

CCBHC Financial Management and Sustainability Learning and Action Series, Session 5:

Pulling it All Together

Wednesday, August 2nd, 2023

2:30-4:00 pm E.T.

CCBHC-E National Training and Technical Assistance Center

Funded by Substance Abuse and Mental Health Services Administration and operated by the National Council for Mental Wellbeing

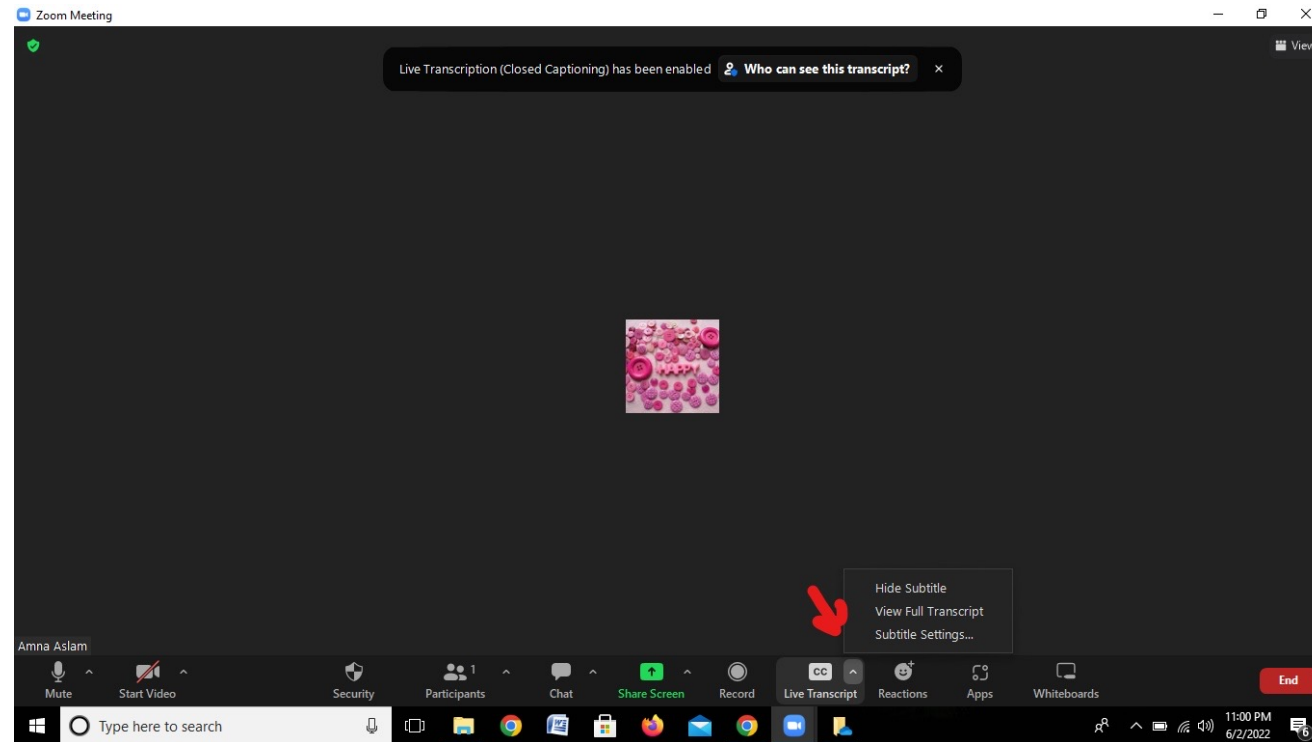
Acknowledgements and Disclaimer

This event/publication was made possible by Grant Number 1H79SM085856 from the Substance Abuse and Mental Health Services Administration (SAMHSA). Its contents are solely the responsibility of the authors and do not necessarily represent the official views, opinions, or policies of SAMHSA, or the U.S. Department of Health and Human Services (HHS).

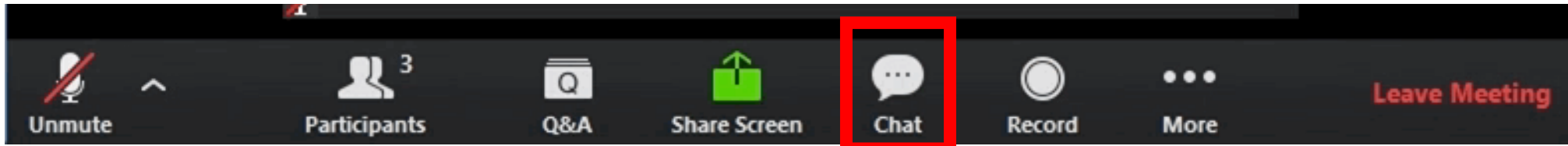


How to Enable Closed Captions (Live Transcript)

Next to “Live Transcript,” click the arrow button for options on closed captioning and live transcript.



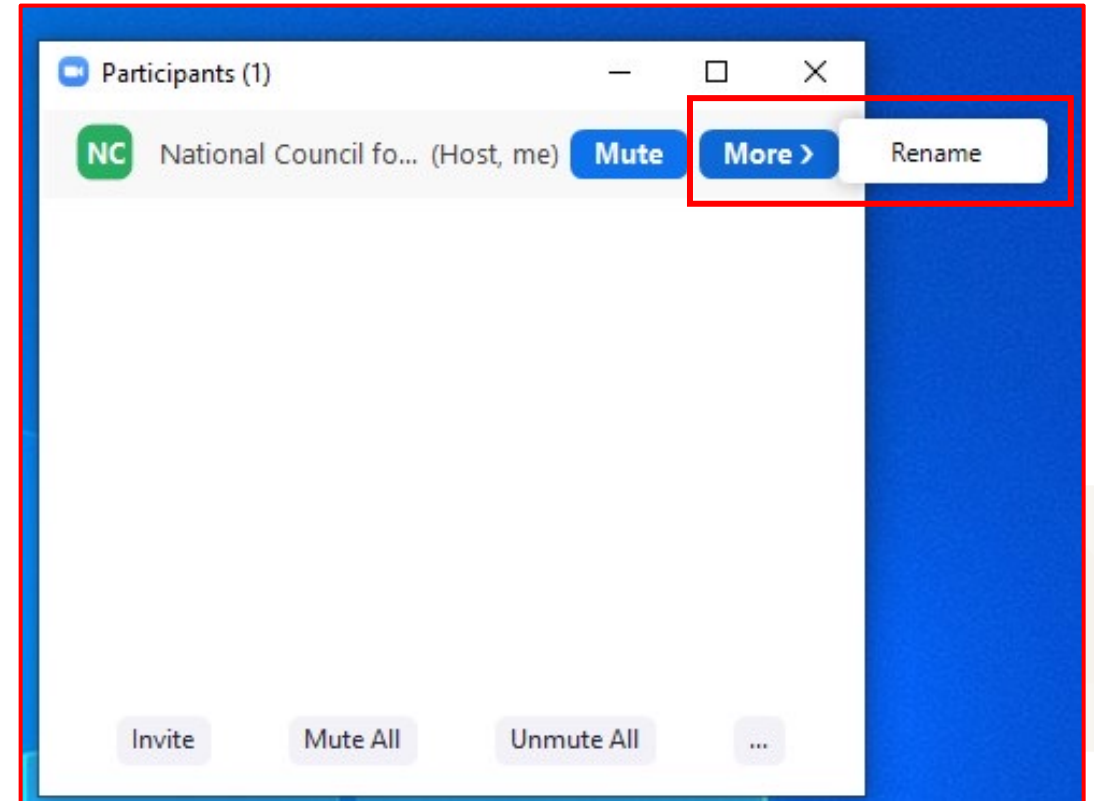
How to Ask a Question



Please share questions throughout today's session using the **Chat Box** on your Zoom toolbar.
We'll answer as many questions as we can throughout today's session.

Name and Organization

- Please join by video if you are able!
- Please rename yourself so your name includes your organization.
 - *For example:*
 - **Hope Rothenberg, National Council**
 - *To rename yourself:*
 - Click on the **Participants** icon at the bottom of the screen
 - Find your name and hover your mouse over it
 - Click **Rename**
- If you are having any issues, please send a Zoom chat message to **Ritu Dhar, National Council**



NATIONAL
COUNCIL
for Mental
Wellbeing

Today's Session: Slides and Recording

Slides and the session recording link will be available on the [CCBHC-E NTTAC website](#) under "Training and Events" > "Past Events" within 2 business days.

The screenshot displays the website interface. On the left, a navigation menu titled "Training & Events" is shown, with a red arrow pointing to the "Training & Events" link. The menu items include: About Us, Resources, Training & Events (highlighted), Learning Communities, On-Demand Modules/Lessons, Learning and Action Series, and Request Training/Assistance. The main content area is titled "Calendar of Events" and features a search bar with a magnifying glass icon, and three filter boxes: "Start Date" with a calendar icon, "End Date" with a calendar icon, and "Select Event" with a dropdown arrow. The "Select Event" dropdown is open, showing "Future Events" (selected), "Future Events", "Past Events" (highlighted in blue), and "Apply". A red arrow points from the "Past Events" option in the dropdown to the "Past Events" link in the navigation menu.



Today's Agenda

- Welcome and logistics
- Review of agenda, learning objectives, and presenters
- Discussion – Homework Assignment from Session #4
- Review Elements of Sustainability Plan
- Incorporation of business planning elements into the Sustainability Business Plan
- Projecting future costs of a compliant CCBHC program
- Approaches to sustaining the CCBHC business model
- Process for monitoring and updating Sustainability Plan
- Questions



Learning Objectives

- Learn how to project the cost of a fully compliant CCBHC program
- Understand the different approaches of sustaining the CCBHC program whether it be from a state with a Medicaid PPS option versus others
- Learn the elements and structure for pulling together a sustainability plan, including annual updating



Today's Presenters



Peter R. Epp, CPA
Partner,
Community Health –
Practice Leader
CohnReznick LLP



Joanne McNamara, JD
Senior Manager,
Healthcare Consulting
Services
CohnReznick LLP

Session #5: Pulling it All Together

Peter R. Epp, CPA
*Partner, Community
Health – Practice
Leaders*
CohnReznick LLP

Joanne McNamara, JD
*Senior Manager,
Healthcare Consulting
Services*
CohnReznick LLP

Homework Assignment from Session #4

In Session #4, we discussed:

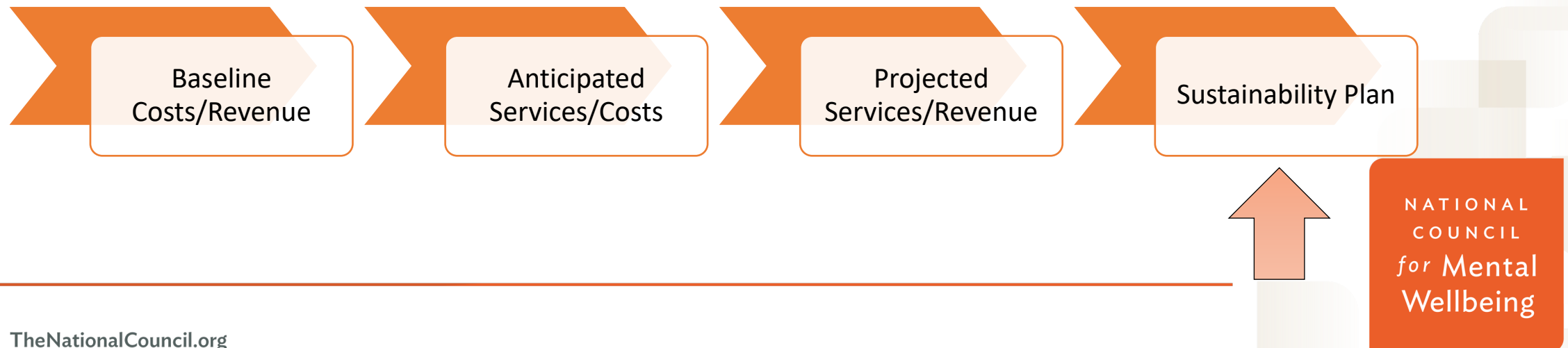
- Budgeting future demand for CCBHC services and its impact on Anticipated Costs and Revenue

Homework from the prior session:

- Is your electronic health record/billing system able to capture the services and billing required for transition to a fully-compliant CCBHC?
- What are your plans for generating additional revenue sources to sustain the program?
- What are your plans to enhance your EHR/billing system for transition to CCBHC?
- Other questions?

Review - Elements of a CCBHC Sustainability Plan

- An Executive Summary that describes, in narrative form, the elements of the Business Plan discussed in session #1
- It is recommended that the Sustainability Plan “narrative” be supported by a financial plan/projection covering the CCBHC “Total Budget” concept with the following components:
 - Summary revenue and expense projections
 - Client and services/volume budget



CCBHC Sustainability Plan Requirement

- Development of a Sustainability Plan is a **Required Activity** for grant funded CCBHCs, as listed in SAMHSA's Notice of Funding Opportunity (NOFO):
 - Within 1 year of award, grantees must develop and implement a Sustainability Plan to support delivery of services once federal grant funding ends
 - The Sustainability Plan shall be updated annually.
- CCBHCs should view the development of a Sustainability Plan as an opportunity to create a CCBHC Business Plan that identifies actionable pathways to support the service delivery model
 - As a best practice, this should include the development of a value proposition to entice funders to invest in the CCBHC model*

* For development of a value proposition – “Development Your Value Proposition – A Step-by-step Guide for Behavioral Health Providers”, National Council for Mental Wellbeing



What is a Business Plan?

How to run your company with a cohesive vision and convince someone to invest in your business

EXECUTIVE SUMMARY

COMPANY AND MANAGEMENT TEAM

OPPORTUNITY

- The Problem and Solution
- Target Market
- Competition
- Future Products and Services

EXECUTION

- Marketing Plan
- Operations
- Strategic Alliances
- Milestones and Metrics
- Key Assumptions and Risks

FINANCIAL PLAN/ PROJECTIONS

- Patient Volume and Services
- Personnel/Staffing
- Profit and Loss
- Cash Flow

NATIONAL
COUNCIL
for Mental
Wellbeing



What is a “Sustainability” Business Plan?

- Alignment of the CCBHC Sustainability Plan with a Business Plan

Investor	<ul style="list-style-type: none">• Federal/State government agencies• Third party payers (insurance companies)
Opportunity	<ul style="list-style-type: none">• Address the current behavioral health crisis with the implementation of the CCBHC service delivery model. Utilization of needs assessment and engagement of people with lived experience to expand/enhance services
Execution	<ul style="list-style-type: none">• Understanding the current baseline performance• Developing Anticipated Services to become CCBHC compliant
Company and Management Team	<ul style="list-style-type: none">• Board Governance and organizational authority• CCBHC Leadership
Financial Plan/Projections	<ul style="list-style-type: none">• Forecast of increased client services, volume, and workforce• Identification of additional revenue streams to sustain the model

NATIONAL
COUNCIL
for Mental
Wellbeing



Potential Elements of a CCBHC Sustainability Plan

- An Executive Summary that describes, in narrative form, the previously described elements of the Business Plan
- The Sustainability Plan should be supported by a financial plan/projection covering the CCBHC “Total Budget” concept with the following components:
 - Summary revenue and expense projections
 - Client and services/volume budget
 - Revenue budget
 - Including detailed patient revenue budget linked to the services/volume budget
 - Expense budget
 - Including detailed personnel services budget lined to services/volume utilizing clinical productivity benchmarks

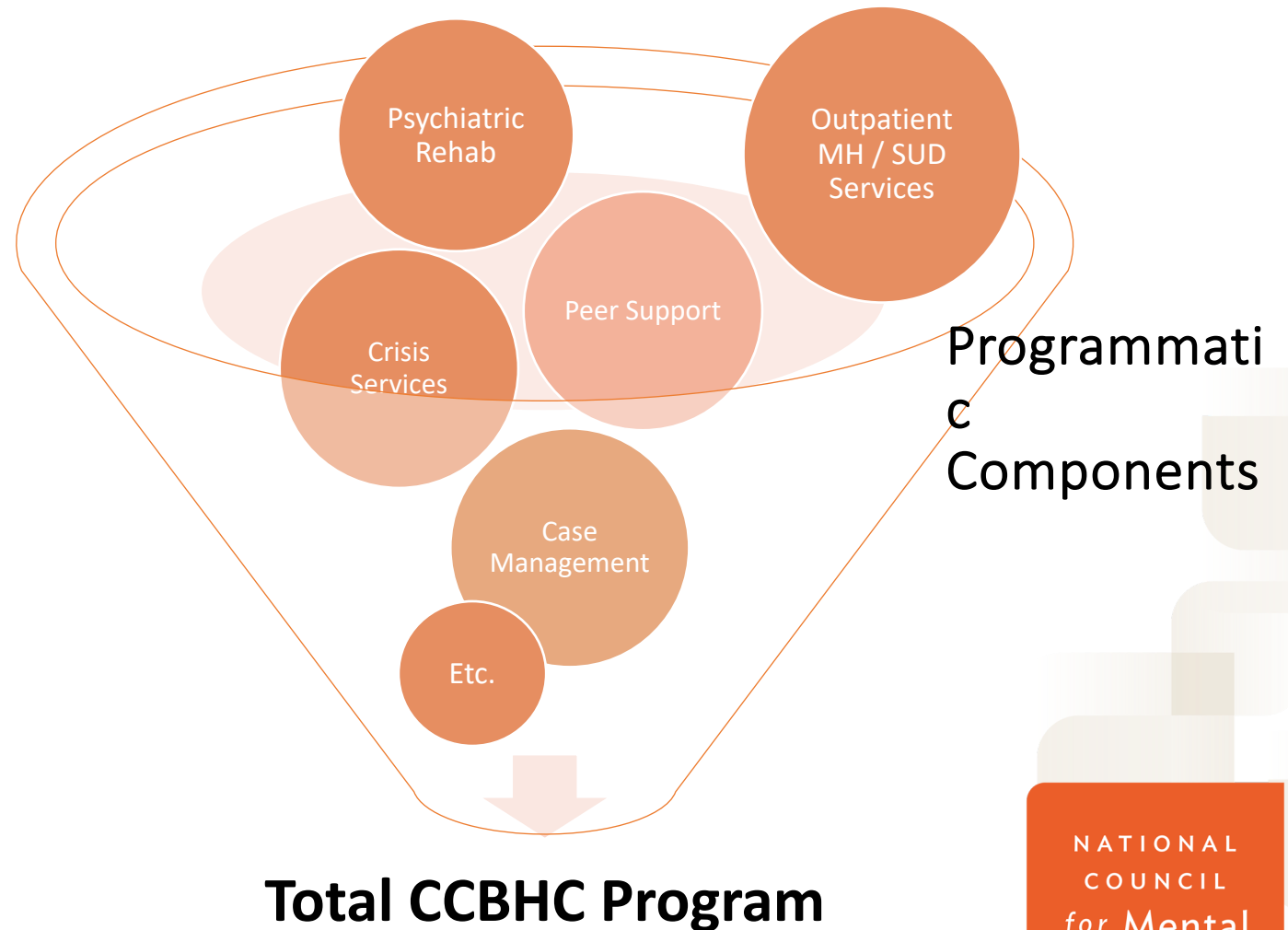
Sustaining the CCBHC Program

Current State:

Assessing and monitoring the financial performance of an array of siloed programs

Future State:

Understanding and monitoring the total cost of CCBHC program operations to strategically plan for sustainability



Financial Plan - Overview of Approach

- **Develop the CCBHC “Total Budget”**

The cost of the CCBHC program is much larger than the portion of the program funded by the SAMHSA CCBHC grants

- Understand the CCBHC program criteria and Total Budget Concept
- 2 components of costing out the CCBHC program
 - Current baseline costs
 - New anticipated costs (budgeted)
- **What revenue sources are available now to fund the CCBHC program?**
 - CCBHC Expansion grants to support costs not covered by other sources
 - Program income - Third party billing & direct client payments (based on sliding fee scale)
 - Potential – Medicaid Prospective Payment System (PPS) rates
 - Other funding opportunities (e.g., Alternative Payment Models)



Components of the CCBHC Total Budget

- Expense Budget –
 - Step One: Baseline – segregate CCBHC versus non-CCBHC services
 - Step Two: Anticipated costs to become CCBHC compliant
 - Step Three: Allocation of overhead costs

	CCBHC	Non-CCBHC	Indirect/Overhead	TOTALS
<u>Salaries & Wages:</u>				
Base Year, Adjusted	\$ 7,500,000	\$ 1,000,000	\$ 1,500,000	\$ 10,000,000
Anticipated	\$ 5,000,000	\$ -	\$ 500,000	\$ 5,500,000
Total Salaries & Wages	\$ 12,500,000	\$ 1,000,000	\$ 2,000,000	\$ 15,500,000
<u>Fringe Benefits & Payroll Taxes:</u>				
Base Year	\$ 1,500,000	\$ 200,000	\$ 300,000	\$ 2,000,000
Anticipated	\$ 1,312,500	\$ 25,000	\$ 150,000	\$ 1,487,500
Total Fringe Benefits & Payroll Taxes	\$ 2,812,500	\$ 225,000	\$ 450,000	\$ 3,487,500
<u>Other Than Personnel Services:</u>				
Base Year	\$ 2,500,000	\$ 500,000	\$ 250,000	\$ 3,250,000
Anticipated Costs	\$ 500,000	\$ -	\$ 100,000	\$ 600,000
Total Other Than Personnel Services	\$ 3,000,000	\$ 500,000	\$ 350,000	\$ 3,850,000
Total Expenses, Before Allocation	\$ 18,312,500	\$ 1,725,000	\$ 2,800,000	\$ 22,837,500
<i>Direct Program Expense %s</i>	<i>91.39%</i>	<i>8.61%</i>		<i>100.00%</i>
Allocation of Indirect/Overhead	\$ 2,558,952	\$ 241,048	\$ (2,800,000)	\$ -
Total Expenses, After Allocation	\$ 20,871,452	\$ 1,966,048	\$ -	\$ 22,837,500

Case Study Example – CCBHC Expense Budget

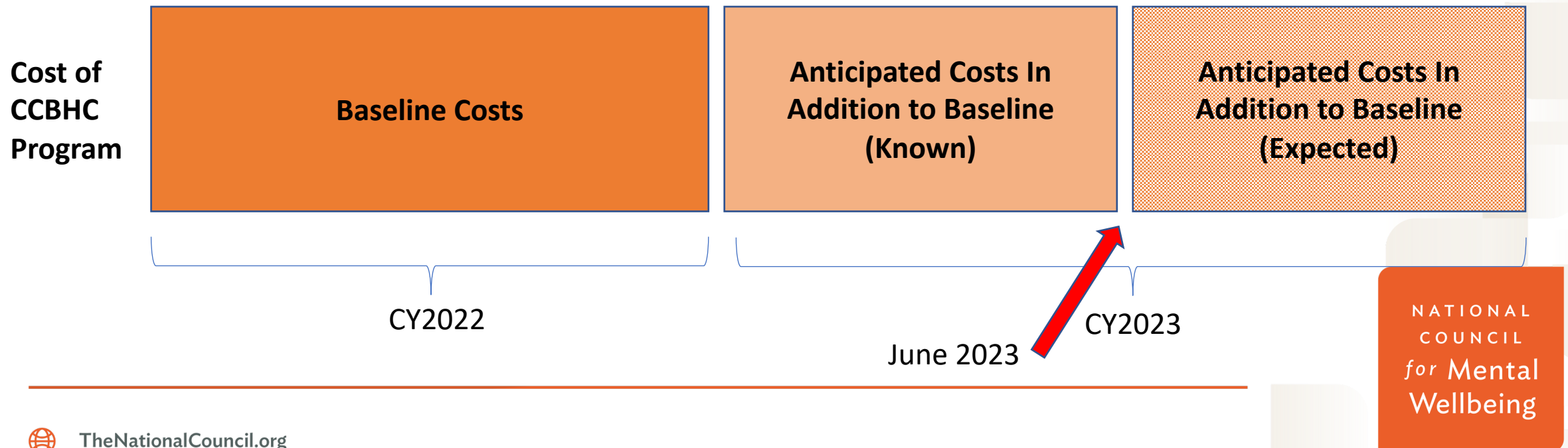
	Mental Health Therapy	ACT Team	Intensive Case Management	Primary Care	Transitional Respite (Residential)	Indirect/Overhead	TOTALS
<u>Salaries & Wages:</u>							
Base Year, Adjusted	\$ 817,709	\$ 719,815	\$ 142,812	\$ 227,683	\$ 278,250	\$ 1,467,393	\$ 3,653,662
Total Salaries & Wages	\$ 817,709	\$ 719,815	\$ 142,812	\$ 227,683	\$ 278,250	\$ 1,467,393	\$ 3,653,662
<u>Fringe Benefits & Payroll Taxes:</u>							
Base Year	\$ 191,733	\$ 145,709	\$ 40,658	\$ 46,461	\$ 29,157	\$ 325,154	\$ 778,871
Total Fringe Benefits & Payroll Taxes	\$ 191,733	\$ 161,958	\$ 32,133	\$ 46,461	\$ 29,157	\$ 325,154	\$ 786,595
<u>Other Than Personnel Services:</u>							
Base Year	\$ 230,578	\$ 344,669	\$ 6,556	\$ 317,465	\$ 104,125	\$ 792,688	\$ 1,796,080
Total Other Than Personnel Services	\$ 230,578	\$ 344,669	\$ 6,556	\$ 317,465	\$ 104,125	\$ 792,688	\$ 1,796,080
Total Expenses, Before Allocation	\$ 1,240,019	\$ 1,226,443	\$ 181,500	\$ 591,609	\$ 411,531	\$ 2,585,235	\$ 6,236,337
Assignment	CCBHC	CCBHC	CCBHC	Non-CCBHC	Non-CCBHC		

Expense Budget –

- Baseline – segregate existing CCBHC versus non-CCBHC services

Anticipated/Budgeted CCBHC Costs

- Development of anticipated costs includes costs that have been, or will be incurred after the base year that are additive to baseline costs
- Example: if Calendar Year 2022 was used as the Base Year for assessing baseline costs, anticipated costs would include incremental actual costs through present and projected through 2023



Case Study Example – CCBHC Expense Budget

	Chemical Dependency Counseling	Youth Mental Health Services	MAT Services	Additional Administrative	Sub-Total Anticipated Costs
<u>Salaries & Wages:</u>					
Base Year, Adjusted	\$ -	\$ -	\$ -	\$ -	\$ -
Anticipated	\$ 593,061	\$ 663,432	\$ 54,000	\$ 145,000	\$ 1,455,493
Total Salaries & Wages	\$ 593,061	\$ 663,432	\$ 54,000	\$ 145,000	\$ 1,455,493
<u>Fringe Benefits & Payroll Taxes:</u>					
Base Year	\$ -	\$ -	\$ -	\$ -	\$ -
Anticipated	\$ 206,642	\$ 120,205	\$ 6,000	\$ 29,000	\$ 361,846
Total Fringe Benefits & Payroll Taxes	\$ 206,642	\$ 120,205	\$ 6,000	\$ 29,000	\$ 361,846
<u>Other Than Personnel Services:</u>					
Base Year	\$ -	\$ -	\$ -	\$ -	\$ -
Anticipated Costs	\$ 455,871	\$ 104,651	\$ -	\$ 150,000	\$ 710,522
Total Other Than Personnel Services	\$ 455,871	\$ 104,651	\$ -	\$ 150,000	\$ 710,522
Total Expenses, Before Allocation	\$ 1,255,574	\$ 888,288	\$ 60,000	\$ 324,000	\$ 2,527,861
Assignment	CCBHC	CCBHC	CCBHC	CCBHC	

Expense Budget –

- Anticipated costs to become CCBHC compliant

Case Study Example – CCBHC Expense Budget

Expense Budget –

- New Anticipated staffing profile for sustainability plan narrative

New Staff to be Added

Chemical Dependency Counseling			
Position Title	Base Salary	FTEs Required	Total Costs
Certified SUD Counselor	\$ 55,000	4.00	\$ 220,000
Peer Support Specialist	\$ 36,000	6.00	\$ 216,000
Intake Coordinator	\$ 67,000	1.00	\$ 67,000
Case Manager	\$ 45,031	2.00	\$ 90,061
Subtotal		13.00	\$ 593,061
Youth Mental Health Services			
Licensed Mental Health Counselor - Child Specialty	\$ 53,000	4.50	\$ 238,500
Psychiatric Nurse Practitioner - Child Specialty	\$ 167,000	1.50	\$ 250,500
Family Peer Advocate	\$ 40,011	3.00	\$ 120,032
School Outreach Coordinator	\$ 54,400	1.00	\$ 54,400
Subtotal		10.00	\$ 663,432
MAT Services			
Psychiatric NP -MAT Prescriber	\$ 166,850	0.20	\$ 33,370
Registered Nurse	\$ 82,520	0.25	\$ 20,630
Subtotal		0.45	\$ 54,000
Additional Administrative			
Reception Staff	\$ 36,000	1.00	\$ 36,000
SUD Program Manager	\$ 55,000	1.00	\$ 55,000
Quality Coordinator	\$ 54,000	1.00	\$ 54,000
Subtotal		3.00	\$ 145,000

\$ 1,455,493

Case Study Example – CCBHC Expense Budget

Expense Budget

- Allocation of Overhead Costs

	CCBHC	Non-CCBHC	Indirect/ Overhead	TOTALS
<u>Salaries & Wages:</u>				
Base Year, Adjusted	\$ 1,680,336	\$ 505,933	\$ 1,467,393	\$ 3,653,662
Anticipated	\$ 1,455,493	\$ -	\$ -	\$ 1,455,493
Total Salaries & Wages	\$ 3,135,829	\$ 505,933	\$ 1,467,393	\$ 5,109,155
<u>Fringe Benefits & Payroll Taxes:</u>				
Base Year	\$ 378,100	\$ 75,617	\$ 325,154	\$ 778,871
Anticipated	\$ 369,570	\$ -	\$ -	\$ 369,570
Total Fringe Benefits & Payroll Taxes	\$ 747,670	\$ 75,617	\$ 325,154	\$ 1,148,441
<u>Other Than Personnel Services:</u>				
Base Year	\$ 581,802	\$ 421,590	\$ 792,688	\$ 1,796,080
Anticipated Costs	\$ 710,522	\$ -	\$ -	\$ 710,522
Total Other Than Personnel Services	\$ 1,292,324	\$ 421,590	\$ 792,688	\$ 2,506,602
Total Expenses, Before Allocation	\$ 5,175,824	\$ 1,003,140	\$ 2,585,235	\$ 8,764,199
<i>Direct Program Expense %s</i>	<i>83.77%</i>	<i>16.23%</i>		<i>100.00%</i>
Allocation of Indirect/Overhead	\$ 2,165,528	\$ 419,707	\$ (2,585,235)	\$ -
Total Expenses, After Allocation	\$ 7,341,352	\$ 1,422,847	\$ -	\$ 8,764,199

Case Study Example – Revenue & Utilization

	Mental Health Therapy	ACT Team	Intensive Case Management	Primary Care	Transitional Respite (Residential)	Chemical Dependency Counseling	Youth Mental Health Services	MAT Services
Revenue Sources								
Patient Services Revenue	\$ 1,588,421	\$ 1,359,746	\$ -	\$ 569,952	\$ 23,722	\$ -	\$ -	\$ -
Patient Services Revenue, Anticipated						\$ 1,404,873	\$ -	\$ 204,792
Contract Income	\$ -	\$ -	\$ 189,553	\$ 193,272	\$ 474,419	\$ -	\$ -	\$ -
Grant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 60,000
Total Revenue	\$ 1,588,421	\$ 1,359,746	\$ 189,553	\$ 763,224	\$ 498,142	\$ 1,404,873	\$ 1,000,000	\$ 264,792
	CCBHC	CCBHC	CCBHC	Non-CCBHC	Non-CCBHC	CCBHC	CCBHC	CCBHC
<i>Utilization Statistics:</i>								
Annual Encounters, Actual	8,586	11,331	3,791	3,184		-	-	-
Annual Encounters, Anticipated						11,707	6,452	1,575
<i>Estimated Utilization Rates</i>								
Client Users, Actual	10	140	12	4		20	12	20
Client Users, Anticipated	859	81	316	796		-	-	-
	-	-	-	-		585	538	79

- Current and potential revenue streams and utilization projections

Case Study Example – Revenue & Utilization

	Mental Health Therapy	ACT Team	Intensive Case Management	Chemical Dependency Counseling	Youth Mental Health Services	MAT Services	CCBHC
	CCBHC	CCBHC	CCBHC	CCBHC	CCBHC	CCBHC	
<i>Utilization Statistics:</i>							
Annual Encounters, Actual	8,586	11,331	3,791	-	-	-	23,708
Annual Encounters, Anticipated				11,707	6,452	1,575	19,734
<i>Client Payor Mix</i>							
Medicaid	63%	80%	50%	80%	80%	70%	74%
Medicare	10%	5%	12%	5%	0%	5%	6%
Commercial	15%	3%	14%	5%	10%	15%	8%
Uninsured	12%	12%	24%	10%	10%	10%	12%
TOTAL	100%	100%	100%	100%	100%	100%	100%
<i>Encounters by Payer Mix</i>							
Medicaid	5,409	9,065	1,896	9,366	5,162	1,103	31,999
Medicare	859	567	455	585	-	79	2,544
Commercial	1,288	340	531	585	645	236	3,625
Uninsured	1,030	1,360	910	1,171	645	158	5,273
TOTAL	8,586	11,331	3,791	11,707	6,452	1,575	43,442

Revenue & Utilization Budget –

- Utilization of services by payer (payer mix) by program



Case Study Example – Revenue & Utilization

Chemical Dependency Counseling	Encounters	Payment Rates	Projected Revenue
<i>Encounters by Payer Mix</i>			
Medicaid	9,366	\$140.00	\$ 1,311,217
Medicare	585	\$80.00	\$ 46,828
Commercial	585	\$50.00	\$ 29,268
Uninsured	1,171	\$15.00	\$ 17,561
TOTAL	11,707	\$120.00	\$ 1,404,873

Revenue & Utilization Budget –

- Project revenue for each program utilizing the specific program’s payer mix of visits and payment rates

Case Study Example – CCBHC Total Budget

Total Budget

- Pulling together projected revenue vs. expenses for the CCBHC program shows a loss of \$1.5M
- CCBHC includes a \$1M SAMHSA Expansion grant
- Total long-term plan must cover a \$2.5M hole

	CCBHC	Non-CCBHC	TOTALS
Revenue Sources			
Patient Services Revenue	\$ 2,948,167	\$ 593,674	\$ 3,541,841
Patient Services Revenue, Anticipated	\$ 1,609,665	\$ -	\$ 1,609,665
Contract Income	\$ 189,553	\$ 667,691	\$ 857,245
Grant Revenue	\$ 1,060,000	\$ -	\$ 1,060,000
Total Revenue	\$ 5,807,385	\$ 1,261,366	\$ 7,068,751
Total Expenses, Before Allocation	\$ 5,175,824	\$ 1,003,140	\$ 6,178,964
Allocation of Overhead	\$ 2,165,528	\$ 419,707	\$ 2,585,235
Total Expenses, After Allocation	\$ 7,341,352	\$ 1,422,847	\$ 8,764,199
Operating Surplus/(Loss)	\$ (1,533,966)	\$ (161,481)	\$ (1,695,448)

Understanding Billing Opportunities

For New Staff/Services

- What staff can generate billable revenue?
- Is your practice management system set up to bill properly?
- Do you have a system in process to evaluate revenue cycle performance for new activities?

New Staff to be Added

Chemical Dependency Counseling				Generates Billable Revenue? *
Position Title	Base Salary	FTEs Required	Total Costs	
Certified SUD Counselor	\$ 55,000	4.00	\$ 220,000	Yes
Peer Support Specialist	\$ 36,000	6.00	\$ 216,000	No
Intake Coordinator	\$ 67,000	1.00	\$ 67,000	Yes
Case Manager	\$ 45,031	2.00	\$ 90,061	No
Subtotal		13.00	\$ 593,061	
Youth Mental Health Services				Generates Billable Revenue? *
Position Title	Base Salary	FTEs Required	Total Costs	
Licensed Mental Health Counselor - Child Specialty	\$ 53,000	4.50	\$ 238,500	Yes
Psychiatric Nurse Practitioner - Child Specialty	\$ 167,000	1.50	\$ 250,500	Yes
Family Peer Advocate	\$ 40,011	3.00	\$ 120,032	No
School Outreach Coordinator	\$ 54,400	1.00	\$ 54,400	No
Subtotal		10.00	\$ 663,432	
MAT Services				Generates Billable Revenue? *
Position Title	Base Salary	FTEs Required	Total Costs	
Psychiatric NP -MAT Prescriber	\$ 166,850	0.20	\$ 33,370	Yes
Registered Nurse	\$ 82,520	0.25	\$ 20,630	No
Subtotal		0.45	\$ 54,000	
Additional Administrative				Generates Billable Revenue? *
Position Title	Base Salary	FTEs Required	Total Costs	
Reception Staff	\$ 36,000	1.00	\$ 36,000	No
SUD Program Manager	\$ 55,000	1.00	\$ 55,000	No
Quality Coordinator	\$ 54,000	1.00	\$ 54,000	No
Subtotal		3.00	\$ 145,000	

\$ 1,455,493

*Ability to generate revenue will vary based on state, payer, and provider credentials

Sustaining the CCBHC Service Delivery Model

Sustaining the CCBHC service delivery model (or plugging the “unfunded” hole) can be accomplished through a combination of available alternatives:

- Improve the efficiency of the current revenue cycle
- New Base Compensation Models
 - Case Rates
 - Partial Capitation
 - Prospective Payment System (PPS)
- Care Management/Care Coordination fees
- Value Based Payment (VBP)/Value Based Care (VBC) and APMs
- Other program designations (e.g., Federally Qualified Health Center (FQHC))
- Partnerships with other community-based providers

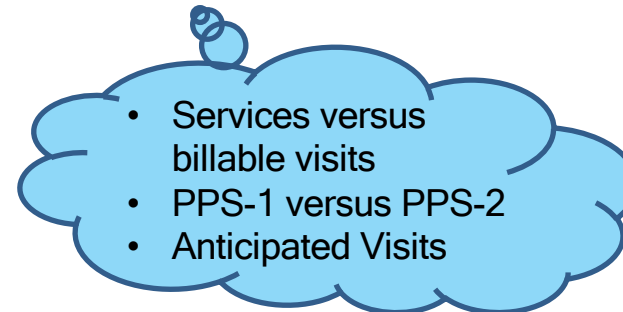


Basic PPS Rate Construct

- CCBHCs may be able to sustain the CCBHC service model through a Medicaid PPS payment methodology approved through a:
 - Expansion of sites in a Demonstration state
 - State Plan Amendment (SPA)
 - Medicaid waiver approved by CMS



$$\frac{\text{Total "Allowable" CCBHC Costs}^*}{\text{Total CCBHC Visits}^*} = \text{CCBHC PPS Rate}$$



** For ALL clients; utilizing base year defined by State and CCBHC regulations*

PPS Payment Model Fundamentals

All-Inclusive Rate
(AIR) Equation

Total "Allowable" CCBHC Costs

=

CCBHC PPS
Rate

Total CCBHC Visits

Description	Number of Visits	
	Option A	Option B
Total Allowable Costs	\$10,000,000	\$10,000,000
Threshold visits	55,000	40,000
Projected CCBHC Medicaid Rate	\$181.82	\$250.00
Medicaid Payer Mix	90%	90%
Number of Medicaid Visits	49,500	36,000
Medicaid CCBHC Revenue	\$9,000,000	\$9,000,000
<i>% of Allowable Costs Reimbursed</i>	90%	90%

AIR
Reimbursement
Fundamentals

Impact of Payer
Mix

NATIONAL
COUNCIL
for Mental
Wellbeing



Example Case Study – CCBHC PPS Rate Impact

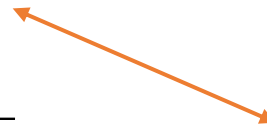
- Use of the financial model to project CCBHC PPS-1 rate reimbursement
 - Under the PPS payment model, Medicaid reimbursement will increase to cover the cost of Medicaid patients based on the Medicaid visit mix

Payer Mix Approach:

CCBHC Total Expense Budget	\$	7,341,352
Total CCBHC Services		43,442
Medicaid CCBHC Services		31,999
Medicaid Payer Mix		73.66%
Medicaid Reimbursement Under CCBHC Medicaid PPS	\$	5,407,606
Medicaid Revenue Projected	\$	3,965,314
Additional Medicaid Revenue Under CCBHC PPS Rate	\$	1,442,293

PPS-1 Visit Approach:

CCBHC Total Expense Budget	\$	7,341,352
Total CCBHC Services		43,442
CCBHC Services to Visit Ratio		1.50
CCBHC Daily Visits		28,961
Projected CCBHC PPS-1 Rate		\$253.49
Medicaid CCBHC Daily Visits (73.66% payer mix)		21,333
Medicaid Reimbursement Under CCBHC Medicaid PPS	\$	5,407,606



Example Case Study – CCBHC PPS Rate Impact

- Changes in payor mix will have impact on CCBHC PPS Rate impact
 - Increase in volume by other payors (e.g., uninsured population) will change the impact that CCBHC PPS rate may have on sustainability planning as the Medicaid payer mix will drop

Payer Mix Approach:

CCBHC Total Expense Budget	\$	7,341,352
Total CCBHC Services		43,442
Medicaid CCBHC Services		26,999
Medicaid Payer Mix		62.15%
Medicaid Reimbursement Under CCBHC Medicaid PPS	\$	4,562,646
Medicaid Revenue Projected	\$	3,965,314
Additional Medicaid Revenue Under CCBHC PPS Rate	\$	597,332

PPS-1 Visit Approach:

CCBHC Total Expense Budget	\$	7,341,352
Total CCBHC Services		43,442
CCBHC Services to Visit Ratio		1.50
CCBHC Daily Visits		28,961
Projected CCBHC PPS-1 Rate		\$253.49
Medicaid CCBHC Daily Visits (62.15% payer mix)		17,999
Medicaid Reimbursement Under CCBHC Medicaid PPS	\$	4,562,646



Modeling Impact of Various Pathways

- Use of data to forecast impact of Alternative Payment Methodologies (APM)

- Negotiation with payers to provide care coordination fees (e.g., per member per month, PMPM) to help support care coordination activities

CCBHC Total Expense Budget	\$	7,341,352
Care Coordination Expenses Included CCBHC Budget	\$	500,000
Total Unique Clients Served		3,254
Care Coordination Cost per Client		\$153.67
Care Coordination Cost per Client per Month		\$12.81
Negotiated Fee with Commercial Payer		\$12.50

Additional Revenue Calculation:

Number of Commercial Clients		456
Commercial Payer Mix		14.00%
Additional Revenue per Month	\$	5,694
Additional Revenue per Year	\$	68,329

Modeling Impact of Various Pathways

- Use of data to forecast impact of Alternative Payment Methodologies (APM)
 - Negotiation to include quality incentive payments with payers to achieve better outcomes
 - Example – composite scoring

Measure (1 of 10)	Benchmark	Year One		Year Two	
Follow-Up After Hospitalization for Mental Illness	≥ 70%	65%	Not Met	75%	Met

	Year One	Year Two
Total Actual Points – all measures	3	5
Total Available Points (10 metrics)	10	10
% of Total Attained	30%	50%
Maximum QIP Pool Available	\$500,000	\$500,000
Total Projected QIP Payment	\$130,000	\$250,000

NATIONAL
COUNCIL
for Mental
Wellbeing



Modeling Impact of Various Pathways

- Other Pathways/Options where CCBHC PPS rate or Payor Negotiations are not options...
 - Working with partners/collaborators
 - Identify organizations that receive funding for an activity that your organization cannot access, to ensure continued access to client services post-grant?
 - Develop contract or grant support with government entities (e.g., uncompensated care fund), private foundations, community funding supports
 - Consider working with other providers to develop Value Based Care arrangements with payers
 - Most likely would require developing/joining a clinically integrated network
 - State behavioral health associations
 - Independent Practice Associations (IPAs)



Incorporating into the Sustainability Plan

Informed by Cost Analysis and Modeling, narrative elements may include:

- Identification of Revenue and Funding Opportunities
 - What types of services or activities are or will be funded/unfunded without support of the CCBHC federal grant?
 - Does this include assessment of new staff and billing opportunities?
 - How have you, or plan to, implement means to track the costs of those services or activities to be able to quantify cost?
 - Are there existing alternative means of funding in the current reimbursement environment (e.g., third-party insurance billing) that can be pursued to reduce unfunded services/activities?
 - Based on the policies or interest of your state, what is the potential for adoption and implementation of new reimbursement mechanisms?
 - If adopted, what is the expected impact on your agency?



Incorporating into the Sustainability Plan

Informed by Cost Analysis and Modeling, narrative elements may include:

- Sustaining Program Impact
 - What are the outcomes that you have achieved/expect to achieve with your program?
 - What services/activities are necessary to achieve those outcomes?
 - Which of those services/activities will be un/underfunded without grant funding?
 - How have you, or plan to, implement means to track the outcomes of those services or activities to be able to quantify benefit?
 - What supporters have you identified, or how will you identify supporters (e.g., community leaders, elected officials and policymakers) that could advance funding strategies for the program?
 - Note: responses may vary based on service/activity area!
 - If strategies are unsuccessful, what are alternatives to maintain impact?
 - How will consumers continued to be engaged?



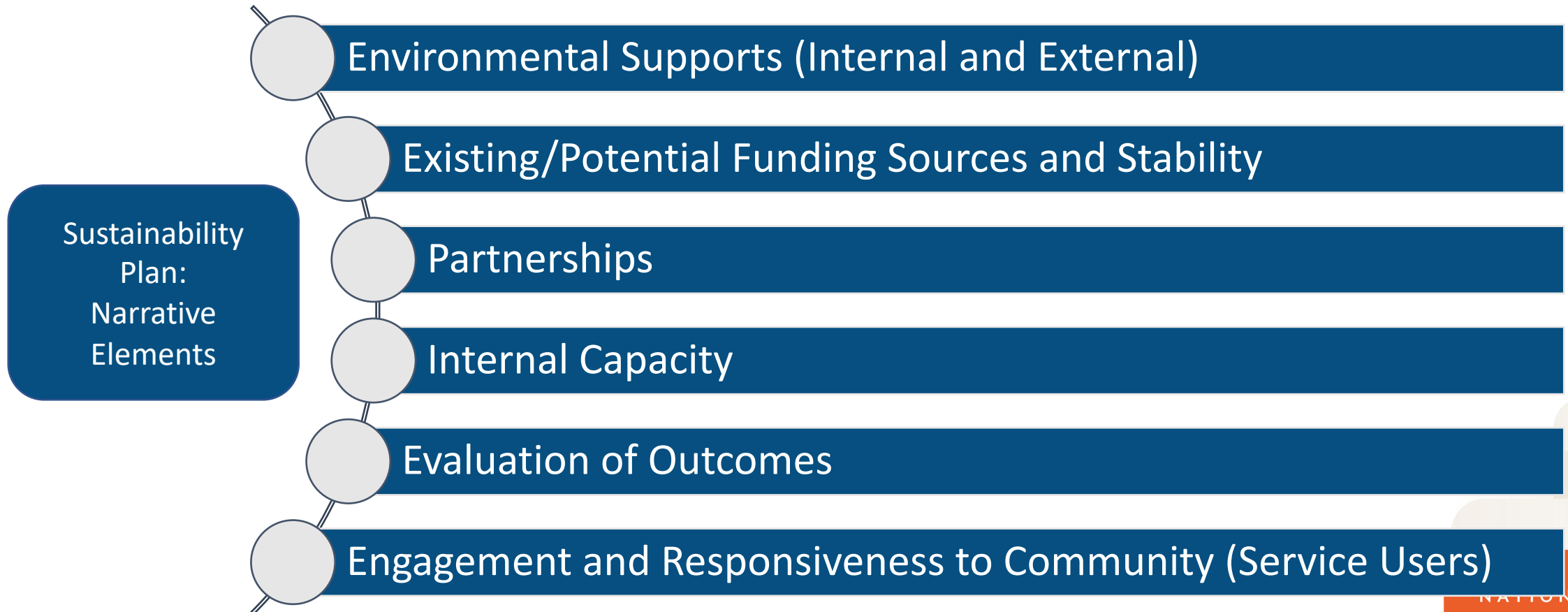
Incorporating into the Sustainability Plan

Informed by Cost Analysis and Modeling, narrative elements may include:

- Sustaining Other CCHBC Elements
 - Aside from client services, what other organizational changes or policies & procedures have you implemented to align with CCBHC?
 - What inputs are needed to sustain those elements?
 - Which of those will be un/underfunded without grant funding?
 - Are there changes in practices that can be continued without funding?
 - E.g., one-time implementation of electronic tracking systems that can continued to be used; development of training programs that can continue to be used; investment in billing staff/training that will continue to benefit
 - What reforms would be needed to sustain the organizational changes?
 - What internal resources will support sustaining these elements
 - E.g., clinical champions, leadership, stakeholders, community



Narrative Elements to consider in a Sustainability Plan



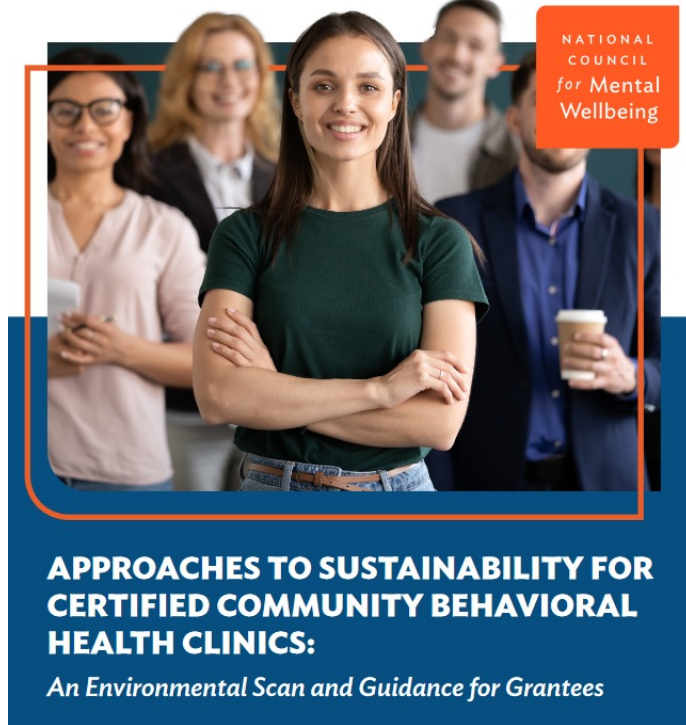
Annual Updates to Sustainability Plan

- SAMHSA requires updates to the sustainability plan be made annually
- Considerations to revisit in annual updates:
 - Changes related to actual and potential sources of revenue to support the program
 - Changes related to cost of delivery of CCBHC services and program model
 - Progress on organizational adoption of processes, procedures that will support continued delivery of CCBHC goals
 - Updated actual and projected utilization of services and impact to costs and revenue
 - User feedback on services and responsiveness of CCBHC to needs
 - Update on outcomes and dissemination of information to partners, community members, stakeholders, etc.
 - Updates on development of partnerships, champions, supporters
 - Changes in the state and local policy landscape that may impact revenue streams



Questions?

Additional Resources



[Approaches to Sustainability for CCBHCs: Guidance for Grantees](#)

This resource identifies strategies being utilized by CCBHC grantees to achieve sustainable funding for model implementation.

NATIONAL
COUNCIL
for Mental
Wellbeing



Upcoming Events

Event Type	Title
Webinar	ASAM Criteria Series Session Three: Treatment Planning and Service Planning – July 12, 12-1 p.m. E.T. Session Four: Completing a Level of Care Placement – July 19, 12-1 p.m. E.T. Session Five: Case Studies, Pulling Everything Together, Close – July 26, 12-1 p.m. E.T. Session Six: Case Studies, Pulling Everything Together, Close – August 2, 12-1 p.m. E.T.
	Peer Support Specialist Skill Development Series Session Three: Exploring Multiple Pathways to Recovery – July 25. 2-5 p.m. ET. Session Four: Building Skills as Professionals – August 22, 2-5 p.m. ET.
Y	Population Health Management Learning Series Session Two: Risk Stratification – July 27, 3-4:30 p.m. ET.

CCBHC-E TTA Center Website



Access our ever-growing resource library, upcoming trainings and events, and request for individualized support.

[CCBHC-E National Training and Technical Assistance Center](#)



NATIONAL
COUNCIL
for Mental
Wellbeing

Thank You!





Thank you for attending today's event.


Slides and the session recording link will be available on the CCBHC-E NTTAC website under "Training and Events" > "Past Events" within 2 business days.

Your feedback is important to us!

Please complete the brief event survey that will open in a new browser window at the end of this meeting. Your input helps us improve our support offerings and meet our SAMHSA data metrics.

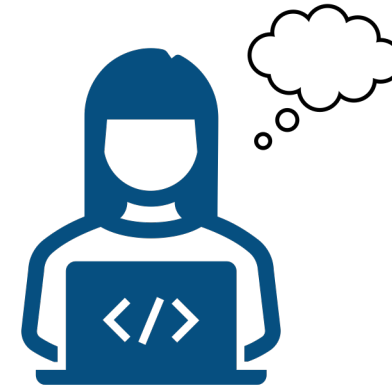
Calendar of Events

Search  Start Date  End Date  Select Event 

Future Events 

- Future Events
- Past Events

Apply



NATIONAL
COUNCIL
for Mental
Wellbeing