Strategic Planning Issues for Leadership Teams and Boards of Organizations Considering Becoming a Certified Community Behavioral Health Clinic

It is time to begin planning for what it means to become a Certified Community Behavioral Health Clinic (CCBHC). Below we offer suggested areas of focus for your planning and change processes in order to maximize your chances for success.

It’s All about the Fraction

The CCBHC’s all-inclusive rate under Prospective Payment System-1 (PPS-1) will be calculated in a similar fashion as Federally Qualified Health Centers (FQHCs). The simplest explanation for the way the rate will be calculated is that based on data collected during the planning year, the organization will divide the CCBHC’s allowable costs (the numerator) by the total number of visits to the CCBHC (the denominator). This means the key to creating an all-inclusive rate that accurately reflects the services you provide is ensuring that all allowable costs are captured accurately.

Service Mix

In order to qualify as a CCBHC, there are significant services that you and your organization must offer. This means it is an important time to look at the service mix that you provide and how it will fit in with the broader CCBHC structure. The National Council, in collaboration with MTM Services has developed a [CCBHC planning tool](#) for this purpose that is available for free.

The required services to be a CCBHC may or may not be a part of the current Medicaid state plan. If the service is already a part of the Medicaid service mix, the reimbursement rate will still be given based on the reimbursement rate created during the CCBHC base line year. There may be certain services that are also not included in the Medicaid allowable service mix, but must be a part of the CCBHC service mix, and under CMS’ demonstration authority you will receive reimbursement during the CCBHC demonstration for these services.

Certain services, such as inpatient care, residential treatment, room and board expenses, or any other non-ambulatory services, are statutorily not reimbursable under the CCBHC demonstration, and as a result are considered unallowable costs. Under a cost-based scenario, unallowable costs will lower your reimbursement rate because visits for unallowable costs add to your denominator (total patient visits) but cannot be included in your numerator (total allowable costs). Organizations that provide these residential, or other unallowable services may want to establish a subsidiary corporation, sell or find some other way to remove these costs from the organization’s balance sheet.
Job Titles and Salaries

It will be important to know if your state intends to limit administrative costs allowable under the CCBHC Prospective Payment. It would be a good idea to understand how your state deals with administrative costs for FQHCs and safe to assume that they will treat CCBHCs the same way. If your state intends to limit administrative costs, then a prudent organization will want to examine ways that it can limit its overhead expenses.

In a situation where administrative costs are limited or capped, an organization may want to have a more complete understanding of current functions performed by receptionists or other staff in order to determine if current job titles and job descriptions accurately reflect job functions. This may allow you to change an individual salary and benefit costs from a capped administrative amount to a direct service, such as health education, while more accurately reflecting the services your staff provides.

Because of the lack of sustainable funding streams for behavioral health providers, many staff positions have been historically underfunded and underpaid. By paying individuals what they deserve in the baseline year, your organization will be able to establish the appropriate reimbursement rate based on what your employees deserve, not simply based on your budget restrictions.

Designated Collaborating Organization (DCO) Partners

Because of the extensive CCBHC scope of service requirements, your organization may not be able to provide every required service. CCBHCs are allowed to augment their service array through formal relationships with what the criteria refer to as “Designated Collaborating Organizations” (DCOs). Payment for a DCO is included within the scope of services for the CCBHC PPS, and DCO visits are treated as CCBHC visits for purposes of reimbursement. Even more, services provided by a DCO may be included on your cost report, and visits with a DCO could count as visits with the CCBHC, even if the patient never comes to your site.

Getting up to Capacity, Debt, and Financing

Becoming a CCBHC may require significant capital investment as well as new lines of credit to pay employees what they deserve. Your organization may also need to purchase new technologies that will allow you to carry out all of the new reporting tasks—your old electronic health record (EHR) and practice management system may not be up to the task. You must evaluate whether your EHR can handle all of the care coordination, tracing, and billing functions required of a CCBHC. Replacement of your system may be necessary during your planning year.

The costs associated with establishing a line of credit or securing a loan for capital improvement may both be allowable costs. The interest paid on those loans may also be an allowable cost.
**Work Flow**

The Excellence Act provides new opportunities to rethink a CCBHC’s workflow. Only certain staff member’s engagements with a patient count as a visit for the sake of billing. For example, a number of types of providers may be qualified to provide vaccinations at a CCBHC. However, for these vaccinations to be considered a visit for billing purposes, these services must be provided by a nurse practitioner. CEOs will need to revise their workflows after the baseline cost setting year to ensure that their workflows reflect the standards outlined in CCBHC criteria and payment requirements.

**Business Processes and Partners**

CCBHCs are required to coordinate care across settings and providers to ensure seamless transitions for patients across the full spectrum of health services. This means that CEOs will need to form relationships with many entities with whom they have never before formed relationships. CCBHCs must reexamine their business processes to identify opportunities for partnering with governmental agencies and community partners. For example, a CCBHC could work with the agency that works with foster care youth to provide home visits from a social worker for children in foster care in order to ensure that the transition into a new foster home has an opportunity to go more smoothly. This will create a bridge between the family and the CCBHC and ease the transition into the new home. CCBHCs could also partner with local criminal justice agencies to provide social workers at jail booking, or to accompany police on crisis intervention calls.

**Additional Resources**

For more information on allowable and unallowable costs, cost reporting requirements, and more, visit the National Council’s [Certified Community Behavioral Health Clinics website](#).