



CalAIM Behavioral Health Workgroup Kick-Off and SMI/SED IMD Demonstration Opportunity Discussion

November 8, 2019



Overview of Presentation

- CalAIM Behavioral Health Workgroup Overview
- Overview of SMI/SED IMD Demonstration Opportunity
- Medicaid Emergency Psychiatric Services Demonstration
- SMI/SED IMD Demonstration Requirements
 - Application
 - Services Availability Assessment
 - Implementation Plan
 - Monitoring
- Workgroup Discussion
- Next Steps



CalAIM Behavioral Health Workgroup Overview



California Advancing & Innovating Medi-Cal (CalAIM) Goals

- Identify and manage member risk and need through Whole Person Care approaches and addressing the social determinants of health.
- Move Medi-Cal to a more consistent and seamless system by reducing complexity and increasing flexibility.
- Improve quality outcomes and drive delivery system transformation through value-based initiatives, modernization of systems and payment reform.



Behavioral Health Proposals

SMI/SED
IMD

Behavioral
Health
Integration

Medical
Necessity

Payment
Reform

Regional
Contracting

DMC-ODS



Behavioral Health Workgroup Deliverables

1. Suggest additions and deletions for elements and details of the following behavioral health proposals: SMI/SED IMD demonstration waiver, behavioral health integration, and medical necessity.
2. Inform the timeline and staging of various elements of the behavioral health proposals with consideration of other requirements within the larger CalAIM proposal.
3. Provide recommendations for determining/demonstrating California readiness for participation in the SMI/SED IMD Section 1115 demonstration waiver.
4. Provide recommendations on administrative, clinical, and plan function changes required for integrating county-level mental health and substance use disorder programs under a single contract.
5. Review, consider, and provide feedback on proposed revisions to the medical necessity criteria for specialty mental health services.
6. Workgroup input will culminate in a summary document outlining key principles and recommendations to DHCS to inform policy development on the three proposals.

Workgroup Meeting Schedule

<i>Date</i>	<i>Time</i>	<i>Topic(s) / Agenda Items</i>
Friday, November 8	10 a.m. to 3 p.m.	Workgroup Overview and IMD
Friday, December 13	10 a.m. to 3 p.m.	Payment Reform
Friday, December 20	10 a.m. to 3 p.m.	Medical Necessity/IMD
Friday, January 10	10 a.m. to 3 p.m.	Payment Reform
Thursday, January 23	10 a.m. to 3 p.m.	BH Integration
Friday, January 24	10 a.m. to 3 p.m.	BH Integration
Thursday, January 30	10 a.m. to 3 p.m.	Medical Necessity/IMD
Tuesday, February 4	10 a.m. to 3 p.m.	Payment Reform
Wednesday, February 26	10 a.m. to 3 p.m.	Medical Necessity/ BH Integration
Thursday, February 27	10 a.m. to 3 p.m.	Wildcard (tie up loose ends)



Expectations

- Members are expected to participate in person. All meetings will be held in Sacramento.
- The workgroups will be a solution-focused, collegial environment for respectfully expressing different points of view.
- The workgroup meetings will be a mechanism for direct communication and problem solving with DHCS.
- Members may not send substitutes or delegates to the meetings.
- Members may be asked to provide and/or present information to the workgroup.
- All meetings will be held in accordance with the Bagley-Keene Open Meeting Act.



Overview of SMI/SED IMD Demonstration Opportunity



Today's Goals

1. Shared understanding of the current CMS SMI/SED IMD Demonstration opportunity and current landscape of IMDs in California.
2. Hear about lessons learned from counties' and hospitals' experience with the Medicaid Emergency Psychiatric Demonstration.
3. Discuss requirements and strategies to determine whether California is ready to apply for the opportunity.
4. Discuss benefits, challenges, and considerations for pursuing the IMD opportunity.



IMD Definition

- Section 1905 of the Social Security Act prohibits Medicaid payment for services to in an institution for mental diseases, defined as “a hospital, nursing facility, or other institution of more than 16 beds, that is primarily engaged in providing diagnosis, treatment, or care of persons with mental diseases, including medical attention, nursing care, and related services.”¹
- The exclusion applies to all Medicaid beneficiaries under age 65 who are patients in an IMD, except for payments for inpatient psychiatric services provided to beneficiaries under age 21.

¹Social Security Act 1905(a)(B) and 1905(i)



SMI/SED Demonstration Authority

- Required by section 12003 of the Cures Act, opportunity for demonstration projects under section 1115(a) of the Act to improve care for adults with SMI and children with SED.
- An 1115 demonstration waiver allows a state to conduct experimental, pilot, or demonstration projects that are likely to assist in promoting the objectives of title XIX of the Act.

¹Social Security Act 1905(a)(B) and 1905(i)



Stakeholder Comments on IMD Opportunity

- DHCS has received 15 letters expressing support for participation in the IMD Demonstration. No letters received have been in opposition.
- Letters represent a variety of stakeholders:
 - CBHDA
 - CSAC
 - County representatives (county boards of supervisors, mayor's offices)
 - Providers
 - Beneficiaries and their family members
 - Senators



Medicaid Emergency Psychiatric Services Demonstration



Medicaid Emergency Psychiatric Services Demonstration

- Purpose: To evaluate the effects of providing Medicaid reimbursements to private psychiatric hospitals that treat beneficiaries ages 21 to 64 with psychiatric emergency medical conditions.*
- The demonstration tested the extent to which reimbursing IMDs for inpatient psychiatric stabilization services improved access to and quality of care for beneficiaries and reduced overall Medicaid costs and utilization.
- Contra Costa and Sacramento counties participated. Between the two counties, there were four hospitals and 269 beds.

*Mathematica Policy Research, Medicaid Emergency Psychiatric Services Demonstration Evaluation: Final Report. Available at: <https://innovation.cms.gov/Files/reports/mepd-finalrpt.pdf>



Medicaid Emergency Psychiatric Services Demonstration Perspectives

- Sheree Lowe, California Hospital Association
- Ryan Quist, Sacramento County



Overview of the SMI/SED IMD Waiver Opportunity

- In November 2018, CMS issued new guidance inviting states to apply for Section 1115 waivers of the federal IMD payment exclusion for services for adults with a serious mental illness (SMI) or children with a serious emotional disturbance (SED).*
- The purpose of this demonstration is to test whether increasing access to acute inpatient psychiatric care reduces reliance on emergency rooms and improves connection to outpatient community treatment.
- The opportunity allows states to receive federal financial participation (FFP) for services furnished to Medicaid beneficiaries during short term stays for acute care in psychiatric hospitals or residential treatment settings that qualify as IMDs.
- In order to be approved, states must demonstrate the ability to ensure good quality of care in IMDs and improve access to community-based services.
- States are expected to achieve a statewide average length of stay of 30 days.
- There are three components to participation in the waiver:
 - Application
 - Implementation Plan
 - Monitoring and Evaluation

*CMS, SMD # 18—011 available at: <https://www.medicaid.gov/federal-policy-guidance/downloads/smd18011.pdf>



IMD Demonstration Application Requirements

States' applications to CMS for the SMI/SED IMD Demonstration Waiver should include:

- An outline of the state's strategy for achieving the goals of the demonstration, including a commitment to meeting the milestones for achieving the goals over the course of the demonstration.
- A description of the state's capacity for regular reporting on progress toward meet the milestones, as well as for collecting and reporting data on performance measures.
- A description of the state's plan for the demonstration, including the proposed population for the demonstration and the delivery system changes proposed.
- A list of the waivers and expenditure authorities that the state believes are necessary to authorize the demonstration.
- A description of the availability of mental health providers (e.g., individual practitioners, Community Mental Health Centers (CMHCs), intensive outpatient/partial hospitalization, residential, inpatient, and crisis stabilization providers) in the state and prevalence of SMI/SED.
- A description of maintenance of effort (MOE) for funding outpatient community-based mental health services at their current level.
- A commitment to assuring the necessary resources will be available to effectively support implementation of a robust monitoring protocol and evaluation.



IMD Demonstration Goals

States must meet the *goals* outlined in the opportunity:

- Reduced utilization and lengths of stay in EDs among Medicaid beneficiaries with SMI or SED while awaiting mental health treatment in specialized settings.
- Reduced preventable readmissions to acute care hospitals and residential settings.
- Improved availability of crisis stabilization services including services made available through call centers and mobile crisis units, intensive outpatient services, as well as services provided during acute short-term stays in residential crisis stabilization programs, psychiatric hospitals, and residential treatment settings throughout the state.
- Improved access to community-based services to address the chronic mental health care needs of beneficiaries with SMI or SED including through increased integration of primary and behavioral health care.
- Improved care coordination, especially continuity of care in the community following episodes of acute care in hospitals and residential treatment facilities.



IMD Demonstration Milestones

States must meet the *milestones* outlined in the opportunity:

Ensuring Quality of Care in Psychiatric Hospitals and Residential Settings

- Facilities are licensed by the state and a national accreditation organization.
- Implementation of an oversight and auditing process that includes unannounced visits to ensure facilities meet requirements.
- Use of a utilization review entity (e.g., a managed care organization or administrative service organization) to ensure beneficiaries have access to appropriate medically necessary care.
- Facilities must meet federal program integrity requirements, and the state must have a process for conducting risk-based screening of all newly enrolling providers, as well as revalidating existing providers.
- Facilities must screen enrollees for co-morbid physical health conditions and substance use disorders and demonstrate the capacity to address co-morbid physical health conditions during short-term stays.



IMD Demonstration Milestones

Improving Care Coordination and Transitions to Community-Based Care

- Implementation of a process to ensure that psychiatric hospitals and residential treatment settings provide intensive pre-discharge, care coordination services to help transition to community-based outpatient services.
- A process to assess the housing situation of individuals transitioning to the community from facilities and connect those who are homeless or have unstable housing with community providers that coordinate housing services where available.
- Implementation of a requirement that facilities have protocols in place to ensure contact is made by the treatment setting with each discharged beneficiary within 72 hours of discharge and to ensure follow-up care is accessed by individuals after leaving those facilities.
- Implementation of strategies to prevent or decrease the lengths of stay in EDs among beneficiaries with SMI or SED.
- Implementation of strategies to develop and enhance interoperability and data sharing between physical, substance use disorders, and mental health providers with the goal of enhancing care coordination.



IMD Demonstration Milestones

Increasing Access to Continuum of Care Including Crisis Stabilization Services

- Annual assessments of the availability of mental health services throughout the state, particularly crisis stabilization services.
- Commitment to a financing plan approved by CMS to be implemented by the end of the demonstration to increase availability of non-hospital, non-residential crisis stabilization services.
- Implementation of strategies to improve the state's capacity to track the availability of inpatient and crisis stabilization beds to help connect individuals in need with that level of care as soon as possible.
- Implementation of a requirement that providers, plans, and utilization review entities use an evidence-based, publicly available patient assessment tool, preferably endorsed by a mental health provider association, e.g., LOCUS or CASII, to help determine appropriate level of care and length of stay.



IMD Demonstration Milestones

Earlier Identification and Engagement in Treatment Including Through Increased Integration

- Implementation of strategies for identifying and engaging individuals, particularly adolescents and young adults, with serious mental health conditions.
- Increasing integration of behavioral health care in non-specialty care settings, including schools and primary care practices, to improve identification of serious mental health conditions sooner and improve awareness of and linkages to specialty treatment providers.
- Establishment of specialized settings and services, including crisis stabilization services, focused on the needs of young people experiencing SMI or SED.



IMD Demonstration Implementation Plan

The implementation plan must describe:

- Timelines and activities planned to achieve demonstration *milestones*, including:
 - The **current status** of relevant state policy and requirements.
 - **Future status** of planned activities to address the milestone.
 - **Summary of actions** needed to complete to meet the milestone.
- A *financing plan* which includes state efforts to increase access to mental health providers throughout the state.
 - This should address gaps in access to community-based providers identified in the state’s assessment of the current availability of mental health services.
- A *Health IT Plan* (“HIT Plan”) that describes the state’s ability to leverage health IT, advance health information exchange(s), and ensure health IT interoperability in support of the demonstration’s goals.
 - This should address electronic care plan sharing, care coordination, and behavioral health-physical health integration.



IMD Demonstration Monitoring

- Monitoring Protocol
 - Describes plan for what state will report
 - Documents any limitations
 - Developed collaboratively between CMS and the state

- Monitoring Report
 - Standardized quarterly and annual monitoring report format for demonstrations
 - Includes structured tables for reporting
 1. Quantitative metrics
 2. Qualitative information

- Monitoring Resources
 - Part A: Monitoring workbook (Excel) for SMI/SED, which includes:
 - Protocol – Planned Metrics and SMI and SED definitions
 - Report – Metrics Reporting
 - Current availability assessment of mental health services
 - Part B: Template for narrative information on implementation (protocol and report)



IMD Demonstration Monitoring Metrics

- CMS has drafted technical specifications (not yet released) which include:
 - CMS-constructed metrics
 - Established quality measures developed by measure stewards:
 - CMS
 - National Committee for Quality Assurance (NCQA)
- Most of the established quality measures metrics are adapted Child and Adult Core Set measures
- CMS assigned each monitoring metric a reporting priority level:
 - Required
 - Recommended
- The technical specifications provide detailed guidance on metric definitions, subpopulations, and relationships among metrics.

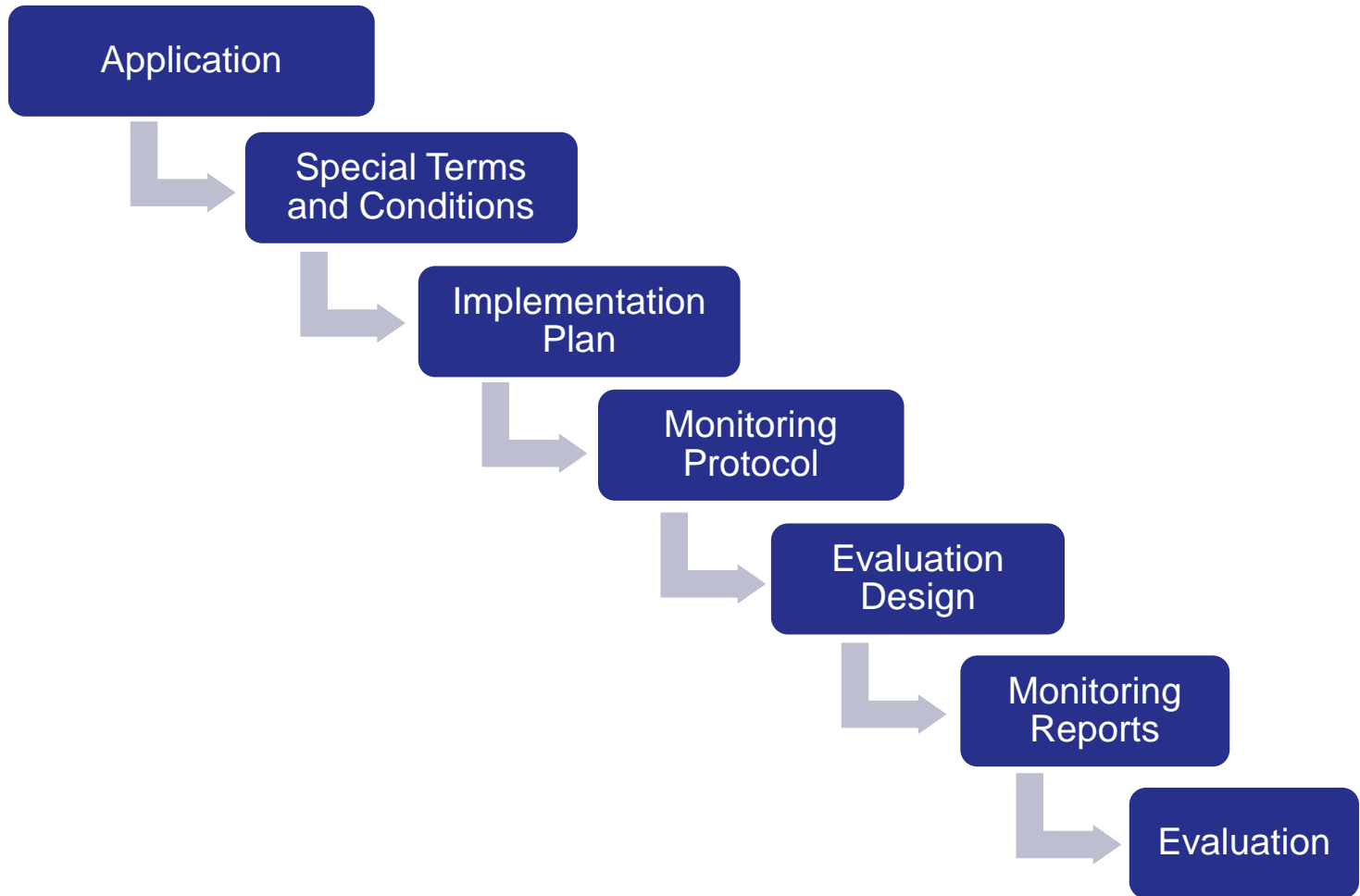


IMD Demonstration Services Availability Assessment

- States must complete a thorough assessment of the current availability of mental health services through the state, particularly crisis stabilization services
 - Initial baseline
 - Annual assessments with updates on steps taken to increase service availability.
- CMS developed an Excel template for states to provide a narrative description of the current behavioral health service needs and service system organization for Medicaid beneficiaries with SMI/SED, as well as data on the availability of mental health services and service gaps.
- States must include information on specific providers and service settings.



IMD Demonstration Process





Current IMD Demonstration Opportunity

Three states have applied:*

1. Vermont—APPROVED

- Vermont amended its current IMD Waiver for SUD to allow expenditure authority and waiver of all restrictions on payments to IMDs for individuals ages 22 to 64.
- Two IMD facilities (114 total beds) with two target populations:
 - Inpatient stabilization for adults
 - Inpatient stabilization for adults under the care and custody of Vermont Department of Mental Health

2. Indiana—PENDING

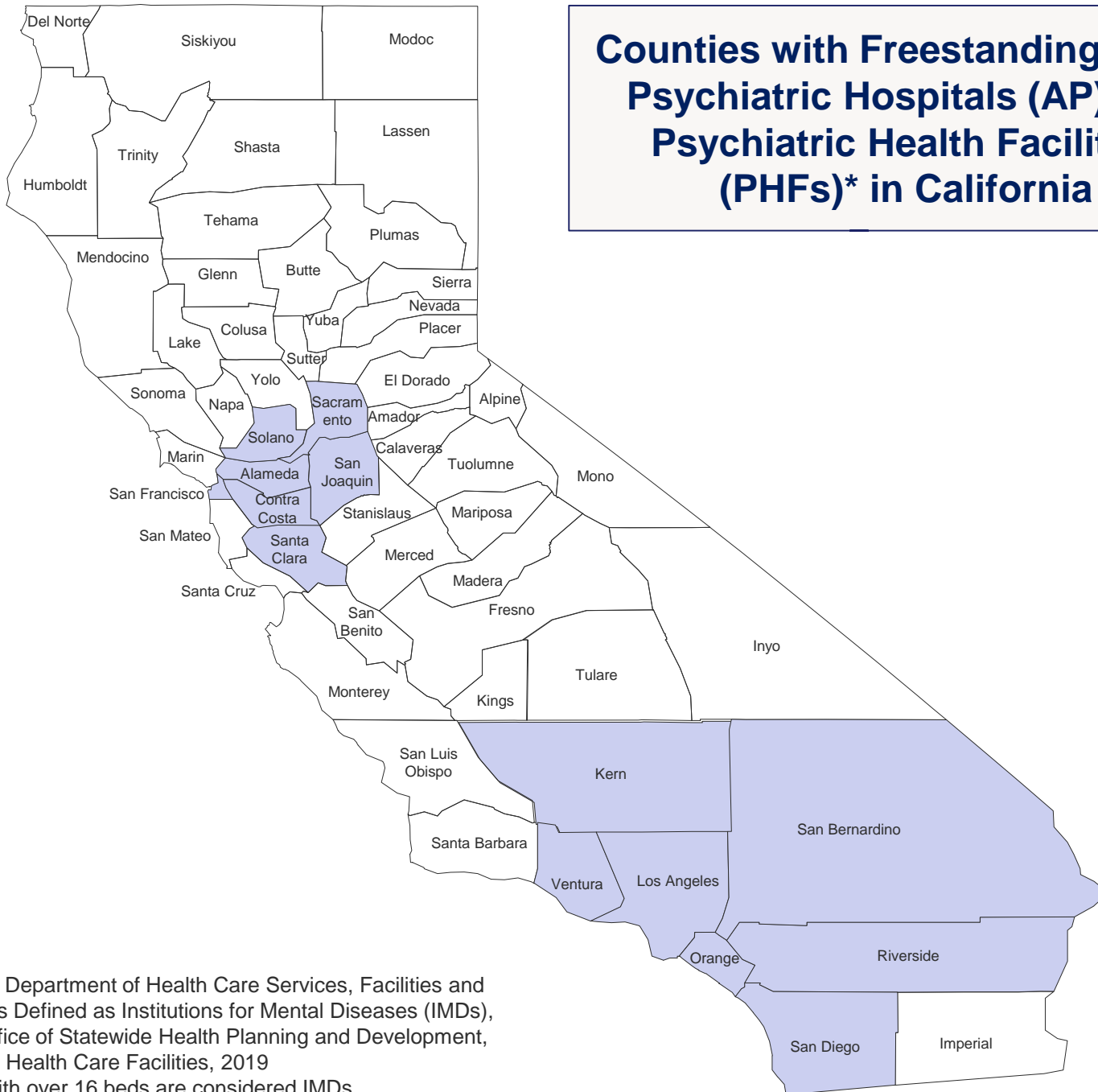
3. District of Columbia (D.C.)—PENDING

* Kaiser Family Foundation, Section 1115 Medicaid Demonstration Waivers: The Current Landscape of Approved and Pending Waivers, available at: <https://www.kff.org/medicaid/issue-brief/section-1115-medicare-demonstration-waivers-the-current-landscape-of-approved-and-pending-waivers/>



Readiness Discussion

Counties with Freestanding Acute Psychiatric Hospitals (AP) and Psychiatric Health Facilities (PHFs)* in California



Sources: Department of Health Care Services, Facilities and Programs Defined as Institutions for Mental Diseases (IMDs), 2018; Office of Statewide Health Planning and Development, Licensed Health Care Facilities, 2019
*PHFs with over 16 beds are considered IMDs.



IMD Beds by County

Northern California

County	Beds
Alameda	1,136
Sacramento	349
Santa Clara	153
Solano	134
Contra Costa	125
San Joaquin	35

Southern California

County	Beds
Los Angeles	3,421
San Diego	420
San Bernardino	254
Ventura	90
Kern	97
Orange	36

Statewide Total: 6,647

Note: Includes Freestanding Acute Psychiatric Hospitals (AP) and Psychiatric Health Facilities (PHFs)

Sources: Department of Health Care Services, Facilities and Programs Defined as Institutions for Mental Diseases (IMDs), 2018;
Office of Statewide Health Planning and Development, Licensed Health Care Facilities, 2019



IMDs with Medi-Cal in their Payer Mix

Facility	Type	County	Beds	Medi-Cal %
Sierra Vista Hospital	AP	Sacramento	171	53%
Loma Linda University Behavioral Medicine Center	AP	San Bernardino	67	50%
San Diego County Psychiatric Hospital	AP	San Diego	109	49%
Heritage Oaks Hospital	AP	Sacramento	55	37%
Aurora Behavioral Healthcare - Santa Rosa	AP	Sonoma	134	36%
Del Amo Hospital	AP	Los Angeles	1500	32%
Tarzana Treatment Center	AP	Los Angeles	60	32%
Bakersfield Behavioral Healthcare Hospital	AP	Kern	97	26%
John Muir Behavioral Health Center	AP	Contra Costa	125	26%
Aurora Vista Del Mar Hospital	AP	Ventura	90	22%
Pacific Grove Hospital	AP	Riverside	68	19%
Adventist Health Vallejo	AP	Solano	61	18%
BHC Alhambra Hospital	AP	Los Angeles	106	17%



IMDs with Medi-Cal in their Payer Mix

Facility	Type	County	Beds	Medi-Cal %
Alvarado Parkway Institute BHS	AP	San Diego	66	16%
Fremont Hospital	AP	Alameda	1106	16%
Aurora Charter Oak	AP	Los Angeles	118	14%
Sutter Center for Psychiatry	AP	Sacramento	73	14%
Resnick Neuropsychiatric Hospital at UCLA	AP	Los Angeles	74	11%
Canyon Ridge Hospital	AP	San Bernardino	187	8%
Sharp Mesa Vista Hospital	AP	San Diego	158	8%
College Hospital	AP	Los Angeles	1275	5%
Telecare Heritage - PHF	PHF	Alameda	26	4%
Langley Porter Psychiatric Institute	AP	San Francisco	72	3%
San Jose Behavioral Health	AP	Santa Clara	80	3%
Aurora Las Encinas Hospital	AP	Los Angeles	80	2%
Aurora San Diego	AP	San Diego	87	1%



Readiness Discussion

What key elements are needed to determine California's readiness for the IMD opportunity?

Administrative

Financial

Clinical

Delivery
System



Readiness Discussion

What are key metrics in each of these areas?

Administrative

Financial

Clinical

- Average Length of Stay

Delivery System



Discussion Questions

- What considerations must be addressed to inform California's decision to apply to participate in the IMD demonstration?
 - What are the benefits and opportunities?
 - What are the challenges and potential drawbacks?
 - Which elements would be particularly difficult to address?
 - What are the administrative and infrastructure considerations for meeting all of the requirements, including those related to data, monitoring, and evaluation requirements?
 - Are there opportunities for a regional approach?
 - Considering the requirement for a statewide average of a 30-day length of stay, should there be a focus on specific facilities/IMD beds?
 - What additional information will the state, counties and providers need in order to make an informed decision about participation?
- Depending on state, county, and provider readiness, what is a realistic timeframe in which to submit an application to CMS?



Public Comment



Next Steps

- Today's meeting summary will be posted on the CalAIM webpage
- Next Meetings:
 - Payment Reform: Friday, December 13, 2019
 - Medical Necessity and IMD: Friday, December 20, 2019



Questions?

Email us at: CalAIM@dhcs.ca.gov

CalAIM Webpage: <https://www.dhcs.ca.gov/calaim>