ODS-Integration Pilot

Concept Design

Background

The goal of the Drug Medi-Cal Organized Delivery System (DMC-ODS) is to improve health outcomes for California beneficiaries with a substance use disorder (SUD) and reduce costs to the Medi-Cal program. The DMC-ODS contains several efforts to integrate SUD and health services, including payment for targeted case management services, physician consultation for medication assisted treatment (MAT), and a requirement for memorandum of understandings (MOUs) between counties and managed care plans. In an effort to further the integration of SUD services within the broader healthcare system, the Department of Health Care Services (DHCS) and the Centers for Medicare and Medicaid Services (CMS) included *Item 153: Integration with Primary Care* in the 1115 Waiver Special Terms and Conditions (STCs). One of the requirements in Item 153 of the STCs is for DHCS to "explore options for identifying the best integration strategy". In May 2016, DHCS received approval from CMS for California's integration approach to utilize the Substance Abuse and Mental Health Services Administration- Health Resources and Services Administration (SAMHSA-HRSA) Standard Framework for Levels of Integrated Healthcare to help primary and behavioral healthcare provider organizations understand where they are on the integration continuum, while identifying current barriers and facilitating efforts to move providers up the continuum. In the Integration Plan, DHCS committed to identify integration themes in the Integration Concept Design that reach the goal of developing the integration strategy.

Over the last several years, California has undergone several efforts to advance the integration of behavioral and physical health services. In November 2014, DHCS convened an Integration Taskforce meeting to identify short- and long-term strategies for transforming California's behavioral health system into a fully integrated system. The meeting brought together a broad array of California's leaders, including representatives from SUD treatment programs, mental health and primary care providers, managed care plans, and counties, among others. The purpose of the meeting was to inform DHCS on strategies to improve the behavioral health system in California. The outcome of the meeting generated a report of the key barriers in integration and potential solutions to overcome the issues. Some of the key themes which emerged from this meeting were expanding the exchange of information, financing, workforce, infrastructure, and integration measures.

In June of 2016, DHCS convened another stakeholder meeting to discuss California's approved integration approach for the DMC-ODS. DHCS reviewed the key themes

from the Integration Task Force meeting and had a discussion on the two most emergent themes of health information exchange and payment reform. While the other themes were also discussed as important issues to solve, the majority of stakeholders agreed that these two themes were the top two barriers that impede further integration efforts. Without the ability to effectively exchange health information between SUD providers and physical health systems, integration efforts are stymied. In addition, stakeholders felt strongly that health equity and disparities reduction was also an important area to consider during the creation of new systems and services.

SAMHSA-HRSA Framework

California has chosen the SAMHSA-HRSA framework as the model to evaluate integration efforts. The SAMHSA-HRSA framework describes integration along a continuum - with minimal collaboration on one end of the spectrum (Level One) and full collaboration in a transformed/merged integrated practice on the other end (Level Six). This model helps organizations evaluate the degree of their integration and to determine if additional steps are needed in order to enhance their level of integration. DHCS will provide training on the how to utilize the SAMHSA-HRSA framework to identify baseline levels of integration and how to measure movement forward along the continuum.

Additional Integration Efforts

The integration of behavioral health into physical health services has been a nationwide area of focus over the past several years. DHCS has been undertaking multiple efforts in the area of integration. Other Department integration efforts that are also testing or promoting integration include:

- Cal MediConnect
- Whole Person Care
- Health Homes
- Certified Community Behavioral Health Clinics (CCBHCs), and
- Public Hospital Redesign and Incentives in Medi-Cal (PRIME).

These efforts are testing/piloting different aspects of integration, therefore, it is important to recognize and understand how these other projects connect to the changes occurring in the DMC-ODS.

As California's SUD system under the DMC-ODS undergoes the tremendous shift into county-operated plans or delivery systems, efforts at the county level to integrate SUD and physical health services will begin. DHCS wants to continue this movement by bridging the other DHCS integration efforts and break through the silos of services to bring lessons learned, information sharing and any integration opportunities to the ODS opt-in counties.

Concept Design

In order to further integration efforts resulting from the ODS, DHCS will focus on the three themes of (1) Health Information Exchange; (2) Health Equity and Disparities Reduction; and (3) Payment Reform for the Concept Design. Only counties that participate in the DMC-ODS will be able to participate in integration efforts addressing these themes available in the Concept Design. DMC-ODS counties may choose to participate in one and/or any of the themes.

Theme One: Health Information Exchange

Health Information Exchange (HIE) between SUD providers and other Medicaid health systems has presented substantial challenges to achieving integration goals in California's behavioral health system. Without the proper exchange of patient information, service providers are limited in their ability to effectively coordinate care. DHCS will coordinate the following projects pertaining to HIE.

1. One requirement outlined in DHCS' 1115 MediCal 2020 Whole Person Care pilot is for DHCS to develop statewide guidance around the exchange of health information. DHCS will establish data and information sharing guidelines and/or mechanisms, consistent with applicable state and federal data privacy and security laws, to provide for timely sharing of beneficiary data, assessment, and treatment information. The guidance includes the use of SUD data. It is under development and is tentatively set to be released in December of 2016. After the release of the guidance, DHCS will work with counties on how to implement the guidance. DHCS will provide technical assistance for counties on how to implement one standard release of information form through webinars and other TA functions. Additionally, there is an effort underway at the California Office of Health Information Integrity to release state guidance on how to handle the release/use of sensitive health information; including SUD data. DHCS is participating in this effort and will disseminate the final product to all counties once it is available in June of 2017.
2. The Health Information Technology for Economic and Clinical Health (HITECH) Act made federal matching funds available for incentive payments to eligible Medicaid providers to encourage the adoption and use of certified EHR (Electronic Health Record) technology through 2021. In State Medicaid Letter #16-003, issued February 2016, CMS expanded the use of the Medicaid HITECH funds to allow support for HIE onboarding and systems for substance abuse treatment providers. The reason for expanding the Eligible Providers to include SUD providers is to connect a broader variety of Medicaid providers to HIE in order to enable seamless sharing of a patient's health information. States must apply for the funding and demonstrate how the funds will be utilized to facilitate

connections between Eligible Providers and other Medicaid providers through HIE or other interoperable systems, or costs of other activities that promote other Medicaid providers' use of EHR and HIE. The funding is a 90/10 Federal State match. The funding is for HIE and interoperability only, not to provide EHRs. It is also limited to implementation and not for operational costs. There are several options that DHCS could explore in applying for the HITECH funding for the DMC-ODS. Some of the models CMS specifies include provider directories, secure messaging, encounter alerting, care plan exchange, health information service providers, query exchange and public health systems. After developing the HITECH scope, DHCS will need to coordinate with CMS to discuss the proposal in advance of the formal submission of the Implementation Advance Planning Document Update.

3. The analysis of outcomes is pivotal to measure successful integration efforts. However, outcomes across the SUD and physical health systems cannot be measured until the county and managed care plan agree on the data to be utilized, share the data and utilize the same HEDIS (Healthcare Effectiveness Data and Information Set) measures. For counties and managed care plans that want to design patient centered performance measures, DHCS will provide technical assistance on the available HEDIS measures and coordinate with the University of California, Los Angeles, to obtain the statewide data utilized for the HEDIS measure evaluated for the ODS. If needed, DHCS will help facilitate these discussions between the plan(s) and the county.

Theme Two: Health Equity and Disparities Reduction

Establishing an organizational commitment to health equity and disparities reduction will be important as SUD and physical health services are further integrated. SUD service data shows there is an inequality in populations that receive SUD services. DHCS will coordinate efforts with the California Pan-Ethnic Health Network (CPEHN) to provide training and ideas on how counties can incorporate health equity and disparities reduction within their ODS systems and integration efforts. Some of the areas that DHCS, with the assistance of CPEHN, will offer technical assistance may include:

- *Developing partnerships with community leaders for feedback.* County or other SUD providers must partner with trusted community leaders or organizations such as faith based leaders, teachers, or community based organizations to help develop and identify strategies to engage patients.

- *Providing resources for community leaders and members to engage.* Look at strategies that help marginalized populations access services in a familiar or culturally sensitive manner.
- *Translating Information into non-English languages and at a low literacy level.* Ensure materials are translated into non-English languages (as required by Medi-Cal threshold languages) and are at an appropriate literacy level for community members to reach diverse communities and obtain better participation.
- *Assessing community needs with community partners.* Working with the community to identify needs through a community needs assessment to help engage members from the start.
- *Developing a community advisory board with shared decision-making.* Community advisory boards can help to inform, develop, and implement projects. Creating a shared decision-making process will help to instill ownership. Community members might need support and capacity building to fully engage in decision-making.

Theme Three: Payment Reform

California's DMC system has been structured with the same payment system since its inception. The DMC-ODS waiver is the first time counties have had the flexibility to propose interim rates to the State for review and approval. While counties having the ability to set rates for local services are an important aspect of the DMC-ODS, additional payment reform is needed to test out new payment structures and facilitate integration. In order to achieve better integration of all Medi-Cal services in California, the SUD system will be encouraged to pilot alternative payment structures, consistent with efforts underway in other systems. California recognizes that patients often need services from different silos of care that currently exist to treat co-occurring substance use disorders, mental health conditions, and chronic physical health conditions. Separate regulations and billing systems associated with each system create "silos" of care that can be barriers to the integration of care. In an ideal integrated system, the patient would be able to receive services for their SUD, mental health, and other medical needs from an integrated multidisciplinary treatment team at one site, and regulatory and billing processes would facilitate this design.

In Section 158 of the STCs titled 'DMC Financing', DHCS received waiver authority to set "participation standards and a process to pilot an alternative reimbursement structure". The DMC-ODS offers counties the opportunity to propose alternative payment structures that test new models and support integration. Testing different

models for payment reform can move counties forward on the SAMHSA integration scale.

For counties that want to pilot payment reform, DHCS will provide technical assistance on lessons learned from other payment reform efforts occurring in the other integration efforts. For example, DHCS is publishing fiscal requirements for counties that choose to participate in Health Homes. Counties may want to consider how the payment system for the Health Home system could intersect with the ODS system.

Once a county has committed to pilot payment reform, DHCS will work closely with the county on their proposed model. If DHCS approves the model, the State will move the model forward for CMS review and approval/denial.

Alternative payments models proposed by the county may include the following:

1. Offer provider incentives to facilitate coordination. For example, counties may offer providers incentives for demonstrating improvement on coordination-related performance measures or reaching certain benchmarks. For example, incentives could be instituted to improve rates of successful referrals between medical detoxification and treatment, or to facilitate delivery of medical services and improve health outcomes for patients within SUD treatment programs.

This would be ideal for programs that score on the lower end or middle of the coordination continuum, as it would allow them to focus on a small set of practices that may help them to improve their coordination.

2. Create new reimbursement strategies for providers. For example, counties could pilot case rates with subcontracted providers serving beneficiaries with co-occurring SUD and physical health conditions.

3. Counties may choose work in collaboration with a Medi-Cal managed care plan to delegate ODS program responsibilities to the managed care plan. This would support the integration of SUD and physical healthcare services, as well as offer an opportunity for administrative efficiency.

Timeline for Implementation of ODS-Integration Pilot

Task	Completion Date
Submit Concept Design to CMS	October 1, 2016
CMS review and approve Concept Design	December 2016
Begin Concept Design Implementation	January 2017
Provide Training on the SAMHSA-HRSA integration model	January 2017
Establish training on SUD health equity and disparities reduction	February 2017
Establish participation standards and Process to submit ODS payment models to DHCS	February 2017
Discuss with CMS DHCS' concepts regarding HITECH funding	February 2017
Provide TA on DHCS Information Exchange Guidance to ODS counties/providers	March 2017