CHIPRA Quality Demonstration Grant TA Webinar Series

Financing Options for Care Management Entities
The Massachusetts Experience

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June 23, 2010
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Overview

- Massachusetts context
- Use of Medicaid
- Service array
- Financing structure and payment approaches
- Rate-setting
MA Context - Lawsuit

- Rosie D. v. Patrick, a class action lawsuit filed in 2001 on behalf of children and youth with serious emotional disturbance

- Alleged that MA Medicaid failed to meet obligations of the EPSDT statute

- January 2006, the Court found that MA Medicaid had not provided sufficient:
  - Behavioral health screening in primary care
  - Behavioral health assessments
  - Service coordination
  - Home-based behavioral health services

- Final Judgment issued June 2007 with implementation July 2009

- Medicaid as the sole financer-no blending/braiding with other state systems
MA Context - Enrollment & Managed Care

- Approx 1.1 million Medicaid enrollees
- Approx 470,000 persons under age 21
- Approx 15,000 children in “the class”

- 5 managed care entities (MCEs)
  - one MBHO for the PCCM
  - four integrated PH & BH plans, some of which carve-out BH

- Decision to **not** enroll “the class” into one MCE
State plan & 1115
- MA operating under an 1115 since July 1999
- Use of State Plan Amendment (SPA) for Targeted Case Management (TCM) was a legal strategy: well-defined terms; service level & target group approval by CMS
- Lawsuit remedy services and TCM operate under SPA, and all other BH services operate under 1115

Opportunities & challenges
MA calls its CMEs “Community Service Agencies” (CSAs)

The role of CSAs was informed by the presence and role of the five MCEs

Capitation, Quality Management (QM), etc., occurs at the MCE level

CSAs bill as a provider of Intensive Care Coordination (ICC): ICC = TCM
Service Array

- There is a “package” of services that the CSAs coordinate which are not bundled, but separately defined and paid.

- The package of services can be delivered by any willing provider that meets the qualifications defined in the SPA.

- CSA is the location for TCM (ICC) and Family Partners, and where all other services are coordinated, whether or not the CSA provider, or another provider, is delivering a service or another provider is delivering a service.
CSA is expected to develop a Care Planning Team (CPT) that includes any involved providers and natural supports.

The following constitute the required package of services coordinated by the CSA but managed by the MCE, under the Rosie D. remedy:

- Targeted Case Management (ICC)
- Parent/Caregiver peer-to-peer support (referred to as Family Partners)
- Behavior management monitoring
- Behavioral management therapy
- In-home therapy
- Therapeutic mentoring
- Mobile crisis intervention
Additionally, the following services are available and coordinated with the CSAs, but managed by the MCE:

- Inpatient services
- Community Support Program (CSP)
- Partial hospitalization
- Community-based acute treatment for children and adolescents
- Acute treatment services for substance abuse (ASAM 3.7)
- Clinical support services for substance abuse (ASAM 3.5)
- Psychiatric day treatment
- Structured Outpatient Addiction Program (SOAP)
- Intensive outpatient program
- Outpatient services
- Psychological testing
Financing structure and payment approaches

- **MCE receives capitated payments**
  - No risk for first year – added payment guaranteed
  - Reduced disincentives to authorize care

- **Rate-setting process**
  - Benchmarked to existing service rates
  - Public comment
  - 15-minute unit vs. bundled or case rates
  - CMS considerations
# Rate-setting Services

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<tr>
<th>Service</th>
<th>Code</th>
<th>Rate: 15-min unit</th>
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<td>Intensive Care Coordination (TCM - Master’s/PhD)</td>
<td>T1017-HO</td>
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<td>Intensive Care Coordination (TCM - Bachelor’s)</td>
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<td>Family Partner</td>
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<td>Mobile Crisis Intervention (Paraprofessional)</td>
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Questions?