

Community Care

A Nonprofit Behavioral Health Managed Care Company

Health Care Reform Update: Behavioral Health

Presented to: Berks County Mental Health/Mental Retardation Advisory Board

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Agenda

- Provide general overview of Health Care Reform
- Discuss the potential impact of Health Care Reform on behavioral health and the current behavioral health HealthChoices program
 - Consumers
 - Providers
 - Employers
- Resources

Health Care Reform

- Provides Health Coverage for an estimated 32 million uninsured Americans. Half will receive their health care coverage under Medicaid.
- Approximately 2.0 million uninsured estimated in PA.
- Will expand Medicaid coverage to individuals up to 133% of poverty, estimated to expand Medicaid in PA by over 500,000 recipients (MAGI).
- Will expand coverage to 400% of FPL (roughly \$88,000 for a family of four) with subsidy; predicted service utilization patterns.
- “Mandated enrollment.”

Health Care Reform

- Establishes high risk pool for individuals unable to access health coverage due to pre-existing conditions.
 - PA Fair Care – 3500 “slots” 8/1/10-12/31/14
- Establishes exchanges for individuals and small business to purchase insurance at potentially reduced subsidized cost.
- Potential for states to create a Basic Health Plan for 133-200% FPL.

Exchanges

- State is required to develop Exchange(s) to be certified by 7/1/13, or HHS will operate the Exchange for that state.
 - Governance, role, and structure issues
- Must have uniform eligibility determination capabilities, including Medicaid and CHIP.
- Must have other points of entry.
- State may have integrated Exchange for individuals and small groups, but may have separate.

Employer Implications

- Play or pay decisions.
- Potential movement toward “defined benefit” model for health coverage.
- Reduced or no role for the employer in selecting or managing a plan.
- Financial and administrative requirements.
- Dependent coverage.

Behavioral Health: Key Reforms

- MH Parity cited in new law; in addition, the legislation goes further in that behavioral health services are identified as *essential* services, generally and as part of the exchange.
- By 2014, all insurance plans must include a mental health and substance use benefit that is administered at parity with medical/surgical benefits.
- More about parity:
 - Implemented In Private Sector.
 - Challenges in determining benefit comparability.
 - Regulations issues; regulations impacting MA pending.
 - SAMSHA: “Description of a Modern Addictions and Mental Health Service System.”

Behavioral Health - Medicaid

- Current federal eligibility categories must be maintained (maintenance of effort); note that scope of services offered is not required to meet maintenance of effort.
- Eligibility will expand and will include, e.g., childless/non-custodial adults; opportunity to offer stability in health care to transitional age youth; adults with substance use disorders; child welfare graduate coverage required.
- Eligibility criteria are to be streamlined for accessing benefits; no asset test will be applied in Medicaid (except long-term care); states must provide internet portal for ease of determining eligibility for each program and other methods.

Behavioral Health – Medicaid

- Will provide hospitals with opportunity to establish presumptive eligibility.
- Will address transition age high risk youth; youth in foster care covered through age 26.
- Will provide opportunity to expand services covered under Medicaid to include preventive services such as smoking cessation; may be opportunity to focus on early childhood, first signs for serious mental illness.
- Will provide opportunity to establish medical homes including home for specialty care (behavioral health).
 - Integrated care requirements
- Will provide opportunities for innovative designs for persons with dual eligibility Medicare/Medicaid.

Health Care Reform – Other Provisions

- Grants
 - Medicaid home and community based services (HCBS); Accountable Care Organization (Medicare FFS and Medicaid Pediatrics).
 - Maternal, Infant, and Early Childhood Home Visitation Grant.
 - Health Home for enrollees with chronic conditions, dual eligible commission (federal office of coordinated health care).
 - Community Transformation Grants - available to states and local governmental agencies.

Health Care Reform – Other Provisions

- Health Information Technology
 - Will require a dialogue to address informed consent and confidentiality standards.
- Establishment of High Risk Pools
 - PA Application submitted and approved.
 - Implemented August 1: Expected to serve up to 3500 individuals; PA FairCare
 - To provide coverage for persons unable to secure health coverage because of pre-existing conditions.

Challenges and Opportunities: Impact on Behavioral Health Delivery Model in PA

- County government plays essential role in delivery system.
 - HealthChoices provides opportunity as tool to support behavioral health needs across all human services.
 - Local control provides greater access to local housing, education, aging, and community resources.
 - Success of program design in meeting stated objectives for the program is well documented.
 - Increase in access to behavioral health services.
 - Increase in the quality of services and health outcomes.
 - Stabilization of Medicaid Funding.

HealthChoices Performance: What We Know About Our Systems Design

- HealthChoices has managed program costs below anticipated FFS trend; administrative costs are low.
- HealthChoices continues to serve more people and has maintained a focus on those with the most need.
- HealthChoices continues to provide a wider array of services in less restrictive settings.
- Reinvestment opportunities have sparked innovative practices and cost effective alternatives to current practices.
- Unified Systems/Funding; maximized fiscal resources at state and local level. Example: closure of state hospital.

Potential Impact: What the Future Holds

- Likely to be lots of change, federal and state.
- Impact on current delivery system:
 - Role of County Government
 - Physical Health contractors assuming behavioral health responsibility; how to talk about “integration”
 - Impact on workforce
- Mental Health and Substance Abuse benefits
 - How will parity be implemented? Commercial, Medicaid
 - What services will be defined as “essential”
 - What services will be paid for by Medicaid - “evidence based”
 - Evidenced-based vs. promising and culturally relevant practices

Impact on State and Local Resources

- Impact on mental health base funds, drug and alcohol base, and federal block grants; impact on BHSI and disproportionate care funds.
- Impact on existing HealthChoices contracts; expansion of enrollees, current economic climate.
- Opportunity for savings with innovative Medicare/Medicaid options and reduction of part D donut hole.
- The Good News
 - More individuals will have access to behavioral health treatment!
 - More opportunities to be innovative, increase overall health outcomes
 - Opportunity to focus on prevention and early intervention.
 - The state will play a major role in implementation; opportunity to influence delivery model.

Resources

- www.pa.gov: Health Care Reform and You
- Kaiser Health Foundation: www.kff.org
- PA Health Law Project: www.phlp.org
- www.SAMHSA.gov
- www.gohcr.state.pa.us
- www.ccbh.com

Contact Information

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