

# Delivery System Design: Mental Health, Substance Abuse Treatment, Developmental Disabilities Services

Medicaid Pathway to an Integrated Health Care System  
Work Group Discussion April 21<sup>st</sup> 2016

Funding for this report was provided by the State of Vermont, Vermont Health Care Innovation Project, under Vermont's State Innovation Model (SIM) grant, awarded by the Center for Medicare and Medicaid Services (CMS) Innovation Center (CFDA Number 93.624) Federal Grant #1G1CMS331181-03-01.

# Discussion Topics & Goals

- Project Update
- Objective for Reform Planning
- Objective for Delivery System Design
- Delivery System Design
- Next Steps

# Project Update

- Status of Model Design:
  - Objective
  - Scope of Services
  - Delivery System
  - Payment/Cost Modeling
  - Funding/Savings Opportunities
  - State Operations
- Communications
  - Participants and Advocates
  - Providers
  - State Staff

# Objective for Reform Planning

Develop an organized delivery system for serving individuals with mental health, substance abuse treatment and developmental service needs and promote integration of:

- Mental Health
- Substance Abuse Treatment
- Long-Term Services and Supports for individuals with developmental service needs
- Physical Health
- Long-Term Services and Supports for individuals with physical disabilities and older Vermonters

# Delivery System Design Objectives

A delivery system design and governance structure that supports the following:

- Adoption of Vermont's Integrated Model of Care, including advancement of primary care and prevention
- Service Delivery Reform, including population-based health and prevention and development of best practices
- Quality Framework
- Payment Reform, including value based purchasing
- Efficient Operations and Oversight
- Medicaid's Pathway for Alignment with the All-Payer Model

# Discussion of Broad Design Options

Objective	Coordination Model		Integration Model	
	How Model Supports Objective	Opportunities/Challenges	How Model Supports Objective	Opportunities/Challenges
<b>Adoption of the Vermont Integrated Model of Care</b> (Person-Centered Care, Integrated Service Delivery, Interdisciplinary Care Team, Single Case Manager, Information Sharing)	<ul style="list-style-type: none"> <li>Each provider will have coordination agreements with other providers as well as ACO</li> <li>Numerous processes will need to be developed to support Model of Care</li> <li>Unclear how to deploy resources for information sharing</li> </ul>	<ul style="list-style-type: none"> <li>Some services provided by DAs, SSAs and Preferred Providers overlap between draft scope and ACO scope</li> <li>Will require governance/decision structure for assignment of case manager</li> <li>Potential duplication of processes and functions</li> <li>Unclear how information sharing will be advanced</li> </ul>	<ul style="list-style-type: none"> <li>Governance structure would provide operational support for achieving the Model of Care</li> </ul>	<ul style="list-style-type: none"> <li>Care planning and service coordination supports could be streamlined</li> <li>Requires additional administrative layer that would be less efficient to the extent the same functions continue at the provider level</li> <li>Requires coordination and consensus at the provider level regarding governance/operations</li> </ul>
<b>Service Delivery Reform</b> (Population-Based Health, Adoption of Best Practices)	<ul style="list-style-type: none"> <li>Some payment models could provide additional flexibility</li> </ul>	<ul style="list-style-type: none"> <li>Continues existing roles for providers; unclear how</li> </ul>	<ul style="list-style-type: none"> <li>Coordination and accountability at the community level promotes innovation</li> </ul>	<ul style="list-style-type: none"> <li>Opportunity to demonstrate savings for traditional services</li> <li>Requires coordination and consensus at the provider level regarding governance/operations</li> <li>Risk/liability concerns</li> </ul>

# Discussion of Broad Design Options

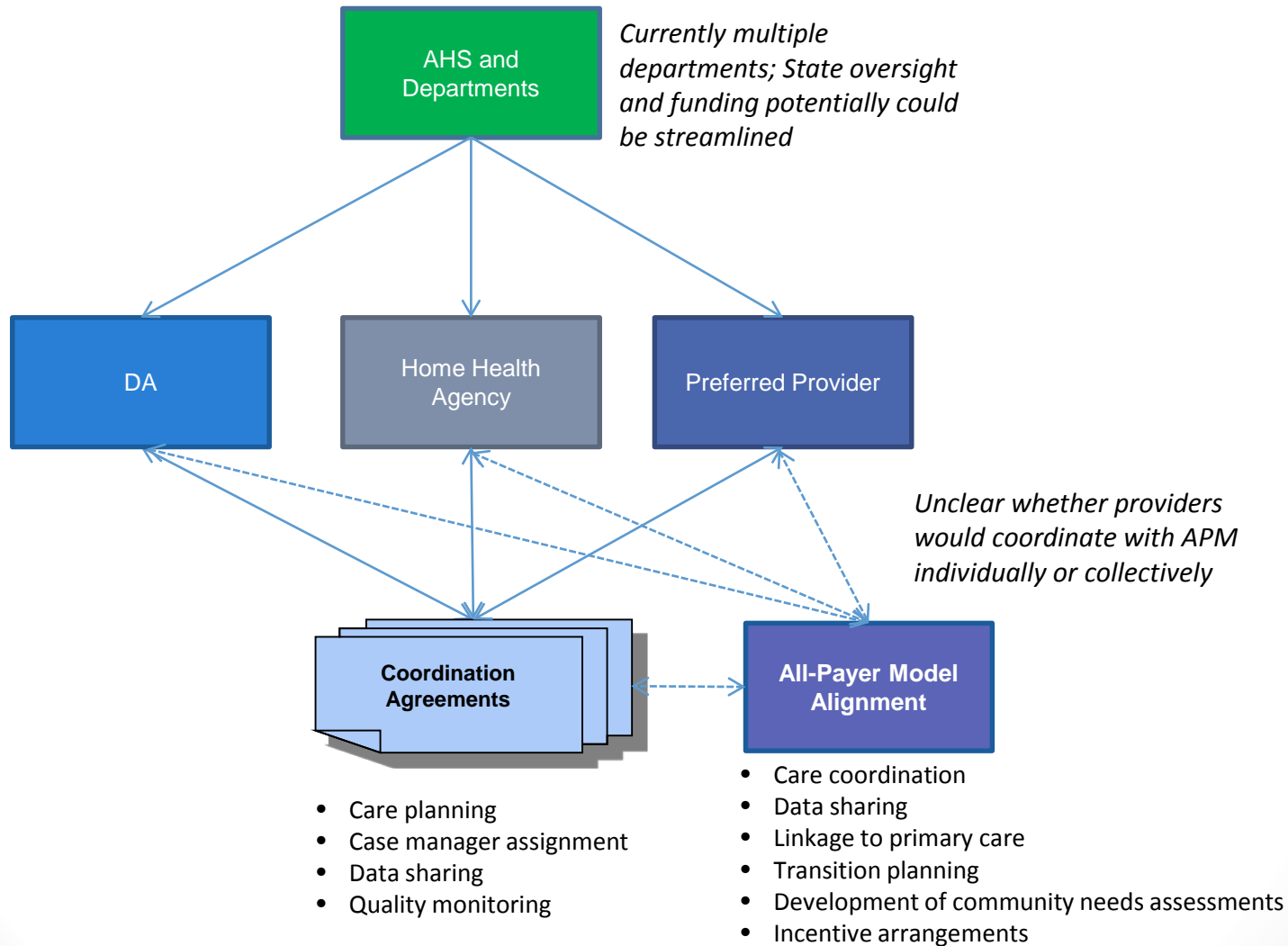
Objective	Coordination Model		Integration Model	
	How Model Supports Objective	Opportunities/Challenges	How Model Supports Objective	Opportunities/Challenges
<b>Quality Framework</b>	<ul style="list-style-type: none"> <li>State and stakeholders could develop quality framework</li> </ul>		<ul style="list-style-type: none"> <li>State and stakeholders could develop quality framework</li> <li>Quality reporting could be centralized</li> </ul>	<ul style="list-style-type: none"> <li>Model may promote community-based quality model</li> <li>Opportunity to develop incentives based on broad quality objectives</li> <li>Opportunity to direct resources in accordance with quality objectives</li> </ul>
<b>Payment Reform</b>	<ul style="list-style-type: none"> <li>Payment models based on each provider's existing service responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>Does not support payment reform for full scope of services</li> <li>Unclear how payment models can support integration or incentives based on broad quality measures</li> <li>Most DA/SSA services already based on case rates</li> <li>Avoids conflict among providers regarding resource allocation</li> <li>Could consolidate existing funding streams</li> </ul>	<ul style="list-style-type: none"> <li>Payment models based on draft scope of services</li> </ul>	<ul style="list-style-type: none"> <li>Greater flexibility regarding allocation decisions at community level</li> <li>Requires structure to support decisions at the community level</li> <li>Opportunity to coordinate with APM</li> <li>Agreement on funding decisions would be challenging and may impede other coordination efforts</li> </ul>

# Discussion of Broad Design Options

Objective	Coordination Model		Integration Model	
	How Model Supports Objective	Opportunities/ Challenges	How Model Support Objective	Opportunities/ Challenges
<b>Efficient Operations and Oversight</b>	<ul style="list-style-type: none"> <li>Additional resources and coordination activities to achieve Model of Care</li> </ul>	<ul style="list-style-type: none"> <li>Preserves existing functions at both state and provider level</li> </ul>	<ul style="list-style-type: none"> <li>Consolidation of functions at provider and state level</li> </ul>	<ul style="list-style-type: none"> <li>Administrative functions could be duplicated across providers and new entity/Fiscal Agent</li> <li>Significant implementation investment</li> <li>State oversight could be streamlined to extent community adopts robust quality framework</li> <li>Oversight and reporting due to grant requirements would continue</li> </ul>
<b>Alignment with All Payer Model</b>	<ul style="list-style-type: none"> <li>Adoption of Vermont's Integrated Model of Care will produce demonstrable benefits and opportunities for coordination with APM</li> </ul>	<ul style="list-style-type: none"> <li>Providers independently coordinate with APM contractors and service providers</li> </ul>	<ul style="list-style-type: none"> <li>Could provide a single interface with APM</li> <li>Creates accountable model that aligns with APM reform efforts</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced opportunity to demonstrate traditional care savings and develop investment agreements</li> <li>Creates single entity within each region (or statewide) accountable for Vermont's Integrated Model of Care and responsible for contracting, coordinating and supporting APM</li> <li>Streamlines opportunity to develop care coordination platform across all services</li> </ul>

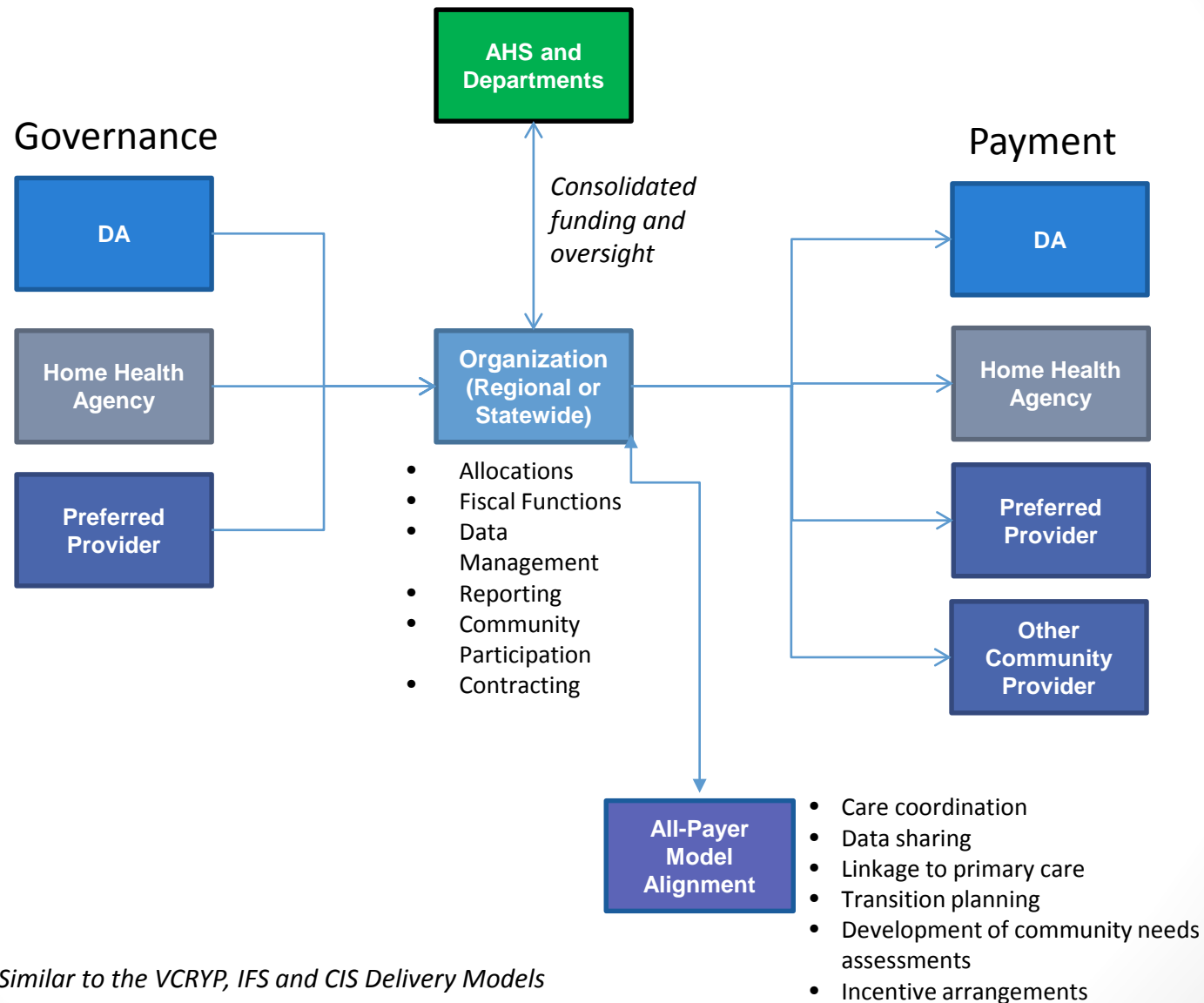


# Delivery System Design: Service Coordination Model



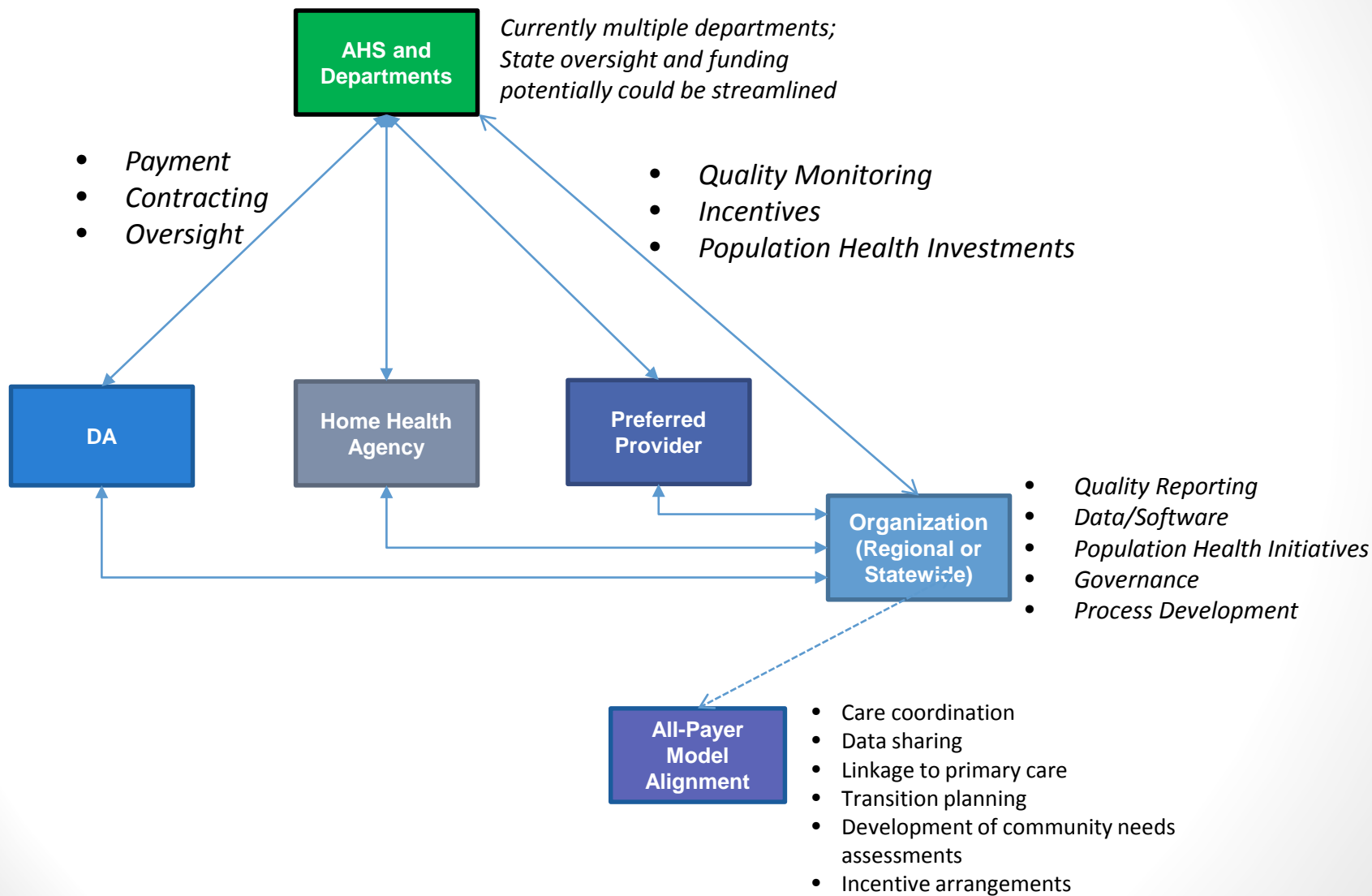
*Similar to some current provider arrangements*

# Delivery System Design: Integration Model



*Similar to the VCRYP, IFS and CIS Delivery Models*

# Delivery System Design: Partial Integration



# Discussion of Structural Design

- What model best supports reform objectives and is feasible for both providers and the State?
- Does the model provide flexibility regarding how it is implemented within each community as well as the timeline for implementation?

# Next Steps

- Finalize Draft Delivery System Design (April-June)
- Evaluate Payment Reform Options (May/June)
  - Revisit delivery system design and scope, as needed
- Develop Quality Framework (May/June)
- Evaluate Infrastructure and Funding Requirements (June/July)
- Obtain Stakeholder Feedback (Ongoing)
- Finalize Delivery System and Payment Reform Model (June/July)
- Identify Key Milestones and Implementation Timeline (July)
- Develop Detailed Model Design and Implementation Plan (July)

