

## Background

The work was authorized in [the 2021-2023 state operating budget \(section 215, proviso #59 of Engrossed Substitute Senate Bill 5092\)](#).

## What services were covered in phase 1 of this project?

The initial phase of this project includes high-volume mental health outpatient services (including PACT and WISe team services), substance use disorder (SUD) outpatient services (excluding Opioid Treatment Programs), and SUD residential.

## What is the purpose of this project?

- Develop and publish behavioral health provider payment comparison rates that are consistent with efficiency, economy, quality of care and access to care.
- Provide an examination and understanding of the provider resources involved in delivering individual covered behavioral health services.
- Provide transparent payment rate benchmarks for use by all stakeholders, including during negotiations between payors and providers
- Support HCA's ability to:
  - Make informed decisions when proposing changes to covered benefits.
  - Improve transparency in analysis and communication between HCA and other stakeholders, such as the program's authorizing environment (i.e., State Legislature and Office of Financial Management), providers, insurers, and advisory work groups.
  - Evaluate variation in provider payments by comparing actual payment rates to comparison benchmark rates.

Authorized funding for this project is currently limited to the development of behavioral health comparison rates only. HCA is not currently considering the adoption of comparison rates developed under this project as a state fee-for-service fee schedule or a state-directed payment under managed care.

While this project is not intended to create a new payment model or fee schedule, it is intended to improve transparency and understanding of the cost of behavioral services delivered to Medicaid clients in order to inform future policy approaches and decisions for the program by HCA and its authorizing environment. Absent future state policy changes, the resulting comparison rates will **not** be directly incorporated into the state's CY 2023 managed care capitation rate development. To the extent that MCOs and providers modify their contracted arrangements in future periods with reliance on the comparison rates resulting from this project, managed care capitation rates for periods beyond CY 2023 may include adjustments to reflect such provider contracting changes.

## What has happened to date?

- **Kickoff and Workgroup engagement** - Last October HCA hosted an initial kick-off meeting with all stakeholders to introduce this work. Following that meeting, HCA launched three technical workgroups to gather specific feedback from providers. Each workgroup included a cross section of individuals with provider level programmatic and financial technical expertise.
- **Held Technical Workgroups** – HCA formed three technical workgroups. Each of these meet four times individually and twice as a full cohort. Workgroups included:
  - MH Outpatient
  - SUD Outpatient
  - SUD Residential
- **Held specialty subgroup meetings** – HCA convened a group of providers with WISe and PACT expertise to discuss those services specifically separate from the technical workgroup meetings. These two groups met once.

## What happens next?

HCA will be releasing draft benchmarks and assumptions to all providers for feedback. This meeting will be the introduction and walkthrough of that information. Participants will have the opportunity to provide feedback. Following the public stakeholder meeting, HCA will work with its partners to incorporate feedback as appropriate and update the documentation of assumptions and results. HCA expects to have a final report by the end of June 2022.

The Legislature provided HCA with additional funding during the 2022 legislative session to explore the development and implementation of a sustainable, alternative payment model for comprehensive community behavioral health services. This will include exploring a Certified Community Behavioral Health Clinic model and will leverage the information gathered through the behavioral health comparison rates project. HCA plans to keep stakeholders informed as that work progresses.

## How can I provide feedback or get more information?

HCA recognizes the importance and value of stakeholder engagement and feedback in this process. Stakeholders may submit feedback at any time throughout the project to [AppleHealth.Info@Milliman.com](mailto:AppleHealth.Info@Milliman.com).