Publically Funded Mental Health, Substance Abuse and DA/SSA Programs

PHPG Presentation to DA/SSA/IFS All Payer Model Alignment Work Group, February 11, 2016
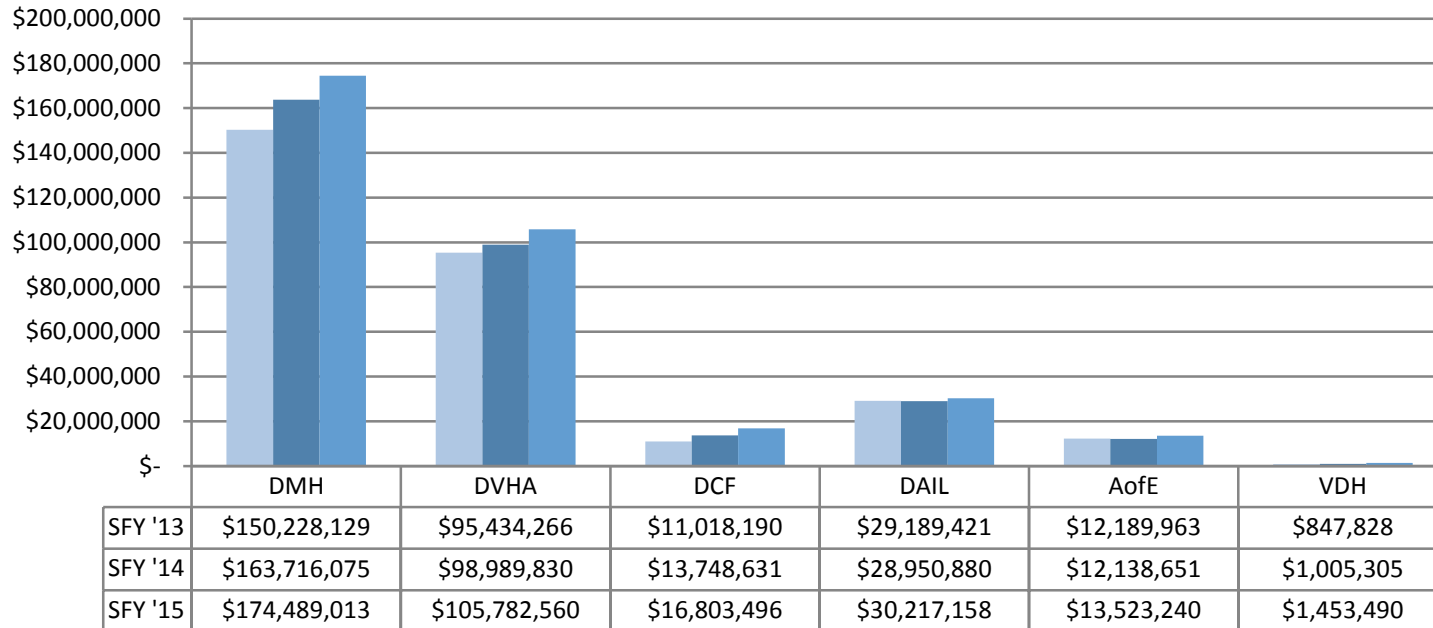
Discussion Purpose and Goals

➤ Provide a Medicaid Snapshot: Mental Health and Substance Abuse Services and Overview of DA/SSA programs
- o Medicaid Expenditures and Funding Streams
- o DA/SSA Financial Data by Programs by Department

➤ Review Principles and Goals
- o Elements for Overall Model Development and Refinement

➤ Provide High Level Summary of Work Plan

➤ Review Upcoming Meeting Topics
- o Feb 25th
- o March 10th

Medicaid Mental Health and Substance Abuse
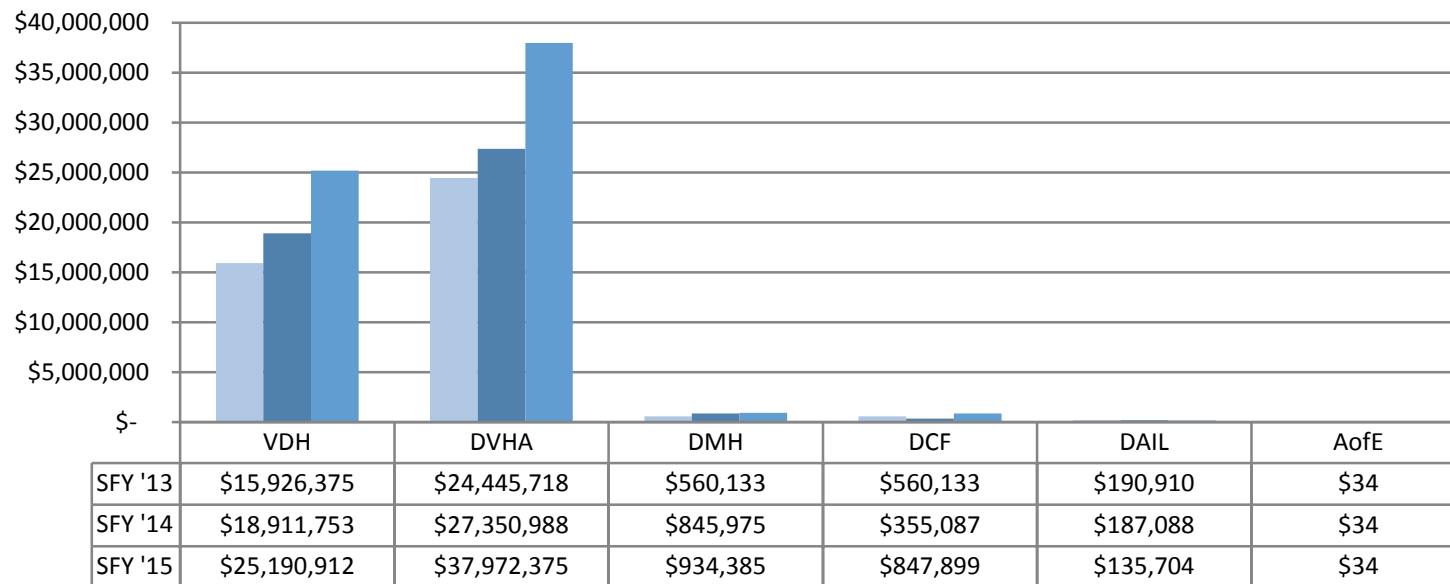Expenditures Calendar Year 2014

MEDICAID SNAPSHOT

Medicaid Mental Health Spending by Department

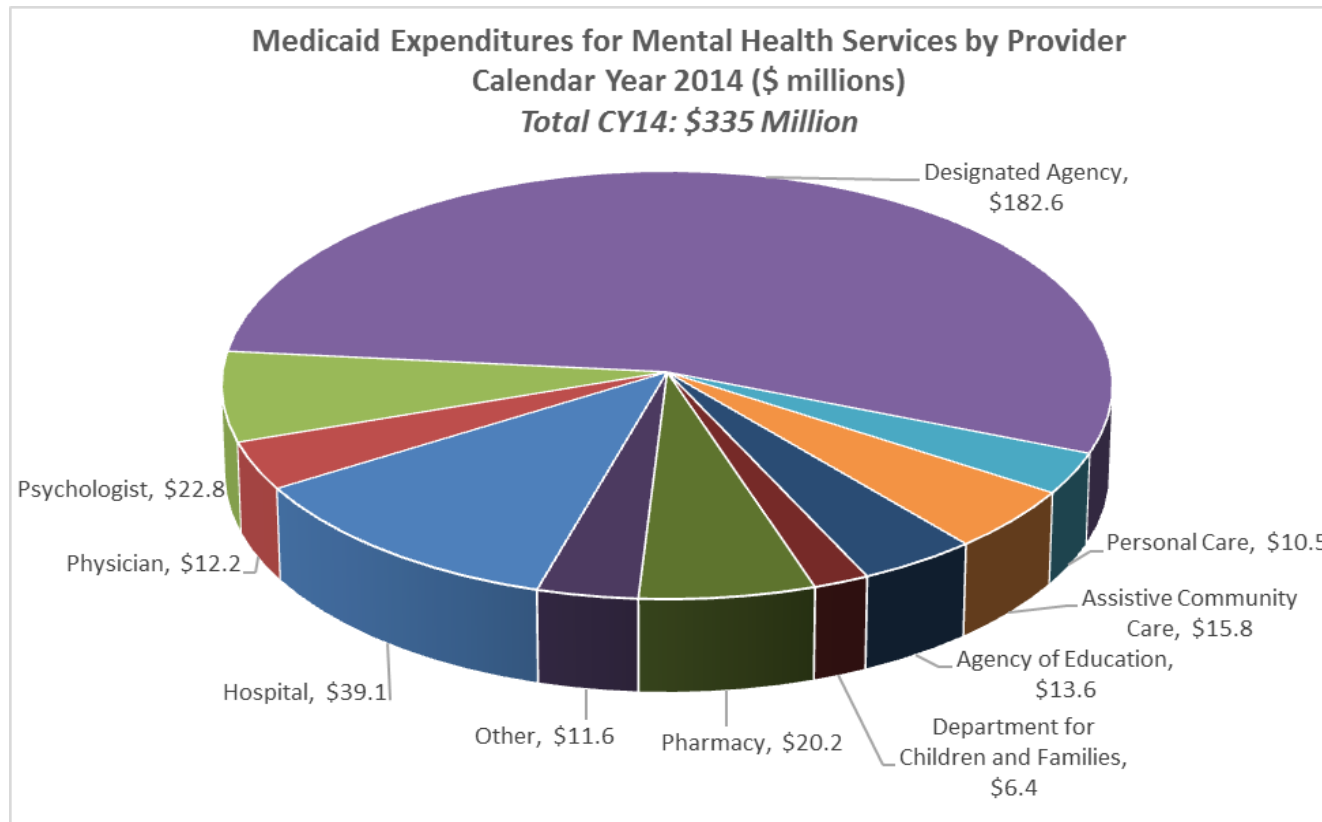|	DMH	DVHA	DCF	DAIL	AofE	VDH
SFY '13	$150,228,129	$95,434,266	$11,018,190	$29,189,421	$12,189,963	$847,828
SFY '14	$163,716,075	$98,989,830	$13,748,631	$28,950,880	$12,138,651	$1,005,305
SFY '15	$174,489,013	$105,782,560	$16,803,496	$30,217,158	$13,523,240	$1,453,490

- Includes all claims paid with a MH diagnosis code all provider types
- Does not include Drug Rebate Offset
- Excludes addiction treatment (based on SAMHSA criteria)
- Does not include payments made outside of claims system and thus does not represent total State spending
- Data compiled by DVHA Business Office

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Medicaid Substance Abuse Spending by Department

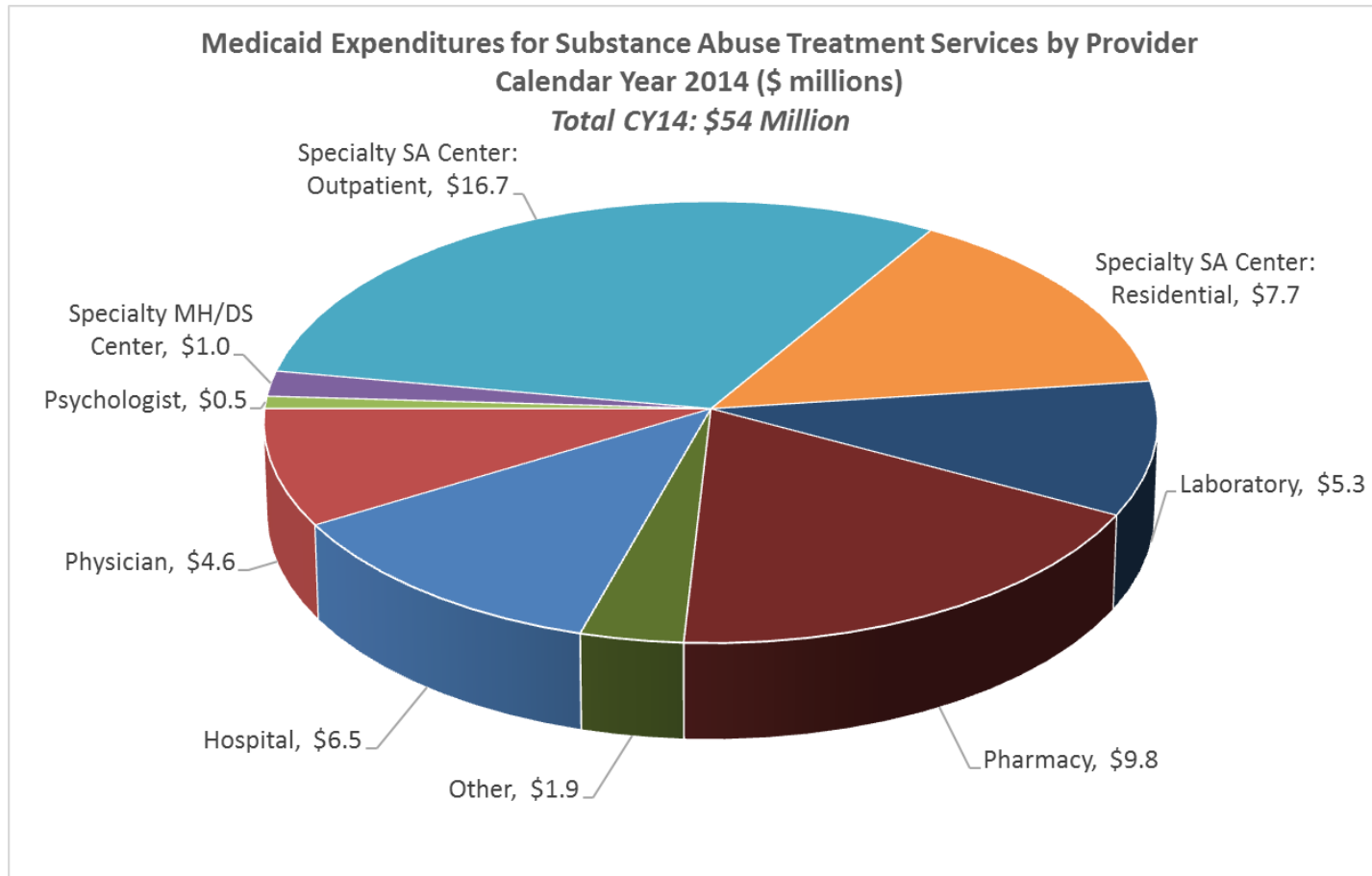|	VDH	DVHA	DMH	DCF	DAIL	AofE
SFY '13	$15,926,375	$24,445,718	$560,133	$560,133	$190,910	$34
SFY '14	$18,911,753	$27,350,988	$845,975	$355,087	$187,088	$34
SFY '15	$25,190,912	$37,972,375	$934,385	$847,899	$135,704	$34

- Includes all claims paid with a diagnosis code based on SAMHSA criteria for addictions treatment all provider types
- Does not include Drug Rebate Offset
- Does not include payments made outside of claims system and thus does not represent total State spending
- Data compiled by DVHA Business Office

Medicaid Expenditures for Mental Health Services by Provider

Medicaid Expenditures for Mental Health Services by Provider
Calendar Year 2014 ($ millions)
Total CY14: $335 Million

Designated Agency, $182.6
Personal Care, $10.5
Assistive Community Care, $15.8
Agency of Education, $13.6
Department for Children and Families, $6.4
Pharmacy, $20.2
Other, $11.6
Hospital, $39.1
Physician, $12.2
Psychologist, $22.8

Medicaid Expenditures for Substance Abuse Treatment by Provider

Medicaid Expenditures for Substance Abuse Treatment Services by Provider
Calendar Year 2014 ($ millions)
Total CY14: $54 Million

Specialty SA Center: Outpatient, $16.7
Specialty SA Center: Residential, $7.7
Specialty MH/DS Center, $1.0
Psychologist, $0.5
Laboratory, $5.3
Physician, $4.6
Hospital, $6.5
Other, $1.9
Pharmacy, $9.8

Medicaid Mental Health Expenditures by Department

Medicaid Expenditures for Mental Health Services by Department
Calendar Year 2014 ($ millions)
Total CY14: $335 Million

DMH, $170.0

DVHA, $103.4

VDH, $1.1

DDAIL, $30.5

AoE, $13.7

DCF, $16.3
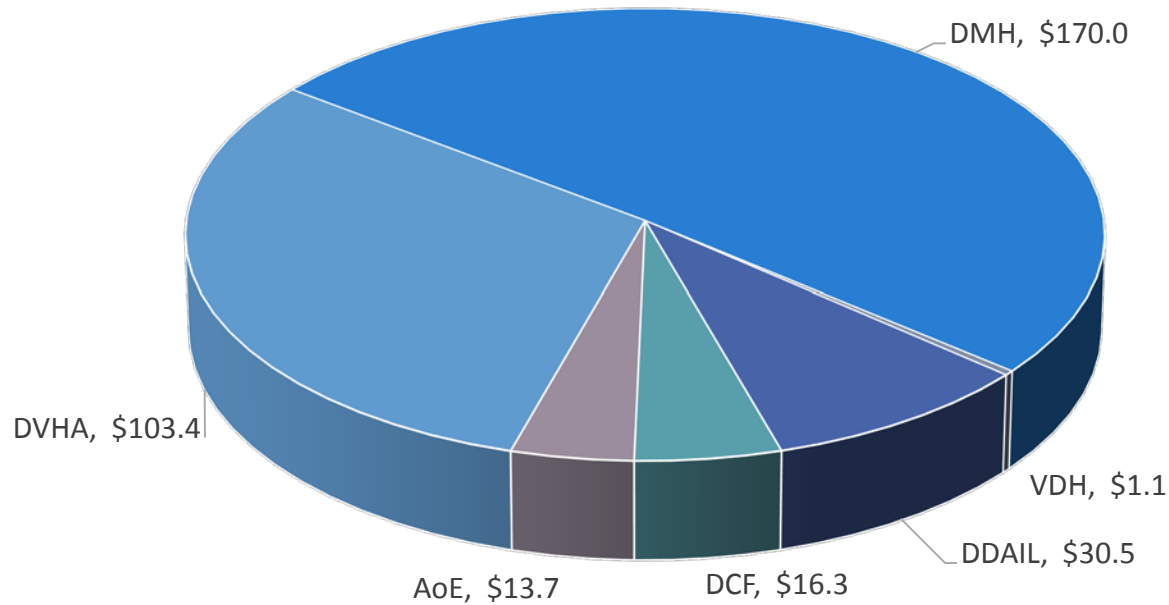
Medicaid Substance Abuse Treatment Expenditures by Department

Medicaid Expenditures for Substance Abuse Treatment Services by Department
Calendar Year 2014 ($ millions)
Total CY14: $54 Million

DMH, $1.1

DVHA, $29.7

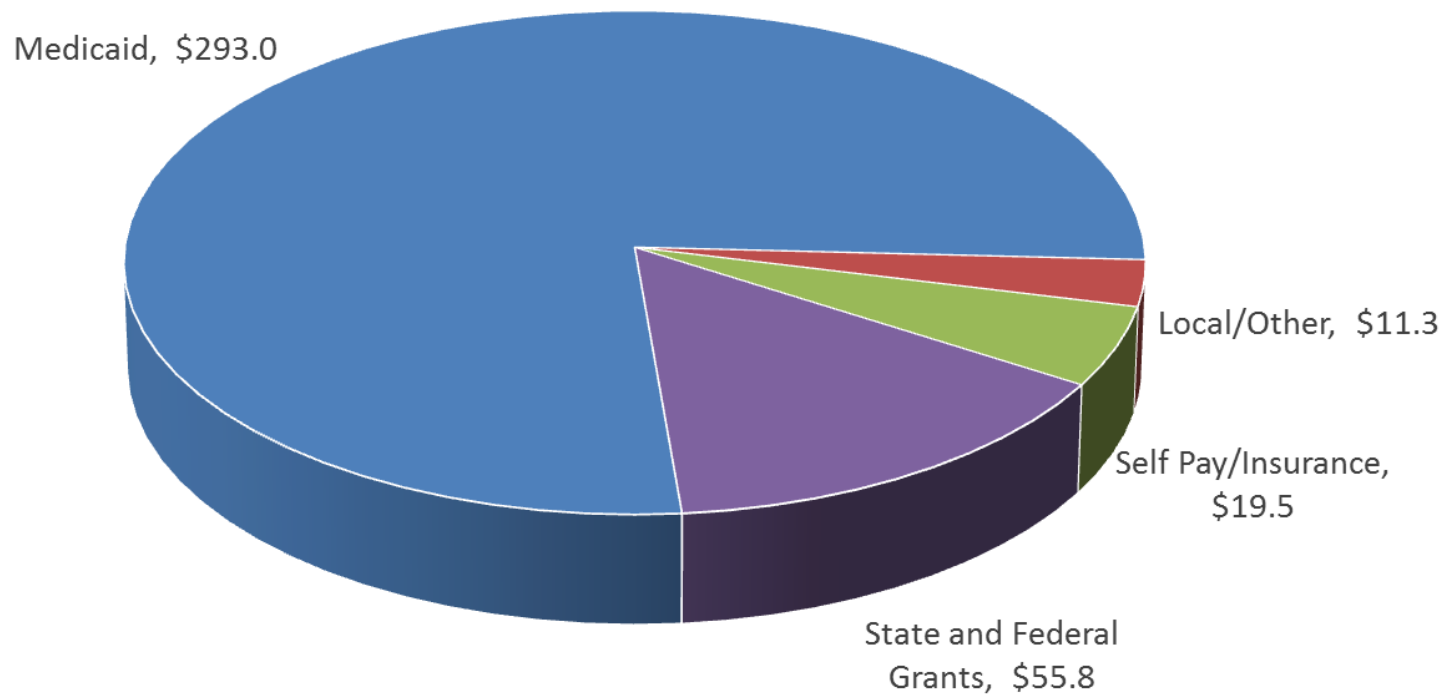VDH, $22.5

DCF, $0.6

DDAIL, $0.1
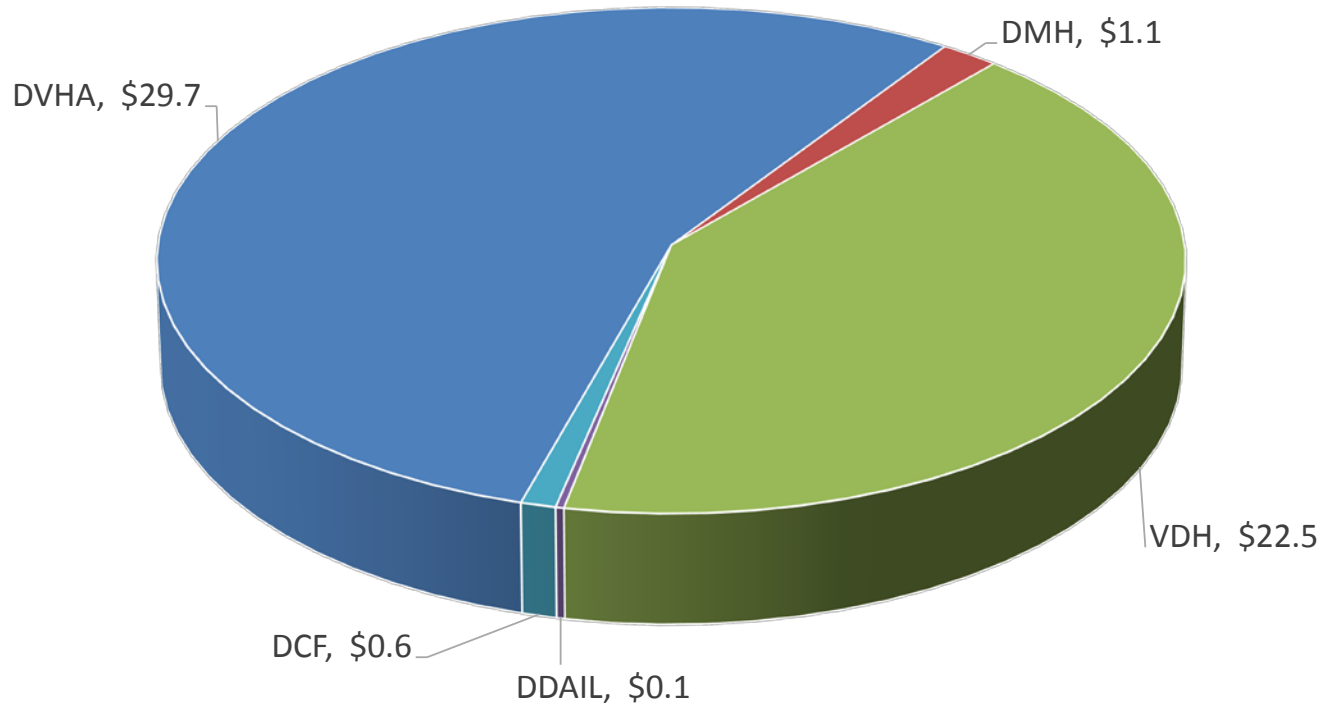
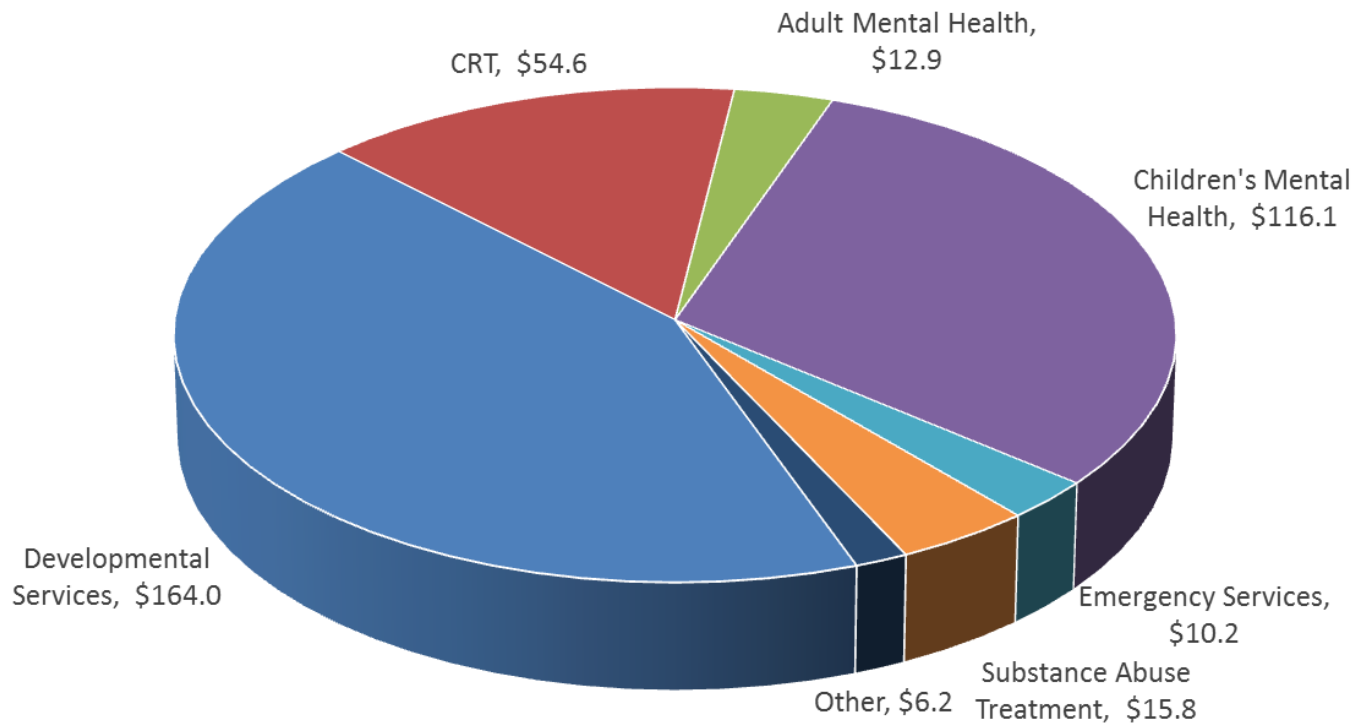DA/SSA Financial Data State Fiscal Year 2015

DA/SSA FINANCIAL SNAPSHOT

Total DA/SSA Revenue by Source

Designated Agency and Special Service Agency Revenues by Source
State Fiscal Year 2015 ($ millions)
Total SFY15: $379.6 Million

Medicaid, $293.0

Local/Other, $11.3

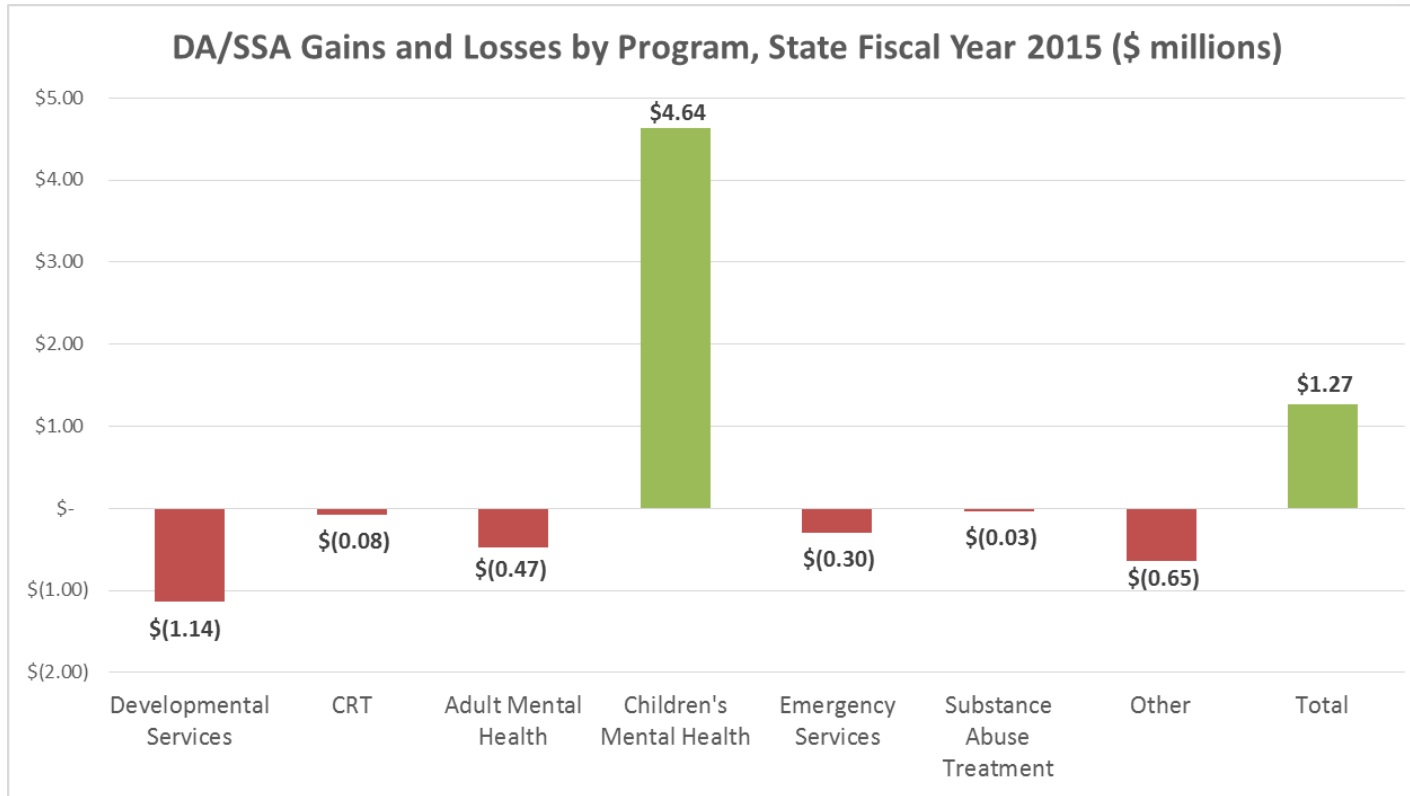Self Pay/Insurance, $19.5

State and Federal Grants, $55.8

DA/SSA Revenue by Program

Designated Agency and Special Service Agency Revenues by Program
State Fiscal Year 2015 ($ millions)
Total SFY15: $379.6 Million

CRT, $54.6

Adult Mental Health, $12.9

Children's Mental Health, $116.1

Developmental Services, $164.0

Emergency Services, $10.2

Other, $6.2

Substance Abuse Treatment, $15.8

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DA/SSA Gains & Loss by Program

DA/SSA Gains and Losses by Program, State Fiscal Year 2015 ($ millions)

Program	Value
Developmental Services	$(1.14)
CRT	$(0.08)
Adult Mental Health	$(0.47)
Children's Mental Health	$4.64
Emergency Services	$(0.30)
Substance Abuse Treatment	$(0.03)
Other	$(0.65)
Total	$1.27

- Total statewide gain represents less than ¼ percent of total
- Children's Mental Health gain includes, in part, generation of local revenue through local service agreements with individual schools
- Children's Mental Health gain represents approximately 4% of the total program and is used to cover losses in other program areas
- Revenues and expenses are defined by the State

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Medicaid Alignment and Reform

DMH/DVHA
REFORM PRINCIPLES AND GOALS

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MH Reform Goals & Principles*

➤ **Ensure Access to Care for Consumers with Special Health Needs**
  - o Access to Care includes availability of high quality services as well as the sustainability of specialized providers
  - o Ensure the State's most vulnerable populations have access to comprehensive care

➤ **Promote Person and/or Family Centered Care**
  - o Person and/or Family Centered includes supporting a full continuum of traditional and non-traditional Medicaid services based on individual and/or family treatment needs and choices
  - o Service delivery should be coordinated across all systems of care (physical, behavioral and mental health and long term services and supports)

➤ **Ensure Quality and Promote Positive Health Outcomes**
  - o Quality Indicators should utilize a broad measures that include structure, process and experience of care measures
  - o Positive Health Outcomes include measures of independence (e.g., employment and living situation) as well as traditional health scores (e.g., assessment of functioning and condition specific indicators)

➤ **Ensure the Appropriate Allocation of Resources and Manage Costs**
  - o Financial responsibility, provider oversight and policy need to be aligned to mitigate the potential for unintended consequences of decisions in one area made in isolation of other factors

➤ **Create a Structural Framework to Support the Integration of Mental and Physical Health Services**
  - o Any proposed change should be goal directed and promote meaningful improvement
  - o Departmental structures must support accountability and efficiency of operations at both the State and provider level
  - o Short and long term goals aligned with current Health Care Reform efforts

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As presented to the VT General Assembly in 2016 Act 58 DMH/DVHA Unified Implementation Planning Budget Report

Elements Of Transformation

- **Delivery System Transformation (Model of Care)**
  - What will providers be doing differently?
  - What is the scope of the transformation?
  - How will transformation support integration?
- **Payment Model Reform (Reimbursement Method, Rate Setting)**
  - What is the best reimbursement method to support the Model of Care (e.g. fee for service, case rate, episode of care, capitated, global payment)?
  - Rate setting to support the model of care, control State cost and support beneficiary access to care
  - Incentives to support the practice transformation
- **Quality Framework (including Data Collection, Storage and Reporting)**
  - What quality measures will mitigate any risk inherent in preferred reimbursement model (e.g. support accountability and program integrity); allow the State to assess provider transformation (e.g. structure and process); and assure beneficiaries needs are met?
- **Outcomes**
  - Is anyone better off?
- **Readiness, Resources and Technical Assistance**

Refining Scope and Creating Reform Model Options

NEXT STEPS AND OVERVIEW OF WORK PLAN

Work Plan Overview – Phase 1

Feb/March: Provider Readiness, Systems Profiles

Current profiles providers, payment models and services

➢Person-centered care models of care and quality metrics

➢Create community service profile to include:

- o Major providers by State funded Medicaid program for each county

- o Identify any statewide or multi-region providers and programs

➢Assess variations in provider networks by region and impact on model design and implementation

➢Finalize readiness tool and determine how it will be used

Work Plan Overview –Phase 2

April/May: Model Design and Development

➤ What will providers be doing differently?

➤ Define final scope based on community profiles and desired delivery model of care

➤ Refine DLTSS Model of Care based on learnings from other Vermont projects (ACO alignment, IFS, Medication Assisted Treatment, CRT, etc.) and Federal Initiatives (CCBHC)

➤ Develop recommendations for core components of model (e.g., model of care, reimbursement, rate setting, quality and outcome metrics) and identify ACO integration opportunities

➤ Identify and define charge for sub-groups based on refined model and scope

Work Plan Overview – Phase 3

June/July: Implementation Planning and Timeline

➤Regulatory and contract process

➤Finalize target date for implementation, operational planning

➤Review Designation Rules and other provider requirements

➤Review system requirements including billing, claims and data reporting

➤Create written specifications for data collection, reporting and MMIS processes

Work Plan Overview – Phase 4

Aug-Dec: Operational Implementation and Assessment

➢ Determine need for CMS review

➢ Assign resources and leads to operational tasks

➢ Begin work on new HP/MMIS specification's

➢ Finalize data collection, storage and reporting methods

➢ Assess feasibility of expansion to other programs and services in 2017.

➢ Create, modify and assess implementation plans as needed

Next Meeting Topics

Feb 25ᵗʰ – Models of Care and Readiness

- Review DLTSS Model of Care
  - Discuss other models (Blueprint, IFS and others)
  - Discuss opportunities and refinements needed for integration of full array of health services
- Review AHS/DA Quality Measure work to date
  - Identify additional charge and work group members to address integration of full array of health services
- Finalize Readiness Tool and Determine Best Methods for Collecting Community Profiles

March 10ᵗʰ – Payment Approaches

- Overview of existing DA/SSA and Medicaid payment models
- Discuss Value Based Purchasing Options, identify objective for model and identify sub-group members.