

## **Promoting Integrated Primary and Behavioral Health Care**

Ken Anderson VP, State Government Programs, Optum

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## **Promoting Integrated Primary and Behavioral Health Care**

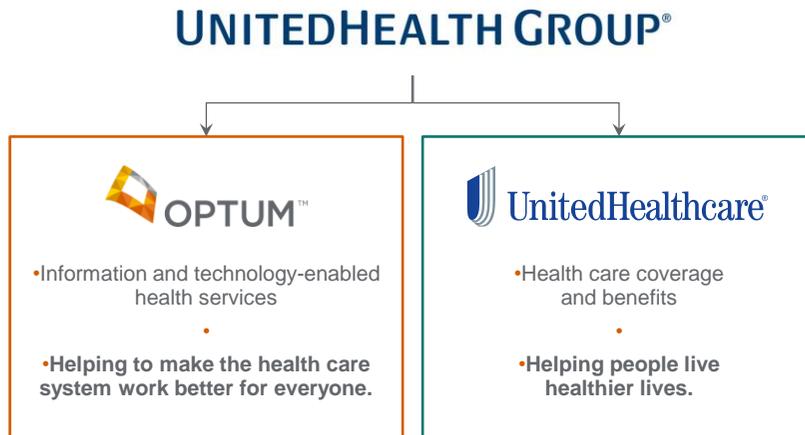
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- **Optum Overview**
- **What has been changing**
- **Provider Reimbursements**
- **What Health Plans are doing to promote Medical Behavioral Integration**



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## Behavioral and specialty medical solutions for Medicaid

### We build systems of care

- We manage financial risk
- We manage provider networks
- We manage clinical care
- We ensure quality measures are achieved



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## Public Sector Business Platform

*The goal of our public sector business is to improve community health care systems by improving clinical outcomes, expanding access to appropriate care, and strengthening individual capabilities to pursue wellness and recovery.*



### Facts & Figures

- 4.3M Medicaid & SCHIP members
  - over 20 states
- 1.2 M Medicare members
- 1,500 Public Sector staff
- 270 CMHCs under contract
- Peer support programs in several markets

- **Fundamentally Committed to:**
- Improving Outcomes
- Supporting Recovery
- Managing Costs
- Achieving Whole-Person Wellness



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## Our footprint: County/State contracts

- OPTUM manages county behavioral health carve-outs in:
  - Pierce County, Washington since 2009
  - Salt Lake County, Utah since 2010
  - San Diego County, California (ASO) since 1997
  - New York City, New York (ASO) since 2011
- OPTUM serves as the BHO for the following states:
  - Idaho since 2013
  - New Mexico since 2009 (ASO since January 2014)
- OPTUM provides behavioral health specialty network services in integrated models for several states:
  - Tennessee
  - Kansas
  - Texas (including MME effective 3/1/2015)
  - Ohio (including MME effective 4/1/2014)
  - Washington (including MME effective 7/1/2014)
  - 15 other states (for total of 20)



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## Change: The new norm

Managing change and uncertainty have become the norm for managed care organizations, providers and payers



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## Managed care functions have expanded over time

### Core Functions 1995

- Utilization Management
- Provider Network Management
- Financial Management
- Development of clinical care guidelines
- Limited # of levels of care:
- Inpatient
- Outpatient
- Day treatment
- Partial hospitalization
- Residential
- Grievances and Appeals
- Quality Assurance
- IT system and data reporting

### Expanded Functions 2014

- Complex care condition management
- Care coordination with primary care
- Wellness and Technology solutions
- Use of predictive modeling software
- Focus on identifying gaps in care, High utilizers of bed days and ER visits
- Achieving the Triple Aim
- New levels of services, i.e. peer services
- Accountability through transparency i.e., use of dashboard reporting
- Use of Evidence-based Practices
- **Payment Reform**
- Person-centered care
- Recovery as core mission
- Manage the service system



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## Greater need for clarity of provider competencies especially for complex/high-cost conditions

- Complex and high cost populations need specialized trained provider types and systems to be maximally effective
- Research has shown in many areas that highly trained clinicians had a better outcome than care through a generalized usual care provider
- Current generalized training and licensure does not clarify experience nor competence for these populations
- The system will need to have processes to measure and identify competencies

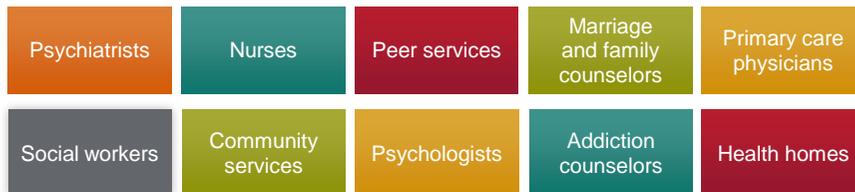


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## Behavioral Health System: Multi-Stakeholder Complexity

For behavioral health services, there are many different types of providers for the variety of services needed to prevent, diagnose and treat behavioral health conditions. How do they fit and how do they connect to be an efficient and effective care system?



### Consumers, Families and Community Service Providers

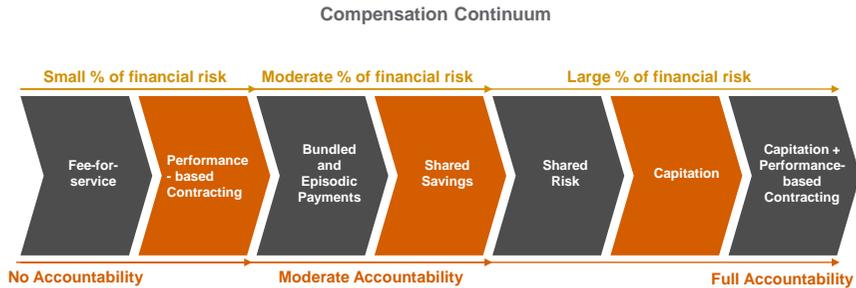


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## Compensation continuum

In selected provider arrangements based on provider readiness, we are supporting financial risk, accountability, and utilization management practices.



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## Pay-for-Performance Contracting Improves System of Care

| <p style="text-align: center;"><b>Pilot Background &amp; Objectives</b></p> <ul style="list-style-type: none"> <li>In New Mexico, a performance-based contracting initiative aimed at improving affordability, quality outcomes and member health was launched July 2010</li> <li>Specific objectives were to increase community tenure for consumers with history of Out-Of-Home (OOH) placements within the New Mexico public sector population</li> </ul>   | <p style="text-align: center;"><b>Program Structure</b></p> <div style="text-align: center;"> </div> |                                 |  |        |        |             |                        |     |     |              |  |                       |                    |  |                                 |  |
|--|--|---------------------------------|--|--------|--------|-------------|------------------------|-----|-----|--------------|--|-----------------------|--------------------|--|---------------------------------|--|
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: center;">Measured Outcomes</th> </tr> <tr> <th style="text-align: center;">Metric</th> <th style="text-align: center;">Target</th> <th style="text-align: center;">Achievement</th> </tr> </thead> <tbody> <tr> <td>Reduction in OOH Units</td> <td style="text-align: center;">20%</td> <td style="text-align: center;">55%</td> </tr> <tr> <td>Readmit Rate</td> <td>Not to exceed baseline by more than 2%</td> <td>Readmit Rate Declined</td> </tr> <tr> <td>Critical Incidents</td> <td>Not to exceed baseline by more than 2%</td> <td>Critical Incident Rate Declined</td> </tr> </tbody> </table> | Measured Outcomes  |                                 |  | Metric | Target | Achievement | Reduction in OOH Units | 20% | 55% | Readmit Rate | Not to exceed baseline by more than 2% | Readmit Rate Declined | Critical Incidents | Not to exceed baseline by more than 2% | Critical Incident Rate Declined | <p style="text-align: center;"><b>Post-Pilot Expansion</b></p> <ul style="list-style-type: none"> <li>Identified 25 high-volume facilities serving both commercial and public sector members as part of a phased implementation effort</li> <li>Aligning incentives to achieve reduction in ALOS, readmissions, and improvements in HEDIS 7-day ambulatory follow up</li> <li>Provider has opportunity to earn rate escalator based on achievement levels</li> </ul> |
| Measured Outcomes  |  |                                 |  |        |        |             |                        |     |     |              |  |                       |                    |  |                                 |  |
| Metric   | Target   | Achievement                     |  |        |        |             |                        |     |     |              |  |                       |                    |  |                                 |  |
| Reduction in OOH Units   | 20%  | 55%                             |  |        |        |             |                        |     |     |              |  |                       |                    |  |                                 |  |
| Readmit Rate   | Not to exceed baseline by more than 2%   | Readmit Rate Declined           |  |        |        |             |                        |     |     |              |  |                       |                    |  |                                 |  |
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## Performance-Based Contracting – At A Glance

Incentivizing provider performance leads to better outcomes for persons served.

|  |   |
|--|---|
| <b>Facility Participation Requirements</b> | <ul style="list-style-type: none"><li>• Adheres to our utilization management process, Level of Care Guidelines and Coverage Determination Guidelines, including attending MD visits, pre-authorization requirements, and discharge planning</li><li>• Qualifies as an OptumHealth High-Volume provider</li><li>• Participates in periodic meetings with OptumHealth clinical operations staff to review data</li><li>• Submits claims electronically</li></ul> |
| <b>Metrics</b>                             | <ul style="list-style-type: none"><li>• Reduction in Average Length of Stay</li><li>• Reduction in 30 day Readmission rate to any inpatient LOC</li><li>• Improved results on ambulatory follow-up rates (7 days post inpatient discharge)</li></ul>  |
| <b>Performance Incentives</b>              | <ul style="list-style-type: none"><li>• Facility will earn escalator based sharing of savings if performance is within targeted range</li><li>• Facility will earn additional escalator through greater sharing of savings if performance exceeds range (up to a cap)</li><li>• Can earn return if only one measure is met as long as there are savings in total days</li></ul>   |



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## New/Enhanced Clinician and Facility Metrics

- **For Clinicians:**
  - Quality
    - Severity-adjusted effect size from the Wellness Assessments
  - Cost
    - Case-mix-adjusted average number of visits
    - Average cost per episode
- **For Facilities:**
  - Quality
    - 30-day readmission rate
    - Risk-adjusted 30-day readmission rate
    - Follow-up after mental health hospitalization (HEDIS)
    - Peer review rate
  - Cost
    - Case-mix-adjusted average length of stay
    - Spending per beneficiary



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## What Health Plans are thinking about integration

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- What services are happening at Primary Care site
- Integration is much more than co-located services
- Equipping PCPs to identify behavioral health issues/concerns
- Care Coordination – whole person planning
- Case Management – whole health community workers
- Training for Care Coordinators and Providers
- Member reach and engagement – motivating change
- Risk Stratification and Population health management
- Defining risk more broadly – housing, employment, family support, education
- Health Homes
- Value added services
- Cost analysis – cost benefit – 85% MLR – cost offsets
- Data collection and sharing between providers
- NCQA accreditation



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## What providers can do now

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- Establish relationships with plans
- Think about the person, NOT the program
- Clearly define your expertise
- Clearly define what you DO NOT do
- Price your services
- Define your quality measures and outcomes
- **Use and share data**



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Thank you.

Ken Anderson VP, State Government Programs  
Kenneth.anderson@optum.com