

# Health System Transformation:

## Mental Health System Update

A stylized graphic on the left side of the slide. It features two dark green mountain peaks in the upper left. Below them is a dark green wavy band representing a forest or a body of water. At the bottom is a solid blue wavy shape representing water. The graphic is composed of simple geometric shapes and solid colors.

Mental Health and Addiction Services Division

Joanne Fuller, Director

Multnomah County Health Department

David Hidalgo, Director

Mental Health and Addiction Services Division

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- Series of briefings on Health System Transformation
- Multi-year phased process
- Current status
- Evaluation and recommendations
- Key strategies moving forward



**Centers for Medicare and Medicaid**

**Oregon Health Authority**

**Coordinated Care  
Organizations**

**Multnomah  
County**



## Mental Health and Addiction Services Division

### Medicaid Managed Care Plan

- Oregon Health Plan Coverage for Adults and Children
- Mental Health Treatment Services
- Alcohol & Drug Residential Treatment Services
- Mental Health Residential Services – 2015

### Direct Clinical Services

- Prevention and treatment services for children
- Wraparound Care Coordination
- EASA ( Early Assessment and Support Alliance )
- School Based Mental Health Services

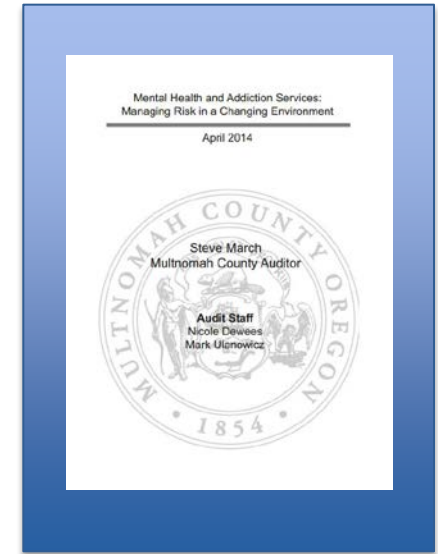
### Local Mental Health Authority

- State Hospital Step Down
- Involuntary Commitment
- Crisis Services
- Adult Protective Services
- Prevention programs for A&D and MH
- Jail Diversion



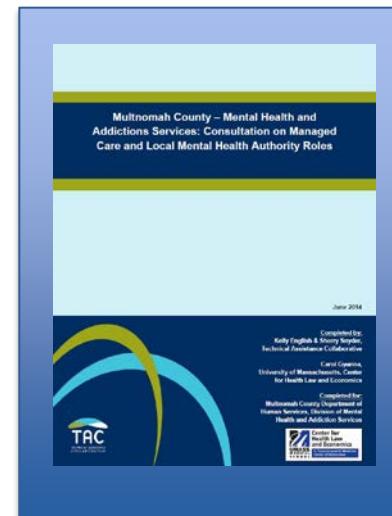
- **Auditor's Report – April 2014**

Mental Health and Addiction Services: Managing Risk in Changing Environment



- **TAC Report – June 2014**

Multnomah County – Mental Health and Addictions Services: Consultation on Managed Care and Local Mental Health Authority Roles



## Evaluating Our Options in the Managed Care System

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- Continue in current role as RAE
- Form a single RAE for the region
- Become RAE for specialized mental health only
- Become an Administrative Services Organization (ASO)
- Terminate RAE Contract



## Continue in current role as a RAE

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### Pros

- Best option for achieving triple aim and providing integrated care for community members
- County maintains influence in health system transformation
- Maintains accountability at the County level
- Greater integration of services
- Continue to operate an integrated system

### Cons

- Requires substantial investment in systems and new staffing
- Decisions impacting County budget being made by private entity
- Financial risk



## Form a single behavioral health RAE for the region

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### Pros

- Distributes risk over a larger pool of individuals
- creates admin efficiencies
- Reduces admin burden on providers

### Cons

- Other counties currently not interested
- The system and clients of this community are unique
- Decisions impacting County budget / operations being made by a private entity
- Financial risk





## Become a RAE for specialized Services only

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### Pros

- Decrease financial risk of the entire membership
- Maintains the county's expertise on specialized mental health programming

### Cons

- Leaves County at risk for high cost services of most needy members
- leads to a more fragmented system
- shifts some dollars from County operations to a private contractor resulting in workforce reductions
- increases potential for cost-shifting



## Propose to become an Administrative Service Organization

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### Pros

- County no longer at risk for Medicaid services
- Would allow the county to receive revenues to support operations
- Would allow the County to continue to operate a comprehensive mental health and addictions system

### Cons

- County would be a vendor to Health Share and would have little control or authority over critical decisions impacting UM
- County no longer “serving community”
- Eliminates the County’s ability to benefit from effective management of the program
- Requires investment in infrastructure improvements



## Terminate RAE contract – Maintain LMHA role

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### Pros

- Lowers the County's financial risk
- Allows the County to generate some Medicaid revenue for services
- Allows MHASD to direct focus and resources to "what we does best"
- Maintains County investment in its citizens with BH needs
- Allows Advisory Council to refocus attention and efforts

### Cons

- Accountable to a private entity
- Loss of Medicaid funds
- County may be subject to cost-shifting from Medicaid
- Ability to operate a comprehensive mental health and addictions system diminished
- Likely to require additional County funding for staff/ operations



## Managed Care Recommendations

Invest in a software system designed for a managed care line of business

**Investigating** – Staff to identify and review software programs designed specifically for a managed care line of business

Set up cost methodology to disaggregate FTE positions and expenditures by payer and system to track each line of business

**In Process** – DCHS Business Services is beginning process to set up cost methodology to track expenditures by payer and line of business

Hire a manager of the Medicaid managed care plan

**In Process** – recruitment underway, position posted June 2014



Recommended in both the Auditor's and TAC reports



Recommendation from TAC report



## Children's Mental Health Recommendations

Modify utilization management process  
for child / youth population

**Completed** – as of July 1, 2014, MHASD  
transferred UM responsibility to the  
Wraparound program

Develop Multidimensional Treatment Foster  
Care capacity

**Planning** – Identifying barriers and  
developing outreach to DHS partners



## Utilization Management Recommendations

Hire a manager of the Medicaid managed care plan

**In Process** – recruitment underway, position posted June 2014

Increase care coordination

**In Process** – MHASD has hired 3 limited duration Care Coordinators, plans to hire 2 coordinators for high utilizers



## Local Mental Health Authority Recommendations

Refocus attention on the increasing demands on the safety net system, LMHA mandated duties and effective operation of the Community Mental Health Program

**In Process** – Free up LMASD staff by hiring manager for managed care system

Develop strategies to reduce the reliance on hospital emergency departments for people in psychiatric crisis

**In Process** – BCC approved CATC triage pilot to improve access to crisis services for those in the county criminal justice system

Educate Hospital ED physicians about the impacts of safety holds when substance abuse appears to be at play

**In Process** – One hospital implementing Safety Hold pilot, plans to expand



- Multnomah County to continue operating as a Risk Accepting Entity (RAE) as part of Health Share
- Invest in infrastructure needed to successfully operate a managed care system
- Multnomah County should assert itself as the Local Mental Health Authority to convene conversations around safety net services





Questions ?

