Washington State Health Care Authority

Partnership Access Line (PAL) Funding Recommendations

Report to the Children's Mental Health Work Group

December 18, 2019

Acknowledgements

Thank you to all of the advisory group members (see Appendix) and others who worked together in a spirit of collaboration and a shared commitment to meeting the needs of children, youth, families, and adults in our communities.

Point of contact:
Mary Fliss
Deputy for Clinical Strategy and Operations
HCA/Clinical Quality and Care Transformation
mary.fliss@hca.wa.gov

Author:
Rachel Burke
Children's Behavioral Health Policy Lead
HCA/Division of Behavioral Health and Recovery
rachel.burke@hca.wa.gov

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Executive Summary

These recommendations were developed by the Partnership Access Line (PAL) advisory committee, a subcommittee of the Children's Mental Health Work Group, during the 2019 interim.

This group – which included representatives from state agencies, Medicaid managed care organizations, commercial insurance carriers, and organizations connecting families to children's mental health services and providers – was directed to develop a funding model for all of the currently operating behavioral health consultation and referral services: PAL, PAL for Moms, PAL for Kids Referral Assist Service, and Tele-Behavioral Health Call Center/Psychiatry Consultation Line (PCL). The Legislature directed that the funding model should collect a proportional share of program cost from each health insurance carrier.

The advisory committee worked collaboratively to reach a solution that addresses the behavioral health needs of children, youth, families, and adults in order to improve long-term outcomes.

Funding Recommendation – Non-Medicaid Costs

Commercial carriers – including self-insured employers and third party administrators (TPAs) – will fund the non-Medicaid costs.

Each commercial carrier's proportional share will be determined based on covered lives per calendar year (determined by covered person-months). Per the Partnership Access Line legislative report published December 1, 2018, HCA will engage a third party administrator to calculate and administer the per-covered-life assessment.

A third party vendor will be selected by the Health Care Authority (HCA) to calculate and administer the assessment.

The State will pay expenses associated with administration; these expenses will not be part of the PAL assessment to carriers.

Other Recommendations

- Evaluations will be conducted by the Joint Legislative Audit and Review Committee at the conclusion of the pilots of the PAL for Moms and the Referral Assist Line. The evaluations, covering the period from January 1, 2019 through June 30, 2020, will be provided to the Legislature for consideration during the 2021 legislative session.
- Performance measures will be developed for each of these programs, with requirements for quarterly reporting.

Scope and Timeline

This funding model applies to all of the PAL programs currently in operation; it does not cover the PAL for Schools pilot, which will begin in the 2020-2021 school year.

For the original PAL and the PCL, which are permanent programs, this funding recommendation will begin July 1, 2020. For the two pilot programs – PAL for Moms and Referral Assist Line, this funding recommendation will begin July 1, 2021 should the Legislature determine to continue the programs. It is assumed that funding for January 1, 2021 to July 1, 2021 will be appropriated during the 2020 legislative session to assure continuity of operation.

Background

Programs

The original Partnership Access Line, offered through Seattle Children's Hospital, provides primary care providers with answers to questions about pediatric mental health care. It began in 2008.

In January 2019, two 2-year pilot programs began:

- University of Washington (UW)'s PAL for Moms offers consultation services to health care providers on assessment, diagnosis and treatment of depression in pregnant women and new mothers.
- Children's Hospital's PAL for Kids Referral Assist service helps parents and guardians identify mental health professionals who are in-network and accepting new patients, and coordinates contacts with these providers.

In addition, a psychiatry consultation line (PCL) provides primary care, emergency room, and county and municipal correctional facilities providers with consultations regarding adult patients with psychiatric and substance use disorder issues began in July 2019.

A 2-year pilot PAL for Schools providing consultation services to school counselors regarding middle school and high school students with challenging behavior is scheduled to begin operation at the beginning of the 2020-21 school year. This report does not cover the PAL for Schools pilot.

All of these programs are provided regardless of a client's health coverage.

The PAL for Kids Referral Assist is the only one of these programs that is available directly to parents and guardians, rather than healh care providers and other professionals.

Table 1 (next page) gives an overview of each program. The combined Fiscal Year (FY) 2021 total annual cost is $5,290,198 plus administrative costs for HCA.

Current Status of PAL Services

Partnership Access Line

The original PAL program has been in operation for over 10 years. It is available to providers from 8 a.m. to 5 p.m. Monday through Friday. There has been a gradual growth in the number of calls received; most of the outreach has been word of mouth. From January through June of 2019, 1,042 calls were received. 534 (51 percent) were about Medicaid clients. 508 (49 percent) were about non-Medicaid clients or were not patient-specific. The proportion of calls regarding clients who are covered by Medicaid versus those that are not has remained relatively constant over the past several years of operation. The majority of these calls (650) came from doctors. 525 calls (50 percent) were about youth ages 13 and older; 417 calls were about children ages 6 to 12. While individual providers may not know their patients' health coverage at the time of the call, their offices have access to this information.

PAL for Moms

The PAL for Moms service began in January 2019. It is available to providers from 1 to 5 p.m. Monday through Friday. From January through June of 2019, the service received 131 calls. There was a nearly even split between clients who had Medicaid coverage and those who did not, with 65 covered by Medicaid. Since this pilot program has been in place less than a year, there is insufficient data to determine if there are patterns or key themes.

PAL for Kids Referral Assist Service

This pilot telephone-based referral service, which began in January 2019, connects children, adolescents (age 17 and younger), and families with evidence-supported outpatient mental health services in their community. This free service is available from 8 a.m. to 5 p.m. Monday through Friday.

Table 1. Overview: Tele-behavioral health programs

Program	Who can call	Provides services to	Who answers	Services provided	Annual cost (ongoing)
Partnership Access Line [PAL] (2008)	Primary care practitioners	Pediatric patients	Children's Hospital – Psychiatry	Mental health consultation services	$768,900
PAL for Moms [SSB 6452 (2018)] 2-year pilot beginning January 1, 2019	Health care providers	Pregnant women and new mothers	UW Psychiatry	Same-day telephone consultations in the assessment and provision of appropriate diagnosis and treatment of depression in pregnant women and new mothers.	$392,703
PAL for Kids Referral Assist Service [SSB 6452 (2018)] 2-year pilot beginning January 1, 2019	Parents and guardians, health care practitioners	Children, pediatric patients	Children's Hospital – Psychiatry	Facilitate **referrals** to children's mental health services and other resources for parents and guardians related to the child. Includes assessing the level of services needed by the child, within seven days of receiving a call from a parent or guardian; identifying mental health professionals who are in-network, accepting new patients and taking appointments; coordinating contact between the parent or guardian and the mental health professional; and providing post-referral reviews to determine if the child has outstanding needs.	$779,840 (estimated. to be $950,000 for FY21)
Tele-behavioral health call center/ UW Psychiatry Consultation Line (PCL) [Budget Proviso (2019)] For fiscal years 2020 and 2021	ER providers, primary care providers, county and municipal correctional facility providers	Not defined	UW Psychiatry	On-demand access to psychiatric and substance use disorder clinical consultation. May also involve direct assessment of patients using tele-video technology.	FY 2020: $1,401,365 FY 2021: $3,178,595

While a few calls were received earlier, the service was not fully operational until April 2019. From inception through June 2019 the service received a total of 294 calls. 285 calls (29 percent) were from Medicaid clients. 136 calls (46 percent) were about children ages 6-12; 134 calls were about adolescents ages 13-17. Individual counseling was the most common request, and callers often requested several services during a single call. While the referral assistance line is intended to be a statewide service, there has been minimal outreach. Consequently, the majority of the calls have been from residents of King County. It is rare for parents and guardians not to know their insurance coverage.

Tele-Behavioral Health Call Center/UW Psychiatry Consultation Line

The pilot UW Psychiatry Consultation Line (PCL), a telephone and video-based call center, offers consultation services to emergency department providers, primary care providers, and municipal correctional facility providers. For fiscal year 2020, it operates from 8 a.m. to 5 p.m. Monday through Friday. In fiscal year 2021, it will operate 24 hours a day. The psychiatric consultation team provides psychiatric and substance use disorder clinical consultation on the same day or within 24 hours of the next business day.

Funding Model Development

Legislation

Second Substitute Senate Bill 5903 directs the PAL funding model advisory group to develop a funding model that builds upon HCA's previous funding model efforts and:

- Determines the annual cost of operating the PAL and its various components,
- Collects a proportional share of program cost from each health insurance carrier, and
- Differentiates between activities that are eligible for Medicaid funding and those that are not.

Past Funding Model Development

Substitute Senate Bill 6452 (2018) directed HCA to convene a work group to develop a funding model for PAL to cover individuals and families who are not enrolled in Apple Health/Medicaid. This work group included representatives from UW, Children's Hospital, Medicaid managed care organizations (MCOs), commercial health insurance carriers, the Association of Washington Health Plans, the Office of the Insurance Commissioner, and organizations connecting families to children's mental health services and providers.

The group looked at two alternative funding models:

- Using funding from an existing revenue source combined with standard Medicaid funding, and
- Using a per-covered-child assessment on private fully insured health plans and third-party administrators (TPAs).

In its report, the group recommended that the Legislature use an existing revenue source, such as the insurance premium tax, to pay for the non-Medicaid portion of services. In addition to being simpler and more cost-effective to administer, the group acknowledged that the Legislature had not yet decided whether the two pilot programs should continue and recommended taking more time to explore more complex options such as a per-covered-child assessment.

During the 2019 legislative session, no action was taken by the Legislature on this recommendation. Instead, Second Substitute Senate Bill (2SSB) 5903 directed the Children's Mental Health Work Group to convene an advisory group to develop a funding model for these PAL activities, as well as the two new programs introduced in 2019 – PAL for Schools and PAL consultation services for adults (PCL).

The advisory group included representatives from private insurance carriers, Medicaid managed care plans, self-insured organizations, Seattle Children's Hospital, the Partnership Access Line, the Office of the Insurance Commissioner, UW School of Medicine, and other organizations and individuals, as determined by the co-chairs.

Principles

In developing its funding model recommendations, the advisory group used the following principles:

- Cover all programs currently in operation: Partnership Access Line, PAL for Moms, Referral Assist Line (PAL for Kids), and the Psychiatry Consultation Line (PCL for adults).
- Cover all clients (Medicaid, private insurers, etc.) with a proportional payment by the state and commercial carriers.
- Continue to seek appropriate federal funding on behalf of the Medicaid coverage lives.
- Administrative simplicity.

Process

The advisory group met three times in fall 2019, holding in-person meetings with a call-in option on September 11 and October 11, and a final conference call meeting on November 8.

At the initial meeting, HCA, Seattle Children's Hospital, University of Washington School of Medicine (UW), and the Office of the Superintendent of Public Instruction (OSPI) provided background on each of the programs and past work on funding model development.

The group also reviewed the guiding principles for funding model development.

During the second meeting, the group discussed potential options for a final recommendation for paying for the cost of providing services for clients who are not covered by Medicaid (Items 1-3 in Table 2). These proposals were similar to those included in the 2018 report, using:

- A proportion of covered lives,
- A proportion based on actual usage by carrier, or
- An existing revenue source.

The Association of Washington Healthcare Plans (AWHP) and some commercial carriers expressed a sentiment that costs should be shared more broadly, including by providers and the State. AWHP requested an opportunity to review the proposals with their members and give feedback. They provided a proposal for consideration on October 30th which included a per-covered lives based method of allocation. It appears as Item 4 in Table 2 (next page).

The advisory group re-convened November 8 for a conference call meeting to review AWHP's proposal and discuss their recommendation to the Children's Mental Health Work Group. Feedback from committee members to AWHP's proposal focused primarily on two issues: (1) Committee members did not see the logic in UW, as the provider of the service, sharing the cost of paying for the service. (2) Similarly, committee members did not believe that providers should have to pay for consultations with other providers (a service that does not typically have a charge) and raised questions about which providers would be charged, and how this would be administered.

AWHP and the commercial carriers discussed with the co-chair and staff a revised proposal in a meeting on November 22nd. The co-chairs held additional conversations with the carriers and other key stakeholders, resulting in the final recommendation.

Table 2. History of the development of the recommendations

Option	Description	Details
1	Commercial carriers cover cost based on market share. *2019 legislation includes directive that each health insurance carrier pay a proportional share.*	• Proportion is determined by the number of eligible clients. • Self-insured and TPAs are included. • Administrative funding for HCA will be required.
2	Commercial carriers cover cost based on utilization (actual calls) *2019 legislation includes directive that each health insurance carrier pay a proportional share.*	• Proportion is determined by the number of each carriers' clients that use the service, determined through a 12-month rolling average. • Self-insured and TPAs are included. • The cost associated with calls without an Apple Health or carrier designation will be proportionately distributed. • Administrative funding for HCA will be required.
3	Use of an existing revenue source to pay for the non-Medicaid proportion. Potential sources include: • Health care services premium tax. • B&O tax on hospitals. • Washington State Health Insurance Pool (WSHIP) assessment[1]. *2018 legislative report recommended using an existing revenue source to pay for the non-Medicaid portion.*	• Premium tax is 2 percent of premiums and applies to health care service contractors, health maintenance organizations (HMOs) and all other insurers, including disability insurers issuing health plans. TPAs and self-funded group plans are not subject to premium taxes. • B&O tax is 1.5 percent of gross income. TPAs, self-funded group health plans, and Apple Health plans are primary sources of hospital income. • WSHIP: All disability carriers, health care service contractors, and HMOs are assessed at a rate of 1/10 of what other carriers pay per fully-insured covered life. Financing the PAL program from this source would likely result in an increase in the assessment.
4	25/25/25/25 split of the non-Apple Health associated costs between carriers, providers, UW Medicine and HCA (General Fund-State) *Proposed by AWHP and commercial carriers (October 30, 2019).*	• Carriers would be assessed in proportion to covered lives. • Provider types would need to be defined, as would collection method. • Administrative funding for HCA will be required.
5	**Final recommendation: Commercial carriers – including self-insured employers and third party administrators (TPAs) – will fund the non-Medicaid costs.**	• Each carrier's proportional share will be determined based on covered lives per calendar year. (determined by covered person-months). • A third party vendor will be selected by HCA to calculate and administer the assessment. • The State will pay expenses associated with administration; these expenses will not be part of the PAL assessment to carriers.

[1] WSHIP is a nonprofit high risk health insurance, available to Washington residents who are denied coverage because of their medical status or are otherwise unable to get comprehensive coverage. Currently, WSHIP assessment revenue is used only to cover excess WSHIP enrollee medical claim costs.

Recommendations

Funding model recommendation

This funding model applies to all of the PAL programs currently in operation; it does not cover the PAL for Schools pilot, which will begin in the 2020-2021 school year.

For the original PAL and PCL, which are permanent programs, this funding recommendation will begin July 1, 2020. For the two pilot programs – PAL for Moms and Referral Assist Line, this funding recommendation will begin July 1, 2021 should the Legislature determine to continue the program. It is assumed that funding for January 1, 2021 to July 1, 2021 will be appropriated during the 2020 legislative session to assure continuity of operation.

Commercial carriers – including self-insured organizations and third-party administrators – will fund the non-Medicaid costs. Each commercial carrier's proportional share will be determined based on covered lives per calendar year (determined by covered person-months). Per the Partnership Access Line legislative report (December 1, 2018), HCA will engage a third-party administrator to calculate and administer the collection. Details regarding the modeling for those costs and other costs can be found in that report. The recommendation is for Carriers to not share in these costs which are needed to administer the program. A complete update of the modeling will be conducted once all recommendations are finalized by the Children's Mental Health Workgroup.

HCA estimates that the cost of the Per-Covered-Child Assessment contract will be slightly more than 5 percent of the PAL services contract costs. Based on the discussions that occurred in 2018 with a vendor that provides these services in other programs, the cost of the Per-Covered-Child Assessment contract will decrease for FY 2022 to just over 4 percent. This is because additional expenditures are incurred to establish the assessment system which will not be needed after the July 1, 2021 full implementation.

HCA will continue to maintain the contracts with Children's Hospital and UW for these services.

HCA assumes the need to hire an additional 1.0 FTE Medical Assistance Program Specialist 2 (MAPS2) to manage the Per-Covered-Child Assessment contract's request for proposals process, and continue to monitor and manage that contract. Similar to the other administrative fees, the recommendation does not include the Carriers being assessed the cost associated with this resource.

HCA will evaluate and recommend the statutory authority necessary to implement these recommendations.

Other recommendations

The committee also looked at recommendations for a review of the programs and their funding mechanisms, along with potential measures to use in these assessments.

The group recommends that:

- Evaluations be commissioned by the Joint Legislative Audit and Review Committee at the conclusion of the pilots of the PAL for Moms and the Referral Assist Line. These evaluations will be provided to the Legislature covering the period from January 1, 2019 through June 30, 2020. Funding estimates for these evaluations will need to be developed. The recommendation does not include the Carriers being assessed the costs associated with these evaluations.
- Performance measures be developed for each of these programs, along with quarterly reports, to be reported through the Children's Mental Health Workgroup. The current contractual measures will be re-assessed to determine if changes need to be made based upon information received from the Carrier Medical Director.

The group discussed whether there was a potential to address network adequacy standards through this funding model work. It was determined that, while complementary, that work will be conducted through a different forum.

Appendix: Advisory Group members

Name	Affiliation
Rep. Vandana Slatter (co-chair)	WA State House of Representatives
Laurie Lippold	Partners for our Children (co-chair)
Ana Clark	Seattle Children's
Dr. Rebecca Barclay	Seattle Children's
Hugh Ewart	Seattle Children's
Dr. Bob Hilt	Seattle Children's
Mollie Shirman	Seattle Children's
Dr. Deborah Cowley	University of Washington
Christine Brewer	Association of Washington Healthcare Plans
Vickie Ybarra	Washington Health Care Plan
Dwayne Dabs	Aetna
Stephanie Hart	Amerigroup
Matania Osborn	Amerigroup
Leanne Berge	Community Health Plan Washington
Sylvia Gil	Community Health Plan Washington
Julie Leibbrand	Community Health Plan Washington
Melanie Abella	Coordinated Care
Tory Gildred	Coordinated Care
Marissa Ingalls	Coordinated Care
Sasha Waring	Coordinated Care
Rachel	Coordinated Care
Kelly Anderson	Molina Health Care
Dr. James (Jim) Polo	Regence
Petra Eichelsdoerfer	United Healthcare
Sheela Tallman	UnitedHealth Group
Dr. Melet Whinston	United Healthcare
Courtney Smith	Kaiser Permanente
Sarah Kwiatkowski	Premera Blue Cross
Julia O'Connor	WTB
Rep. Tana Senn	WA State House of Representatives
Elsa Brown	Legislative Assistant to Rep. Slatter
Mary Clogston	Washington State House Democratic Caucus
Erik Kiffe	WA State House of Representatives
Megan Morris	Washington State Legislature
Lonnie Johns-Brown	Office of the Insurance Commissioner
Camille Goldy	Office of the Superintendent of Public Instruction
Amanda Avalos	Health Care Authority

Jodi Arneson	Health Care Authority
Rachel Burke	Health Care Authority
Diana Cockrell	Health Care Authority
Jamie Cooper	Health Care Authority
Mary Fliss	Health Care Authority
Gail Kreiger	Health Care Authority
Tonja Nichols	Health Care Authority
Rebecca Peters	Health Care Authority
Andrea Thebo	Health Care Authority
Kimberly Wright	Health Care Authority
Chelsea Edinger	Health Care Authority