

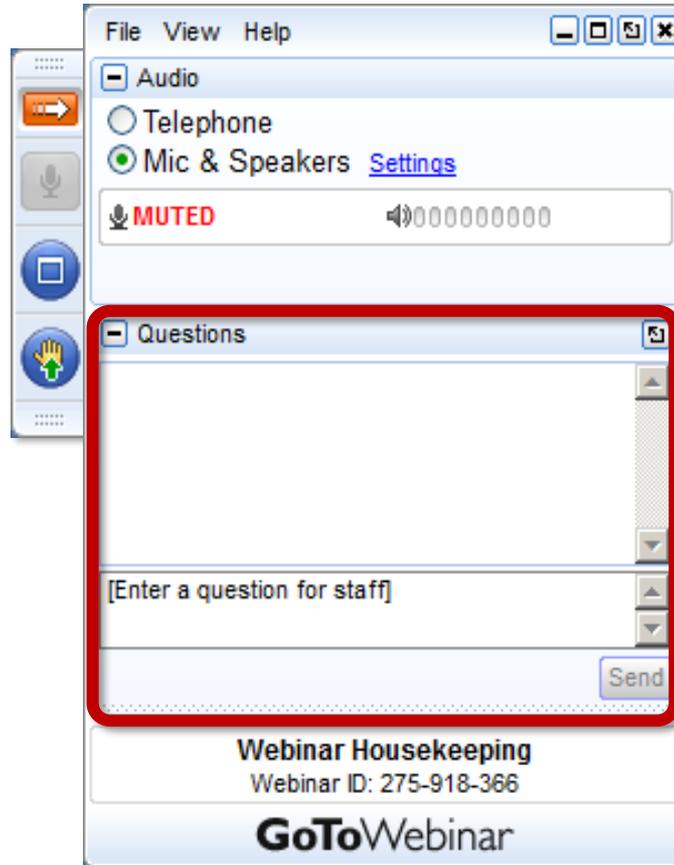
# Value-based Payments and Behavioral Health: Results of a Nationwide Environmental Scan

September 11, 2019

# How to Ask a Question

## Have a question?

Type into the question box and click "send."



# Agenda



- Welcome and Introductions
- Overview of Environmental Scan on Behavioral Health Provider Participation in Medicaid Value-Based Payment Models
- Panel Discussion on Environmental Scan Recommendations
- Closing Remarks and Q&A

# Meet Today's Presenters



Nina Marshall, Assistant Vice President, Healthcare Finance, National Council for Behavioral Health



Selina Hickman, Director of Policy, Vermont Department of Mental Health



Kelsey Brykman, Program Officer, Center for Health Care Strategies



Fady Sahhar, President, XtraGlobex Inc.



Melissa Bailey, Senior Fellow, Center for Health Care Strategies

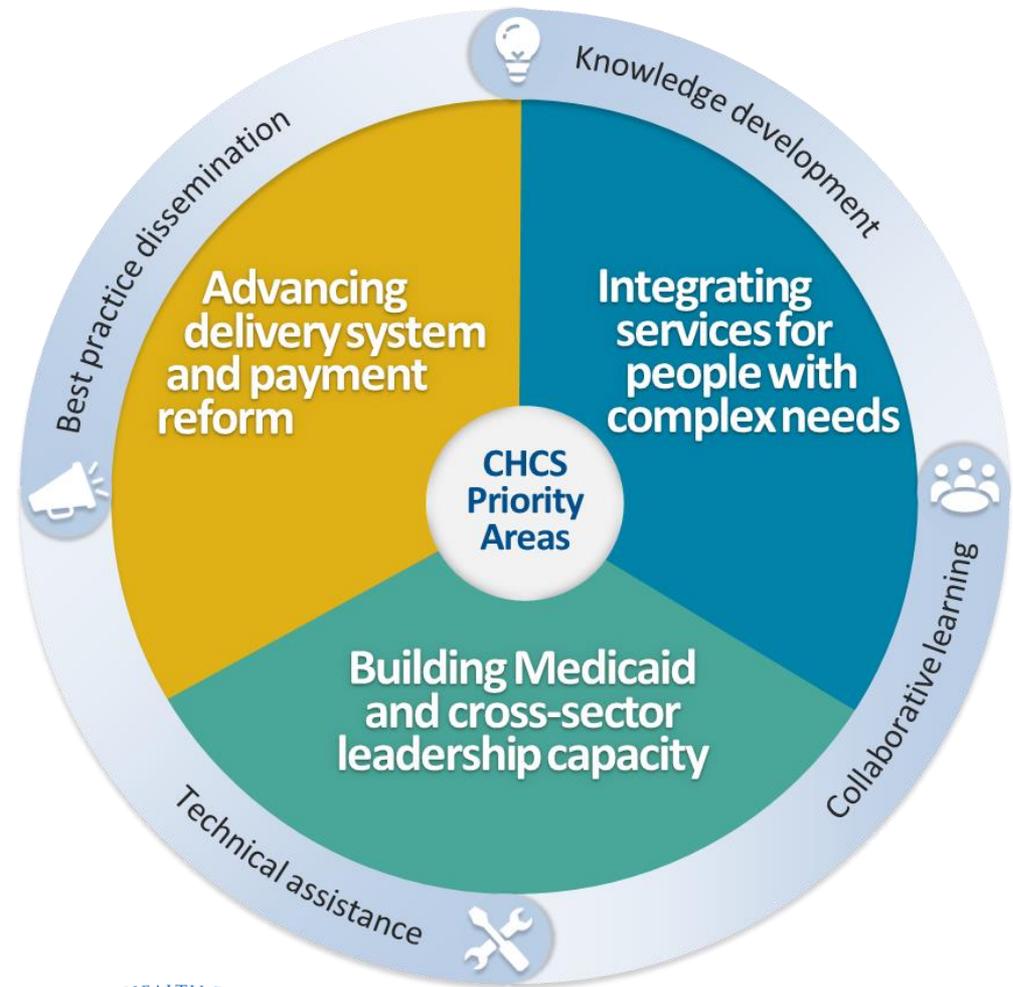


Brad Nunn, Vice President of Quality Improvement, Centerstone Tennessee

# Overview of Environmental Scan on Behavioral Health Provider Participation in Medicaid Value- Based Payment Models

# About the Center for Health Care Strategies

A nonprofit policy center dedicated to improving the health of low-income Americans



# Project Goals and Deliverables



## Goals

- Learn about value-based payment (VBP) models across several states
- Understand the impact of these models on the behavioral health delivery system including strengths, challenges, and policy recommendations



## Deliverables

- Publishing a report that distills key themes — including recommendations for state and federal policymakers

# Interviewees

CHCS interviewed behavioral health associations, behavioral health providers, and/or state government officials in:



- Arizona
- Colorado
- Massachusetts
- New Hampshire
- New York
- Oregon
- Pennsylvania
- Tennessee
- Texas
- Vermont
- Washington

# State VBP Policies



## VBP Targets in Medicaid MCO Contracts

Eight of the eleven states have or plan to implement managed care VBP targets for physical and/or behavioral health: AZ, MA, NH, NY, OR, PA, TX, and WA



## Behavioral Health-Specific VBP models

Examples include:

- **New Hampshire** MCOs' capitated payments for community mental health providers
- **Tennessee** Medicaid's Health Link program
- **Vermont's** mental health case rate payment for mental health agencies



## Certified Community Behavioral Health Clinic Demonstration

Three of the eleven states reviewed participate in the CCBHC demonstration: **New York, Oregon, and Pennsylvania**



## VBP Models Covering a Comprehensive Array of Services

Examples include:

- **Massachusetts** Medicaid's Accountable Care Organization (ACO) and Community Partners programs
- Models in **New York's** Value Based Payment Roadmap
- **Vermont's** All-Payer ACO
- **Tennessee** Medicaid's episodes of care program

## Key Themes:

# Opportunity of VBP



## Behavioral health providers have seen benefits from participation in VBP and CCBHC

- Greater flexibility and incentives to deliver holistic, coordinated care
- Data collection and sharing facilitates quality improvement
- Additional or more predictable funding can improve access

## VBP provides an opportunity to address funding gaps in the behavioral health system in a way that is tied to performance and accountability

- VBP based on historical payment rates may not address resource constraints limiting access to care
- Directing additional funding to the behavioral health system, such as through sharing savings, may support goals of improving quality and reducing total cost of care

## Key Themes:

# High-Level Policy Considerations



**State governance structures and policy impact VBP adoption for behavioral health. Challenges include:**

- Lack of integration at the state and MCO level
- Administrative burden of contracting with multiple MCOs
- Behavioral health care delivery regulations conflicting with health care reform efforts

**Broadly defined VBP targets for MCOs do not necessarily result in new payment models for behavioral health providers. Challenges include:**

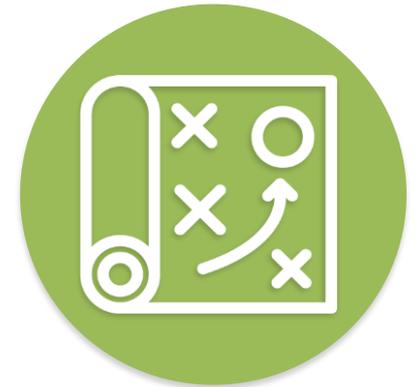
- Small size and subset of the population served by behavioral health providers
- Lack of MCO experience with behavioral health
- Difficulty beginning VBP negotiations

**Behavioral health providers would likely benefit from technical assistance and infrastructure funding**

- Implementing new VBP models often requires development of new capabilities, investment in new IT infrastructure, and hiring additional and/or retraining of staff
- Building data sharing capacity is particularly important

## Key Themes:

# VBP Model Design



**Unique aspects of behavioral health conditions or provider operations may require tailored VBP policy approaches. Policymakers may consider:**

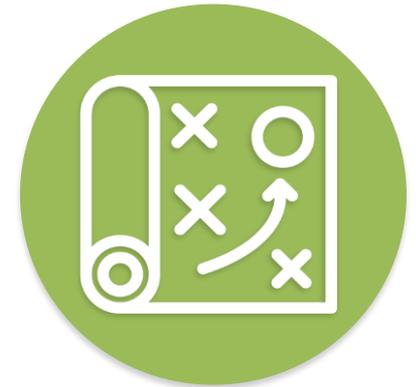
- How existing behavioral health payment models differ from physical health payment
- The chronic nature of behavioral health conditions
- The quality and type of available behavior health data

**Approaches to key VBP design elements, such as attribution and governance, impact behavioral health's level of involvement in VBP models**

- Broad VBP models generally base patient attribution on primary care providers and don't necessarily have a defined role for behavioral health providers
- Physical health providers may not have incentives to share savings or engage with behavioral health providers
- Behavioral health providers often do not have a substantial voice in VBP design and operations

## Key Themes:

# VBP Model Design *(continued)*



## Case rate or population-based payment models tied to performance may be more impactful than P4P

- VBP models may need to move beyond pay-for-performance (P4P) models to be most impactful
- Reduced or different administrative requirements and restrictions may allow for improved care delivery
- While more advanced models may be beneficial, behavioral health provider readiness to enter into VBP varies

## Developing more meaningful behavioral health-focused measures, while reducing overall reporting burden, is needed to support VBP

- There is an opportunity to develop more SUD, SMI, SDOH, and quality of life measures
- Holding behavioral health providers accountable for some physical health or care coordination measures may increase cross-system collaboration and help demonstrate value of behavioral health
- Varying quality measures across programs/payers is administratively burdensome

# Policy Recommendations



1. Implement a **robust stakeholder engagement** process that includes meaningful participation from behavioral health providers and a broad range of state agencies.
2. Leverage **existing behavioral health system payment models** and infrastructure.
3. Adapt VBP models to include policies that further **incentivize adoption of VBP for behavioral health** services.
4. Include **sufficient financial incentives and flexibility** in VBP models to allow for behavioral health care delivery improvement.
5. Implement state policies to **track behavioral health VBP models** and promote transparency around VBP adoption.
6. Support **alignment and development of meaningful behavioral health quality measures** and data sharing infrastructure to facilitate quality improvement.
7. Develop **standardized federal guidance** that can be used by states as “guardrails” to assess the appropriateness and effectiveness of VBP models for behavioral health.

# Panel Discussion on Environmental Scan Recommendations



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## Panel Discussion on Environmental Scan Recommendations: **Stakeholder Engagement**



**Implement a robust stakeholder engagement process that includes meaningful participation from behavioral health providers and a broad range of state agencies.**

- Behavioral health stakeholders can provide insight into provider readiness for VBP and inform VBP design decisions
- Engaging a wide range of state entities — including mental health departments, SUD departments, and agencies regulating health care organizations — may help remove policy barriers and develop models that cross traditional health care silos



***Lead Respondent:***

*Selina Hickman, Director of Policy, Vermont Department of Mental Health*



# How can policymakers most effectively engage with stakeholder for effective BH VBP design?

- Change moves at the pace of trust, so identify your key stakeholders and engage early.
- Create a strategic plan for stakeholder engagement. Use your stakeholders in the development of this plan.
- Always try to say “yes” to requests for more engagement. Plan to add people, locations, products and materials based on feedback.
- Be clear on the purpose and use of feedback; decision, advice, information, awareness?
- Always report back on what feedback was received. This is accountability.
- Know your vision and principles and be flexible in how you get there!

# What has this looked like in your state? Lessons learned?

Vermont's Stakeholder Engagement Process-

**Phase 1**- Planning and Design, late 2017 through early Fall 2018

- Payment reform workstreams include "Stakeholder Engagement".
- Aligned materials created that speak to payer, provider and individual/family audience needs and interests.
- Payment reform workstreams meet every 2 weeks.
- Members are invited to ensure expertise, but meetings are open to any interested parties

**Phase 2**- Implementation Preparation, Fall 2018- 12/31/2018

- Stakeholder Engagement workstream coordinates schedule of presentations and outreach.
- Three full day training summits held around the state for providers.
- The State publishes a stakeholder engagement packet for intended reuse by anyone who wants to talk about payment reform.

***More than 150 hours of re-occurring work group meetings happen between phase 1 and 2.***

## Lessons learned/Outcomes

- Successful stakeholder engagement created a payment reform process that barely hit the news or the state legislature.
- ALL contracts implementing payment reform were executed in record-breaking speed- 2 weeks!
- The Department's stakeholder process is frequently mentioned by providers as a success.

## Panel Discussion on Environmental Scan Recommendations: **Financial Incentives and Flexibility in VBP Models**



**Include sufficient financial incentives and flexibility in VBP models to allow for behavioral health care delivery improvement. Policymakers may consider:**

- Assessing the feasibility of implementing more flexible approaches to payment, such as population-based payments or case rates
- Developing VBP models where savings are shared across physical and behavioral health systems



**Lead Respondent:**  
Fady Sahhar, President,  
XtraGlobex Inc.

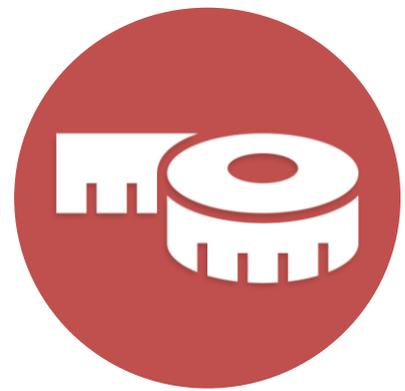
# Financial Incentives and Flexibility for Care Delivery

- Underlying Base Principle: VBP Models must Move Beyond Fee-For-Services (FFS) with Pay for Performance; Need Alternative Payment Methodologies (APM)
- Benefits of APM
  - Removes the Constraint of a Focus on Billable Units and Services
  - Flexibility in Service Delivery (e.g., Telehealth, Case Management, Prevention)
  - More Predictable Funding
  - Opportunity to Address Funding Gaps in BH System
  - Eliminates Bad Debt
  - Eliminates Administrative Time Used for Authorization, Claims, Denials, Appeals

# Financial Incentives and Flexibility for Care Delivery

- Providers Wary of VBP? Use a Phased-In VBP Approach
- Providers Ready for VBP? Barriers to VBP Models
  - MCO engagement, contracting, payment design, administrative funds
- Benefits of an ACO Approach
  - Risk Mitigation, Coverage, Collaboration
- Final Word of Warning: Nothing Makes up for Underfunding
- But... You Definitely will not Survive in the Long Run with the Alternative: Reduced Fee-For-Service with Managed Care

## Panel Discussion on Environmental Scan Recommendations: **Quality Measures**



**Support alignment and development of meaningful behavioral health quality measures and data sharing infrastructure to facilitate quality improvement. Policymakers may consider:**

- Engaging with behavioral health providers and MCOs to identify and align a common set of behavioral health measures and benchmarks
- Identifying opportunity to incorporate existing but underutilized behavioral health measures in quality measure sets, and/or holding physical and behavioral health providers mutually responsible for shared measures
- Implement policies and invest in infrastructure to support timely data sharing and robust data collection



**Lead Respondent:**  
*Brad Nunn, Vice President of  
Quality Improvement,  
Centerstone Tennessee*

## Quality Measures in Value-based Payment Models

Majority of quality measures used in behavioral health VBP programs are considered process measures.

Tennessee's two major VBH initiatives are listed below with their quality measures

1. Episodes of Care (EoC) "quality" measures have included:
  - Minimum number of visits (5 in 6-month episodes for ODD and ADHD)
  - Minimum use of long-acting stimulants (ADHD)
2. Behavioral Health Home care coordination model called Tennessee health Link (THL). Quality and Efficiency measures include:
  - 7- and 30-day hospital readmissions
  - Antidepressant management
  - 7-day Hospital follow-up rate
  - Adherence to Antipsychotic medications for individuals with schizophrenia
  - Adult BMI assessment
  - Diabetes screening for persons with Schizophrenia
  - Metabolic monitoring for C&Y on Antipsychotics
  - Diabetic Eye exam
  - Well child visits
  - Reduced ED Visits and Inpatient Discharges

# What types of quality measures would you like to be developed or adopted in to VBP contracts in the future?

1. Utilizing more meaningful behavioral health-focused quality measures, while reducing overall measurement and reporting burden, is needed to support VBP.
2. There is no shortage of quality measures to choose from. Incorporate existing but underutilized behavioral health measures from sources like NCQA, The Joint Commission, AHRQ and CMS.
3. Develop and/or include SDOH or quality of life measures
4. Quality benchmarks for populations with SUD, should be evaluated over a longer timeframe to account for typical recovery trajectories
5. Harmonize and reduce the total number of quality measures to minimize administrative burden caused by variations across payers or programs
6. Real time or near real time care coordination tools can be very useful. Tennessee has implemented such a tool for its Health Link program that, at least theoretically, provides real-time admission, discharge and transfer notices to participating providers.

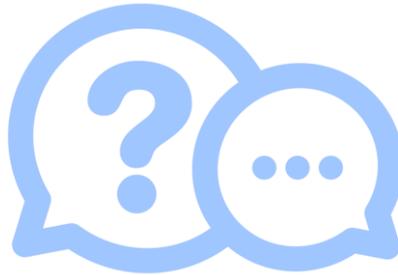
## Panel Discussion on Environmental Scan Recommendations: **Additional Policy Recommendations**



### **Additional policy recommendations from the environmental scan include:**

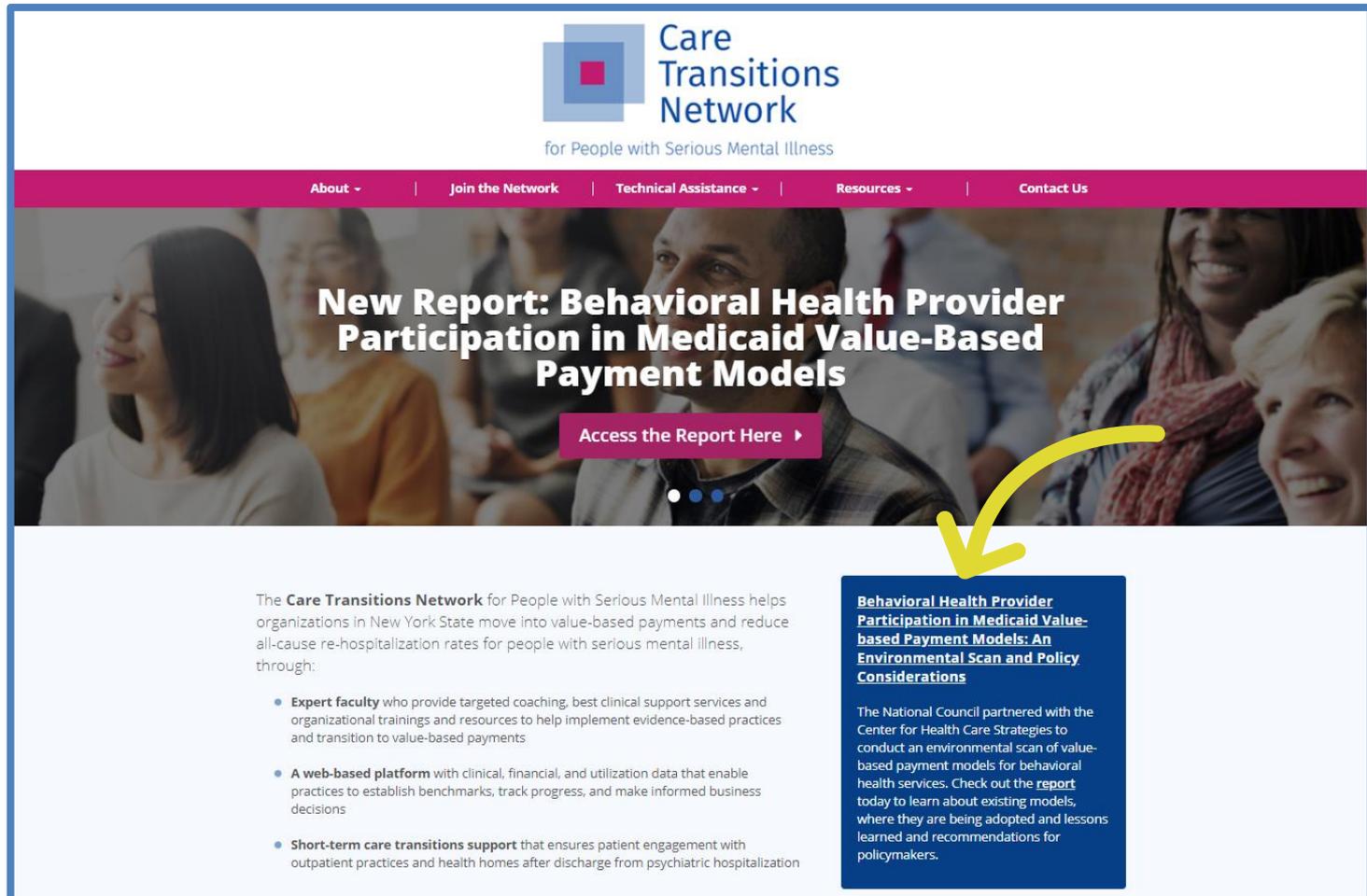
- Leverage existing behavioral health system payment models and infrastructure.
- Adapt existing VBP models to include policies that further incentivize adoption of VBP for behavioral health services.
- Implement state policies to track behavioral health VBP models and promote transparency around VBP adoption.
- Develop standardized federal guidance that can be used by states as “guardrails” to assess the appropriateness and effectiveness of VBP models for behavioral health.

# Question & Answer



# Access the White Paper

## [Behavioral Health Provider Participation in Medicaid Value-based Payment Models: An Environmental Scan and Policy Considerations](#)



The screenshot shows the Care Transitions Network website. At the top, the logo for Care Transitions Network is displayed, with the tagline "for People with Serious Mental Illness". Below the logo is a navigation bar with links for "About", "Join the Network", "Technical Assistance", "Resources", and "Contact Us". The main content area features a large image of a diverse group of people, with the headline "New Report: Behavioral Health Provider Participation in Medicaid Value-Based Payment Models". A pink button labeled "Access the Report Here" is positioned below the headline. A yellow arrow points from this button to a blue box on the right side of the page. The blue box contains the title of the report, "Behavioral Health Provider Participation in Medicaid Value-based Payment Models: An Environmental Scan and Policy Considerations", and a short summary of the report's content. On the left side of the page, there is a paragraph of text and a bulleted list of key features of the Care Transitions Network.

**Care Transitions Network**  
for People with Serious Mental Illness

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### New Report: Behavioral Health Provider Participation in Medicaid Value-Based Payment Models

[Access the Report Here](#)

The **Care Transitions Network** for People with Serious Mental Illness helps organizations in New York State move into value-based payments and reduce all-cause re-hospitalization rates for people with serious mental illness, through:

- **Expert faculty** who provide targeted coaching, best clinical support services and organizational trainings and resources to help implement evidence-based practices and transition to value-based payments
- **A web-based platform** with clinical, financial, and utilization data that enable practices to establish benchmarks, track progress, and make informed business decisions
- **Short-term care transitions support** that ensures patient engagement with outpatient practices and health homes after discharge from psychiatric hospitalization

**Behavioral Health Provider Participation in Medicaid Value-based Payment Models: An Environmental Scan and Policy Considerations**

The National Council partnered with the Center for Health Care Strategies to conduct an environmental scan of value-based payment models for behavioral health services. Check out the [report](#) today to learn about existing models, where they are being adopted and lessons learned and recommendations for policymakers.