

Alaska Behavioral Health Reform: The 1115 CMS Behavioral Health Demonstration Waiver

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1115 Waiver

THIS AFTERNOON'S AGENDA:

- 1) INTRODUCTION OF THE MEMBERS OF THE 1115 WAIVER POLICY TEAM
- 2) INTRODUCTION OF STEPHENIE COLSTON & CHARLEY CURIE, CONSULTANTS TO THE TRUST & DHSS/DBH FOR THE 1115 WAIVER PROJECT
- 3) PRESENTATION OF THE DRAFT OUTLINE FOR THE **1115 WAIVER CONCEPT PAPER** (TO GIVE NOTICE AND INTRODUCE TO CMS THE FACT THAT ALASKA IS GOING TO FORMALLY SUBMIT AN 1115 BEHAVIORAL HEALTH WAIVER APPLICATION MID-2017)
- 4) PROVIDE CONFERENCE ATTENDEES AN OPPORTUNITY TO ASK QUESTIONS AND COMMENT ON THE DRAFT OUTLINE PRESENTED
- 5) BREAK OUT SESSIONS WITH THE CO-CHAIRS OF THE FOUR CORE WAIVER TEAMS (BENEFIT DESIGN, COST, QUALITY & DATA) TO FURTHER DISCUSS THE 1115 WAIVER, TO ASK QUESTIONS & SHARE COMMENTS/CONCERNS

Six 1115 Waiver Teams Have Been Created with 96 Members:

- **Benefit Design Team** – help identify gaps in the state’s current system and (re)design the benefits Alaska Medicaid presently covers, including populations to be served under the waiver, services, the benefit package (20)
- **Cost** – recommend financing/refinancing options, specify the rate methodology to be applied; work with an actuary on costs/savings of the redesigned system (20)
- **Data** – compile all the Alaska BH service, eligibility, financial, income, and outcome data necessary to support the 1115 waiver application (13)
- **Quality** – establish the measures that will quantify how the quality and outcomes of the redesigned system are to be measured (17)
- **Writing** – in partnership with the above 4 waiver-design teams and the Policy Team, collect, review, and analyze the information produced in order to write both a concept paper to introduce our reform/redesign effort to CMS and the final CMS demonstration waiver application (9)
- **Policy** – makes policy decisions and recommendations to DHSS Leadership, based on the work of the 4 core waiver-design teams and ensure that the application produced by the Writing Team reflects the State’s vision for a redesigned BH system for Alaska (17)

Benefit Design Team (20)

- **Team Co-Chairs:** **L. Diane Casto**, DHSS Behavioral Health Policy Advisor
Sarah Dewane, PhD, ABPP, Clinical Health Psychologist/BH
Director, Providence Family Medicine Center
- **Appointed Team/DBH Staff:** Lisa Rosay, Mental Health Clinician III
Susan Musante, Social Services Program Officer
- **Team members:**
 - Kimberly Pettit, Manager, Behavioral Health, Sisters of Providence Health System
 - Philip Licht, Executive Director, Set Free Alaska and chair-elect of ABADA
 - Bradley Grigg, Executive Director, Juneau Youth Services
 - Lynn Squires-White, MH Clinician III, Division of Behavioral Health
 - Jennifer Volkman, Deputy Administrator, Yukon Kuskokwim Health Corporation
 - Denis McCarville, President & CEO, Alaska Child & Family
 - Adam Rutherford, Chief Mental Health Officer, Department of Corrections
 - Amanda Lofgren, Program Officer, Alaska Mental Health Trust Authority
 - Charlene Tautfest, Chair, Alaska Mental Health Board
 - Brian Wilson, Executive Director, Alaska Coalition on Housing and Homelessness
 - Elizabeth Ripley, Executive Director, Mat-Su Health Foundation
 - Jerry Jenkins, Chief Executive Officer, Anchorage Community Mental Health Services, Inc.
 - April Kyle, Vice President for Behavioral Health Services, Southcentral Foundation
 - Tracy Spartz-Campbell, Deputy Director, Office of Children's Services
 - Kelda Barstad, Health Program Manager III, Division of Senior & Disability Services, DHSS
 - Gennifer Moreau-Johnson, Social Services Program Officer, Office of Children's Services, DHSS

Cost Team (20)

- *Team Co-Chairs: **Doug Jones**, Manager, Medicaid Program Integrity, DHSS
Kevin Munson, CEO, Mat-Su Health Services, Inc.*
- *Appointed Team/DBH Staff: **Tim Brown**, Mental Health Clinician III*
- **Team members:**
- *Kate Tompkins, Audit and Review Analyst III, DHSS Office of Rate Review*
- *Kathy Cronen, Certified Public Accountant*
- *Ken McCarty, LMFT, Owner, Discovery Cove-Alaska*
- *Bruce Van Deusen, Director, Polaris House*
- *Renee Rafferty, Director of Behavioral Health Services, Providence Health & Services*
- *Patrick Sidmore, Health & Social Services Planner II, AMHB & ABADA*
- *Courtney King, Medical Assistance Administrator IV & Medicaid State Plan Amendment Coordinator, Health Care Services*
- *Jim Beck, Program Officer, Mat-Su Health Foundation*
- *Courtney Kitiona, Chief Administrative Officer, Akeela, Inc.*
- *Renee Gayhart, Tribal Medicaid, Health Care Services/Commissioner's Office*
- *Andy Mayo, Ph.D., Chief Executive Officer, North Star Behavioral Health System*
- *Terry Hamm, Medical Assistant Administrator IV, Division of Behavioral Health*
- *Craig Colvin, Director of Revenue Cycle Management, Yukon Kuskokwim Health Corporation*
- *Chris Gunderson, President/CEO, Denali Family Services*
- *Laura Baez, Behavioral Health Director, Alaska Native Tribal Health Consortium*
- *Gennifer Moreau-Johnson, Social Services Program Officer, Office of Children's Services, DHSS*
- *Donna Steward, MAA IV, Tribal Policy Coordinator, Office of the Commissioner, DHSS*

DATA TEAM (13)

- *Team Co-Chairs: **Shaun Wilhelm**, Chief of Risk & Research Management, Division of Behavioral Health, DHSS
Kathi Trawver, Ph.D., UAA School of Social Work*
- *Appointed Team/DBH Staff: Gerry Landry, Research Analyst III*
- **Team members:**
 - *Claire Schleder, Program Coordinator, Division of Behavioral Health, DHSS*
 - *Nancy Merriman, Executive Director, Alaska Primary Care Association*
 - *Beth Davidson, Data Processing Manager, Commissioner's Office, DHSS*
 - *Heidi Wailand, Program Officer, Alaska Mental Health Trust Authority*
 - *Laurie Orell, Health Analytics Consultant, McDowell Group*
 - *Dave Branding, Ph.D., Chief Executive Officer, Juneau Alliance for Mental Health, Inc.*
 - *Jim Sellers, President/CEO, Akeela Development Corporation*
 - *Merry Carlson, Deputy Director, Division of Public Health, DHSS*
 - *Kathleen Carls, Research Analyst IV, Division of Behavioral Health, DHSS*
 - *Chris Bragg, Revenue Cycle Consultant, Southcentral Foundation*

Quality Team (17)

- **Team Co-Chairs:** **Brita Bishop**, Acting BH Quality Assurance Services Manager, Division of Behavioral Health, DHSS
Melissa Kemberling, Ph.D., Director of Programs, Mat-Su Health Foundation
- **Appointed Team/DBH Staff:** Steve Krall, Project Coordinator
Deedee Raymond, Mental Health Clinician III
- **Team members:**
 - Diane King, PhD, Director, Research Assistant Professor, UAA Center for Behavioral Health Research & Services
 - Natasha Pineda, Health Project Coordinator, Commissioner's Office, AK Department of Administration
 - Polly-Beth Odom, Assistant Executive Director, Daybreak, Inc.
 - Michael Baldwin, Program Officer, Alaska Mental Health Trust Authority
 - Katie Jo Parrott, Clinician & Director of Education & Training, Ketchikan Indian Community
 - Carey Edney, Ph.D., Director of Care Management, Anchorage Community Mental Health Services
 - James Gallanos, Program Coordinator II, Division of Behavioral Health, DHSS
 - Kara Nelson, Owner/Director, Haven House
 - Matt Dammeyer, PhD, COO, Central Peninsula Hospital
 - Jenna Hiestand, MD, Medical Director, Mental Health Unit, Bartlett Regional Hospital
 - Barb Murray, Operations Manager, Division of Juvenile Justice, DHSS
 - Lance Johnson, Behavioral Health Services, Norton Sound Health Corporation
 - Michael Sobocinski, Ph.D., Corporate Operations Officer, Anchorage Community Mental Health Services

Writing Team (9)

- *Team Co-Chairs: **Kate Burkhart**, Executive Director, AMHB & ABADA
Tina Woods, PhD, Alaska Native Tribal Health Consortium*
- *Appointed Team/DBH Staff: Doug Lindsay, Mental Health Clinician III*
- ***Team members:***
 - *Michael Powell, Health Program Manager II, Division of Behavioral Health, DHSS*
 - *Kelda Barstad, Manager, Adult Protective Services, Division of Senior & Disability Services, DHSS*
 - *Russell Bryant, Clinical Supervisor, Integrated Behavioral Health, North Slope Borough Health Services*
 - *Mark Regan, Attorney, Disability Law Center of Alaska*
 - *Christiann Stapf, Medical Assistant Administrator III, Health Care Services, DHSS*
 - *Katie Baldwin-Johnson, Senior Program Officer, Alaska Mental Health Trust Authority*

POLICY TEAM (17)

- *Team Co-Chairs: **Randall Burns**, Director, Division of Behavioral Health, DHSS
Jeff Jessee, CEO, Alaska Mental Health Trust Authority*
- *Appointed Team/DBH Staff: Lisa Brown, Medical Assistance Administrator IV*
- **Team members:**
 - *Karen Forrest, Deputy Commissioner, Department of Health & Social Services*
 - *L. Diane Casto, Behavioral Health Policy Advisor, Department of Health & Social Services*
 - *Sarah Dewane, Ph.D., ABPP, Clinical Health Psychologist/BH Director, Providence Family Medicine Center*
 - *Doug Jones, Manager, Medicaid Program Integrity, Department of Health & Social Services*
 - *Kevin Munson, CEO, Mat-Su Health Services, Inc.*
 - *Shaun Wilhelm, Chief, Risk & Security Management, Division of Behavioral Health, DHSS*
 - *Kathi Trawver, Ph.D., School of Social Work, University of Alaska Anchorage*
 - *Brita Bishop, Acting BH Quality Assurance Services Manager, Division of Behavioral Health, DHSS*
 - *Melissa Kemberling, Ph.D., Director of Programs, Mat-Su Health Foundation*
 - *Kate Burkhart, Executive Director, the AMHB & ABADA*
 - *Tina Woods, Ph.D., Alaska Native Tribal Health Consortium*
 - *Paul Cornils, Executive Director, Alaska Youth & Family Network*
 - *Monique Martin, Health Care Policy Advisor, Department of Health & Social Services*
 - *Becky Hultberg, President & CEO, Alaska State Hospital & Nursing Home Association*

Milestones for the Major Work for the 1115 BH Demonstration Waiver

- DBH Readiness Assessments (completed)
- Develop / initiate DBH Staff training (in progress)
- Provider Readiness Assessments (in progress)
- Develop / initiate Provider training / TA (pending)
- 1115 Waiver Concept Paper (in progress)
- ASO Site Visits (scheduled for the week of Dec. 5)
- ASO RFLIO (Request for Letters of Interest) and
and an RFP (spring, 2017)
- 1115 Waiver Application (mid-2017)

Draft 1115 Concept Paper

NOTE: This draft outline for the 1115 waiver concept paper is based on an approach recommended by the National Governor's Association (NGA) which has produced a very fine guide to preparing a state to move forward with Medicaid reform, including specific guidance on how to prepare an 1115 waiver application to CMS. It is entitled and is available on line from the NGA:

“The Future of Medicaid Transformation:
A Practical Guide to States – a Toolkit”
(Published July 22, 2016)

Draft 1115 Concept Paper

What follows is the draft outline presented in 8 sections:

- I. Introduction
- II. Vision and Goals for Behavioral Health Reform
- III. Target Populations for the 1115 BH Waiver
- IV. AK's Current BH System of Care
- V. Behavioral Health Reform – A Transformed BH System of Care
- VI. Demonstration Financing & Budget Neutrality
- VII. Potential Authorities to be Waived
- VIII. Public Notice and Comment Process

I. Introduction: The Need for BH Transformation in Alaska

- A. State budgetary reductions
- B. BH Medicaid costs increases
- C. Inability of current system to meet increased BH service needs
- D. Senate Bill 74

II. Vision for our 1115 BH Medicaid Demonstration Waiver

A. Vision:

Alaskans will have a transformed Medicaid-funded behavioral health system that provides effective, cost-efficient, and high quality integrated care that ensures access to the right services at the right time in the right setting

B. Five (5) Goals for Alaska's Behavioral Health Reform

1. Expand capacity and increase timely access to an appropriate behavioral health continuum of care
2. Improve integration of care:
 - a. between substance abuse and mental health care
 - b. between physical and behavioral health care
 - c. between tribal and non-tribal systems

(Section II – Vision and Goals – continued)

3. Improve health outcomes by redirecting costly acute care resources toward screening and early intervention resources
4. Transform the delivery system to manage costs and improve quality by contracting with an Administrative Services Organization (ASO)
 - a. Responsive to system stakeholders
 - b. Customize management of Alaska's system of care
5. Transform provider payment systems by developing performance-based payment incentives

III. Target Population for the 1115 Behavioral Health Waiver

- A. Target Population—Medicaid eligible individuals under age 65 who need MH and/or SUD treatment from ASO enrolled BH Medicaid Providers.

- B. Not targeted are those who are participating in a HCBS Waiver program, residing in a nursing facility, or who are residing in Intermediate Care Facilities for Individuals with Developmental or Intellectual Disabilities.

IV. Alaska's Current Behavioral Health System of Care

- A. Severe capacity issues which limit access to an appropriate BH continuum of care
- B. Siloed care for individuals with behavioral and physical health issues and across tribal and non-tribal populations
- C. Escalating costs for high-risk, high-utilizing populations
- D. Inconsistent measurement of the BH system of care with respect to quality and performance
- E. Payment systems that incentive service volume, not value

V. Behavioral Health Reform—A Transformed Behavioral Health System of Care

A. Goal #1: Capacity and Access Reforms

1. Expand the Continuum of Care to include:
 - a. Crisis intervention services—stabilization & mobile crisis
 - b. Increased ambulatory detoxification
 - c. Increased intensive outpatient/partial hospitalization
 - d. Assertive Community Treatment
 - e. Person-focused, community-based recovery services and supports
 - f. Medication-Assisted Treatment
2. Increase Number and Types of Providers—private sector

(Goal #1 continued)

3. Prevention and Early Intervention services to include:
 - a. Outreach and engagement
 - b. Standardized, evidence-based screening and assessment instruments
 - c. Screening, Brief Intervention, and Referral to Treatment (SBIRT)
 - d. Mandatory use of designated assessment instruments across primary and behavioral health care sites
 - e. Identification of and prevention for at-risk populations

4. Clarify purpose of API in order to address:
 - a. Lack of capacity, staffing, forensic admissions / evaluations / restorations, and short lengths of stay
 - b. Role of Disproportionate Share Hospital (DSH) payments for API
 - c. Waiver of IMD Exclusion for API—implications, etc.

5. Increase use of Telehealth and Digital/Mobile Technologies
 - a. Assistive/health technologies for medication management
 - b. Telemedicine to increase access

B. Goal #2: Integrated Care Reforms

1. Focus on complex and costly individuals utilizing Emergency Department and acute Inpatient services
2. Bidirectional integration
 - a. Within behavioral health—across mental health and substance abuse
 - b. Across physical and behavioral health
3. Implement variety of models, which could include but is not limited to:
 - a. Health Homes
 - b. Coordinated Care Organizations
 - c. Accountable Care Organizations

(Goal #2 continued)

4. Coordinated delivery systems between Tribal and Non-Tribal populations and providers
5. Develop Core Components to Guide Integrated Care, including:
 - a. Common clinical protocols, integrated treatment plans, enhanced care coordination methods, transitions across levels of care, and training

C. Goal #3: Cost and Outcomes Reforms

1. Reduce BH Medicaid expenditures by high-utilizers (focus on cost drivers such as # of ER visits, inpatient (IP), and residential readmissions/person/year)
2. Increase Lower-cost Alternatives (i.e., early intervention and step-up and step-down services) in order to reduce high-cost acute care treatment (i.e., emergency, inpatient, & residential)
3. Establish system of care management infrastructure to ensure cost-effectiveness and accountability across levels of care

D. Goal #4: Delivery System Reforms

1. ASO as delivery system transformation model
2. How ASO will manage the transformed BH system of care:
 - a. Utilization management and care coordination
 - b. Quality and outcomes management
 - c. Cost management
 - d. Data management
 - e. Provider network development and management
 - f. Claims processing
3. Coordinate BH reform with overall transformation agenda

E. Goal #5: Provider Payment/Accountability Reforms

1. Streamline Documentation requirements for providers
2. Move from fee-for-service to performance-based payment incentives, such as:
 - a. Rewarding providers with incentive payments for the quality of care they give to people. Withhold payments to network providers by a specified percentage, and use those funds for the bonus payments. The rewards are granted based on how well the provider performs on certain identified quality measures. For each measure, the provider earns a score for achievement and for improvement. The better the provider's overall score, the more it receives in bonus payments.

(Goal #5 continued)

- b. Provide financial incentives to hospitals to reduce unnecessary hospital readmissions (not including planned readmissions). Readmissions are costly and usually result from a lack of coordination between providers, as well as limited discharge planning and follow-up with patients.
 - c. Consider Accountable Care Organizations and Coordinated Care Organizations to encourage doctors, hospitals and other health care providers to form networks that coordinate patient care and become eligible for bonuses when they deliver that care more efficiently. Providers make more if they keep their patients healthy.
3. Standardized performance measurement with ASO, i.e. mandatory data reporting—payment contingent upon data submission
 4. Expand behavioral health rate reform

VI. Demonstration Financing and Budget Neutrality (utilizing Milliman actuarial data)

- A. How Alaska envisions financing the demonstration: i.e., State General Fund Revenue, safety net care pools, designated state health programs, etc.

- B. How the project will be sustained over time from financing perspective

- C. Questions/Strategies
 - 1. Include Disproportionate Share Hospital payments/determine purpose:
 - a. Use to redirect to incentivize hospitals & other providers to decrease ED and inpatient use?
 - b. Use as protection to ensure that AK does not exceed budget neutrality?

(Section VI – Financing & Budget Neutrality – continued)

2. Other Financing Mechanisms to Consider

- a. Delivery System Reform Incentive Program—uses waiver savings to implement a variety of reforms
- b. Safety Net Care Pools to address uncompensated care
- c. Cost Sharing

3. Data Considerations

- a. Payment rate data
- b. Historical/projected expenditure data

4. Discuss how you will “bend the cost curve” and build fiscal sustainability

VII. Potential Authorities to be Waived (work with Milliman)

A. General Authorities

1. Freedom of Choice—to restrict freedom of choice for eligible demonstration participants to enroll participants into the ASO network.
2. Amount, Duration, and Scope—to provide benefit package to demonstration participants that differ from the State Plan package.
3. Reasonable Promptness—to limit enrollment to target populations.
4. Comparability—to allow different eligibility standards across populations.
5. Single State Authority—to allow the ASO to determine eligibility.

B. Expenditure Authorities--Milliman

VIII. Public Notice and Comments Process

Potential Themes for the Waiver:

1. Meet people where they are—importance of services being provided in a culturally appropriate manner.
2. Remote geographic areas which are unique to Alaska and impact on cost and access.
3. Behavioral health is a key lever to achieve overall Medicaid Reform and the Triple AIM of improving the individual experience of care; improving the health of populations; and reducing the per capita costs of care for populations.
4. Improved behavioral health outcomes = better health outcomes for the entire Medicaid population.

Draft 1115 Concept Paper

QUESTIONS?

COMMENTS?

THANKS!