

# **Community-Based Behavioral Healthcare: Why it matters in an era of ACOs, APMs and Integration**

Massachusetts Health Data Consortium  
February 12, 2015

Vic DiGravio, President/CEO  
Association for Behavioral Healthcare



---

ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Association for Behavioral Healthcare

- Statewide association of mental health and addiction treatment provider organizations
- Our mission is to lead in promoting and advocating for community-based mental health and addiction treatment services
- Over eighty members across Massachusetts
- Members' revenues range from \$1 million to \$110+ million per year



---

ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# What do ABH members do?

- Our members are the Commonwealth's system of community-based behavioral health care
- Services funded by Department of Mental Health, Bureau of Substance Abuse Services, MassHealth, commercial insurers
- Serve 81,000 individuals daily, 750,000 annually
- Employ 37,500 people



---

ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# What do ABH members do?

- ABH members serve adults, adolescents, children and families
- Provide full range of community-based and diversionary services
- Outpatient/medication management, Day Treatment, CBFS, Clubhouses, PACT, CBHI
- Detox, Step-Down Detox, TSS, Recovery Homes, Methadone, Suboxone



ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Understanding the Importance of Behavioral Healthcare

- Both Affordable Care Act (ACA) and Chapter 224 acknowledge the importance of behavioral healthcare in improving quality of care and controlling costs
- A number of initiatives at the national and state level are trying to implement change and better coordination of care



---

ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# ACA and Chapter 224 Initiatives Focused on Integration of Care

- Patient Centered Medical Home Initiative (PCMHI)
- Duals Demonstration Project/One Care
- Primary Care Payment Reform (PCPR)
- Specialty Health Homes
- Accountable Care Organizations (ACOs)



ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Impact of Behavioral Health Disorders on Healthcare Costs

- Center for Health Care Strategies, Inc. report from December 2010
- Looked at Medicaid enrollees with “one of five chronic physical conditions”
  - Asthma/COPD
  - Congestive heart failure
  - Coronary heart disease
  - Diabetes
  - hypertension



---

ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# High Incidence of Behavioral Health Disorders Translates into Higher Costs

- “The addition of mental illness for those with common chronic physical conditions is associated with ***health care costs that are 60 to 75 percent higher than those without a mental illness.*** The addition of co-occurring mental illness and a drug and alcohol disorder for beneficiaries with common chronic physical conditions results in ***two- to three-fold higher health care costs.***”



ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE



# High Incidence of Behavioral Health Disorders Translates into Higher Costs

- Health Policy Commission's 2014 Cost Trends Report
- Identified five clusters of High Cost Patients (HCPs) in commercial and Medicare populations that “seem particularly relevant for clinical intervention and management.”
- Three of the five clusters involved patients with diagnosed mental health and/or substance use disorders



ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Community-based Behavioral Health Services are Essential

- HPC's 2014 Cost Trends Report states:
  - “Among all persistent HCPs, behavioral health conditions stand out strongly, indicating that treatment for behavioral health conditions should be a central feature of any strategy to address high-cost patients.”
  - “Community collaborations are particularly important for reducing ED visits. . . Given the growing rate of ED visits for behavioral health conditions, focusing on behavioral health is important in any strategy to increase the efficiency of ED use.”



ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Community-based Behavioral Health Services are Essential

- Relatively low cost
- Effective at diverting individuals from costlier inpatient services
- Outpatient/medication management, Day Treatment, CBFS, Clubhouses, PACT, CBHI
- Detox, Step-Down Detox, TSS, Recovery Homes, Methadone, Suboxone



---

ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Emergency Services Programs (ESPs)

- Team concept
- ESPs use their expertise and knowledge of the community system and supports to connect individuals with most appropriate services
- Served approximately 95,000 individuals in FY14, 26,000 of whom are children
- Diverted 82% of children and 63% of adults to services other than inpatient hospitalization



---

ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Importance of Integrating Medical and Behavioral Health Care

- HPC's 2014 Cost Trend Report:
  - “. . . the successful integration of appropriate and timely identification of, and treatment for, these conditions into the broader healthcare system is essential for realizing the Commonwealth's goals of improving outcomes and containing overall long-term cost growth.”



---

ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Bi-Directional Integration as a Key Strategy

- HPC 2014 Cost Trends Report:
  - “It is likely that patients with different needs will function best in different models of integration.”
- Community-based behavioral health providers are often the entry point to health care system for individuals with Severe and Persistent Mental Illness (SPMI) and/or chronic addiction
- Need to develop strategies and models to treat individuals where they present



ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Bi-Directional Integration as a Key Strategy

- ABH members creating partnerships in the communities they serve to integrate care bi-directionally
- Partnering with local PCPs and FQHCs to embed behavioral health clinicians in primary care settings
- Creating their own FQHCs to complement their existing robust behavioral health services



ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Bi-Directional Integration as a Key Strategy

- Partnering with local FQHCs to bring primary care into Methadone Clinics
- Working with local hospitals to bring primary care into addiction treatment residential Recovery Homes
- Embedding Nurse Practitioners in DMH-funded Community Based Flexible Support (CBFS) programs



---

ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE



# Challenges Integrating Behavioral and Primary Care

*Funding/Financing*

*Regulatory*

*Transparency*

*Technology*



---

ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Funding/Financing

- Inadequate funding and reimbursement rates threaten current access levels and make expanded access difficult to achieve
- This is true for state contracted services and “medically necessary” services purchased by MassHealth and commercial insurers



---

ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Funding/Financing

- Blue Cross Blue Shield Foundation of Massachusetts and Massachusetts Medicaid Policy Institute issued ***The Future of MassHealth: Five Priority Issues for the New Administration*** in December 2014
- Improving access to behavioral health was one of the five priority issues identified in the report
- “the imperatives for improving the Commonwealth’s mental health and substance use disorder delivery system are critical to all residents of the state.”



ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Funding/Financing

- BCBSMA/MMPI report reviewed a number of recent studies of behavioral health services in Massachusetts and identified **main themes** throughout all of the studies, including:
  - “Low provider payment rates in both the commercial insurance market and MassHealth create capacity issues and impede development of new behavioral health services”



ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Funding/Financing

- Experience of ABH members reflect this reality
- Especially true of outpatient treatment programs
- 84% of ABH members experienced operating deficits on outpatient services in FYs12 and 11
- Up from 75% who lost money in FY 10



ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Funding/Financing

- Growing losses are unsustainable
- Providers are being forced to close clinics and/or reduce capacity
- Reduced access will be a major roadblock to integration



---

ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Regulatory Barriers

- ABH and Mass. League of Community Health Centers pilot project in 2006-07
- Identified a number of regulatory barriers both within DPH and MassHealth that were roadblocks to effective integration
- “Frankly, we’re behind the curve in removing regulatory barriers that prevent providers from doing what we’re asking them to do in terms of delivery system reform.” – State Official\*

\* BCBSMA/MMPI Report, December 2014



ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Transparency

- More transparency needed in financing of health care system
- Transparency required to ensure funding streams are adequate; e.g. MassHealth MCOs behavioral health carve-out contracts
- Impact of Beacon/ValueOptions merger must be monitored – new company covers 70% of MassHealth members and almost 50% of general population
- Improved transparency will provide basis to make better informed decisions at both policy and practice level



ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE



# Technology

- Behavioral providers are struggling with implementation of HIT/EHRs
- Cost is an issue – federal HiTECH Act did not provide support for behavioral health organizations
- Massachusetts eHealth Institute (MeHI) survey found that “Only 50% of independent behavioral health providers have adopted EHRs, compared to 95% of independent PCPs.”



---

ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE

# Questions/Discussion

Vic DiGravio

508-647-8385, x-11

[vdigravio@abhmass.org](mailto:vdigravio@abhmass.org)

[www.abhmass.org](http://www.abhmass.org)

@ABHmass



---

ASSOCIATION  
FOR BEHAVIORAL  
HEALTHCARE