How are We Going to Get Paid Tomorrow... and How do We Prepare Today?

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How Are We Going to Get Paid Tomorrow: Short Answer

• Through one of Four Payment Models
• Each with a Pay for Performance Layer
Model 1: Capacity Funded Services

Also known as the 'Fire Department Model'. Generally paid in 1/12th monthly increments based on a budget that supports sufficient staffing and other resources to field necessary capacity to meet POTENTIAL demand.

What Services?

Services where volume may fluctuate but staff must be available to meet the need. Examples include Crisis Lines, ACT Teams, Community Health Teams, Crisis Triage/Stabilization.

What P4P?

Relevant Pay for Performance measures include:
- Response/Access Time
- Client/Family Satisfaction
- Referring Party Satisfaction
- Resolution of Problem
- Care Transition Success
Model 2: Fee for Service

Also known as the 'Payment for Volume Model'. Payment is made for each authorized and approved service, paid at an agreed upon rate. Although the money 'follows the client', the incentive is to provide more service and there is no differentiation in payment tied to whether the service is needed or useful.

What Services?
Services that can be easily billed in units of service and don't fit another payment model (last resort). Examples include Emergency Room Services, Urgent Care Clinics, Respite and Care. In a mature system, the list is quite short.

What P4P?
Relevant Pay for Performance measures include:
- Response/Access Time
- Client/Family Satisfaction
- Achieving BH Outcomes
- Achieving Health Outcomes
- Providing Care within Utilization Management Guidelines (not overserving)
Model 3: Case Rates/Bundled Payment

A Case Rate/Bundled Payment is payment that covers the cost of a defined episode of care. The payment can be in the form of a single lump sum for short duration episodes or monthly installments for longer term episodes.

What Services?

Services that are associated with a discrete episode of care. Examples include Inpatient Care, Detox Services, Health Home Services, Specialty BH Care, and Specialty Medical Care.

What P4P?

Relevant Pay for Performance measures include:
- Response/Access Time
- Client/Family Satisfaction
- Achieving BH Outcomes
- Achieving Health Outcomes
- Providing Care within Utilization Management Guidelines (not underserving)
Model 4: Sub-Capitation

Sub-Capitation is a per member per month payment to an Accountable Care Organization or Comprehensive Provider that represents the average expected cost of providing a defined benefit package to anyone in the enrolled population who needs that care.

**What Services?**
Services that are part of a defined benefit package that can be provided by an Accountable Care Organization or a Comprehensive Provider.

**What P4P?**
Relevant Pay for Performance measures include:
- Response/Access Time
- Client/Family Satisfaction
- Achieving BH Outcomes
- Achieving Health Outcomes
- Providing Care within Utilization Management Guidelines (not underserving)
How Do We Prepare Today?
The Future Looks Quite Bright

• And if you work in Behavioral Health
• More money
• More collaboration
• More success
• More respect
• Why?
The Cost of Health Care
How much are we spending?

$2.5 Trillion
Estimation of health care spending in 2009

WASTE:
$765 Billion
30% of 2009 total health care spending

- Unnecessary Services: $210 Billion
- Excessive Administrative Costs: $190 Billion
- Prices That Are Too High: $105 Billion
- Fraud: $75 Billion
- Inefficiently Delivered Services: $130 Billion
- Missed Prevention Opportunities: $55 Billion

30% Waste

Institute of Medicine of the National Academies
And for Folks with Behavioral Health Disorders

Too Little Effective Care
- Big Gaps between BH Need and Capacity
- High Rates of Untreated Chronic Health Conditions
- Insufficient Evidence that BH Care is Working

Too Much Sick Care
- Crisis and Emergency Room Care
- Medical and Psychiatric Inpatient
- Diagnostic Imaging
- Medical Specialty Procedure Based Care
Purchasers, Payors, CEOs

• Are quickly learning
• 5% of the population uses 50% of the resources
• Half of the 5/50 population have Behavioral Health Disorders
We cannot fix the healthcare quality and cost problems in the U.S. without better addressing the health and behavioral health needs of Americans with behavioral health disorders. This will require simultaneous efforts to improve the service delivery system and reform the payment models.
CEOs in the Medical System Realize

• “In health care, the days of business as usual are over.”
• “It’s time for a fundamental new strategy.” “We must…
  ✓ Shift the focus from volume to patient outcomes achieved
  ✓ Replace today’s fragmented system with a system in which services are concentrated in health-delivery organizations”

The Strategy That Will Fix Health Care

BY MICHAEL E. PORTER AND THOMAS H. LEE
The CEOs Also Understand

• Behavioral Health screening, assessment, and treatment must become embedded in the day to day workflows of their operations

• The alternative...
The Future Looks Quite Bright

- And if you work in Behavioral Health
- More money
- More collaboration
- More success
- More respect

- The Catch?
- You may not be working for the same organization in 3 to 5 years!
Skating to Where the Puck is Going

• Four key strategy questions*:
  1. What vision do we want to pursue?
  2. How will we make a difference?
  3. How will we succeed?
  4. What capabilities will it take to get there?

The Vision: Health Neighborhood

- The future is in **One-Stop Health and Wellness Centers** providing Integrated Whole-Health Care (physical and virtual).
- Combined with specialty care (medical and behavioral health; inpatient and ambulatory) provided at **Centers of Excellence**.
- Plus **Community Services & Supports** that address the social determinants of health.
- All customized to meet the needs of a given **Health Neighborhood**.
How Will We Make a Difference?

1. Help your Clients Achieve their **Behavioral Health** Treatment Goals.

2. Help your Clients Achieve their **Whole Health** Needs.

3. Pursue **Population-Based** Health Strategies:
   - Identify and Engage those with BH Needs who are NOT in Treatment.

4. Help Address **Health Behaviors** of those with Chronic Medical Conditions, with an Emphasis on those in the 5/50 Population.
How Will We Succeed?

• You need to navigate to a place where your organization is seen by your community a Behavioral Health Center of Excellence. (i.e. the Mayo Clinic of Behavioral Health)
BHCONE Defined

• Our organization is known by the entire community as a great place to get care and a great place to work.

• We are an integral part of the health neighborhood, providing (1) easy access to (2) comprehensive, (3) cost effective care that results in (4) excellent outcomes and (5) high client satisfaction.
What Does this Look Like?

Let’s Take a Quick Tour…
BHCOE = 1) Easy Access

“Be there when I need you.”
– Oregon Patient-Center Primary Care Home Program principles

• A BHCOE is known for ensuring that new and continuing clients are able to get the right care, at the right time, in the right setting, by the right provider.
BHCOE = 2) Comprehensive Care

“Provide or help me get the health care and services I need.”
— Oregon PCPCH Principles

• A BHCOE is known for offering a broad scope of mental health, substance use, and co-occurring disorder treatment services that are integrated with medical care and other services and supports.

• There are very few organizations that can do it all. But, that doesn’t get you off the hook.
What Services Will Certified Community Behavioral Health Clinics Deliver?

Richard Dougherty, DMA Health Strategies
Dale Jarvis, Dale Jarvis & Associates
10 Required CCBHC Services

The Excellence in Mental Health Act has identified ten required services that must be provided by every Certified Community Behavioral Health Clinic (CCBHC) in the United States.

1. Crisis Services: 24 hour mobile, crisis intervention and stabilization
2. Screening assessment and diagnosis including risk assessment
3. Patient centered treatment planning
4. Outpatient mental health and substance abuse services
5. Targeted Case Management
6. Psychiatric Rehab Services
7. Peer support and family support
8. Care for members of armed forces and veterans
9. Outpatient clinic primary care screening and monitoring
10. Care Coordination: coordinating care with a host of other providers
9 Required CCBHC Services

- Crisis Services (if needed)
- Screening, assessment, diagnosis
- Pt. Centered treatment planning
- Outpatient MH/SA
- Psychiatric Rehab
- Peer support
- Targeted case management
- Primary Health Screening & Monitoring
- Armed Forces and Veteran’s Services
BHCOE = 3) Excellent Value

Accessible care provided by staff that communicate well..

Achieves individual and systemwide outcomes

Costs less than alternatives with comparable outcomes
BHCOE = 4) Excellent Outcomes

• A Behavioral Health Center of Excellence is known for achieving results for clients.
• The organization can measure what is important to clients and achieve excellent outcomes on those measures.
• P.s. Pay for Performance is a vehicle for incentivizing and rewarding organizations that commit to this journey.
Excellent Outcomes

- **Bucket 1**: The work we do makes a measurable difference in people’s lives and we can demonstrate our excellent outcomes and high success rates with data (using validated clinical instruments).

- **Bucket 2**: We *can’t* make the above statement either because we aren’t measuring well (but we believe we provide great care), or we have started tracking outcomes and we’re not as great as we thought.
BHCÖE = 5) World Class Customer Service

• Job 1: Create an organization that is a great place to work and is made up of individuals who believe deeply in resiliency and recovery.

• Where all staff are focused on their own physical and emotional wellness in order to support a journey to wellness for their clients.
Employee Engagement

Why You Hate Work

By TONY SCHWARTZ and CHRISTINE PORATH  MAY 30, 2014
The Energy Project

The way we’re working isn’t working.

74% of employees are experiencing a personal energy crisis.
What capabilities will it take to get there?

- Only two
  1. Close any gaps:
  2. Prepare for Value-Based Purchasing

How Will We Make a Difference?

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   - Identify and Engage those with BH Needs who are NOT in Treatment.
4. Help Address Health Behaviors of those with Chronic Medical Conditions, with an Emphasis on those in the 5/50 Population.

the Arizona Way, drawing on the resources in the Arizona Behavioral Health Payment Reform Toolkit and the webinars we will be holding.
AZ VBP At-A-Glance

AHCCCS Value-Based Purchasing Strategies

Level of Financial Risk

Capitation + Perf-Based Contracts
Shared Risk
Shared Savings
Bundled/Episode Payments
Centers of Excellence
Accountable Care Programs

Degree of Provider Integration and Accountability

Fee-For Service
Performance-Based Programs
Primary Care Incentives
Performance Based Contracts

After Spending Several Months Working on a Project in Arizona...

- I have seen the Future of Behavioral Health Payment Reform.
- And it’s starting to happen right here in Arizona.
- Led by Tom Betlach, Director of AHCCCS.
- And a cast of dozens at AHCCCS, DBHS, the RBHAs and Providers.
- It’s going to start slow, beginning with the RBHA Value-Based Purchasing Plans.
- Don’t be seduced by the pace; it will be slow in the beginning, but will accelerate.
- Make sure you’re faster out the gate with your prep work!