



Health Care Integration Update Training Session #1

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Legislative Direction

Substitute Senate Bill (SSB) 6312 passed in 2014

- Changes how the state purchases mental health and substance use disorder services in the Medicaid program
- Directs state to fully integrate the financing and delivery of physical health, mental health and substance use disorder services in the Medicaid program via managed care by 2020

Legislative Direction

Substitute Senate Bill (SSB) 6312

- Substance use disorder services will be provided by managed care organizations instead of on a Fee-For-Service (FFS) basis beginning on April 1, 2016 in Behavioral Health Organizations (BHOs) and in the Early Adopter region
- Mandates that managed care contracting efforts ensure integrated service delivery between primary care and behavioral health settings

Substitute Senate Bill 6312

Mandates common Regional Service Areas (RSAs) for purchasing managed medical and behavioral health services:

- Moves toward a more regionalized Medicaid purchasing approach
- 10 RSAs established across the state
- Aligns interests around a common population, especially for individuals who have complex, high cost, multi-system service use and needs

RSA Designations

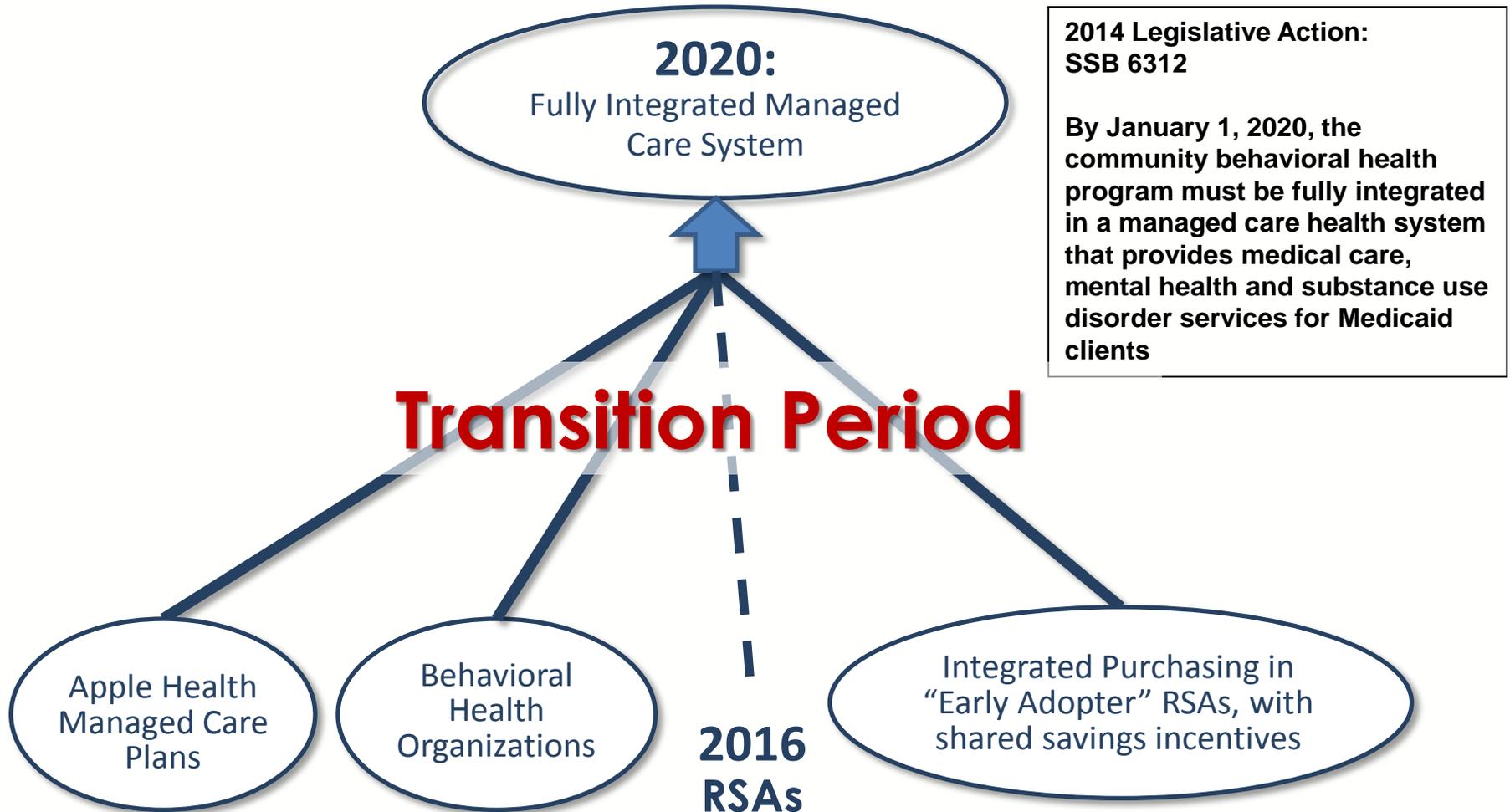


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| <p>Peninsula</p> <ul style="list-style-type: none"> Clallam Jefferson Kitsap <p>Timberlands</p> <ul style="list-style-type: none"> Cowlitz Grays Harbor Lewis Pacific Wahkiakum | <p>Thurston-Mason</p> <ul style="list-style-type: none"> Mason Thurston <p>Pierce</p> <ul style="list-style-type: none"> Pierce <p>SW WA</p> <ul style="list-style-type: none"> Clark Skamania | <p>King</p> <ul style="list-style-type: none"> King <p>North Sound</p> <ul style="list-style-type: none"> San Juan Island Skagit Snohomish Whatcom | <p>Greater Columbia</p> <ul style="list-style-type: none"> Asotin Benton Columbia Franklin Garfield Kittitas Walla Walla Whitman Yakima Klickitat | <p>North Central</p> <ul style="list-style-type: none"> Chelan Douglas Grant | <p>Spokane</p> <ul style="list-style-type: none"> Adams Ferry Lincoln Pend Oreille Spokane Stevens Okanogan |
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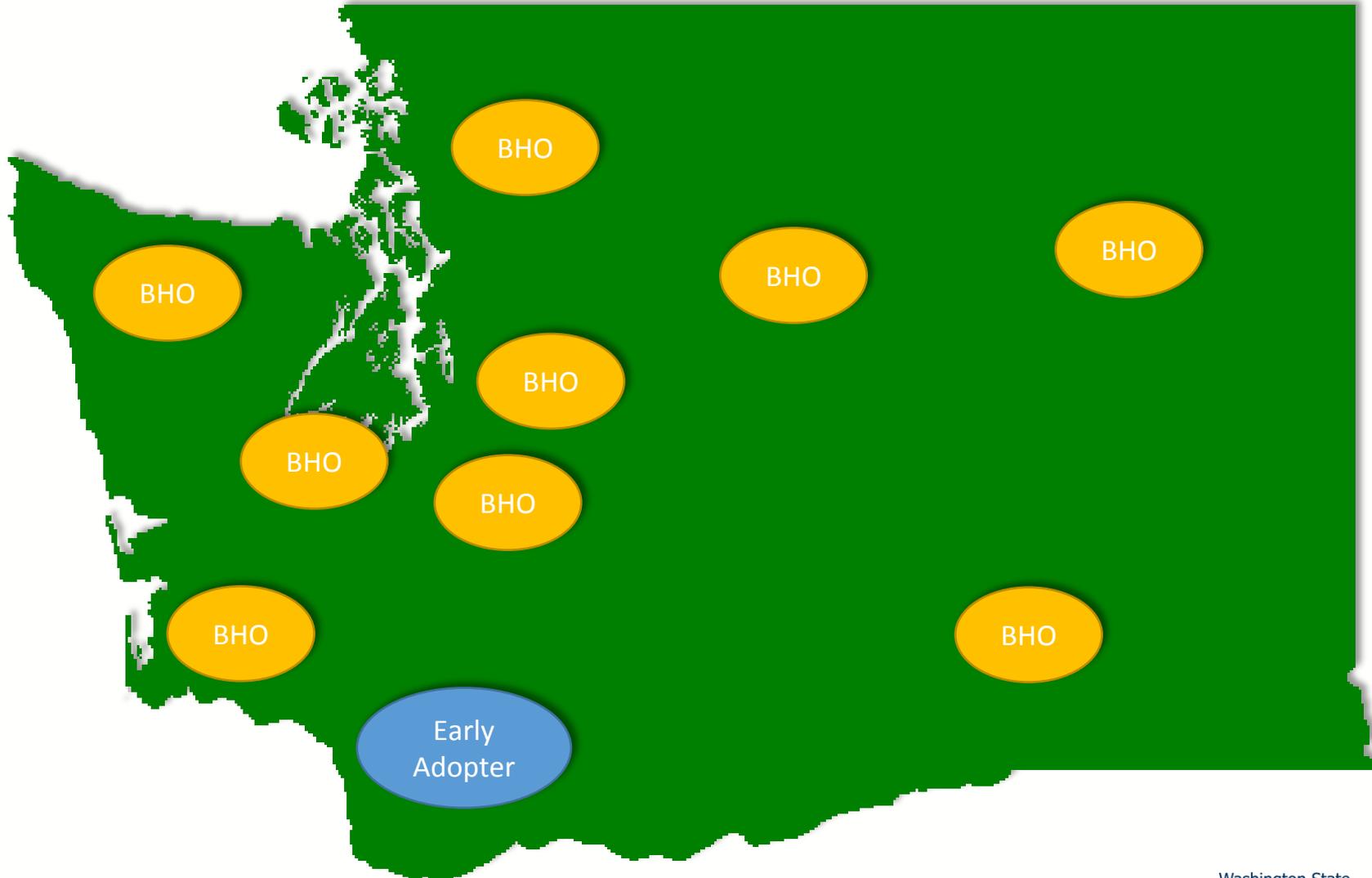
Earlier Managed Care Enrollment

- The managed care enrollment process is being streamlined to offer earlier enrollment of Medicaid clients, effective April 1, 2016
- Currently, when a client is determined Medicaid eligible, they are enrolled in FFS for the first month and then prospectively assigned to a Managed Care Organization (MCO) the following month
- Medicaid clients will no longer wait until the following month to be enrolled in an MCO. Instead, they will be enrolled retroactive to the first of the month in which they are determined eligible

Parallel Paths to Purchasing Transformation



What's Happening Statewide?



Medicaid Purchasing in BHO Context

BHO Regional Service Areas:

- Managed care organizations contract for physical health services for all clients and mental health services for clients who do not meet access-to-care standards
- BHOs provide substance use disorder services for all and specialty mental health services for individuals who do meet access-to-care standards

Elements of BHOs

- Behavioral Health Organizations (BHO) will be established within Regional Service Areas (RSA)
- There will be one BHO for each RSA
- Scope of services includes specialty mental health services for individuals with higher-level mental health needs and most substance use disorder services

Elements of BHOs

- Medicaid pays a monthly per member per month rate to the BHO to cover the cost of providing behavioral health services to eligible clients
- Medicaid also pays BHOs funds appropriated by the legislature, for the provision of behavioral health services, as well as federal block grant funds from the Substance Abuse and Mental Health Services Administration (SAMHSA)

Purchasing in the “Early Adopter” Region

Contracting with MCOs

- Beginning April 2016, the HCA will contract with MCOs at financial risk for the full scope of Medicaid physical, mental and substance use disorder services
- RSN contracts will expire on March 31, 2016
- RSNs and county-managed FFS substance use disorder systems will cease operations
- Counties will no longer be at financial risk for behavioral health services

Purchasing in the “Early Adopter” Region

Consumer Choice

- HCA is conducting a competitive procurement, no less than two MCOs will serve the entire Southwest region

Local Decision-Making

- Clark and Skamania county councils voted to adopt the “early adopter” purchasing approach

Differences between BHOs and Fully Integrated Managed Care (FIMC)

BHOs	FIMC
Take the place of RSNs to provide behavioral health services	Two MCOs in the Southwest region will provide physical and behavioral health services
DSHS will manage BHO contracts	There will be no RSN or BHO in this region as of April 1, 2016
HCA will manage Apple Health (AH) managed care contracts for physical health services in this region	HCA will manage AH-FIMC contracts for physical and behavioral health services in this region

Apple Health Foster Care

- This contract covers foster children, foster care alumni and individuals who receive adoption support services
- The legislature, in Substitute House Bill (SHB) 1879, directed the HCA to provide services to the individuals noted above in one managed care contract with one MCO statewide.
- In 2015, the legislature further clarified that they would like this MCO to provide fully integrated physical and behavioral health services for these individuals by 2018

Apple Health Foster Care

- The Apple Health Foster Care contract will begin April 1, 2016
- This contract with Coordinated Care of Washington (CCW) will include physical health, mild to moderate mental health and inpatient detoxification services
- After implementation in April 2016, HCA will begin activities to prepare for full integration (physical health, mental health and substance use disorder services) by 2018

Health Care Integration Webinar Series

Future webinars

Two additional webinars in this series will be offered in the near future with more specific detail about the Early Adopter Project, including:

- Fully Integrated Managed Care (FIMC)
- Behavioral Health Services Only (BHSO)
- Apple Health Managed Care Enrollment
- Managed Care Organizations (MCO)
- Administrative Services Organization (ASO)

Resources

- **HCA Integrated Purchasing website:**
http://www.hca.wa.gov/hw/Pages/integrated_purchasing.aspx
- **HCA Contact:** EarlyAdopterQuestion@hca.wa.gov
- **DSHS Behavioral Health Organization website:**
<https://www.dshs.wa.gov/bhsia/division-behavioral-health-and-recovery/developing-behavioral-health-organizations>
- **DSHS BHO Contact:** BHOtransition@dshs.wa.gov
- **HCA Training & Education website:**
http://www.hca.wa.gov/hcr/me/pages/training_education.aspx