager



Services To Be Covered by HARPs

Referred to as Home and Community Based Services (HCBS) for Adults Meeting Targeted and Functional Needs.

- Rehabilitation (Psychosocial Rehab, Community Psychiatric Support and Treatment (CPST), crisis intervention)
- Peer Supports
- Habilitation/Residential Supports in Community Settings
- Respite (Short Term Crisis Respite, Intensive Crisis Respite)
- Non-medical transportation
- Family Support and Training
- Employment Supports (Pre-voc, transitional Employment, Intensive Supported Employment, Ongoing Supported Employment)
- Educational Support Services
- Supports for Self-Directed Care (To be phased in as a pilot)(Information and Assistance in Support of Participation Direction)



MCO & HARP: System Reform Goals

It is necessary to ensure each MCO has adequate capacity to assist NYS in achieving system reform goals including:

- **Improved health outcomes** and reduced health care costs through use of managed care strategies /technologies
- Transformation of the BH system from **inpatient focused system to a recovery focused outpatient system of care.**
- **Improved access** to more comprehensive array of community-based services grounded in person centered recovery principles.
- **Integration of physical and behavioral health services and care coordination through program innovations**



MCO & HARP: Expected System Outcomes

- Improved individual health and behavioral health life outcomes
- Improved social/recovery outcomes including employment
- Improved member's experience of care
- Reduced rates of unnecessary or inappropriate emergency room use
- Reduced need for repeated hospitalization and re-hospitalization
- Reduction or elimination of duplicative health care services and associated costs
- Transformation to a more community-based, recovery-oriented, person-centered service system.



MCO & HARP: *Questions*

- *What does this mean to the work of your organization?*
- *Is your agency delivering services on the lists of additional Managed Care covered services, but have never had a contract with an MCO?*
- *What will you need to do differently moving forward?*



Transformational Alignment

Common Themes	Behavioral Health Carve-In	Health Homes	DSRIP
SHARED GOAL:	Reduce avoidable ED and Inpatient admissions	Reduce avoidable ED and Inpatient admissions	Reduce avoidable ED and Inpatient admissions
SHARED THEMES:			
Collaboration	New relationship expectation for MCOs and Providers	Cross-systems Care Team required	Essence of Performing Provider Systems; mutual accountability across NYS
Integration	Goal for QHP's Required for HARPS	Required for Health Homes (Unfunded)	Required and potential dollars
Care Management	Available through QHP Required for HARP	New dollars to expand care management availability	Tool for achieving DSRIP goals
New Solutions	Flexible supply of Medicaid payable 1915i Services	Required focus on social determinants of health	Key to success
Focus on Outcomes	Core MCO value	Core Health Home value	Core DSRIP value

Managed Care Timeline -- NYC

- **July - October 2015** – NYC HARP passive enrollment letters distributed
- **October 1, 2015** – Mainstream plans and HARPs implement non-HCBS behavioral health services for enrolled members, HARP enrollment phases in.
- **January 1, 2016** – NYC HCBS Begins for HARP population
- **January 1, 2016** – Children's Health Home
- **January 1, 2017** - NYC & Long Island Children's Transition to Managed Care



Managed Care Timeline -- Rest-of-State

- **Summer 2015** – RFQ distributed (with expedited application for NYC designated Plans)
- **Fall 2015** – Conditional designation of Plans
- **October 2015-March 2016** – Plan Readiness Review Process
- **April 2016** – First Phase of HARP Enrollment Letters Distributed
- **July 1, 2016** – Mainstream Plan Behavioral Health Management and Phased HARP Enrollment Begins
- **July 1, 2017** - Children's Transition to Managed Care



What Should Staff Members be Doing to Prepare?



Agency Readiness Areas

Domain	Name	
1	Understanding MCO Priorities & Present Managed Care Involvement	MCO Priorities
2	MCO Contracting	Contracting
3	Communication/Reporting (Services authorization, etc.)	Communication
4	IT System Requirements	IT
5	Level of Care (LOC) Criteria / Utilization Management Practices	Level of Care
6	Member Services/Grievance Procedures	Member Services
7	Interface with Physical Health, Social Support and Health Homes	Interface
8	Quality Management/Quality Studies/Incentive Opportunities	Quality
9	Finance and Billing	Finance
10	Access Requirements	Access
11	Demonstrating Impact/Value (Data Management & Evaluation Capacity)	Evaluation

Getting Ready!

- **Innovate/Adapt:** Consider how your work might need to change in order to support the outcomes required in the transformed system
- **Training:** Think about the training you will need in order to be successful in this new model – and share your thoughts with your supervisor
- **Stay Informed:** Read articles and other materials given you to better understand how these changes will impact your work
- **Get Involved:** Participate in relevant trainings / agency planning sessions



How Can MCTAC Help?



Areas to Think About

- **Evidence Based Practices:** Everything under managed care is going to link back to evidence based practices and the ability to measure progress
- **Value over Volume:** Under Managed Care, payment will be more dependent on outcomes and goals reached with individual clients as opposed to the number of clients seen.
- **Understanding Managed Care lingo:** In order to get the best care for clients, learning the vocabulary necessary to advocate on their behalf when speaking with Managed Care companies will be vital.

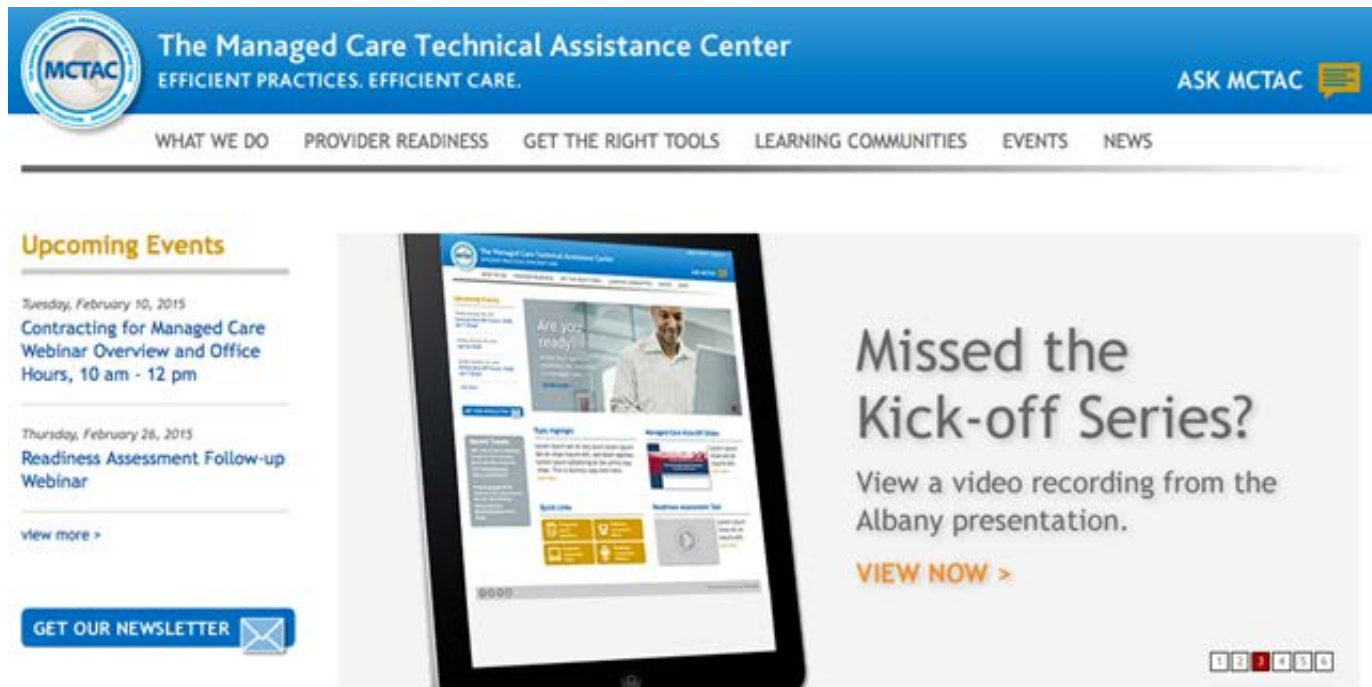


Steps to Take

- **Participate** in MCTAC Technical Assistance offerings based upon needs identified.
- Look for opportunities to **synchronize** your how you work with clients to **evidence based-practices**.
- **Develop** relationships with Managed Care Companies and learn how to speak their language



Visit www.mctac.org to view past trainings, sign-up for upcoming events, and access resources.



The screenshot shows the MCTAC website homepage. At the top is a blue header with the MCTAC logo on the left, the text "The Managed Care Technical Assistance Center" and "EFFICIENT PRACTICES. EFFICIENT CARE." in the center, and "ASK MCTAC" with a chat icon on the right. Below the header is a navigation menu with links: "WHAT WE DO", "PROVIDER READINESS", "GET THE RIGHT TOOLS", "LEARNING COMMUNITIES", "EVENTS", and "NEWS". The main content area features a section titled "Upcoming Events" with two events listed: "Tuesday, February 10, 2015 Contracting for Managed Care Webinar Overview and Office Hours, 10 am - 12 pm" and "Thursday, February 26, 2015 Readiness Assessment Follow-up Webinar". Below the events is a "view more >" link and a "GET OUR NEWSLETTER" button with an envelope icon. To the right of the text is a tablet displaying the website's content, and further right is a promotional banner for a video recording titled "Missed the Kick-off Series?" with a "VIEW NOW >" link and a video player icon.

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 @CTACNY