Preparing for Medicaid Managed Care and Value Based Payment in New York State

NYS Office of Mental Health
August 14, 2019
What is the NYS Public Mental Health System?

- Approximately 4,500 State, voluntary, and county-operated mental health programs
  - i.e., Clinics, Personalized Recovery Oriented Services (PROS), Assertive Community Treatment (ACT) Teams, Comprehensive Psychiatric Emergency Programs (CPEP), Inpatient Programs, Home and Community Based Services (HCBS) providers

- Serves approximately 772,000 individuals

- $7 Billion in public mental health system expenditures
  - All funding sources such as Medicaid, Medicare, commercial insurance, SSI revenues for supporting housing and state aid
  - About $1.5 billion in State aid for mental health services
Medicaid is a Major Payer of Healthcare in NYS

- Approximately $70 billion annually
- 6.5 million NYS residents on Medicaid (1 in 3 New Yorkers)
  - 4.3 million are in one of 18 managed care plans
  - 9 plans use a Behavioral Health subcontractor
- 2 out of 5 children in the State are on Medicaid
- 27% of NYS Medicare beneficiaries are on Medicaid.
  - Account for 43% of Medicaid spending.
- In parts of NYS, Medicaid is the major source of health coverage*
  - High of 71% in the Bronx
  - Low of 15% in Putnam County
  - New York State Average is 38%

Mental Health Funding in NYS

- Medicaid – largest payer
  - $4.6 billion Behavioral Health spend annually. About 7% of the Medicaid budget
    - $3.5 billion is mental health and $1.1 billion substance use

- Medicare
  - Second largest payer for public mental health services
  - Significant payer for inpatient psychiatric care in Article 28 hospitals

- State and local general fund dollars
  - Fund a range of services such as supported education, peer support, drop in centers, clubhouses, vocational supports, crisis services, housing, housing supports

- Third Party Health Insurance
Behavioral Health in Managed Care

- Mainstream Managed Care Organizations (MCOs):
  - Integrated benefits for adults and children (children moving in now)
  - MCOs qualified by NYS to administer the Behavioral Health benefit

- Health and Recovery Plans (HARPs):
  - For adults (21 and over) with serious mental illness and/or substance use disorders
  - Focused on integrated care for people with serious mental illness and substance use disorders
  - Specialized staff and enhanced benefits
    - Behavioral Health Home and Community Based Services
  - About 130,000 enrollees statewide
What is Value-Based Payment (VBP) through Medicaid Managed Care in NYS?

- Reimbursement focused on value
  - Fee-for-Service incentivizes volume, not outcomes

- Reduce total cost of care
  - Providers rewarded for achieving cross-system quality outcomes at or below expected total costs

- Focus is on quadruple aim
  - Improve Quality
  - Patient Experience
  - Reduce Costs
  - Care Team Well-being

- By April 1st, 2020, 80-90% of total MCO Medicaid expenditure (in terms of total dollars) must be captured in at least Level 1 VBPs
  - At least 35% of total payments contracted through Level 2 VBPs or higher for fully capitated plans
  - 15% contracted in Level 2 or higher for not fully capitated plans
## Value Based Payment - Levels of Risk

<table>
<thead>
<tr>
<th>Level 0 VBP</th>
<th>Level 1 VBP</th>
<th>Level 2 VBP</th>
<th>Level 3 VBP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Activity Based Payments</strong> (ABP) with quality bonus and/or withhold based on quality scores</td>
<td>ABP with upside-only shared savings available when outcome scores are sufficient</td>
<td>ABP with risk sharing (upside available when outcome scores are sufficient)</td>
<td>Prospective capitation bundle (with outcome-based component)</td>
</tr>
<tr>
<td>Activity Based Payments</td>
<td>Activity Based Payments</td>
<td>Activity Based Payments</td>
<td>Prospective total budget payments</td>
</tr>
<tr>
<td>No Risk Sharing</td>
<td>↑ Upside Only</td>
<td>↑ Upside &amp; ↓ Downside Risk</td>
<td>↑ Upside &amp; ↓ Downside Risk</td>
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</tbody>
</table>
Behavioral Health Care Collaboratives (BHCCs)

Without a focus on Behavioral Health (BH), value based outcome and spending reductions will be hard to achieve

- In NYS, Medicaid members with a BH diagnosis account for:
  - 21% of the population but 60% of Medicaid expenditures
  - 53.5% of hospital admissions
  - 45% of Emergency Department visits
  - 82% of all readmissions within 30 days of the original admission
    - 59% of those readmissions were for a medical condition

- The average length of stay per admission for BH Medicaid recipients is 30% longer than for the overall Medicaid population

- People with BH conditions experience poor inpatient to outpatient connection

based on 2014 Medicaid claims data
**Behavioral Health Care Collaboratives (BHCCs)**

- New York State is investing $60 million over three years to support BH providers transitioning to VBP
  - Funds reinvested from Medicaid managed care savings
  - The final BHCC deliverable is participation in a VBP arrangement

- BHCCs must
  - Provide the full spectrum of BH services available in a region
  - Promote social determinants of health (SDH), physical health, and prevention through community partnerships

- BHCCs may take on a variety of forms ranging from loosely structured to incorporated entities
BHCC Goals

Resources to:

- Measure and achieve clinical quality outcomes
- Show value and track quality
- Develop infrastructure to support data collection, reporting, and analytics
- Enhance BH provider readiness to participate in VBP arrangements
- Demonstrate value of rehabilitation and recovery
- Survive healthcare transformation
BHCCs MUST Connect To:

- Peer-run agencies
- Certified Community Behavioral Health Clinics (CCBHCs)
- Primary care providers
- Community-based programs addressing SDH
- Hospitals or Article 28 licensed providers including hospital operated Article 31/32
- Health Homes (HH)
- Performing Provider System (PPS)
- Social Determinant Agencies
Behavioral Health Care Collaboratives

- 19 BHCCs selected and funded statewide
  - Four BHCCs have merged into two
  - Seven (6) in NYC/LI
    - Cover 75% of Medicaid Managed Care covered lives
  - Twelve (11) in rest of the state
    - Cover 90% Medicaid Managed Care covered lives
NYS Medicaid Behavioral Health Value-Based Payment Readiness Program: BHCC County Coverage of Network Provider

Updated Dec. 2017

Percentage of individuals in Medicaid Managed Care who received any Behavioral Health service:
New York City and Long Island - BHCCs covered 78%
Rest of State - BHCCs covered 90%
BHCC Funding

Supports four Readiness Areas upon which the BHCCs are evaluated:

- Governance
- Data Analytics
- Quality Oversight
- Clinical Integration
Early Success

With New York State support, the BHCC initiative has already seen substantive results in increased:

- Collaboration
  - Within BHCCs
  - With other health care providers (hospitals, FQHCs, ACOs, PPS)
- Using Data to Improve Care
- Clinical Integration
- Creation of behavioral health Independent Practice Associations (IPAs)
- Alternative reimbursement/contracting and value based relationships
Collaboration Examples

Activities to integrate networks:

• Catalogue services across BHCCs/IPAs – providers, hours, services, specialties, referral contacts

• Implementation of “Closed Loop” network referrals within BHCCs and with hospital systems

• Shared data and uniform quality metrics

• Management Services Organization (MSO) to provide centralized back office functions and a data platform to analyze fiscal and clinical trends

• Shared hiring of staff including psychiatrists
BHCC Partnerships

- Northern New York BHCC tightly integrated with a regional DSRIP* performing provider system (PPS) to form a regional health system
- Capital district of New York BHCC and DSRIP PPS developed an IPA to collaborate on future VBP contracting
  - PPS purchased IT and analytic systems for BHCC providers
- Hudson Valley Behavioral Health IPA and FQHC formed a joint IPA to address total cost of care for high risk populations
- WNY BHCC received PPS funding to connect their providers to a Qualified Entity (RHIO)
  - Enable integrated plans of care (physical health and behavioral health)

* DSRIP – Delivery System Reform and Incentive Payment
Using Data to Improve Care

• Statewide BHCC Metrics Workgroup

• Use of Medicaid PSYCKES* to Improve Treatment
  – Identification of high cost/high need populations by provider and MCO
  – Creation of a provider Network View (de-duplicated data for all BHCC members)
  – Quality indicators and clinical information broken down by MCO
    ▪ Development of a Uniform consent to share data across BHCC
    ▪ Incorporating primary care provider and total cost information into PSYCKES

* The Psychiatric Services and Clinical Knowledge Enhancement System for Medicaid (PSYCKES-Medicaid) is a Health Insurance Portability and Accountability Act (HIPAA)-compliant, web-based portfolio of tools designed to support quality improvement and clinical decision-making in the New York State (NYS) Medicaid population. Providers with access to PSYCKES are able to access a portfolio of quality indicator reports at the state, region, county, agency, site, program, and client level to review performance, identify individuals who could benefit from clinical review, and inform treatment planning. Quality reports in PSYCKES are updated monthly, and clinical information is updated weekly.
The distribution of Medicaid Managed Care Plans and Product Lines for MAIN STREET MENTAL HEALTH CENTER current Medicaid clients.

<table>
<thead>
<tr>
<th>Name</th>
<th>Total Clients</th>
<th>Mainstream</th>
<th>HARP</th>
<th>HIV SNP</th>
<th>LTC FIDA</th>
<th>LTC MAP</th>
<th>LTC PACE</th>
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234 Recipients Found

Review recipients in results carefully before accessing Clinical Summary.
Clinical Integration

• Clinical partnerships (BH, FQHCs, Hospitals, MCOs) to treat the whole person
  – Diabetes
  – Asthma
  – Mental health/SUD
  – Social determinants of health (food pantries, housing)

• Care coordination training
  – NYC BHCC providing training to Home Health Providers on BH care
VBP Contracting

- Hudson Valley IPA and FQHC formed a joint IPA - In a level 2 risk contract with MVP Health Plan
- NYC BHCC IPA in a Level 1 (no downside risk) contract with AmidaCare (HIV SNP)
  - Provides for behavioral health care, care coordination and support on Social Determinants of Health
  - Working on development of a Medicaid Innovator Accountable Care Organization (ACO)
  - Developing social determinants of health rates and benchmarks
- NYC/Long Island BHCC arrangement with NY Presbyterian hospital system to facilitate transition out of ER for people with SUD
  - Open access
  - MAT (immediate induction)
  - Centralized referral number (24/7 with nurse available)
  - Uberhealth (transportation) for warm hand-offs
Other Projects and Pilots

• NYC BHCC/IPA developed a financial model with an enhanced rate for critical time intervention
  – Partnership with for Samaritan Daytop pilot arrangement with Healthfirst
  – Care model providing a single case payment for a three-month outpatient treatment period
  – Full treatment of substance use as an outpatient
NYS VBP Roadmap Changes

- Total cost of care arrangements must clearly define separate target budgets for each subpopulation

- All new contracts submitted on or after October 1, 2019 must have a mental health and substance use measure.
Challenges

• Few meaningful BH measures
• BHCC internal accountability
• Access to and sharing of data
• Tools and expertise in data analytics
• Sustainability and contracting
  • VBP contracting has mainly organized around Total Cost of Care (TCOC) arrangements.
  • MCO resistance to contracting directly with BH providers for value based arrangements
Thank You
The Role of Technical Assistance

Andrew F. Cleek, Psy.D.
Chief Program Officer
NYU McSilver Institute for Poverty Policy and Research

• McSilver is committed to creating new knowledge about the root causes of poverty, developing evidence-based interventions to address its consequences, and rapidly translating research findings into action.

• McSilver houses training, consultation, and educational resource centers serving all behavioral health agencies in New York State: the Community Technical Assistance Center of New York (CTAC) and the Managed Care Technical Assistance Center of New York (MCTAC).

  • CTAC & MCTAC help agencies strengthen their clinical and business infrastructure through training opportunities focused on implementing evidence-based practices and addressing the challenges associated with the recent changes in regulations, financing and overall healthcare reforms.
Technical Assistance Approach

• Collaborative process that involves all stakeholders
• Being objective and not taking sides
• Identifying all stakeholders needs and barriers
• Provide training, policy interpretation into practice and tool development
Stakeholders

• Government – State and Local
• Managed Care Organizations
• Trade/Advocacy Organizations
• Provider agency representatives
Stakeholder Engagement

• Provide opportunities and space for open and frank conversations
• Develop bi-directional relationship that provides value to stakeholder and technical assistance center.
• Build trust over time
• Responsiveness
• Honesty
• Communication and Information Sharing
Important Preparatory Steps for Agencies

• Readiness Assessment
• Payer Mix and Unit Costs
• Identify & Track Outcomes
• Population Health
Technical Assistance: Activities, Tools, & Resources

• Organizational Self-Assessment assessing the following domains, benchmarked:
  • Contracting Fairs

• Trainings:
  • Billing & Revenue Cycle Management
  • Utilization Management and Authorization, and Medical Necessity

• Contracting & Credentialing

• Development of Tools:
  • Matrix
  • Billing
  • P.E.N Guide for Contracting