Washington State Department of Social and Health Services

Transforming Lives

REPORT TO THE LEGISLATURE

BHO/Early Adopter Integration of Behavioral Health – Final Quarterly Report (June 1, 2016 – August 31, 2016)

2ESHB 2376 (supplemental operating budget), section 208(21)

October 31, 2016

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Executive Summary

This is the update to the report that was requested by the 2016 Legislature, 2ESHB 2376 (supplemental operating budget), section 208(21), to examine the integration of Behavioral Health Services. The Washington State Behavioral Health Integration began on April 1, 2016, with Behavioral Health Organizations (BHOs) and Managed Care Organizations (MCOs). The BHOs included Great Rivers, Greater Columbia, King County, North Central, North Sound, Optum Health-Pierce County, Salish, Spokane County Regional, and Thurston-Mason. The MCOs included Clark and Skamania Counties.

> (21) Within the amounts appropriated in this section, the department of social and health services and the health care authority must provide quarterly reports to the chairs of the house of representatives health care and wellness committee, the house of representatives early learning and human services committee, the senate health care committee, and the senate human services, mental health, and housing committee on the integration of mental health and chemical dependency treatment purchasing through behavioral health organizations and the southwest Washington early adopter model. These reports must include, but are not limited to, an update on reimbursement rates and contracts for providing residential chemical dependency treatment; the numbers of referrals and length of stay for patients referred to chemical dependency treatment; the timing of authorization and payment to providers; the compatibility of patient electronic medical record data between behavioral health organizations, managed care organizations in the southwest Washington regional service area, and providers; and the status of contracted providers. Behavioral health organizations and managed care organizations in the southwest Washington regional service area must be required to immediately report when notified that a provider is in jeopardy of closure. The department and the health care authority must immediately assess whether and take actions to ensure that the behavioral health organization or managed care plans impacted by the provider closure have an adequate transition plan to maintain an adequate network and provide access to medically necessary treatment services for enrollees. These reports shall begin April 1, 2016, and end on October 31, 2016.

This report has been compiled through various methods including, but not limited to, surveys to the BHOs and MCOs, consultation with various departments within Behavioral Health Administration (BHA) and Health Care Authority (HCA).

Introduction

In accordance with 2ESHB 2376 (supplemental operating budget), section 208(21), the Department of Social and Health Services (DSHS) and the Health Care Authority (HCA) present quarterly reports on BHO/Early Adopter Integration of Behavioral Health. The report includes all requested information regarding the integration.

Reimbursement Rates

As separate entities, the BHOs/MCOs have set their own Medicaid reimbursement rates. Most of the BHOs have developed their own case rates (set amount for each Medicaid enrolled member with the BHO).

An update has been requested from all BHOs for their particular reimbursement rates, the following is the average of the reimbursement rate for the BHOs who do not pay a case rate. The table includes the reported information from both quarters.

	First Quarter	Second Quarter
Residential Adult:		
Intensive Inpatient	$191.42/day	$190.55/day
Long-Term Inpatient	$69.15/day	no change reported
Recovery House	$52.24/day	no change reported
Residential Pregnant Parenting Women (PPW):		
with a child	$196.44/day	no change reported
without a child	$154.48/day	no change reported
Co-Occurring Disorder (COD)	$259.00/day	no change reported
Residential Youth:		
Level 1	$194.50/day	no change reported
Level 2	$251.34/day	no change reported
Recovery House	$163.96/day	no change reported
Outpatient Adult Individuals:		
	$110/hour	no change reported
	Six BHOs pay based on case rate	no change reported
Outpatient Adult Groups:		
	$59.75/hour	no change reported
	Six BHOs pay based on case rate	no change reported
Outpatient Adult Case Management:		
	$81.67/hour	no change reported
	Six BHOs pay based on case rate	no change reported
Outpatient PPW Individuals:		
	$110/hour	no change reported
	Six BHOs pay based on case rate	no change reported
Outpatient PPW Groups:		
	$59.75/hour	no change reported
	Six BHOs pay based on case rate	no change reported

	First Quarter	Second Quarter
Outpatient PPW Case Management:		
	$81.67/hour	no change reported
	Six BHOs pay based on case rate	no change reported
Outpatient Youth Individuals:		
	$110/hour	no change reported
	Six BHOs pay based on case rate	no change reported
Outpatient Youth Groups:		
	$72.67/hour	no change reported
	Six BHOs pay based on case rate	no change reported
Outpatient Youth Case Management:		
	$81.67/hour	no change reported
	Six BHOs pay based on case rate	no change reported
Withdrawal Management:		
Sub-Acute	$226.49/day	no change reported
Acute	$315.92/day	no change reported
Involuntary Treatment:		
	$160.65/day	no change reported
Opiate Substitution Treatment:		
	$15.79/day	no change reported

Reimbursement rates between Managed Care Organizations (MCOs) and their contracted network of providers are proprietary. Molina and Community Health Plan of Washington (CHPW) have been successful in contracting with 100% of the substance use disorder (SUD) providers in the Southwest Washington region and have replicated the network of providers that were contracted with the county or DSHS prior to April 1, 2016. The terms of MCO – provider contracts have been acceptable to all parties and rates are at or above 100% of the Medicaid rate, with contractual requirements and payment methodologies remaining similar to those in place prior to April 1, 2016. These terms meet contractual obligations required by HCA and also create a foundation to move towards value-based purchasing once providers have stabilized following the initial transition.

Contracts for Providing Residential Chemical Dependency Treatment

There is no change in the number of providers contracted with BHO's. As reported in the August 31, 2016 report the BHOs have an average of 23 residential providers within each of their provider networks.

There is also no change in the number of providers contracted with Community Health Plan of Washington and Molina Healthcare of Washington in Clark/Skamania counties. CHPW and Molina successfully replicated the existing SUD provider network that was serving Clark/Skamania counties prior to April 1, 2016. Molina and CHPW have an average of 8 residential providers within their networks, and are also executing single case agreements with providers across the State when necessary to find a placement for Medicaid clients.

Number of Referrals (Authorization Requests)

All BHOs/MCO have been surveyed individually for how many referrals for substance use treatment they have authorized from June 1, 2016, to August 31, 2016. Most BHOs require prior authorizations for these services. During this time period, on average, the nine BHOs authorized the following levels of care.

Number of authorization requests for level of care for the nine BHOs:	First Quarter (April 1 - May 31)	Second Quarter (June 1- August 31)
Residential Adult:	203	320
Residential PPW:	18	13
Residential Youth:	24	20
Outpatient Adult:	1062	1162
Outpatient PPW:	72	88
Outpatient Youth:	173	144
Withdrawal Management:	126	247
Involuntary Treatment:	18	9
Opiate Substitution Treatment:	1389	312*

* These are annual authorizations. This number reflects new authorizations only.

Number of authorization requests for level of care for CHPW and Molina in Clark and Skamania Counties:	First Quarter (April 1 - May 31)	Second Quarter (June 1- August 31)
Residential Adult:	146	380
Residential PPW:	N/A – this data is included in the youth/adult residential counts.	N/A – this data is included in the youth/adult residential counts.
Residential Youth:	26	57
Outpatient Adult:	N/A – no prior authorization is required	N/A – no prior authorization is required
Outpatient PPW:	N/A – no prior authorization is required	N/A – no prior authorization is required
Outpatient Youth:	N/A – no prior authorization is required	N/A – no prior authorization is required
Withdrawal Management:	170	261
Involuntary Treatment:	13	N/A – not differentiated
Opiate Substitution Treatment:	N/A – no prior authorization is required	N/A – no prior authorization is required

Length of Stay for Patients Referred to Chemical Dependency Treatment

At this time there is no reliable length of stay data available. BHOs and MCOs are working to operationalize their data reporting systems. DSHS and HCA have been working with BHOs and MCOs and have developed interim and long term plans that will enable partial data submission by November 11, 2016 and complete data submittal by April 1, 2017.

Timing of Authorization

As separate entities the BHOs/MCOs have their own policies and procedures for their regions. There is no update to the information provided in the last report. The following is the average for the BHOs.

	First Quarter	Second Quarter
All Residential Treatment:	30 minutes to 7 days	no change reported
All Outpatient Treatment:	same day to 14 days	same day to 9 days
Withdrawal Management:	not required to 1 business day	no change reported
Involuntary Treatment:	6 hours (not including the court process) to 7 days	no change reported
Opiate Substitution Treatment:	same day to 7 days	no change reported

The following is the average authorization timing for CHPW & Molina:

	First Quarter	Second Quarter
All Residential Treatment:	19.5 hours to 2 days and 10 hours (depending on whether it is an urgent or routine authorization request)	Between 24 hours and 1.37 days (depending on whether it is an urgent or routine authorization request)
All Outpatient Treatment:	N/A – no prior authorization is required	N/A – no prior authorization is required
Withdrawal Management:	19.5 hours to 2 days and 10 hours (depending on whether it is an urgent or routine authorization request)	Between 24 hours and 2.7 days (depending on whether it is an urgent or routine authorization request)
Involuntary Treatment:	Same day	N/A – This is not differentiated
Opiate Substitution Treatment:	N/A – no prior authorization is required	N/A – no prior authorization is required

Timing of Payment to Providers

The BHOs and MCOs report no change to the timing of payment to provider. As reported in last quarters report the range of payment timing to providers by BHOs is 7 to 30 days for all services. In Southwest Washington, Community Health Plan of Washington and Molina Healthcare of Washington are both processing 95%+ of all claims within 30 days.

The compatibility of patient electronic medical record data between Behavioral Health Organizations, Managed Care Organizations in the Southwest Washington Regional Service Area, and providers

Washington State Department of Social and Health Services is implementing a single electronic medical records (EMR) solution provided by Cerner. This solution will support Western State Hospital, Eastern State Hospital, and the Child Study Treatment Center. The EMR will also support pharmacy services in the State's Residential Habilitation Centers. As a single system, records of clients will be accessible to authorized users within the institutions.

Some Behavioral Health Providers and Behavioral Health Organizations (BHOs) have implemented a variety of EMR solutions. HCA sponsored a project in late 2015 that surveyed 21 Behavioral Health Providers of various sizes across the state. Of those 21 BH Providers, 11 had vendor-based EMRs certified to be capable of sending electronic clinical transactions, but only one was actually exchanging electronic clinical transactions with other providers. No further work has been done to determine if this small sample is representative of the broader group of BH Providers.

Status of Contracted Providers

RCW 71.24.045 provides that the BHOs shall:

> (1) Contract as needed with licensed service providers. The behavioral health organization may, in the absence of a licensed service provider entity, become a licensed service provider entity pursuant to minimum standards required for licensing by the department for the purpose of providing services not available from licensed service providers.

A review of BHO and MCO networks confirms that all are in compliance with licensing requirements for contracted providers.

Behavioral Health Organizations and Managed Care Organizations in the Southwest Washington Regional Service Area must be required to immediately report when notified that a provider is in jeopardy of closure.

All providers licensed by the state of Washington are required by WAC 388-877-0300 to inform DBHR of closure. Further, according to the contracts signed by the BHOs, BHOs are required to update DBHR of any changes with providers "within five (5) business days of any changes" (p 83, PIHP Contract). Likewise, the fully-integrated managed care contracts between HCA and the MCOs require that the MCOs give a minimum of ninety (90) calendar days prior written notice of the loss of a material provider from the network, and provide written notification to enrollees affected by any provider termination within fifteen (15) calendar days after receiving or issuing a provider termination notice. Since the Behavioral Health Integration there have been no major provider closures.