Behavioral Health Redesign is NOT Ready for July 1, 2017

Ohio Council Asks:

1. **Keep the six-month House delay**
2. **Ensure timely payment and IT readiness**
3. **Allow early adopters**

Providers Intent. The providers engaged in behavioral health redesign are mostly nonprofits who are in the middle of perhaps the state's historically worst healthcare crisis. Ohio is #1 in opioid deaths. Ohio has a climbing suicide rate. Demand for mental health and addiction treatment services has grown as more Ohioans are able to access health care for the first time in decades. And in these unprecedented times, Ohio is also overhauling behavioral health codes and services and then rolling these services into managed care in six months.

Community providers care about their capacity to meet the overwhelming demand they see every day. Providers care about getting people the treatment they need, not filling up Ohio's hospitals, ERs, jails, homeless shelters, and morgues. Providers care about having a high-quality workforce. To those ends, providers and the Ohio Council of Behavioral Health and Family Services Providers were instrumental in jump-starting the modernization of payment approaches to services and have been highly engaged in behavioral health redesign for more than 2 years.

Lack of Preparation. Despite more than two years of work and a highly-engaged provider community, the administration is not prepared to meet its own redesign deadline. Providers have been in every meeting supporting their efforts and trying to provide feedback along the way. At many points, critical concerns about the impact of policy decisions on access, capacity, and workforce went unheard or overlooked. The administration's training efforts have often been incomplete and inconsistent, given that throughout the process program manuals, rules, rates and IT specs were often changed and still are not finalized. The latest updates to the redesign timeline illustrate how compressed the timeline has become.

> -JCARR will hold their first hearing on rules May 30th. The rules under consideration are wrought with oversights, contradictions and conflicts between agencies, missing rates or rate flaws noted in public comment for months.
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> -Limited IT testing began May 10th, nearly five months after the original date by which all of the state's rules and guidance were to be finalized. Under the current schedule, some features, like prior authorization, will undergo no testing before July 1.

-Despite the administration having two years to finalize their program and IT functions, providers and their software vendors will get fewer than six weeks to implement the final version of the codes and provider manual, which are not yet available in mid-May.

Flawed Funding. The administration says they provided an additional $53m of investments to pay for BH Redesign code changes. Independent actuarial and multiple provider assessments continue to indicate reimbursement loss of approximately $40m in our system due to misaligned coding for workforce and rates. The State's actuarial vendor, Mercer, is the same company that provided the State with faulty Medicaid expansion figures. Further, Mercer's investment projections were developed based on service delivery by and rates for a workforce that is nonexistent in Ohio; that is, for highly credentialed professionals that are neither currently working in the behavioral health system, nor are available in the necessary volume from regional training programs, institutions of higher education, or other sectors. Without addressing the workforce and rate flaws, the Administration's predicted outcomes cannot be achieved on the ground.

Timely Reimbursement. The state has indicated that mechanisms for timely reimbursement being suggested by providers are unconstitutional or contradictory to their program values and goals. However, during past transitions the administration has implemented "pay and post"; "stop/loss"; or "shadow billing" procedures for nursing homes, hospitals and recently with MyCare Ohio, when they required managed care to use a pay and post procedure during a transition period. We suggest the state use the same strategy to ensure timely payment for community behavioral health services so that providers don't go out of business waiting for payment.

MyCare Ohio Experience. The administration often says that they and providers have learned from the MyCare Ohio experience. The fact is that three years later, we still have providers that are owed significant arrears. Providers have learned that it's better to "measure twice and cut once" than to move forward with rushed, flawed, and incomplete work. MyCare is a demonstration project in only 29 counties, encompassing a small population of people dually-eligible for Medicaid and Medicare. Two-thirds of the Ohio counties, including nearly all of rural and Appalachian Ohio, have had no experience with MyCare and managed care. Because of this variation in experience, we strongly recommend creating a mechanism to allow better-positioned providers to voluntarily act as early adopters to move forward with redesign implementation prior to full implementation so that the rest of the field can learn from their experience and have the time needed to move forward without risk of closing services.

Artificial Deadlines. The administration claims behavioral health redesign is necessary to provide new services on July 1st, and they want six months of testing the codes before BH carve in to managed care on January 1, 2018. No state or federal law requires the July 1st deadline.

The original state plan for BH redesign implementation included starting to test software in September 2016 and having a three-part provider phase-in to the new service code with some providers starting in January 2017, others in April and July 2017. The original implementation plan also intended a 12 month period of testing the codes and developing the actuarial payment rates for the managed care carve in.

Rushing to a finish line won't lead to success. It is unreasonable to expect service providers to implement a wholesale change of clinical and business practices in less than six weeks or expect the MyCare Ohio managed care plans to be ready to pay claims by then. And, there are no guarantee the MITS system will be ready for July 1 either.

What Providers are Saying about the Behavioral Health Redesign

Selections from 2017 Legislative Testimony

Netcare Access (Columbus)

First and foremost, Ohio crisis facilities, like Netcare Access, stand to lose 29% of Medicaid reimbursement effective July 1, 2017 under this redesign. …

Our workforce is another issue. The pool of licensed staff is very shallow and competition is fierce. Many current vacancies go unfilled, further stressing those who remain working in the field. This work is high risk with extremely acute and, at times, volatile patients. Many are suicidal and homicidal when they arrive at our facility. Stabilization of these individuals takes a very special set of skills.

Timely payment for services is also an issue and we are concerned about the timeframe for testing the IT and electronic health record changes that will be required to accommodate the redesign. Our agency operates on a $16 million budget but we have only a 30 day operating reserve. IT change take time and are expensive unfunded mandates. I have been in the HB field for over 30 years and I have yet to see these transitions go off as planned or on time. The current timeframe of beginning testing in early May and operational by July 1 is unrealistic.

Finally, I will tell you that the decreased system capacity that will result from rate reductions and unrealistic timelines will result in a shift to more expensive levels of care, such as hospital ERs, which are already over whelmed. Jails will also see a dramatic influx of mental health and substance abusing individuals who cannot be stabilized in a crisis center. Law enforcement will be burdened with and replace appropriate, professional crisis care. This is not an outcome that you desire.

CommQuest (Canton)

First, it is difficult to prepare for changes in billing and coding when Ohio Medicaid has not published a finalized provider manual and rules.

Second, our Electronic Health Record (EHR) software vendor will not develop the new billing templates until all rules are finalize. … EHR vendors do not want to duplicate their efforts on something that is still not in its final form.

Third, due to the short time frame, Medicaid will be testing the new IT system at the same time providers are. During the testing process, it is likely that glitches or errors may be discovered. …

Fourth, based on past history, I have serious concerns that Ohio Medicaid will be prepared to accept the claims of 700+ providers beginning July 1st.

Century Health (Findlay)

My greatest concern is the implementation timeline. ODM and MHAS have yet to finalize the rules or the provider manual. The lack of finalization and testing of the IT specification for MITS is most troublesome. A six-

week window is not enough time to assure that systems are set up properly and can actually function with no problems.

Although not an ideal situation, the reality for Century Health is that we operate with minimal cash reserves. … There is no room for error with the transition to the new coding/payment rates or the eventual transition of behavioral health service to managed care.

The changes and challenges facing behavioral health providers in Ohio are significant. There is a new payment model, new and revised Medicaid and Behavioral Health rules and policies (still not finalized) and a total re-structuring of the electronic health record and billing systems. These changes are considerable and behavioral health providers deserve the necessary time to achieve a successful transformation.

Greater Cincinnati Behavioral Health Services (Cincinnati)

Because changes have continued to be made in the proposed billing processes and requirements, we have not been able to set up coding and billing processes that may continue to change. …

Additionally, to assure our clients and communities maintain access to behavioral health services, we need some mechanism to assume the continued flow of resources during both the transition to the new coding system and integration of the behavioral health benefits into managed care. Our experience with MyCare Ohio has taught us that challenges are likely to occur.

Ohio Association of Child Caring Agencies (statewide association)

Originally, dating back fourteen months ago, the State had a different plan for how to implement the Re-Design. They planned to implement a portion of the Re-Design in January of 2017, and then phase-in providers to the full Re-Design during three different intervals throughout 2017: January, April, and July. And prior to implementing the ReDesign, they planned to start testing with software partners during September of the previous year, 2016.

Today, the plan is to aggressively move forward with the policy development (which is still in process), provider training, software testing, and full statewide implementation. If the State's timeline proceeds, I hope that it is successful. If it's not, there could be devastating consequences for the hundreds of community providers that participate in this Medicaid program. There is real concern that if claims are not processed efficiently and timely, many providers could quickly go out of business, close down programs, or limit access to services in other ways.

Alta Behavioral Health Care (Youngstown)

Alta is a healthy-sized organization with a certified electronic health record, our own IT software programmer, and we contract with a computer hosting and support company for over $100,000 per year. We have been on point in monitoring and preparing for BH Redesign for more than a year. Nevertheless, we are not prepared for a July 1 implementation date. There are rules that have not been finalized, services still being introduced, rates still being adjusted and changes are still being made to allowable service combinations. All of these put a strain not only on our IT staff, but also billing, program managers and clinical leadership who are still working on how to assure we continue to provide clinically sound and cost-effective services.

Mental Health Services for Clark and Madison Counties, Inc. (Springfield)

Another opportunity that needs a closer look is the impact to communities as behavioral health providers change service delivery practices as a result of BH Redesign. Communities may expect an increase in emergency room visits if a provider needs to change their crisis delivery model. … In a 4 month period our organization identified 16 patients who had 7 or more EMS runs and received a total of 146 EMS runs at a cost to the "community" of $40,307.68. This is predicted to increase as service delivery changes have to occur to balance our business side with our care delivery side.

To accurately redesign our service delivery system we need some kind of assurance for timely payment. Our organization has approximately 107 days cash on hand to manage any issues that might delay payments. As we speak, we have over $200,000 outstanding in unpaid Buckeye My Care Ohio claims due to MCO credentialing and IT system issues. We have not seen payment for Buckeye My Care Ohio outpatient claims since October 2016. ODM unexpectedly announced a policy change in March 2017 that would require community behavioral health services "needing" to be reclassified under hospital based outpatient services. If this prevails, our organization will have many unfunded costs in the areas of IT, billing redesign, credentialing, workforce training, and legal costs.

HELP!! We need reasonable timelines for implementation and appreciate the House seeing this and delaying implementation by 6 months. … Right now our IT vendors tell us they are not ready for testing and need final documents to update our software. We need a service coding and billing crosswalk to know what services can and cannot be "billed" same day so we can design service delivery and do not have to wait a month or more to learn our mistakes and lose revenue. Providers have no room for errors. Once all the changes are final, we then have to get our IT system programmed correctly and tested. Then we need to educate staff, families, community members and the patients about changes that affect them.

Community Behavioral Health Center (Beechwood)

The changes due to be imposed on July 1st, 2017 have the potential to be extremely disruptive and I urge you to support a more cautious timeline. As organizations across Ohio make this transition, I strongly urge you to support the House's decision to delay service and coding changes by at least six months.

To ensure that no client is left without care during this transition, I believe final BHR rules, the provider manual and final IT specification for MITS must be completed well in advance of Behavioral Health Redesign implementation.