

# Beyond Parity: Mental Health and Substance Use Disorder Care Under Payment and Delivery System Reform in Massachusetts

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# Goals of the Report

- Describe state and federal policy environment
- Offer observations on opportunities and challenges for improving behavioral health under reform
- Provide some preliminary recommendations
- Further a community conversation

## Report Focused on:

- Working age population ages 18-64 with behavioral health care needs or at risk for developing a disorder
- Heterogeneous group with conditions ranging from more to less severe diagnoses
- Many with co-occurring mental health and substance use disorders
- Many also with chronic medical conditions

# Payment and Delivery System Reform Efforts in Massachusetts

- Near universal coverage under 2006 reform
- State residents have continued to experience premium growth, provider capacity constraints, increased state spending on health care
- Special Commission on the Health Care Payment System released a report in July 2009
- Governor Patrick filed *An Act Improving the Quality of Health Care and Controlling Costs by Reforming Health Care Systems and Payments* in February 2011

# Bill Requirements For Behavioral Health

- ACOs must provide behavioral health internally or by contract
- Commissioner of Mental Health must be included on Coordinating Council to set up rules for ACOs
- Health Care Innovation Advisory Committee to be set up under the bill must include a behavioral health perspective
- Behavioral health task force must be appointed by the Coordinating Council to report a range of issues related to behavioral health and reform

# Recent Federal Reforms Affecting Mental Health and Substance Use Disorder Care

- Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008
- Patient Protection and Affordable Care Act of 2010

# Implications of Reform for Behavioral Health Care

- Behavioral health sector could benefit from emphasis on improved integration
- Target ACOs, medical homes where individuals with behavioral health care needs seek care
- Bundled payment - opportunities to fund evidence-based behavioral health services not often reimbursed
  - Care management, psychiatric consultation in primary care
  - Nurses co-located in specialty mental health settings
  - Certified peer specialists
  - Care transitions including ED transition care, post-discharge care

# ACOs and Selection Incentives

- Medical groups at risk for total costs of a population might face strong incentives to avoid enrolling those with behavioral health disorders
- Risk adjustment proposed as primary strategy for addressing selection incentives in ACOs
- Type of risk adjustment adopted matters
- Reinsurance, mixed payment (e.g., risk corridors), selective contracting
- Need to consider how to modify payment if risk adjustment does not work well for those behavioral health conditions



# Other Considerations

- Multi-payer system challenges medical groups - exacerbated with often-complex needs of this consumer population
- Rules governing an ACO's provider network will be important for ensuring access and care continuity
- Behavioral health providers lagged behind other specialists in adopting information technology, third-party billing practices
- Widespread practice in the state of "carving out" benefits to managed behavioral health carve out companies will be affected
- Need to develop standardized, well-vetted behavioral health performance measures to be incorporated into P4P initiatives

# Payment and Delivery System Initiatives in Massachusetts

- 1) Integration of medication-assisted treatment for opioid addiction into community health centers
- 2) Global payment and care coordination at Atrius Health
- 3) Integrating primary care within specialty mental health at Community Healthlink
- 4) Integrating addiction screening and brief intervention in health care settings

# Payment and Delivery System Initiatives in Massachusetts

- 5) Integration incentives under the Massachusetts Behavioral Health Partnership
- 6) Global payment under the BCBSMA Alternative Quality Contract
- 7) Integrating Medicare and Medicaid for individuals with dual eligibility

# Preliminary Recommendations

- 1) Payment and delivery system reform should be assessed on the basis of how the heterogeneous population of individuals with behavioral health care needs living in the state might be affected
- 2) Payment and delivery system reform should improve access to behavioral health prevention and early identification services
- 3) Payment and delivery system reform should facilitate greater engagement of consumers and family members in shared decision-making with clinicians

# Preliminary Recommendations

- 4) Carefully developed risk adjustment methods should accompany payment and delivery system reform to mitigate incentives to avoid enrolling consumers with behavioral health disorders
- 5) Payment and delivery system reform should include provider workforce training, information technology linkages and other mechanisms to strengthen connections between behavioral health providers and the rest of the medical care system. It is critical to improve behavioral health providers' "readiness" to be part of a more integrated health care system in the state

# Preliminary Recommendations

- 6) Payment and delivery system reform should include well-vetted, standardized performance measures for rewarding high-quality, consumer-centered behavioral health care
- 7) Payment and delivery system reform should require the involvement of behavioral health consumers and providers in the governance of new accountable care organizations
- 8) Payment and delivery system reform should explicitly recognize the ongoing need for state and federal resources to directly fund behavioral health prevention, treatment and recovery support services

# Preliminary Recommendations

- 9) Payment and delivery system reform should be designed to take strategic advantage of the numerous federal funding opportunities currently available to improve integration of behavioral health care
- 10) Payment and delivery system reform should be designed to reduce racial and ethnic disparities in access to behavioral health care
- 11) Payment and delivery system reform should ensure that mechanisms are in place to protect the privacy of individuals with behavioral health conditions

# Concluding Comments

Unique history, special institutions



Part of the mainstream of medical care sector now



Reform creates unique opportunities to continue this process & another chance for MA to lead