

# SUTTER-YUBA



# BELIEVES



**Empowering Healthy Communities**



## **Where Do We Go From Here? Mental Health Plans as Leaders in Working with Managed Care Plans**

Presented By:  
Sarah Eberhardt-Rios, MPA  
Health and Human Services Branch Director  
Sutter – Yuba Behavioral Health

# Presentation Roadmap - How Will We Spend Our Time Today?

**Part 1** -History Lesson - How MCP's and MHP came to Be in California

**Part 2**- Managed Care Fundamentals for MHP's

**Part 3** - Permission to Lead at All MHP Levels

# Presentation Agreements

- ▶ For all our challenges and areas of improvement, California's Public Behavioral Health System is **still the best in the United States**. For our population, there is no one with more knowledge on how to deal with the social determinants of health than us
  - ▶ We are called upon to act as experts, consultants and leaders
  - ▶ Our leadership transcends systems, issues and barriers, and is valuable
  - ▶ Things are going to continue to change and we will shape this change
  - ▶ DHCS is looking for our leadership

# History of Managed Care Plans and California's Behavioral Health Carve-Out

# Why the History Lesson?

- ▶ It is important to know where we have come from to know where we are going
- ▶ Institutionalization through asylums and mental hospitals developed in the 1700s and peaked in the 1950s
  - ▶ California had close to 37,000 patients hospitalized in 14 mental hospitals in the late 1950s
  - ▶ Expensive and susceptible to underfunding
  - ▶ Facilities quickly became overcrowded
  - ▶ Isolation from employment, social support, civic life
  - ▶ Under development of patients' rights
  - ▶ Controlling patient's behavior often became the goal, not therapy, rehabilitation, recovery, and wellness

# Development of Community Mental Health Services

- ▶ As early as the 1920s, more progressive funding and legislation at the state and federal levels begin to establish mental health resources and services in communities (such as treatment at local hospitals)
- ▶ 1957, Short-Doyle Act (California) provided state matching funding for cities and counties that established and provided community-based mental health services
  - ▶ 1963, Short-Doyle funding was enhanced and service scope expanded
  - ▶ Service scope = ADDITIONAL BENEFITS
  - ▶ 1971, many Short-Doyle services become eligible under Medi-Cal
- ▶ 1963, Community Mental Health Act (Federal, signed by John F. Kennedy) provided federal support for the development of community-based mental health care and treatment facilities

# Development of Community Mental Health Services

- ▶ 1965, Medicare and Medicaid were created as amendments to the Social Security Act
- ▶ 1966, California established Medi-Cal
- ▶ Specialty mental health services (or benefits) such as psychiatric inpatient hospitalization (in local hospitals, NOT state mental hospitals/asylums), nursing facility care, and treatment under psychiatrists and psychologists were eligible for reimbursement through Medi-Cal
- ▶ STATE PLAN AND WAIVER BACKGROUND
  - ▶ Assumed that medication and other medical treatments used to control patients in mental hospitals would translate to outpatient, community-based care

# Development of Community Mental Health Services and Accompanying Legislation

- ▶ 1967, California Mental Health Act
  - ▶ Increased State funding for community-based services
  - ▶ This was money presumably saved by having fewer patients in state mental hospitals
- ▶ 1968, Lanterman-Petris-Short (LPS) Act
  - ▶ Part of the California Mental Health Act of 1967
  - ▶ Significantly tightened standards for involuntary psychiatric hospitalization by limiting length of a hold to 72 hours
  - ▶ Prompt evaluation and treatment should be provided in the community
  - ▶ Increased demand for services, which is why state funding for local services was increased

# Development of Community Behavioral Health Services

- ▶ Through the work of the State of California and the counties, coverage of specialty mental health services would continuously grow into the system that exists today.
  - ▶ 1969-1971, state mental hospitals began to close
  - ▶ 1971, CA counties receive matching funds for Short-Doyle services
  - ▶ 1974, CA counties are required to have mental health programs, which are later organized into Mental Health Plans (MHP)
    - ▶ Any County Behavioral Health is a MHP
  - ▶ DHCS begins Drug Medi-Cal Services in 1978 and in 1980 enters into an Interagency agreement with the Department of Alcohol and Drug Programs (DADP)

# California Examines Gaps in Mental Health Services

- ▶ 1985, Brozan-Mojonnier Act
  - ▶ Identifies service shortages that have resulted in criminalization, homelessness, vocational challenges, and which leave severely emotionally disturbed children vulnerable
- ▶ 1988, McCorquodale-Bronzan Mental Health Act
  - ▶ Defines the mission of the State's mental health system to provide services "tailored to each individual, to better control their illness, to achieve their personal goals, and to develop skills and supports leading to their living the most constructive and satisfying lives possible in the least restrictive settings available"
  - ▶ Tests community-based integrated service systems of care

# Counties Gain More Responsibilities for Services

- ▶ **Realignments: responsibility (and funding) shifts from the State government to counties**
  - ▶ 1991, Bronzan and McCorquodale Act shifts much of the remaining mental health responsibilities from the State to counties, paid for by an increase in state sales tax and the annual state vehicle license fee
  - ▶ 2011, dedicated sales tax revenues are distributed to counties for mental health, substance abuse, and criminal justice services
- ▶ **Additional funding flows to counties for mental health services**
  - ▶ 2004, Mental Health Services Act (Prop 63) provides income tax revenues to expand innovation, technology and training, and prevention/early intervention services

# California Reorganizes Behavioral Health Services

- ▶ 1995, Medi-Cal Psychiatric Inpatient Hospital Services Consolidation created the mental health managed care model that characterizes the county carve out today
- ▶ 1997, Medi-Cal SMHS Consolidation made county MHPs the responsible agent for outpatient specialty mental health services
- ▶ This is part of a larger transition from the dominance of fee-for-service payments to managed care (prepaid inpatient and capitation) in the 1980-90s for County MHPs, commercial Managed Care Organizations (MCOs) and Managed Behavioral Health Care Organizations (MBHOs)
- ▶ In 2012, the Drug Medi-Cal Treatment Program is transferred from DADP to DHCS
- ▶ In 2014, DHCS worked with Medical Managed Care Plans to add Mild to Moderate Behavioral Health Services
- ▶ In 2015, DHCS includes a plan for an Organized Delivery System for Drug Medi-Cal in the 1115 Bridge to Reform Waiver

# What is the County “Carve Out”?

Refers to the Specialty Mental Health Services (SMHS) California counties’ Mental Health Plans (MHP) provide for Medi-Cal, some Medicare and uninsured consumers and Substance Use Disorder Treatment.

- ▶ SMHS, services covered under Drug Medi-Cal and the ODS waiver are a benefit package
- ▶ The County MHP is a Health Plan Type
- ▶ Our official Managed Care Plan Name, “Prepaid Inpatient Health Plan,” defined under Code of Federal Regulations, Title 42, Section 438
- ▶ County MHPs specialize in providing a continuum of social-service based care focused on recovery and rehabilitation, to include Early and Periodic Screening, Diagnostic and Treatment
- ▶ Includes County Administered Drug Medi-Cal
- ▶ Today, MHPs across the state are contracted with the CA Department of Health Care Services (DHCS) to access funding and provide high quality, consumer-centered services to include Substance Use Disorder Treatment

# The County Carve Out Today

## Simple View of MCP's and MHP's Responsibilities in California

Medi-Cal Managed Care Plans (MCP's)		County Mental Health Plans (MHP's)
Has the responsibility to arrange and or pay/provide for coverage:		Has the responsibility to arrange and or pay/provide for coverage:
Array of Health Services Plus, Tier I, Tier II Behavioral Health Services		Specialty Mental Health Services (SMHS)
TIER I Mild to Moderate	TIER II Mild to Moderate	TIER III Severe & Persistent
Complex Care Coordination and other Specialty Benefits		Substance Use Disorder (SUD) Services

# Care through County MHP's Is Powerful Evidence of ACA Reform Principles in Action for Chronic Illness

- ▶ Recovery and wellness is promoted through a health care service delivery approach that was ahead of its time and provided by MHPs:
  - ▶ **Field-based Services:** Services can be field-based based on the 1993 California State Plan Amendment (AB 218) to adopt the Medicaid Rehabilitation Option was added: “Community-based (non-clinic) services, expanded provider types, permitted additional services, included long-term community care model” and expanded beyond clinic-based Short-Doyle Medi-Cal Program
  - ▶ **Targeted Case Management:** Individual recovery plans and goals are developed and monitored in a partnership between the consumer, the service provider, and support persons (such as family members)
  - ▶ **Rehabilitative Services:** Programs that minimize disability through the restoration of functioning in daily life with a focus on recovery, resiliency, and enhanced self-sufficiency

# Other Carve Outs in the State of California Per DHCS

Below is a list of examples of benefits or services carved-out of Medi-Cal Managed Care Plans but not intended to be an exhaustive list as carve outs vary by plan model and county

- ▶ Dental
- ▶ Long Term Care
- ▶ Home and Community Based Services
- ▶ California Children's Services
- ▶ Targeted Case Management
- ▶ High cost pharmaceuticals
- ▶ High cost procedures like transplants
- ▶ Tuberculosis- related services
- ▶ Developmental Disability services
- ▶ Various populations and/or geographical areas

# History of Managed Care

- ▶ One of the earliest formal examples of managed care comes from the California desert during the Great Depression
- ▶ Henry Kaiser hired Dr. Sidney Garfield to take care of the workers that constructed the aqueduct from the Hoover Dam to Los Angeles
  - ▶ Kaiser pre-paid Dr. Garfield per worker each month
  - ▶ Dr. Garfield built and staffed inpatient and outpatient facilities
  - ▶ Dr. Garfield focused on prevention through education about desert hazards such as heat stroke, snake bites, and insect stings
- ▶ Kaiser replicated the system for warship builders during WWII, and then again for the public as Kaiser Permanente postwar

# History of Managed Care

- ▶ In managed care there is a risk that total costs will exceed the aggregated per member per month revenue
  - ▶ If costs exceed revenue, the managed care system operates at a loss
  - ▶ If revenue exceeds costs, the managed care system creates a profit
- ▶ Unfortunately, to manage costs, managed care systems have been susceptible to simply not approving or covering costly services or by only offering coverage to healthy consumers
- ▶ As an alternative to managed care, some payers would rather make fee-for-service (FFS) payments for each allowable service that was actually provided in an attempt to control costs
  - ▶ This allows payers to easily control limit which services were covered
  - ▶ This was the system for early Medicare and Medicaid

# Why Managed Care is Popular Today

- ▶ Health care is expensive
  - ▶ Expanded coverage through Medi-Cal, Medicaid and ACA
  - ▶ High education, training, research and development costs
  - ▶ Complex, advanced technologies
  - ▶ Patient protection mechanisms
- ▶ Managed Care = a System that:
  - ▶ Delivers, administers, and/or assumes risk for health services
  - ▶ Controls quality, accessibility, utilization, costs, processes and outcomes to a defined population
  - ▶ Creates efficient provider networks that often use a primary care physician (or other health care provider) to manage patient's access
    - ▶ Consumers often must get referred to a specialist by their primary doctor

# Affordable Care Act signed into Law: March 23<sup>rd</sup>, 2010

- ▶ The first 6 years of reform have impacted the most expensive health care organizations: Hospitals, large health systems & large doctor groups
- ▶ Pay for performance:
  - ▶ Quality of care
  - ▶ Reduce the cost of care
  - ▶ Improve the care experience
- ▶ How well a health organization performs today will impact their reimbursement dollars, in 2-3 years
- ▶ MHPs are unique in their ability to provide specialty care and care that requires large investments in infrastructure that commercial plans could not (because it is financially unsustainable for them)



# Opportunities Before Us

- ▶ We have not thought of ourselves as Managed Care Plans, or Health Plans
  - Board of Supervisors
  - Staff
  - Community
  - Consumers
- ▶ County Mental Health Plan benefits are extremely effective, but relatively unknown by primary care and specialty providers
  - ▶ Resources and services in the community but could be better coordinated
  - ▶ County MHPs and its providers have tremendous expertise in navigating complex health and social support issues with our consumers and are critical leaders in health care reform
  - ▶ Shape our vision of ourselves
  - ▶ Collaborate with managed care, and manage behavioral health care effectively

# Common Ground Between MCP's and MHP's

- ▶ MCP's and MHP's both, through their contracts with DHCS:
  - Have goals to improve quality of life over life-span through best practice and evidence-based practices defined by internal quality review and external quality review
  - Manage medical necessity aiming to provide the right care, at the right time, in the right setting

# Roadmap - Part 2

## Managed Care Fundamentals for MHP's

- ▶ How to work with Managed Care Plans at the Local Level
  - Leadership philosophies
  - What can you do today

# Managed Care Fundamentals for MHP's - Leadership Philosophies

- ▶ Start with Belief
- ▶ Decide that collaboration is an investment worth making
  - ▶ Time spent in managed care meetings with your MCPs
  - ▶ Time spent understanding how your partner MCP works
  - ▶ Time spent understanding regional health care needs with your MCP
- ▶ Give permission to staff to work together, and collaborate
  - ▶ Understand our own messaging to staff
  - ▶ Foster curiosity
  - ▶ Embrace/facilitate/allow for innovation at even the smallest scale
- ▶ Foster tolerance to complexity
- ▶ Foster perseverance
- ▶ Embrace or identify a person to embrace the technical aspects of managed care for both the MHP and MCP
- ▶ At the leadership and staff level build partnerships with managed care partners as if they worked at the same organization as you

# Managed Care Fundamentals for MHP's - Leadership Fundamentals

Understand the MOU with your managed care partners

Invite managed care to other meetings outside of your quarterly MOU meetings

Create a tabletop for active collaboration and planning

Inquire into your managed care Quality Assurance Committees

Invite MCP's to MHP outreach events

Learn about your MCP's Member outreach strategies

Understand your MCP's benefit structure

Build policies and trainings together

Invite MCPs to tour programs, facilities, and services

Integrate Philosophically

# Managed Care Fundamentals for MHP's - Leadership Fundamentals



# Technical Skill Building Around Coordination of Care with MCP's

- ▶ Understanding the Structure of Medi-Cal Benefits and how they are:
  - ▶ Are organized in State Structures
  - ▶ Distributed Across the State
  - ▶ Distributed in Your County
- ▶ Remember this Mantra:
  - ▶ Structure creates access and access creates treatment
  - ▶ If you need to access or coordinate care, this is an important concept
  - ▶ If you don't understand the structure, access is difficult at best and treatment even harder

# Technical Skill Building Around Coordination of Care with MCP's

- ▶ State Level - Structure of Medi-Cal Benefits at the State Level
  - ▶ State Plan
  - ▶ State Plan Amendments
  - ▶ Waivers

# Technical Skill Building Around Coordination of Care with MCP's

State Level - DHCS Managed Care  
Resource Page

<https://dhcs.ca.gov/services/Pages/Medi-CalManagedCare.aspx>

# Technical Skill Building Around Coordination of Care with MCP's

## State Level - Managed Care Model Fact Sheet

<https://dhcs.ca.gov/services/Documents/MMCD/MMCDModelFactSheet.pdf>

Table 2.1 shows participating MCPs and SHPs by model type.

**Table 2.1—Medi-Cal Managed Care Health Plans by Model Type as of June 30, 2017**

Model Type		MCP Name	Counties
Two-Plan	Commercial	Anthem Blue Cross Partnership Plan	Alameda, Contra Costa, Fresno, Kings, Madera, San Francisco, Santa Clara
		Health Net Community Solutions, Inc.	Kern, Los Angeles, San Joaquin, Stanislaus, Tulare
		Molina Healthcare of California Partner Plan, Inc.	Riverside, San Bernardino
	Local Initiative	Alameda Alliance for Health	Alameda
		Anthem Blue Cross Partnership Plan	Tulare
		CalViva Health	Fresno, Kings, Madera
		Contra Costa Health Plan	Contra Costa
		Health Plan of San Joaquin	San Joaquin, Stanislaus
		Inland Empire Health Plan	Riverside, San Bernardino
		Kern Health Systems	Kern
		L.A. Care Health Plan	Los Angeles
		San Francisco Health Plan	San Francisco
		Santa Clara Family Health Plan	Santa Clara
Geographic Managed Care	Anthem Blue Cross Partnership Plan	Sacramento	
	Health Net Community Solutions, Inc.		
	Kaiser NorCal (KP Cal, LLC)*		
	Molina Healthcare of California Partner Plan, Inc.		
	Care1st Partner Plan	San Diego	
	Community Health Group Partnership Plan		
	Health Net Community Solutions, Inc.		
	Kaiser SoCal (KP Cal, LLC)		
Molina Healthcare of California Partner Plan, Inc.			
County-Organized Health System	CalOptima	Orange	
	CenCal Health	San Luis Obispo, Santa Barbara	
	Central California Alliance for Health	Merced, Monterey, Santa Cruz	
	Gold Coast Health Plan	Ventura	
	Health Plan of San Mateo	San Mateo	
	Partnership HealthPlan of California	Del Norte, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Shasta, Siskiyou, Solano, Sonoma, Trinity, Yolo	

# Technical Skill Building Around Coordination of Care with MCP's

## State Level - Managed Care Data Reports

<https://dhcs.ca.gov/services/Pages/ManagedCareMonitoring.aspx>

# Technical Skill Building Around Coordination of Care with MCP's

State Level - Managed Care Enrollment  
Reports

Know your DATA!

[https://dhcs.ca.gov/dataandstats/reports/Documents/MMCD\\_Enrollment\\_Reports/MMCEnrollRptDec2018.pdf](https://dhcs.ca.gov/dataandstats/reports/Documents/MMCD_Enrollment_Reports/MMCEnrollRptDec2018.pdf)

# Technical Skill Building Around Coordination of Care with MCP's

State Level External Quality Review Technical  
reports with Plan Specific Data and Evaluation  
Reports

[https://dhcs.ca.gov/dataandstats/reports/Documents/MMCD\\_Qual\\_Rpts/TechRpt/CA2016-17\\_EQR\\_Technical\\_Report\\_F1.pdf](https://dhcs.ca.gov/dataandstats/reports/Documents/MMCD_Qual_Rpts/TechRpt/CA2016-17_EQR_Technical_Report_F1.pdf)

# Technical Skill Building Around Coordination of Care with MCP's

Local Level - Plan Specific Information  
Benefits Coverage

<https://ww3.iehpa.org/en/members/medical>

# Technical Skill Building Around Coordination of Care with MCP's

Local Level - Plan Specific Information -  
Care Protocols, Manuals, and Procedures

<https://ww3.iehp.org/en/providers/provider-resources?target=531DD3ED-3CA1-4C6B-9A75-06AF90B09E9D>

## Roadmap - Part 3

- ▶ **Permission to Lead at all Levels**

# MHP Opportunities to Continue Shaping Health Care Delivery in California

- ▶ Sign Up for DHCS's Monthly Stakeholder Announcements  
<https://www.dhcs.ca.gov/Pages/DHCSListServ.aspx>
- ▶ Know and integrate the results of the ODS- DMC waiver into our strategies and practices at the local, state and association level
- ▶ Use our knowledge to best connect, influence and anchor DHCS healthcare reform efforts with the successes of Mental Health Plan service delivery systems
- ▶ Gain new knowledge about managed care practices, goals and efforts to better inform our approach and contribution to reform efforts

# MHP Opportunities to Continue Shaping Health Care Delivery in California

- ▶ Recognize the transformational power of DHCS healthcare reform efforts aimed at integrating behavioral health care into Managed Care Plan and Mental Health Plan Practices
  - ▶ Health Homes  
<https://www.dhcs.ca.gov/services/pages/healthhomesprogram.aspx>
  - ▶ Whole Person Care  
<https://www.dhcs.ca.gov/services/pages/wholepersoncarepilots.aspx>

# MHP Opportunities to Continue Shaping Health Care Delivery in California

- ▶ Be aware of and continue to participate in DHCS's Care Coordination Assessment Project <https://www.dhcs.ca.gov/services/Pages/Care-Coordination-Assessment-Project.aspx>
- ▶ Understand how all of these things, what we have learned today, DHCS roadmap indicators, and our everyday practices can and will influence our next greatest conversation about the practice of Behavioral Health Care Delivery in California
  - ▶ 1915 B Medi-Cal Specialty Mental Health Services Waiver Renewal [https://www.dhcs.ca.gov/services/MH/Pages/1915\(b\)\\_Medi-cal\\_Specialty\\_Mental\\_Health\\_Waiver.aspx](https://www.dhcs.ca.gov/services/MH/Pages/1915(b)_Medi-cal_Specialty_Mental_Health_Waiver.aspx)
  - ▶ 1115 Medicaid Waiver Renewal <https://www.dhcs.ca.gov/provgovpart/pages/medi-cal-2020-waiver.aspx>

# Questions?

“Sutter-Yuba Behavioral Health (SYBH) is the Mental Health Plan (MHP) for both Sutter and Yuba Counties. As the MHP we are responsible, per our contract with the California Department of Health Care Services (DHCS) to provide through directly operated services, or arrange through contracted providers, Specialty Mental Health Services (SMHS).”

## **Sarah Eberhardt-Rios, MPA**

Sutter - Yuba Behavioral Health  
HHS Branch Director

Email: [Seberhardt-rios@co.sutter.ca.us](mailto:Seberhardt-rios@co.sutter.ca.us)

Desk Phone: (530) 822-7200, Ext 2204

Cell Phone: (530) 491-1933, (909) 648-1545

