AGENDA
Psychiatric Hospitals & Other BH Residential Providers

• Review Medicaid basics
• Medicaid eligibility and pending changes
• Update on behavioral health initiatives & system changes in Ohio
• Status of care management initiatives
• Business and strategy issues for providers
MEDICAID ESSENTIALS
Medicaid Essentials

- Medicaid funded services through 5 agencies
- Funded with State (40%) and Federal (60%) dollars
- Federal stimulus – enhanced federal match
- Ohio: local levy funding for some of the specialty services (mh/aod, dd, child welfare)

**TOTAL OHIO MEDICAID SPENDING**

$13.9B

• Medicaid is 16% of the Total US healthcare expenditures
Medicaid Essentials: Services & Coverage

• State Plan: *medically necessary services*
  — Includes fee-for-service and managed care

• Waivers: *require an institutional LOC*
  — Those on waivers also receive state plan services
  — Approximately 65,648 Medicaid consumers

• Administration & specialty delivery systems
  — Includes some case management, transportation, eligibility determination
Medicaid Essentials:
Delivery Systems

Primary & Acute Care
- Fee For Service
- Managed Care

Specialty Care
- MH/AOD Rehab
- Waivers
- MSP
- LTC NF & ICFMR

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Medicaid Essentials: Delivery Systems
Ohio’s Behavioral Health System

Primary & Acute Care
- Fee For Service (X IMD)
- Managed Care

Specialty Care
- MH/AOD Rehab
- DD waivers
- NF waivers
- MSP
- LTC NF & ICFMR

DSH: STATE OPERATED PSYCH INPATIENT

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<table>
<thead>
<tr>
<th>Service Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inpatient hospital services (inc. psych units/general hospitals)</td>
<td>Prescribed drugs, dentures, and prosthetic devices; eyeglasses prescribed by optometrist or physician specializing in eye diseases</td>
</tr>
<tr>
<td>Outpatient hospital services</td>
<td>REHAB: COMMUNITY ALCOHOL &amp; DRUG ADDICTION TX</td>
</tr>
<tr>
<td>Rural health clinic services</td>
<td>Community mental health and mental health services provided through a Medicaid school program provider</td>
</tr>
<tr>
<td>Federally-qualified health center services</td>
<td>REHAB: COMMUNITY MENTAL HEALTH TX</td>
</tr>
<tr>
<td>Laboratory and x-ray services</td>
<td>Inpatient psychiatric hospital services for age under 21</td>
</tr>
<tr>
<td>Nursing facility care (non-IMD) &amp; ICF/MR (non-IMD)</td>
<td>Nurse mid-wife services (licensed &amp; authorized under Ohio law)</td>
</tr>
<tr>
<td>Family planning services &amp; supplies for those child-bearing age</td>
<td>Hospice care</td>
</tr>
<tr>
<td>Physicians' services, ambulatory surgery center services, vision care</td>
<td>Targeted case management services thru ODoDD &amp; MSP</td>
</tr>
<tr>
<td>Dental services</td>
<td>TB related services</td>
</tr>
<tr>
<td>Chiropractic services for children, nursing through a MSP provider, podiatry, psychology for children</td>
<td>Respiratory care services</td>
</tr>
<tr>
<td>Home health services: nursing, home health aide, OT, PT</td>
<td>Certified pediatric and family nurse practitioner services</td>
</tr>
<tr>
<td>Private duty nursing services</td>
<td>HCBS waiver services</td>
</tr>
<tr>
<td>Clinic services furnished by or under the direction of a physician</td>
<td>Personal care services (thru waiver &amp; institutional facilities)</td>
</tr>
<tr>
<td>PT, OT, speech language pathology and audiology</td>
<td>MANAGED CARE w/ CASE MANAGEMENT</td>
</tr>
<tr>
<td>Durable medical equipment and supplies</td>
<td>Primary and secondary sickle cell disease medical strategies and treatment and services</td>
</tr>
<tr>
<td>Ambulance/ambulette</td>
<td>Non-emergency transportation</td>
</tr>
</tbody>
</table>
Medicaid Essentials: Services & Coverage

• COMMUNITY MENTAL HEALTH SERVICES-ODMH
  1. Pharmacological management
  2. Mental health assessment
  3. Behavioral health counseling and therapy (individual & group)
  4. Crisis intervention behavioral health services
  5. Partial hospitalization
  6. Community psychiatric supportive treatment (individual & group)

• ALCOHOL & DRUG ADDICTION SERVICES-ODADAS
  1. Ambulatory medical/social detoxification services
  2. Assessment services
  3. Case management services
  4. Crisis intervention services
  5. Group counseling
  6. Individual counseling
  7. Intensive outpatient services
  8. Drug Screening/ urinalysis
  9. Medical/somatic services
  10. Methadone administration services
Medicaid Essentials: EPSDT

- Healthchek is Ohio Medicaid’s name for EPSDT.
- Healthchek includes:
  - Screening services
    ✓ AAP Preventive Pediatric Health Care
    ✓ Any medically necessary screening, diagnostic, and treatment services
  - May go beyond benefit coverage and limitations...
- Includes “Such … treatment & other measures classified as (Medicaid) to correct or ameliorate defects & physical & mental health conditions discovered by screening services, whether or not such services are covered under the state medical assistance plan.”
ELIGIBILITY & STREAMLINING ENROLLMENT
Eligibility & Enrollment
Changes Underway

- Medicaid Expansion
- Individual Mandate
- Health Benefit Exchange
- Streamlining

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Ohioans Covered by Employer-Sponsored Health Insurance, Medicaid, or Uninsured

- Employer-Sponsored Insurance
  - 2009: 66.3%
  - 2010: 63.9%
  - 2011: 57.4%
- Uninsured
  - 2009: 15.0%
  - 2010: 17.0%
  - 2011: 18.8%
- Medicaid
  - 2009: 8.5%
  - 2010: 9.8%
  - 2011: 11.4%

Source: Ohio Colleges of Medicine Government Resource Center, “Quantifying the Impact of the Recent Recession on Ohioans: preliminary findings from the 2010 Ohio Family Health Survey” (February 16, 2011)

Ohio Governor’s Office of Health Transformation
Current Ohio Medicaid Eligibility

Federal Reform:
Current Medicaid Income Eligibility Levels

Private Insurance

<table>
<thead>
<tr>
<th>Category</th>
<th>Eligibility Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children</td>
<td>200%</td>
</tr>
<tr>
<td>Pregnant Women</td>
<td>200%</td>
</tr>
<tr>
<td>Parents</td>
<td>90%</td>
</tr>
<tr>
<td>Childless Adults</td>
<td>250%</td>
</tr>
<tr>
<td>Disabled Workers</td>
<td>≈64%</td>
</tr>
<tr>
<td>Disabled</td>
<td>≈64%</td>
</tr>
<tr>
<td>Elderly</td>
<td></td>
</tr>
</tbody>
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2014 Medicaid Enrollment Changes

Number of current and new enrollees by the time the Medicaid expansion is fully rolled out in 2020:\(^1\)

- 39 million current Medicaid enrollees
- 2 million currently eligible, not currently enrolled, but expected to enroll as a result of the expansion
- 10 million newly eligible
- 51 million total.....31% increase
- Ohio FFIS projection of state cost of expansion to 133% FPL $422m (Total FFY 2017-19)

Medicaid Eligibility: MBR & 1115 Waiver

- MBR language to clarify OHT authority re: streamlining Medicaid and other primary public assistance programs
- Project to simplify eligibility based on income, streamline state/local roles, and modernize eligibility system technology
- 1115 waiver to be submitted June. Goal to be operational Jan. 1, 2014
- Children in families w/ MAGI up to 200% FPL; adults up to 138%; Foster care alumni; with hold harmless.
Scotus Deliberation

- Individual Mandate
- Medicaid Expansion
- Timing of the case
  - Anti Injunction Act 1867
- Severability

**NOTE:** See links to articles at [www.VorysHCAdvisors.com](http://www.VorysHCAdvisors.com)
TRENDS AND ISSUES IN OHIO’S BEHAVIORAL HEALTH SYSTEM
BH Elevation & Restructuring
The Financing

- Responsibility for Medicaid match has been returned to the state; county board discretion with local levy funds

- Service redesign underway

- No decision about structural changes – “carve in” to managed care? Some? All?
Carving In or Carving Out

• Ohio has administered BH/SUD as a “carve out” benefit. This will be revisited at some point in the future...after “elevation.”

• Drugs have been carved “back in”, as of 10/1/11

• There needs to be alignment in the financing, the structural relationships and the infrastructure

• The devil is in the details
Medicaid Behavioral Health Services (cont’d)

Cap on Services and PA

• Prior authorization is now online
• Guidance regarding CW kids prior auth; modifier to enable immediate processing, with documentation available for post payment review. (Dated 11/16/11 #11-FY12-4)
• Implemented early December, reaching limits
• Department committed to gathering info and sharing with stakeholders re: denials
Redesign: Partial Hospitalization

• What is it? PH is....
• Prevents hospitalization, home at night
• Short term, intensive, structured day treatment; based on a curriculum
• Weeks & hours
• Focuses on remediation of behavioral health symptoms, preventing hospitalization
• Concern about gap; may need a replacement service, less intensive
Redesign: IHBT/ACTT

• What are these two services?
  — Alternative to out of home placement
  — Inc. foster care, group home, psych hospitalization, residential treatment, incarceration

• Today being billed piecemeal

• Today 20 certified IHBT programs for kids

• IHBT rate work is underway. Submit SPA soon
Redesign: All New/Modified Services

- Public process done
- Will go live through SFY ’13. Working on them together, but won’t necessarily hold them up in order to implement as a package. Except family therapy-not started yet.
IMD Exclusion

• No federal reimbursement under Medicaid for services rendered to an adult who is a patient in an institution for mental diseases (IMD).

• **Mental diseases** = all diagnoses in the DSM, including those for substance use and addiction.

• **IMD** = hospital, NF, or other institution that is primarily engaged in providing diagnosis, treatment, or care of persons with mental or substance use illness, including medical attention, nursing care, and related services.
IMD Exclusion (cont’d)

• **Does not apply to:**
  
  — Inpatient treatment for mental illnesses in facilities that are part of larger medical entities that are not primarily engaged in providing diagnosis, treatment, or care of persons with mental or substance use illness, including medical attention, nursing care, and related services
  
  — Adults 65+
  
  — Facilities with 16 or fewer beds.
  
  — Partial hospitalization and day treatment programs that do not institutionalize their patients.

• Also does not apply to individuals up to age 21 (or, in certain circumstances, younger than age 22). **BUT** services outside the IMD are not Medicaid-coverable.
Psychiatric Residential Treatment Facilities (PRTFs)

- **PRTF** = secured facilities that provide a structured, therapeutic environment for children and youth under the age of 21 who need intensive services to effectively treat severe behavioral and/or developmental disturbances.

- Benefit of PRTFs: inpatient psychiatric care in a nonhospital setting and reimbursement rates can include room, board, and expenses.
MACSIS TO MITS Conversion 7/1/12

• IMPORTANT THAT PROVIDERS ARE READY

• Providers must be able to create 837P files and read 835 files

• Need trading partner status

MANAGED CARE DEVELOPMENTS with implications for Ohio’s BH system
MCP Provider Agreements must include ... for those assessed high risk stratification ...

- Care Manager/Care Management Team
- Required Activities
- Interaction with the member
- Identification Strategy
- Health assessment
- Care treatment plan

NOTE: See complete summary at [www.VorysHCAdvisors.com](http://www.VorysHCAdvisors.com)
Ohio Managed Care
ODMH Policy Clarification

• Contract amendment
• Clarifies that ODADAS and ODMH certified providers and Medicaid managed care plans are allowed to enter into contracts for services other than those Medicaid services covered under the Medicaid community behavioral health carve out
Eligible Managed Care Populations

Persons who are ABD & (the following):

**NOT NOW INCLUDED:**
- <21 yrs. old
- Institutionalized
- Spend down
- Dual eligible
- On waivers

**MAY BE ADDED/INCLUDED:**
- <21 yrs. old
- NF *(not ICFMR)*
- *(Not spend down)*
- Dual eligible *(if not otherwise excluded)*
- On NF waivers *(not ICFMR waivers)*
- *(NOT BCMH kids with CF, cancer, hemophilia, who were not in managed care on ~7/1)*

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Managed Care Reprocurement

• Reprocurement process underway
• Flexibility to add/change later without reprocurement – services or groups included
• OHT wants to push MCPs to “innovate”
• NOT included: BCMH kids, dual ABD kids, waiver kids & Title IV-E kids (i.e. kids in the child welfare system)
• BH elevation. No changes in carve in carve out at this time.
Managed Care Reprocurement

- Expanding those to be included. Result will be:
  - 1.6 million enrolled in CFC
  - 125,000 enrolled in ABD
  - 37,000 children with special needs
- MCPs will serve both the CFC and ABD populations; previously separate
- Reducing from 8 to 3 regions
- Selection announced. Appeals submitted.
A Little Health Humor
BUSINESS CONSIDERATIONS
Business Considerations

Key regulatory requirements
(new & old)
To keep in mind
When doing business...
Or When you are thinking about
Making changes to your business
Business Considerations

ICD 10 Delay until Oct 1, 2014

• HHS issues proposed rule on April 9th
• Proposed rule also establishes other identifier codes for health care entities
• ACA related streamlining administration
• Projected to save $4.6B over 10 years.
Business Considerations (cont’d)

ACA Requirement re: 501(c)(3) maintaining tax exempt status

- Beginning hospital’s tax year beginning March 23, 2012
- Section 9007 - must conduct a community health needs assessment every 3 yrs & adopt a strategy
- If more than one hospital in the network, each must do an assessment
- Each year, report to the Secretary of Treasury how hospital is meeting the identified community needs or why not
- See Section 2.10 IRS Notice 2011
Business Considerations (cont’d)

- **Anti-kickback statute:** Anyone who knowingly and willfully receives or pays anything of value to influence the referral of federal health care program business, including Medicare and Medicaid, can be held accountable for a felony.
  - Punishable by up to five years in prison, criminal fines up to $25,000, administrative civil money penalties up to $50,000, and exclusion from participation in federal health care programs.
  - Safe harbors immunize certain payment and business practices.
  - Criminal statute.
Stark Law: Governs physician self-referral for Medicare and Medicaid patients. Physician self-referral is the practice of a physician referring a patient to a medical facility in which he has a financial interest, be it ownership, investment, or a structured compensation arrangement.

– There are 11 types of prohibited service referrals.
– Civil statute.
• **False Claims Act:** *Penalty of treble damages and $5,500 to $11,000 per claim for anyone who knowingly submits or causes the submission of a false or fraudulent claim.*

  — Overpayments must be reported and returned within the later of 60 days after “identification” or the date any corresponding cost report is due.
Business Considerations (cont’d)

- **HIPAA Privacy Rule** regulates patient rights (access, amendment, accounting) to, and covered entities’ use and disclosure of, PHI

- **HIPAA Security Rule** provides administrative, physical, and technical requirements to ensure the confidentiality, integrity, and availability of electronic PHI

- **HIPAA Breach Notification Rule** requires notice to affected individuals, HHS, and the media, under certain circumstances

- **Enforcement** actions now targeting more than breaches
Care Coordination Topics

Integration
BEACON Quality Strategy
Medicare-Medicaid Dual Eligible
Ohio SPMI Health Home
ACO and P-ACO
Behavioral Health Integration Imperative

• MH/SU disorders are associated with higher risk of medical disorders; inadequate physical care
• 1 of 8 ER visits in 2007 due to MH/SUD problems in adults
• Primary care plays important role in identifying individuals with BH needs
• The economic and social impact is significant
Medical Hot Spot: Hospital Admissions for People with Severe Mental Illness

Avoidable hospitalizations per 1000 persons for ambulatory care sensitive conditions (avoidable with proper treatment)

- **Diabetes**
  - Non-SMI: 3.53
  - Severe Mental Illness (SMI): 7.01

- **COPD**
  - Non-SMI: 3.69
  - Severe Mental Illness (SMI): 6.75

- **Congestive Heart Failure**
  - Non-SMI: 3.24
  - Severe Mental Illness (SMI): 4.18

- **Asthma**
  - Non-SMI: 2.33
  - Severe Mental Illness (SMI): 4.86

Source: Ohio Colleges of Medicine Government Resource Center and Health Management Associates, Ohio Medicaid Claims Analysis (February 2011)
For primary care physicians throughout Ohio, the Pediatric Psychiatry Network provides access to rapid 24/7 child and adolescent psychiatry decision support, education and triage services to help diagnose and treat their patients with psychiatric issues.

OUR SERVICES
Read about more about our child & adolescent psychiatry decision support, education and triage services.

PHYSICIAN RESOURCES
Review our growing library of protocols for managing common psychiatric illnesses in the pediatric patient.

REQUEST A CONSULT
Request a consult 24 hours a day, 7 days a week via our web site or toll-free phone line.

CONTACT (877) PSY-OHIO
Contact (877) PSY-OHIO
Pediatrician-Psychiatrist Network (PPN)

Diagnosis

- Psychosis/Mood Disorder
- Suicidal
- ADD/ADHD

Eating Disorder
Psychosis Mood Disorder
Autism
Panic Attack
ADD/ADHD Bipolar
ADD/ADHD Aggression/Violence
ADD/ADHD Anxiety Depression
Obsessive Compulsive Disorder
Suicidal
None Given
Bipolar
Aggression/Violence
Anxiety/Trauma Reaction
Depression
Other
ADD/ADHD

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Ohio: Antipsychotic Use
Foster vs. Other Medicaid Children

• 57% of foster kids received treatment for psych condition as a primary diagnosis (vs. 32% Medicaid kids)

• 14% of foster kids received antipsychotics (vs. 3% of Medicaid kids)

• Foster kids received an average of 10.4 prescriptions (vs. 6.3 scripts for Medicaid kids)
Medicaid Essentials: Delivery Systems
ACA Options: Health Homes

• §2703 of ACA & CMS Guidance: Health Home for Enrollees with Chronic Conditions SMDL #10-024 11/16/10

• Population Criteria
  • At least two chronic conditions, or
  • One chronic condition and at risk for another, or
  • One serious and persistent mental health condition.

• Ability to tailor to those with high cost/complex needs
Ohio’s SPMI Health Home Timelines

- Submitted SPA. Have had CMS & SAMHSA consultation.
- ODMH planning webinar-April 12th
- Local meetings April 20th - May 10th

See ODMH website for dates/times


- Goal is to implement in October 2012
Community behavioral health centers (CBHC) will serve as designated providers for individuals with SPMI and will deliver services through a team of health care professionals.

- Embedded primary care clinician
- Initially use regional approach, targeted geographic areas
- Referrals will be made based on analysis of Medicaid claims and encounter data
- Individual does not have to continue receiving services at the CBHC to which referred
Health Home Services: Qualify For 90% Federal Match/8 Quarters

1. Comprehensive care management
2. Care coordination and health promotion
3. Comprehensive transitional care from inpatient to other settings, including appropriate follow-up
4. Individual and family support, including authorized representatives
5. Referral to community and social support services
6. Use of health information technology to link services

Note: these are the prescribed services but states can tailor the definitions as well as the team specs
Ohio’s SPMI Health Home Team
Proposed Payment Method

• Provider specific rate
• Monthly case rate—“Reasonableness”
• Increase administrative component for start
• Will shift to P4P Yr. 2
• No billing for CPST for HH consumer, by any provider
• Don’t want to “dictate” the model
• Will specify the relationship w/ MCP
Health Home Examples: Arizona & RI

ARIZONA

• Adults, SPMI, Dual eligible/Medicare SNP, Managed care
• Modified their existing 1115 waiver
• Specialty RBHA: For adults with SPMI: integrate all physical and behavioral health services into full risk managed care

RHODE ISLAND

• Designated Providers, Tailored to Kids
• Adds developmental disabilities as a chronic condition
• Targeting is facilitated by specifying DESIGNATED PROVIDERS of HH services; CEDARR Family Centers
• Medical specialists and other medical professionals will be included on the HH Team based on the unique needs of each enrolled child
Ohio’s SPMI Health Home Team Recap

- CBHC Provider
- Regional approach
- Adults & Kids
- Case Rate
- Provider specific case rate, to allow flexibility w/ the “model”
Ohio Proposal For Dual Eligible Medicare & Medicaid

- Ohio Medicaid is seeking federal approval to design and implement a Medicare/Medicaid Integrated Care Delivery System (ICDS).
- **Goal:** implementation of the new ICDS in September 2012.
- Target population = all beneficiaries fully enrolled in both Medicare and Medicaid (i.e. not QMBs, etc.) in selected regions/counties. Individuals can opt out.
- Duals with SMI will be phased in. DD individuals and duals under the age of 18 are excluded.
Ohio Proposal For Dual Eligible

- Includes full continuum of Medicare and Medicaid benefits.
  - ICDS accountable for providing access to all services covered by both programs.
    - Required to provide, at minimum, all HCBS provided under current 1915(c) waivers for the aged and disabled.
    - Coordinated with initiative to consolidate HCBS waivers.
Movement Toward ACOs

• ACOs are organizations made up of a group of providers responsible for the health care of a group of people.
  ✓ Designated Accountable Provider Entities
  ✓ Performance Measurement and New Payment Approaches.
  ✓ Movement away from FFS
Ohio Pediatric ACO

- Part of the discussion in HB 153 regarding mandating managed care enrollment for ABD kids (37,000)
- Rules to be adopted not later than July 1, 2012
- Goal: new approaches to care coordination; especially to meet “complex medical and behavioral needs of disabled children”
- P-ACO contract directly or subcontract with the state to provide services to any kids (5111.16) who are under 21 yrs old
- Does not need to be a HIC
- Some examples exist today (e.g., Partners For Kids)
Ohio Pediatric ACO Requirements

• Requires: single care plan, performance measures, sharing data, collaborative agreements, designate region

• Framework:
  — Recognition process
  — Governance structure
  — Flexibility in governance structure
  — Enrollee and family rights
  — Performance measures
Ohio Pediatric ACO 3 Models

• **TYPE 1:**
  - Demonstrated shared savings model & performance measures within contractual arrangement with MCP
  - Practitioners acknowledge accountability for the care they provide

• **TYPE 2:**
  - Type 1 ++
  - Encounter data provided.
  - Care coordination/case management delegated to ACO
  - Sharing savings/shared risk

• **TYPE 3**
  - Type 2 + shifts direct relationship between state & ACO
Vorys Health Care Advisors, LLC helps health care providers, business decision makers and professional associations to achieve their objectives in a constantly changing governmental and business health care environment and to assist them in making well informed, strategic and tactical decisions tailored to their individual goals, needs and aspirations.

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