

To: Health Policy Oversight Committee
From: Flora A. Schmidt, Executive Director
Date: December 17, 2018
Re: SF2418 SUD / IHH and Provider Payments

On behalf of the Iowa Behavioral Health Association (IBHA) thank you for the opportunity to provide these comments regarding the Medicaid managed care program. IBHA is the non-profit association representing the substance use disorder and addiction treatment programs, community mental health centers, and problem gambling services programs throughout the state of Iowa providing services in all 99 counties. Today, I'd like to touch upon these key areas:

Substance Use Disorder (SUD) – SF2418 directed the Iowa Department of Public Health to work with stakeholder to review reimbursement for SUD service providers. IBHA supports the issues reviewed, findings and recommendations of this workgroup including, but not limited to:

- A. Are reimbursement provisions ADEQUATE, including for outpatient and residential treatment? Finding:** No, current reimbursement provisions are not adequate
- B. Is it appropriate to REBASE reimbursement? Finding:** Yes, it is appropriate and needed to rebase reimbursement.
- C. Is there EQUITY in reimbursement compared to the reimbursement methodologies used for providers of similar behavioral health services? Finding:** No, current reimbursement methodologies are not equitable.
- D. Is there ACCESS to SUD services providers, including whether the designated number of community mental health centers is sufficient? Finding:** No, access to substance use disorder services providers is not sufficient. The workgroup did not make a determination on whether the designated number of CMHCs is sufficient.

SUD WORKGROUP RECOMMENDATIONS:

1. Establish equity in Medicaid reimbursement for similar mental health and SUD services providers. This will include the establishment via emergency rules authority of a Medicaid provider type for the IDPH SUD Integrated Provider Network that is consistent with the CMHC provider type including reimbursement at the CMHC enhanced rates fee schedule effective by July 1, 2019.
2. Rebase & assure adequate reimbursement for SUD services including: mandate a study of 1915(b)(3) reimbursement for SUD intensive outpatient and residential treatment under the 1915(b) waiver using a mutually agreeable projected cost reporting methodology and a reimbursement study for behavioral health services under the Medicaid fee for service schedule using a projected cost reporting methodology AND to utilize the results of these two studies to recommend adjustments to the respective SUD rates AND to provide for funding to implement the recommended reimbursement levels; and then to establish a plan for regular review and adjustment of SUD treatment reimbursement rates.
3. Support access to SUD treatment by requiring DHS to direct the MCOs to review and revise Medicaid managed care pre-authorization requirements for medication-assisted-treatment for opioid use disorders to support immediate access to and initiation of treatment services by April 1, 2019. Along with the establishment of a collaboration panel that includes stakeholder representatives along with IME SUD providers, DHS, and IDPH.

We also support the additional considerations raised by the workgroup including a review of the OWI assessment reimbursement rates in Iowa law and the review of PARITY of SUD treatment services.

It is imperative these recommendations be implemented to insure Iowans' continued access to SUD providers and for the sustainment of this treatment network that is vital in addressing the addiction substances that are harming and killing Iowans – opioids, alcohol, tobacco, meth and marijuana – all of which are identified in the 2019 Iowa Drug Control Strategy Report.

Health Home Review – SF2418 instructed DHS to facilitate a workgroup to review the Health Home programs along with four specific charges for the workgroup:

1. An analysis of the State Plan Amendments applicable to health homes;
2. An analysis of the current health home system, including the rationale for any recommended changes;
3. The development of a clear and consistent delivery model linked to program – determined outcomes and data reporting requirements; and
4. A work plan to be used in communicating with stakeholders regarding the administration and operation of the health home programs.

We are appreciative of the mandate of SF2418 instructing this review, yet we have concerns with various parts of the process used for the review and the limited time the workgroup met which totaled only 4 hours during 2 meetings held within a two-week span of late October.

Additionally, we ask for:

- continued oversight and contract adherence of the health homes lead entity MCOs;
- that any changes to the State Plan Amendment be thoroughly vetted prior to submitting to CMS;
- that proposed changes to the payment model from a Per Member Per Month to a Fee For Service be thoroughly vetted as this appears to be a regression from the industry trend moving toward value based payments; and
- that the formed stakeholder group continue to meet in **open, public meetings** to work toward continued collaboration, along with discussions on process improvements and the identification of the regulatory and process barriers that hinder improved health and financial outcomes.

From the report, we are encouraged that data for Integrated Health Homes showed:

- the overall cost of care is trending down for members enrolled in the Integrated Health Homes;
- the review of provider files illustrated consistent compliance in documentation of ongoing quality improvement, provider advocacy and meeting basic provider requirements;
- the review of member files illustrated consistent alignment to the ethos of Health Home coordinated care, documentation reflected members were accessing whole-person oriented care through a personal provider with whom they had an established on-going relationship;
- there was a recognized deficiency by the lead entity MCOs and IME as the oversight authority in providing the required technical assistance and guidance to the programs;
- a recognized need for improvement to the communication between IME, MCOs and Health Homes and that this will be addressed; and
- that further analysis of the health home programs is needed to provide a more accurate picture of the programs.

We strongly believe the Integrated Health Homes are an integral part of the care system for this population and that community-based providers are vital to the success of the programs.

Timely and Accurate Payments – IBHA continues to encourage you to be vigilant in your oversight of the MCOs and require them to make not only timely, but accurate payments to all Medicaid providers. This continues to be an issue across the industry and has placed an unneeded financial constraint and burden upon the providers of services. Unfortunately, we are now over 2 ½ years into this process and providers continue to shoulder the added expenses of providing these services because they are unable to get paid properly by the MCOs.

At your convenience, members of IBHA and myself are available to meet and further discuss these issues with you as well as extending an offer for you to tour our facilities to learn more about our programs and services.

Thank you for your time and consideration.