The Intersect of Health Reform and Systems of Care for Children and Youth with Mental Health and Substance Use Disorders and Their Families

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Complexities of the Affordable Health Care Act
Focus of Today’s Presentation

• Synergy of health reform with the system of care approach
• Goals of health reform
• Core values and guiding principles of a system of care approach
• Specific components of health reform with direct relevance to a system of care approach including implementation issues to consider:
  – Essential Benefits Packages
  – Medicaid and CHIP Expansion
  – Health Homes
  – 1915 (i)
  – Money Follows the Person (MFP)
  – Accountable Care Organizations (ACO)
Health Reform

• Central goals of health reform
  – Assisting Americans to obtain affordable, appropriate health insurance
  – Improving the quality of care
  – Increasing efficiency and reducing costs
  – Improving health outcomes

• Opportunity for states and communities to sustain and expand key elements of the system of care approach
Systems of Care

• Core Values
  – Community-based
  – Family Driven and Youth Guided
  – Culturally and Linguistically Competent

• Guiding Principles
  – Broad array of effective services
  – Individualized care
  – Coordination across child-serving systems
Essential Benefits Packages

• Essential Benefits in Medicaid
  • Benchmark benefits package for newly eligible Medicaid populations
  • DHHS, including SAMHSA, undertaking activities to delineate an “essential benefits package” for behavioral health services to recommend for inclusion

• Essential Benefits in Health Insurance Exchanges & Other Insurance Plans
  • The Affordable Care Act (ACA) requires the Secretary to ensure that this benefit package is appropriate for vulnerable populations including children with behavioral health needs.
Intersect with Systems of Care

- By definition, comprehensive array of services
- Many of these services and supports not historically included in insurance benefit packages
- Many state Medicaid plans offer this rich array of children’s behavioral health services and supports
- Comprehensive service array provides a model for the essential benefits packages under development.
- Adoption of this broader array would ensure that children with serious and complex disorders receive the services and supports they need in a cost effective manner
Implementation Issues to Consider

• Cost issues
• Prevention efforts
• Culture-specific and culturally-adapted services and supports
• Incentives to shift care from costly residential settings to home and community-based services and supports
• Evidence base for services and supports
• Parity legislation
• Education for families
• Other financing sources
Medicaid and CHIP Expansion

• Estimate of increased enrollment by 2019 – 33%

• Young adults exiting foster care (starting in 2014) will be automatically enrolled in Medicaid through age 25.

• These young adults will have access to all necessary health and behavioral health services covered under the state plan.
Intersect with Systems of Care

• Foundation and framework to ensure additional children served by Medicaid and CHIP receive necessary and appropriate behavioral health care.

• Change in Medicaid eligibility may allow some parents of children currently being served in a system of care to receive their own health and mental health coverage promoting a comprehensive and coordinated approach.
Implementation Issues to Consider

• Significant cost savings for states due to 100% federal revenue for newly eligible individuals under Medicaid

• States will receive 23% savings in their CHIP plans beginning in 2013

• Savings could be reinvested to serve more children and families

• Increased demand for services – need to increase provider networks

• Incorporate parents and paraprofessionals in provider networks (peer support, respite care, mentoring)
Health Homes Intersect with Systems of Care

• Share many of the same values and operational principles
• Existing system of care structures, such as care management entities, may be uniquely qualified to be designated as health homes for children with serious behavioral health disorders
• Vehicle for expanding system of care approach
• Addresses whole person with an individualized approach
Implementation

Issues to Consider

• New financing strategies needed

• Types of providers

• Quality measures

• Linking key child-serving systems to health homes
1915 (i) Intersect with Systems of Care

• Currently services provided under a system of care approach are often financed through multiple Medicaid authorities (clinic, rehab, waiver), other federal, state, and local funds.

• Opportunity for states to combine some or all of the services they currently offer using the system of care approach and incorporate them under a 1915(i) State Plan Amendment (SPA).

• States may offer waiver-like services without being required to meet the definition of rehab services.
Implementation Issues to Consider

• Incentive to maximize federal Medicaid funds for services less costly than residential care.
• Potential costs to statewide requirement.
• Important to collect data on what resources are already being used to finance services being considered for the 1915(i) to determine cost effectiveness of going statewide.
• Consider services and supports such as wraparound facilitation, parent support partners, respite, and intensive in-home supports to reduce utilization of residential treatment.
Money Follows the Person (MFP)

- Enacted as part of Deficit Reduction Act (DRA) of 2005 with $1.75 billion.
- Enhanced FMAP for 365 days encourages states to reduce reliance on institutional care while developing community-based alternatives.
- MFP includes children and youth with serious emotional disorders transitioning from psychiatric residential treatment facilities (PRTFs) or hospitals.
- ACA extended MFP through September 30, 2016 with an additional $2.25 billion (unused portion available until 2020).
Intersect with Systems of Care

• System of care approach provides a framework and philosophy for serving children who qualify for MFP:
  – Have been in a PRTF, inpatient psychiatric unit or state psychiatric hospital for at least 90 days.
  – Often have the most serious functional impairments and are often served by multiple systems.
  – Have often experienced multiple hospitalizations and residential treatment stays without adequate coordination, individualization, family and youth involvement, or cultural competence.

• MFP enhanced match can assist states to build capacity within their systems of care for evidence informed interventions.
Implementation Issues to Consider

- Partnerships across child-serving systems, providers, family, and youth organizations.
- Developing or expanding the intensive services and supports needed to successfully transition the youth.
- Implementing an individualized, wraparound approach to planning and delivering services.
- Evidence-informed, promising, and culture-specific interventions.
Accountable Care Organizations (ACOs)

- Structures responsible for providing, managing, and coordinating the total care of a defined population of 5,000 or more individuals.
- ACA calls for demonstration pilots of ACOs that include at least one pilot of a pediatric ACO but does not specify how children’s behavioral health should be incorporated.
- National Committee for Quality Assurance will issue draft standards for ACOs, and CMS will issue regulations, in part based on demonstrations.
Intersect with Systems of Care

- System of care approach can provide:
  - a value base
  - operational principles
  - a defined array of services and supports
  - a collaborative cross-agency model for service planning and delivery
Implementation Issues to Consider

• Challenge of determining how behavioral health services will be organized, licensed, regulated, financed, and monitored.

• Although opportunity to better integrate physical health and behavioral health care, concern that behavioral health services may lose focus.

• Consider mental health and substance use in planning ACOs as well as the types and the cultural diversity of specialty providers to address children’s needs.

• Consider care management entities as health homes incorporated within the ACOs.

• Families and consumers with oversight and ombudsperson roles.
Conclusion

• Clear alignment of goals in both health reform and systems of care.

• Systems of care have demonstrated that the availability of a broad range of treatment and support services is effective in preventing more serious problems and in mitigating overall health care system costs.

• System of care approach provides a valuable framework and value base for health reform and defines critical elements of children’s behavioral health services that should be incorporated into the implementation of ACA.

• ACA and health reform provide a strategic and important vehicle for sustaining and expanding systems of care.
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