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THE PERFECT STORM FOR COUNTY BEHAVIORAL HEALTH PROGRAMS

California's history of providing mental

Consequences and penalties of not meeting compliance with these policy rules include:

- DHCS withholding county payments
- DHCS imposing civil penalties on the county MHP[1*,9].
- DHCS taking other actions deemed necessary to encourage and ensure contract and regulatory compliance.
- DHCS terminating the county's contract with the MHP[2*]

CONDUCTING A GAP ANALYSIS TO ASSESS COMPLIANCE TO NEW RULES

HMA has identified six key factors that should be considered in determining whether to build, buy, or partner with an external organization to address identified gaps. When considering the build, buy, or partner solutions available, counties will need to weigh the total investment costs, implementation timeframes, learning investments, performance track records, disruption to their current operations, and the ability to control the overall implementation. Evaluating these six factors are critical in determining a cost-effective approach to improving program capacity and quality.

Table 1 shows the risks associated with all three potential solutions.

WEIGHING THE OPTIONS

BUILD – Internal development of new infrastructure and capacity using internal oversight, resources, expertise, and intellectual property.

BUY – Procurement of all components of new infrastructure and capacity from a third-party. This can include licensing services and technology or solution acquisition.

PARTNER – Alignment with an entity to integrate and offer a joint solution, such as alignment with an external entity (for example, another county) or TPA who offers ongoing services and support.

TABLE 1: RISKS ASSOCIATED WITH BUILD, BUY, AND PARTNER STRATEGIES

Factor	Build	Buy	Partner
Investment Cost	Medium/High	High	Low
Implementation Timeframe	High	Medium	Low
Learning Investment	High	Low	Medium/High
Performance Track Record	Low	High	High
Disruption to Current Operations	High	High	Medium/High
Ability to Control	High	Medium	Medium/High

[1*]pursuant to Section 1810.385

[2*]pursuant to Section 1810.32

A BHP administrator may find that partnering with a TPA frees up limited county resources to focus more on the provision of clinical services and less on back-end administrative functions. This redirection may enhance the BHP's ability to focus on its consumer care delivery while simultaneously gaining important and cost-effective operational efficiencies. A list and description of the typical TPA health plan administrative services available to county BHPs is represented in **Table 2.**

TABLE 2: COMMON TPA SERVICE OFFERINGS

TPA Service Category	Sample Activity
Clinical Management	ƒ Screening, triage, and appointment assistance ƒ Utilization management ƒ Intensive care management ƒ Aftercare and transitions of care ƒ 24/7 crisis system management
Quality Management	ƒ NCQA and URAC ƒ HEDIS reporting ƒ NOMS / TEDS reporting ƒ State-specific reporting ƒ Grievances and appeals tracking and management
Analytics and Reporting	ƒ Data warehousing and intuitive reporting ƒ Practice management dashboards ƒ Predictive modeling ƒ Medical economics for medical loss ratio management
Administrative Services	ƒ Call center/customer service ƒ Management information systems for eligibility and service history ƒ Claims adjudication
Network Management	ƒ Credentialing ƒ Contracting ƒ Pay for performance programs ƒ Specialized network contracting for telehealth, autism, home- and community-based services ƒ Provider profiling and technical assistance

TABLE 3:

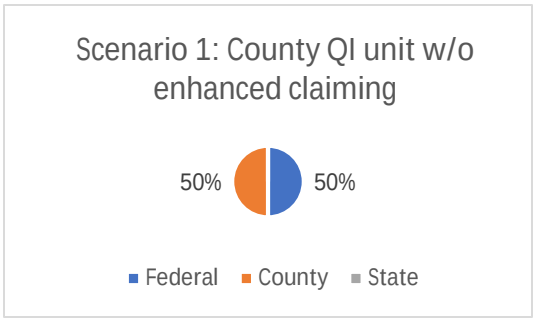
ADDITIONAL STATE GENERAL FUND FOR NEW MANDATES

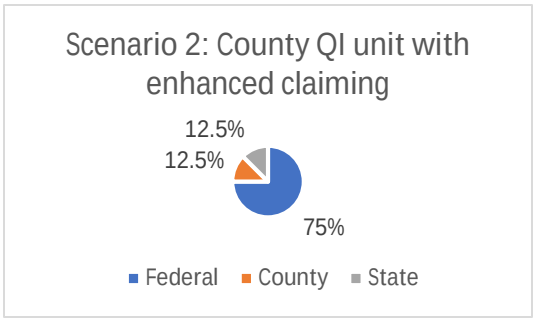
Passed in 2012, California's Proposition 30 provides counties with constitutional protection in the shift of local public safety programs from the state to local control and the shift of state revenues to local government to pay for those programs[11].

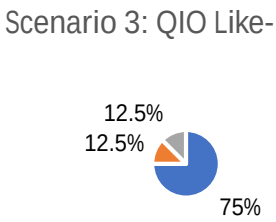
The proposition ensured that any new mandates placed on counties after January 1, 2014, are eligible for additional state funding. DHCS Information notice 18-012 describes the services and reimbursement methodology[7]. Activities required under new mandates such as the Medicaid Managed Care Rule and the MHPEA are eligible. These include:

- Hiring new employees
- Redirecting existing staff time not previously reimbursed by any state or federal funding source
- The procurement of new contracts to conduct new administrative and utilization review and quality assurance
- All other activities associated with the final rule including the translating of materials, programming, updating and modifying technology systems, any additional documentation retention costs, and any other associated costs related to new mandates

POTENTIAL FOR ENHANCED MATCH FOR QIO-


Scenario 1: County QI unit w/o enhanced claiming
50%
50%
Federal
County
State


Scenario 2: County QI unit with enhanced claiming
12.5%
12.5%
75%
Federal
County
State


Scenario 3: QIO Like-
12.5%
12.5%
75%

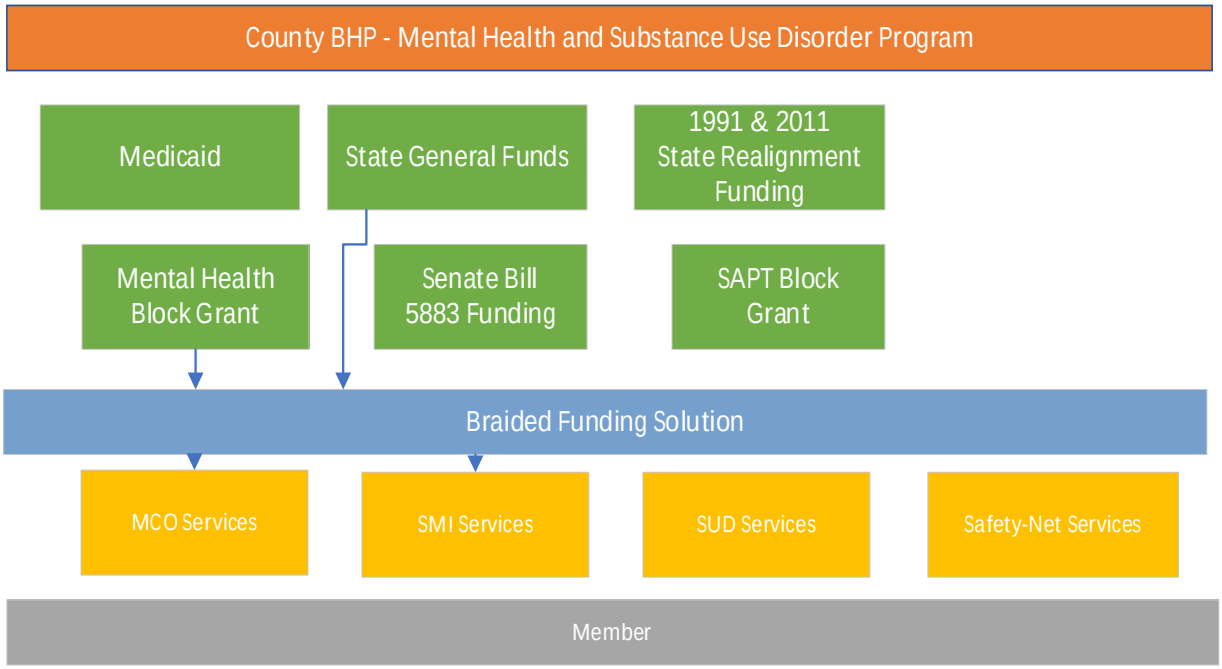


Figure 2. County BHP – MH & SUD Program

Braiding the various funding sources together to ensure optimization of federal reimbursement for Medicaid and accurate reporting for each funding source is a complex endeavor[12]. Technology solutions exist to enable a "braided" funding methodology (mental health parity, Drug Medi-Cal, SAPT, Mental Health block grant, county general funds, and realignment funding) and thus allow counties to provide a coordinated set of comprehensive behavioral health services that encompass standardized reporting developed in accordance with federal, state, and grant funding requirements. **Figure 2** illustrates the "braided funding solution" that a TPA can offer to assist BHPs with the coordination of program funding sources and highlights the importance of coordinating all available federal, state, and local funding to maximize the full value of the multiple funding sources[13].

A TPA braided funding solution can provide a BHP with the ability to provide a full set of services regardless of program funding source. The braided solution can allow BHPs to provide parity and ensure comparability to all members regardless of funding source and reporting requirements.

Technology solutions for braided funding models should be able to achieve the following:

- **Service accessibility**: In complex program arrangements, consumers are often not aware of their own
- eligibility for specific programs. Eligibility should be informed by the system, not the member.
- **Clinical management**: The system should link the clinical authorization and funding information seamlessly for the providers and consumers.

- **Funding source accountability and reporting:** A single service encounter may require services funded by multiple sources. Systems should accurately compile and report service cost and purpose information so that it can be relayed to program funders.
- **Provider interaction:** Providers delivering services under multiple programs have multiple reporting and outcome requirements. The system should provide a single access point to satisfy these requirements.

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RECOMMENDATIONS FOR SUCCESSFUL OVERSIGHT OF TPA

- ***Pre-Delegation Audit***

  The successful oversight of a TPA relationship begins with a pre-delegation audit. The pre-delegation audit will ensure that any activity

CONCLUSION: LOOKING TO THE FUTURE

In the face of increasingly burdensome requirements and complex population needs, county BHPs have a number of opportunities to develop new operational efficiencies that allow their programs to increase clinical capacity and reduce burdens related to health plan administrative functions. With limited administrative resources, implementing additional functions and adhering to new regulations often comes at the expense of other core BHP functions. Partnering with external organizations, such as TPAs and QIO-like entities, allows BHPs to comply with state contractual requirements, state and federal regulations and conform to Mental Health Parity.

County BHP programs should explore options to partner with experienced organizations that will ensure program regulatory compliance and maximize all available federal funding, while simultaneously increasing quality and patient experience for consumers. This type of partnership would allow the BHPs to focus on its role as a provider of clinical services.

Furthermore, in an environment where it is increasingly difficult to hire qualified and experienced staff, external partners allow the opportunity to access an expanded workforce, resources, and expertise. External partners also bring access to industry leadership and insight into best practices employed in other areas proven to achieve outstanding results.

There is no one size fits all solution, as each BHP embodies unique organizational features. Internal needs assessments and gap analyses can help identify county-specific BHP opportunities to maximize program funding and increase operational agility. Consulting firms and TPAs alike can assist in the determination of the path forward and assist in the identification of available funding opportunities to help secure needed BHP program resources specific to the unique realities each county faces. The county-specific needs assessment/gap analysis will result in a customized roadmap that will identify the BHP's opportunities to attain value and maximize all available state and federal funding resources while simultaneously increasing organizational efficiencies.

APPENDIX A:
EXAMPLES OF BEHAVIORAL HEALTH TPAS

Contract Examples of Behavioral Health TPAs

Contract Examples	Services provided by the TPA

§438.242	**Health Information Systems** Each MHP must maintain a health information system that includes the basic elements specified in the Final Rule to effectively collect, analyze, integrate, and report data. The MHP shall submit encounter data to DHCS at a frequency and level specified by the DHCS and CMS. The MHP shall ensure the collection and maintenance of sufficient beneficiary encounter data to identify the provider who delivers service(s) to the beneficiary.
Subpart F	

APPENDIX C:
MEDICAID MANAGED CARE RULE- COUNTY REGULATORY IMPACT ON COUNTY BHP PROGRAMS

Medicaid Managed Care Rules that went into effect on July 1, 2018

Regulation	Regulation Impact
§438.62	**Continued Services to Enrollees** Each MHP must implement a transition of care policy consistent with the requirements in the Final Rule that meets the State defined transition of care policy.
§438.68	**Network Adequacy** MHPs must comply with the network adequacy standards developed by DHCS, including time and distance standards.
§438.206	

APPENDIX D:
SPECIALITY MENTAL HEALTH (SMI) MEDI-CAL COST CERTIFICATION FORMS

BHPs incurring increased Medi-Cal Administrative and Utilization Review/Quality Assurance costs to implement new provisions of these federal regulations may [illegible]

MC 1982 C: SD/MC Monthly Claim for Reimbursement - Quality A(.8 0 Tu/5 Tc)-2.3 ((s)[(s)6 (s)6 (ur)4 (a)110 nc)8
(QA/UR) Cost

MC 1982 D: SD/MC Quarterly Claim 0 ( )for Reimbursement Medi-Cal Administrative Activities
(MAA)PETEMC /Span <</MCID 13 >>BDC BT/CS0 cs 0 scn0 Tc 0 Tw 12 0 0 12 103.44 526.08 Tm[( )TjET/CS1 cs 0.02 0

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