

Health System Transformation:

Mental Health System Update

A stylized graphic on the left side of the slide. It features two dark green mountain peaks with white outlines, set against a white background. Below the mountains is a dark green wavy band, and at the bottom is a dark blue wavy band representing water.

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

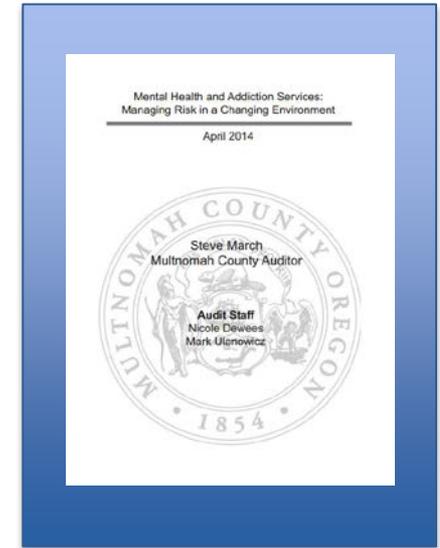
Local Mental Health Authority

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



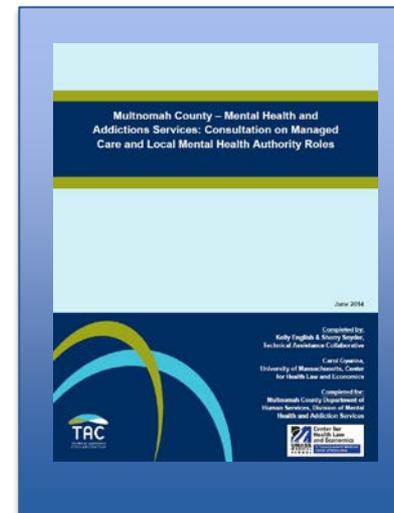
- **Auditor's Report – April 2014**

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

- 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

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

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

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

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

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 partnering with DHS



Utilization Management Recommendations

Hire a network manager for the Medicaid managed care plan

In Process – Developing job description, coming back to the Board through the budget modification process

Increase care coordination

In Process – MHASD has hired 3 Child/Youth limited duration Care Coordinators, plans to hire 2 coordinators for Adult 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 MHASD 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 MH / 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 ?

