Maximizing Medicaid Options for Children with Serious Emotional Disturbance

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Genesis of Project

- Since 1992, 121 CCMHSP grants and cooperative agreements
- Goal to sustain systems-of-care
- Medicaid largest payer of public mental health services
- Medicaid is a third party payer similar to private insurance

Goals

- Describe how grantee sites use Medicaid as part of a larger strategy to achieve sustainability
- Describe these practices in the context of states' Medicaid Plans
- Disseminate findings to system of care communities

Medicaid

- Medicaid: a jointly managed federal and state program to provide health care to low income Americans

Federally mandated Medicaid services

- Inpatient hospital care
- Clinical services
- Outpatient hospital services
- Physician services and services of other licensed professionals
- Early Periodic Screening, Diagnosis and Treatment

Optional Medicaid Services and Eligibility Groups

- Rehabilitation services
  - Used by many states to offer a wide range of services in community settings as opposed to more institutional settings
- Clinic Option
  - Reimburses for preventive, therapeutic, diagnostic services delivered in a medical, outpatient facility
Optional Medicaid Services and Eligibility Groups

- Targeted case management services
  - Assists a Medicaid eligible individual in gaining access to needed medical, educational, social, and other services
- 1915[c] Home and Community-based Services Waiver
  - Allows for alternatives to providing long-term care in institutional settings. May be used to meet the needs of specifically defined groups, illnesses or conditions

Optional Medicaid Services and Eligibility Groups

- Title XXI – State Children’s Health Insurance Program
  - Enacted by Congress in 1997 to provide for low-income, uninsured children under the age of 19 who are not eligible for Medicaid
  - Relationship btw SCHIP and Medicaid varies among states

Optional Medicaid Services and Eligibility Groups

- 1115 Research and Demonstration Project Waiver
  - Gives states authority to conduct experimental, pilot or demonstration projects that test new ideas of policy merit
- 1915(b) – Freedom of Choice Waiver
  - Allows states to waive statewideness, comparability of services, and freedom of choice

Methods

- Surveyed 92 active/graduated sites from Oct 2003 roster
- Consulted with National Advisory Group
  - Identify site selection criteria
  - Select 6 sites for visits
  - Develop site visit protocol
- Conducted site visits

Survey Responses

- 60% (38 active, 17 graduated)
  - 41 states and territories
- A range of State Medicaid Eligibility, Options, and Waivers AND financing structures
- Approximately...
  - 50% reported using managed care
  - 33% self identified as innovative
  - 50% expressed interest in participating

Site Selection

- Primary Criteria
  - Range of Options/Waivers, Financing Structures, Demographics, Race/Ethnicity
- Secondary Criteria
  - Geographic, Status (active/graduated)
Selected Sites
- The Dawn Project (Indianapolis, IN)
- The Burlington Project (Trenton, NJ)
- Community Connections for Families (Allegheny County, PA)
- Bridges (Frankfort, KY)
- Spirit of Caring (Contra Costa County, CA)
- Partnership with Families/Transitions (St. Charles County/Jefferson City, MO)

Financing Strategies by Site
- Bridges (KY)
  - Rehab Option
    - Expansive definition of where services can be provided
    - Strong utilization of Option to provide services in schools
    - Targeted Case Management Services
      - For service coordination

Financing Strategies by Site
- The Burlington Partnership (NJ)
  - Pool and braid funds to leverage Rehab Option and EPSDT
  - Use of rate setting methodology to reflect market rates
  - Use of administrative claiming to fund parts of the Family Service Organization and Administrative Service Organization
  - Household-of-one designation
  - Presumptive eligibility

Financing Strategies by Site
- Community Connections for Families (PA)
  - Mental health portion of Medicaid carved out by state and administered by county
  - Incremental mandatory state managed care program under 1915b Waiver
  - EPSDT used to expand services including Mobile Therapist, Behavioral Specialist Consultant, and Therapeutic Staff Support
  - Bundle of services known as “wraparound”

Financing Strategies by Site
- The Dawn Project (IN)
  - Under Rehab Option services must be provided by CMHCs - case managers/supervisors employed by CMHCs
  - Utilization of Clinic Option to pay for therapy and day treatment
  - Utilization of case rate – each referral source pays fixed monthly rate upon enrollment
  - IT system facilitates billing of Medicaid

Financing Strategies by Site
- Partnership with Families/Transitions (MO)
  - Part of Medicaid administered under 1115 and 1915b Waivers known as Missouri Care Plus (MC+)
  - Utilization of both Fee For Service and Managed Care systems based on geography
  - Rehab Option, known as Community Psychiatric Rehabilitation, carved out under MC+ (used to provide in-home services)
### Financing Strategies by Site
- **Spirit of Caring (CA)**
  - Mental health portion of Medicaid (MediCal) carved out by state and administered by county
  - County serves as Medicaid managed care entity
  - Child mh services carved out from physical health
  - Rehab Option used to access broad array of community-based services

### Findings
- **Essential prerequisites reported by sites**
  - Leadership and shared vision
  - Partnerships and collaboration
  - Understanding the Medicaid program

### Leadership and Shared Vision
- **State-level leadership**
  - Emergence of committed leadership at state level
  - New Jersey
  - Kentucky

### Leadership and Shared Vision
- **Local-level leadership**
  - Leadership committed to developing and implementing systems of care for children with SED initiated at local level and then used to stimulate change in state policies
  - Indiana

### Partnerships and Collaboration
- **Other interagency administrative relationships and partnerships identified as facilitating the use of Medicaid**
  - California
  - Pennsylvania

### Partnerships with Families
- New Jersey developed concrete plan for sustaining family support services/participation beyond life of Federal grant
Understanding the Medicaid Program

- Importance of understanding constraints of Medicaid as 3rd party insurance program
- Challenges noted by sites
  - Inherent difference in theoretical groundings of Medicaid system and system of care/wraparound approach

Challenges Noted by Sites

- Inherent difference in the statutory and regulatory groundings of the Medicaid system and the system of care/wraparound approach
- Complexity of Medicaid system
- Providers vary in capacity to access and utilize Medicaid as a reimbursement source

Lessons Learned

- 1) Achieving consensus on a common vision amongst key stakeholders at state and local levels
- 2) Using legislation as a strategy
- 3) Developing strong partnerships/relationships and collaboration with Medicaid at the state level

Lessons Learned

- 4) Creating an interagency entity with decision-making power
- 5) Partnering with families

Lessons Learned

- 6) Forming partnerships to create innovative funding streams

Lessons Learned

- 7) Developing infrastructure related to information technology
Lessons Learned

- 8) Emphasizing Medicaid eligibility
- 9) Understanding Medicaid’s rules to work effectively within them and propose changes when necessary

Lessons Learned

- 10) Utilizing Options and Waivers to maximize flexibility

Concluding Thoughts

- Medicaid program has been used effectively by a number of states to pay for expanded, community-based services within systems of care for children with SED
- Consistent with priorities found in Report of the President’s New Freedom Commission on Mental Health
- Study found very little reliance on SCHIP to assist this population