

Transformation of California's Behavioral Health System

MHSUDS Integration Task Force Meeting

November 10, 2014

Julie Stone
Senior Researcher
Mathematica Policy Research

ACA → Changing Landscape

- **Growing awareness of the consequences of untreated mental health and SUD needs**
 - **Cost, quality and outcomes**
 - **Impacts on individuals, families and communities**
- **Increased beneficiary choice as a result of the Medi-Cal expansion**
- **Federal and state government are working hard to create opportunities for BH integration**
- **California's expansion of managed care creates new opportunities for BH integration to promote a more seamless patient experience**
- **Need to contain spending at state and federal levels**
- **Ensure that Medi-Cal continues to view contracts with County Behavioral Health Systems as essential**

Characteristics of California's Current BH system

- Data infrastructure often inadequate
 - Limits care coordination and data reporting
- Financial incentives generally incentivize volume over efficiency (fee-for-service)
- Insufficient access
- Inefficient flow of patients through provider settings
- Avoidable use of hospital and emergency rooms
- Geographic disparities in provider supply
- Silos among MH and SUD treatment providers
- Silos across BH and primary and specialty care

Goals of a High Performing System

Patient Experience

Self-navigation

Partnership

Delivery of Care & Services

Fragmented

System

Service Bundle

Limited

Comprehensive

Financing

Siloed

Shared risk or pooled

Patient Experience

Self-Navigation		Partnership
<ul style="list-style-type: none">•Referrals•Avoidable hospitalizations/ER visits•Multiple case managers•Poor communication among providers•Providers in separate locations•Patient receives information from provider•Low cultural/linguistic competency		<ul style="list-style-type: none">•One stop shopping•Treatment decision made based on patients' preferences, medical evidence, and clinical judgment•Appointments 365 days/year, access 24/7•Peer providers and navigators at heavy points of access (e.g., ERs, health homes, hospitals, etc.)•Individualized care plan•Activated patients•High cultural/linguistic competency

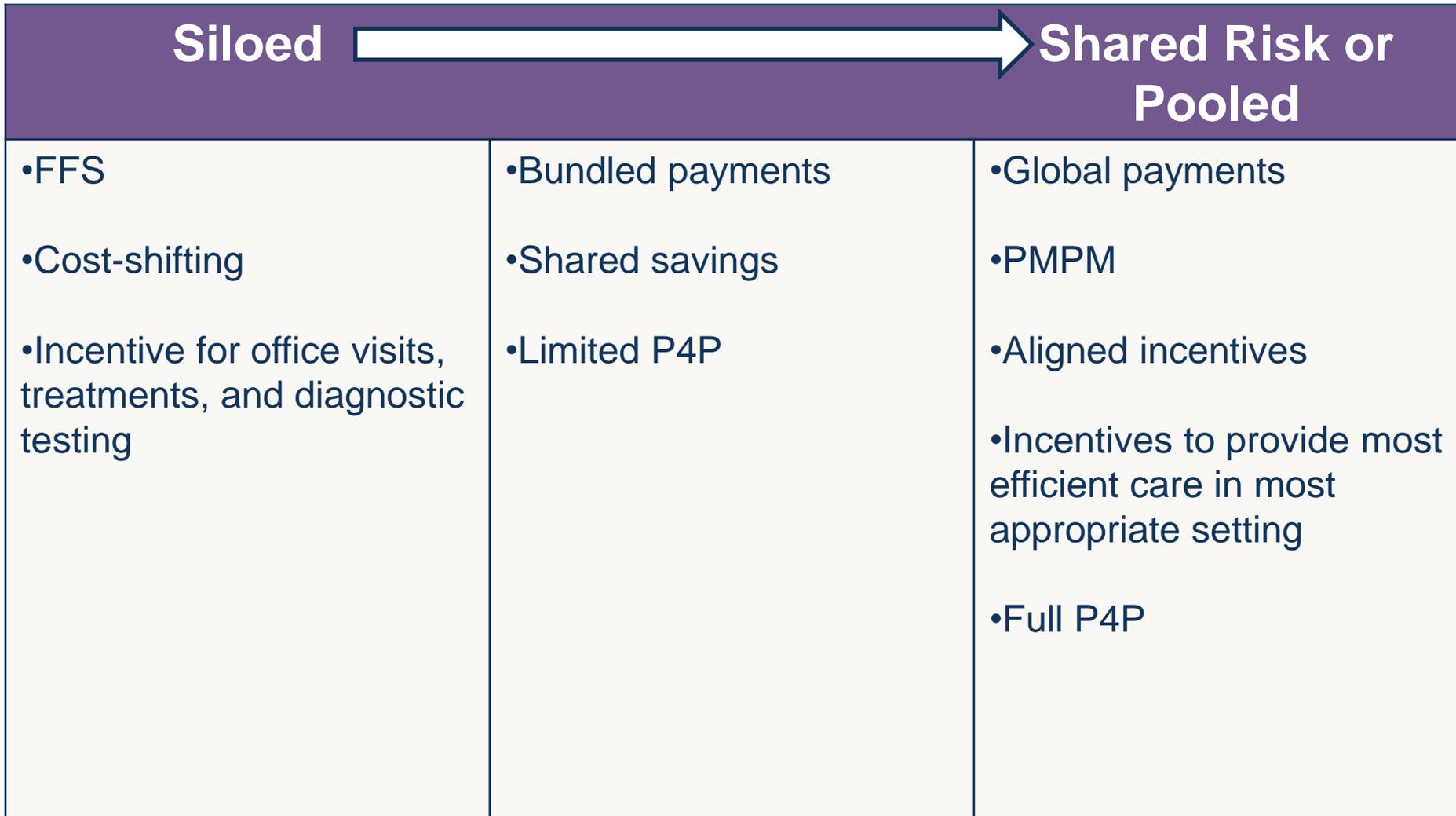
Delivery of Care & Services

Fragmented		→	System
<ul style="list-style-type: none"> •Paper records •Multiple provider for distinct needs •Service duplication •Separation of physical and behavioral health •Referral-based •Office visit only •Basic medical screenings 	<ul style="list-style-type: none"> •Co-location •Warm handoff •Medical and behavioral health screenings 		<ul style="list-style-type: none"> •Effective interdisciplinary teams •Care management and registries •Clinical and population health analytics •High level of information sharing •Provide most efficient care in most appropriate setting

Service Bundle

Limited		Comprehensive
<ul style="list-style-type: none">•Mental health only•Substance use disorder treatment services only•Physical health only•Office visits only	<ul style="list-style-type: none">•Office visits, email, telephone	<ul style="list-style-type: none">•Medical, Social Services, Legal, Vocational, and Corrections•Home visits, mobile visits•Community locations•Telemedicine

Financing



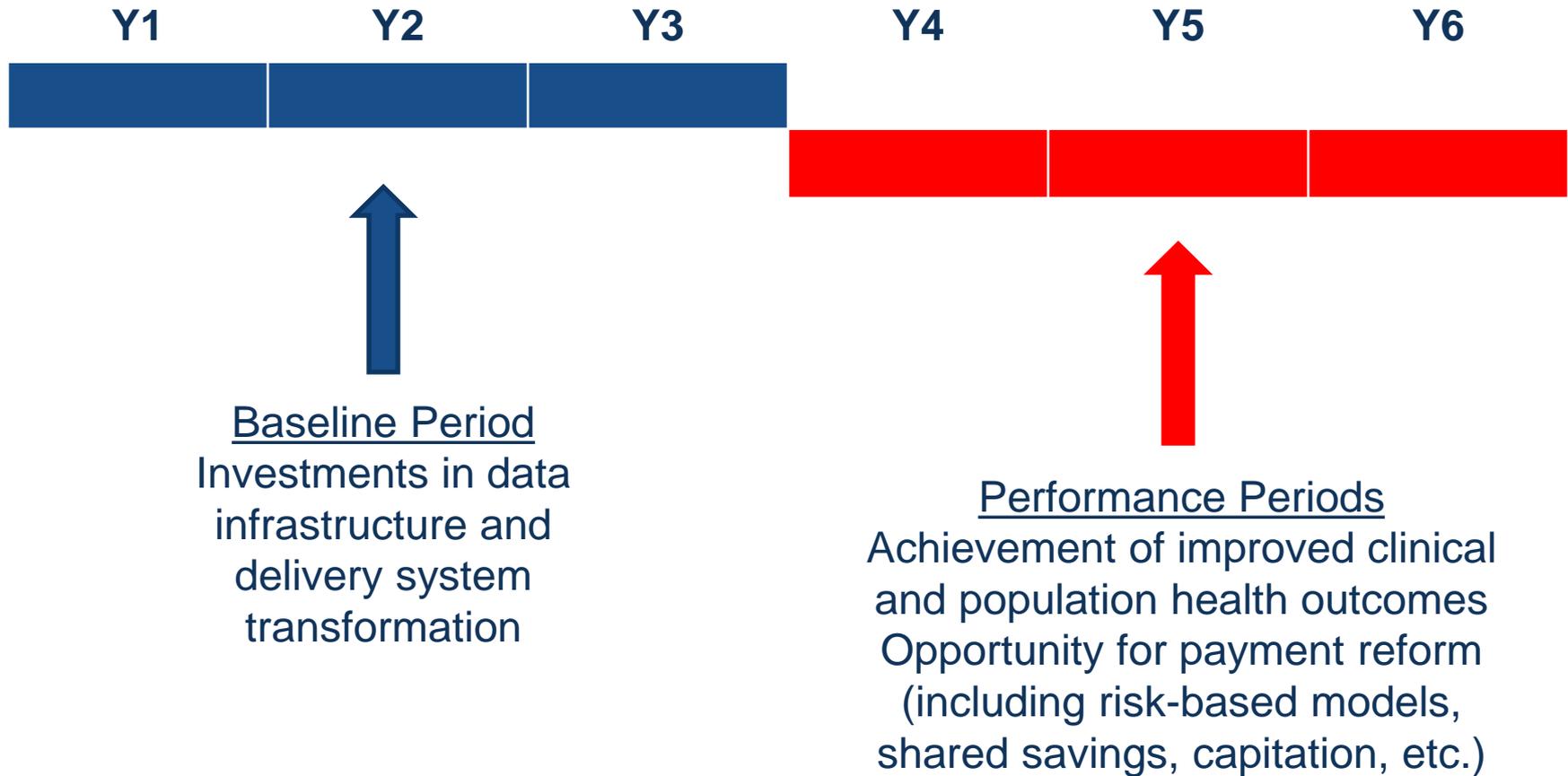
Building Blocks

- **Patient-centered care**
 - Patients’ values, perspectives and health goals guide care
- **Organizational readiness**
 - Engaged leadership
 - Feedback loop for staff training and evidence-based approaches
 - Collaborate externally with partners
 - Employee incentive programs
- **Practice Transformation**
 - Advanced HIT infrastructure – DATA, DATA, DATA
 - Care management and population health strategies
 - Panel management
 - Risk stratification
 - Individual care plans
- **Payment reform**

Transformation has its Challenges

- Readiness varies across counties and providers
- Needs of counties and/or providers differ
- No single blueprint for success
- Opportunities to test and pilot innovations will be critical
- Need to share lessons learned, pitfalls and successes
- Counties and providers will need to gradually prepare themselves to assume greater financial risk (upside & downside)

Transformation is Slow



Model assumes that clinical and population health outcome improvements cannot be achieved without an initial investment in infrastructure and the delivery system.

A Path Forward

- Recognizing the expertise of County Behavioral Health Systems and their partners
 - Serving individuals with SMI and SED/Cultural competency
- What can be done now?
 - E.g., leverage existing partnerships, optimize use of care managements, hire peer providers, better use existing data
- What is needed for system-wide transformation?
 - Development of a shared vision among stakeholders, DHCS and CMS
 - Commitment from providers and payers
 - Additional resources for data infrastructure and delivery system transformation
 - Policy and programmatic changes with the support of, for example, the following:
 - Medicaid waivers (e.g., §1115, §1915(b));
 - Medicaid Health Home Benefit (§2703 of ACA/§1945 of SSA);
 - Medi-Cal state plan benefits (§1905(a), §1915(i)); **and/or**
 - Other regulatory changes.