

HEALTH MANAGEMENT ASSOCIATES

# The Future of Community Behavioral Health: Leveraging the Transformation to Value-Based Healthcare

Speakers:

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Moderator:

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November 10, 2015

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Cisco WebEx Event Center

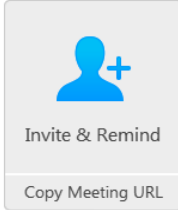
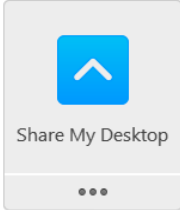
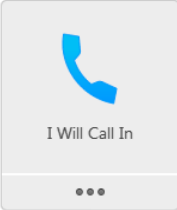
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Quick Start Event Info

## Test

Host: HMA Events  
Event number: 666 221 939

 Record  End Event





 Participants  Chat  Recorder  Q&A





▼ Participants (1)

Speaking:

▼ Panelists: 1

 **HMA Events** (Host, me) 


▼ Attendees: 0 (0 displayed)

▼ Chat

Send to: All Panelists


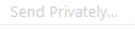
Select a participant in the Send to menu first, type chat message, and send...





▼ Q&A

All (0)

Select a question, and then type your answer here. There is a 256 character maximum.

 | Connected 

# HEALTH MANAGEMENT ASSOCIATES

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Quick Start Event Info

## Test

Host: HMA Events  
Event number: 666 221 939

Record End Event

I Will Call In Share My Desktop Invite & Remind

Copy Meeting URL

Participants (1)

Speaking:

Panelists: 1

**HMA Events** (Host, me)

Attendees: 0 (0 displayed)

Chat

Send to: All Panelists

Select a participant to send a message to:

- Host
- Presenter
- Host & Presenter
- All Attendees
- All Panelists**
- All Participants
- Select an Attendee...

Select a question, and then type your answer here. There is a 256 character maximum.

Send Send Privately...

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# HEALTH MANAGEMENT ASSOCIATES

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File Edit Share View Communicate Participant Event Help

Quick Start Event Info

Test

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Event number: 666 221 939

Record End Event

I Will Call In

Share My Desktop

Invite & Remind

Participants Chat Recorder Q&A

Participants (1)

Speaking:

Panelists: 1

HMA Events (Host, me)

Attendees: 0 (0 displayed)

Chat

Send to: All Panelists

Type your question here

Send

Q&A

All (0)

Select a question, and then type your answer here. There is a 256 character maximum.

Send Send Privately...

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# Agenda

- Value Based Payments
- Core Elements Necessary for Effective Preparation
- Developing Your Organization's Strategic Vision
- BH Providers who are Leading the Way

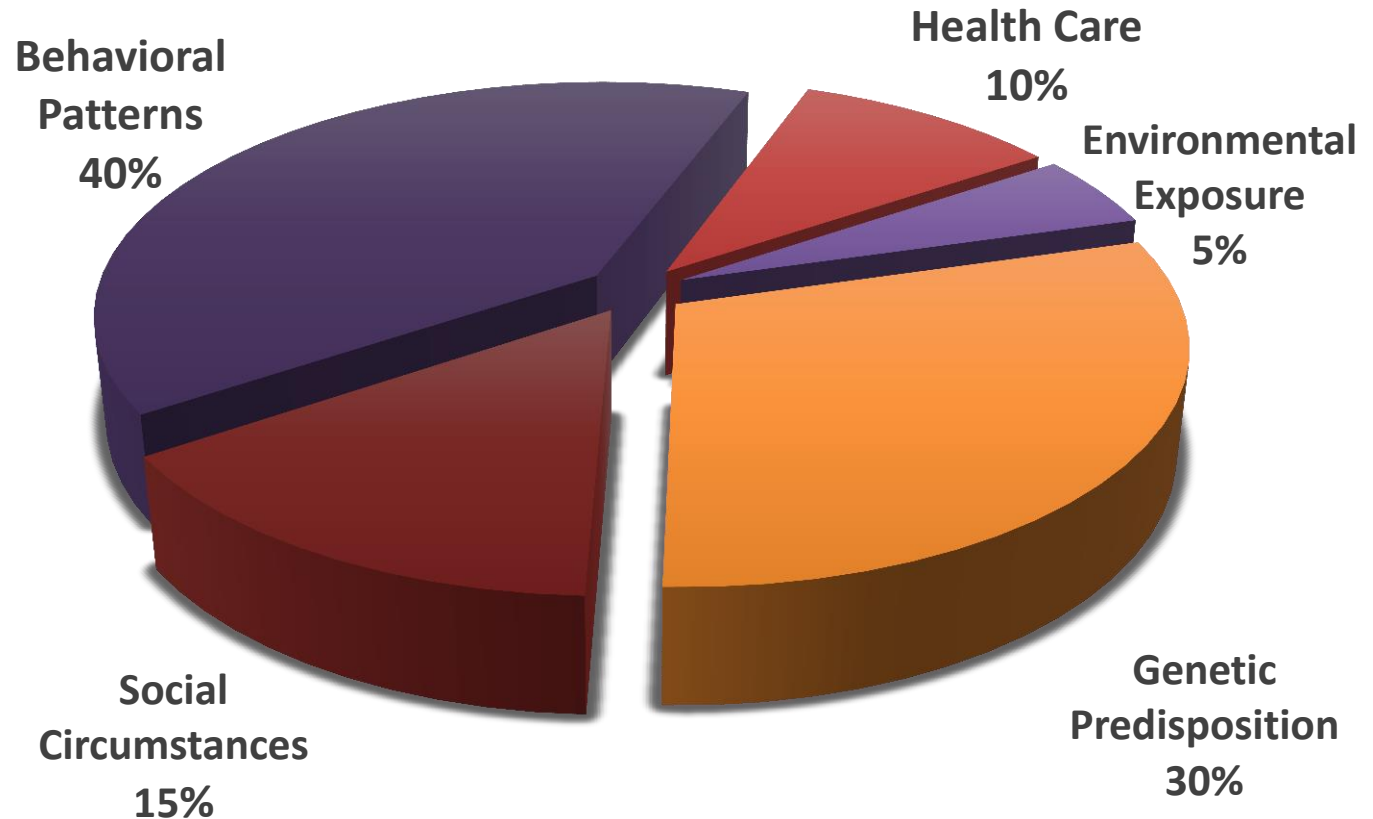
# VALUE-BASED PAYMENTS

# The Triple Aim





# What Impacts Health Outcomes?



Source: Schroeder, Steven A. We Can Do Better – Improving the Health of the American People. N Engl J Med 2007;357:1221-8



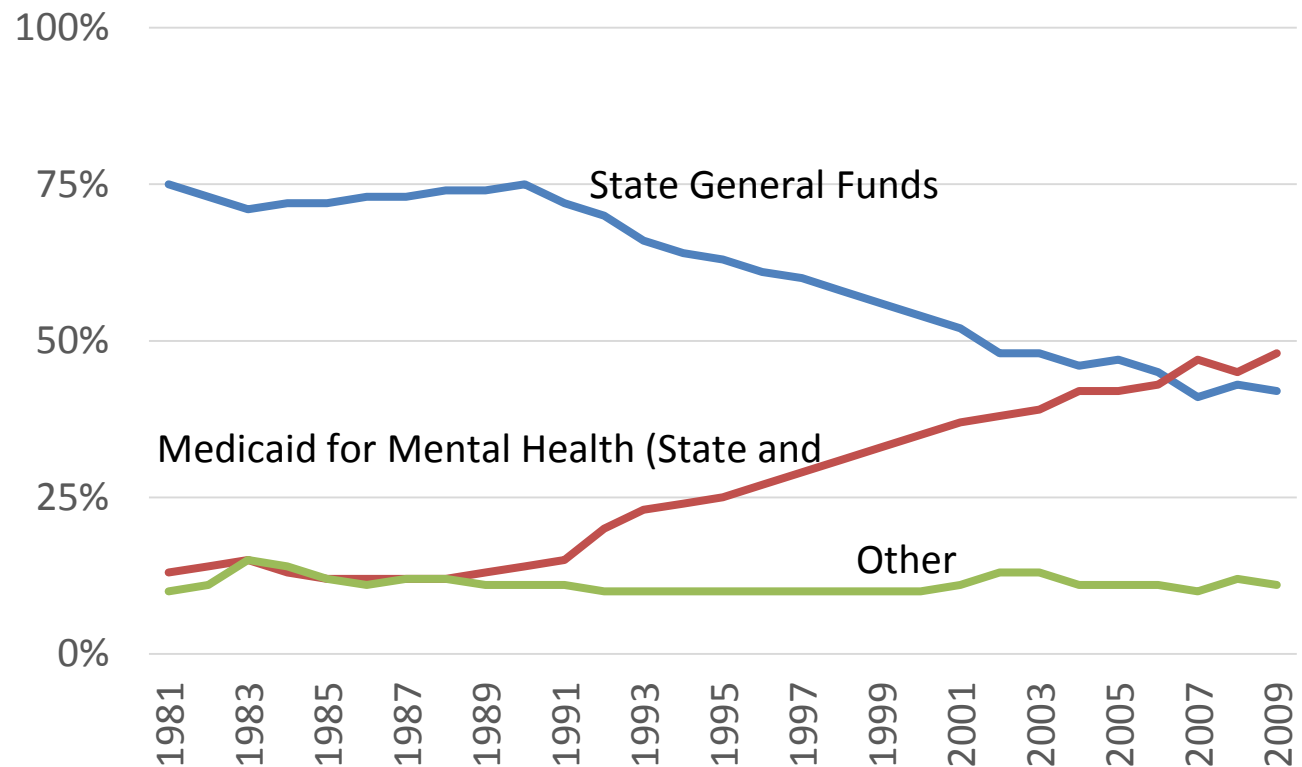
## Social Determinants of Health



# The Biggest Challenges Facing the Medical System Today

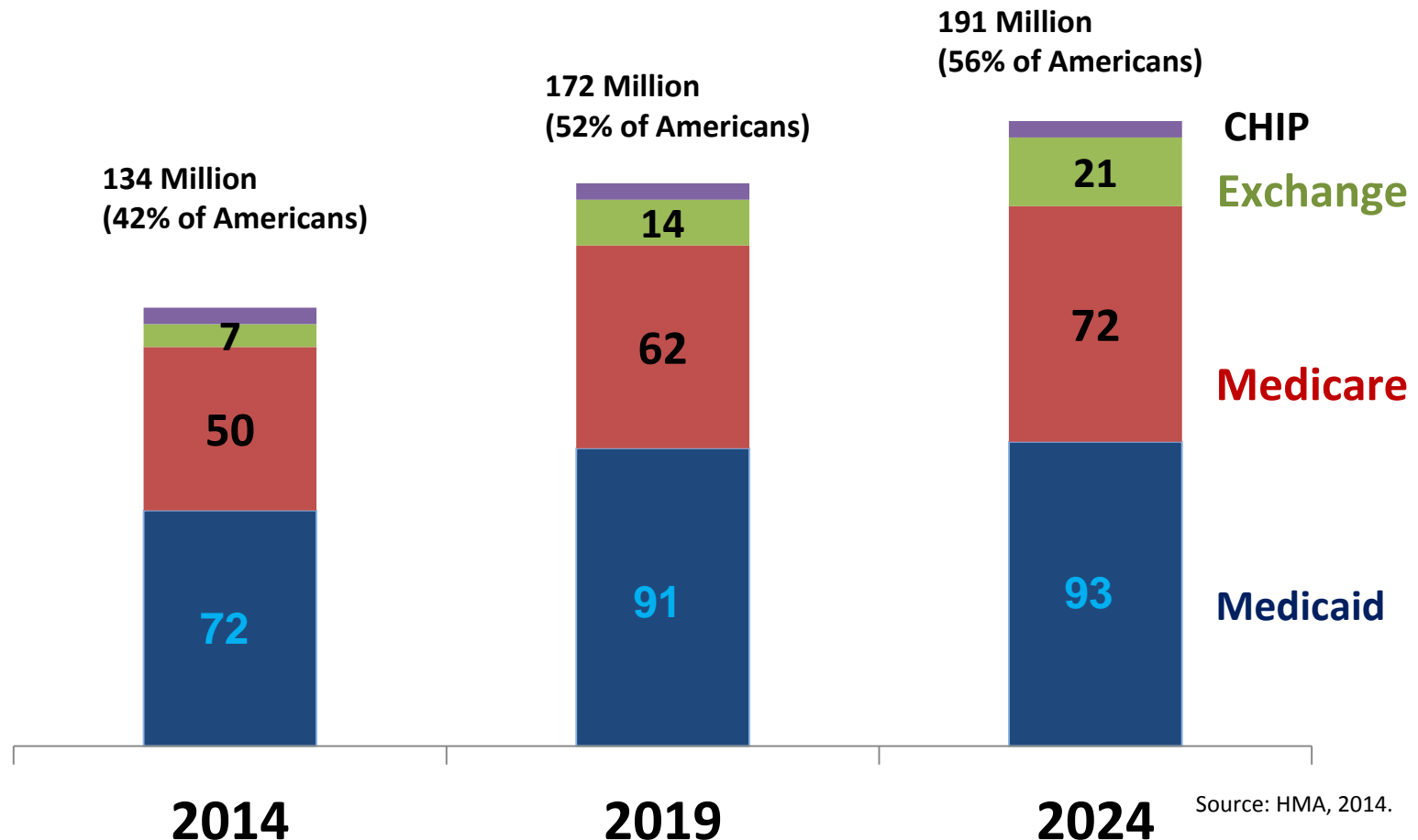
- Behavior Change
- Care management
- Social determinants of health
- Patient-centered, culturally competent care
- Outreach to difficult to engage populations

# Follow the Money: National Trends In SMHA Funding

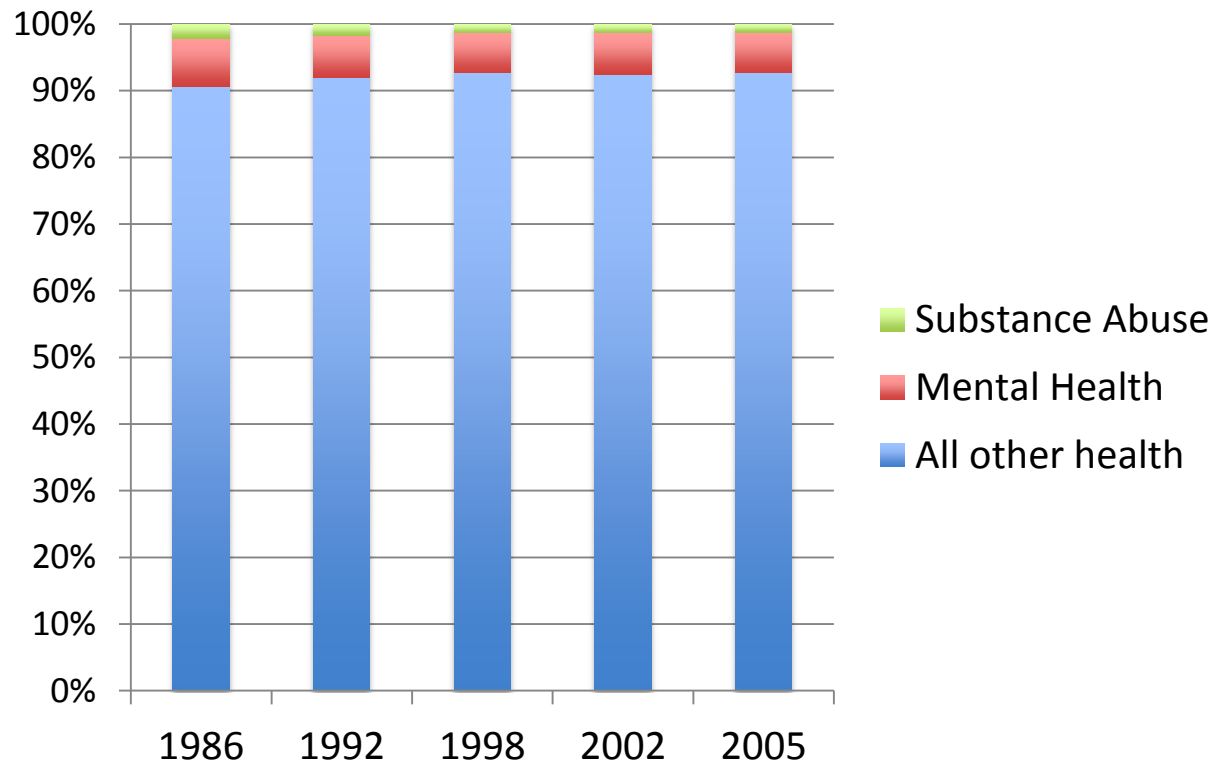


Source: SAMHSA. State Mental Health Agency-Controlled Expenditures and Revenues for Mental Health Services, State Fiscal Year 2009.

## Within Ten Years, Public Programs Will Cover 56% of All Americans

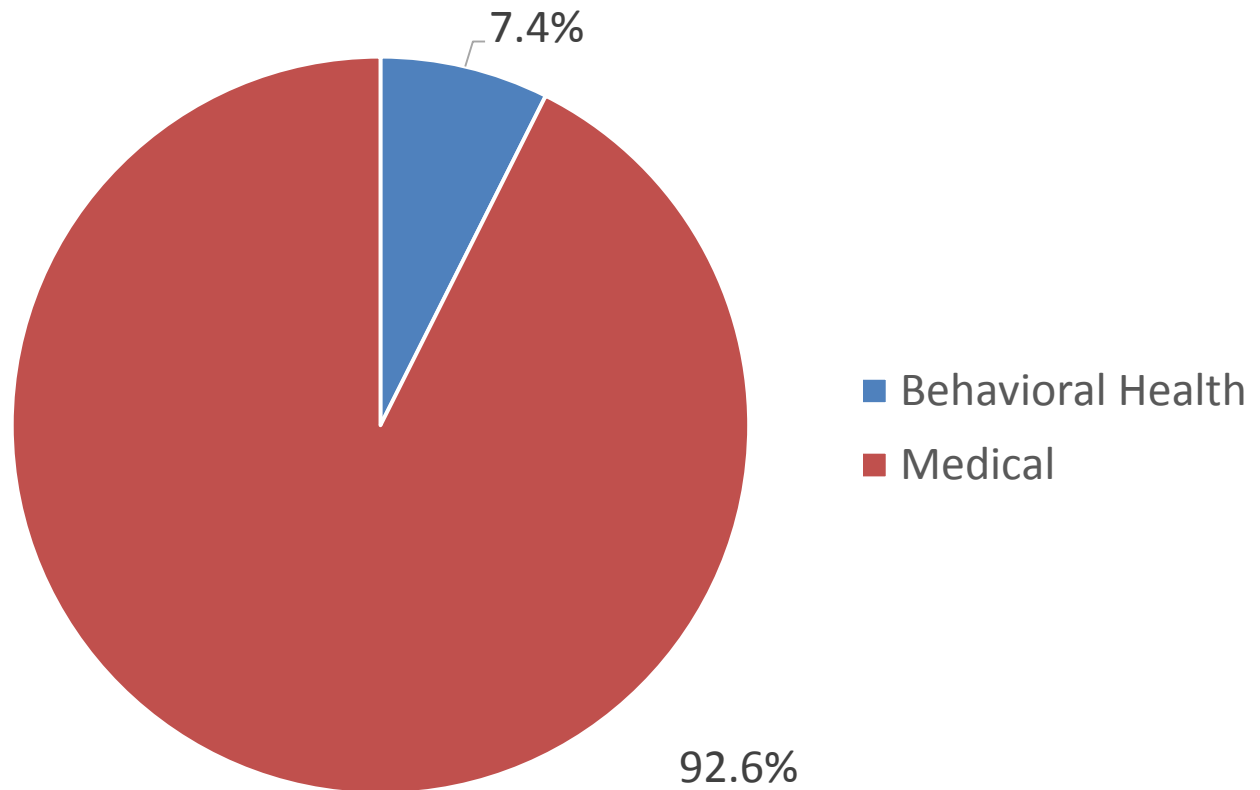


## Follow the Money: National Spending On Mental Health And Substance Abuse



Source: Mark, Tami, et al, Changes in US Spending on Mental Health and Substance Abuse Treatment, 1986-2005, And Implications for Policy, Health Affairs, 30:2,284-292.

## Which Piece of the Pie Looks More Filling?



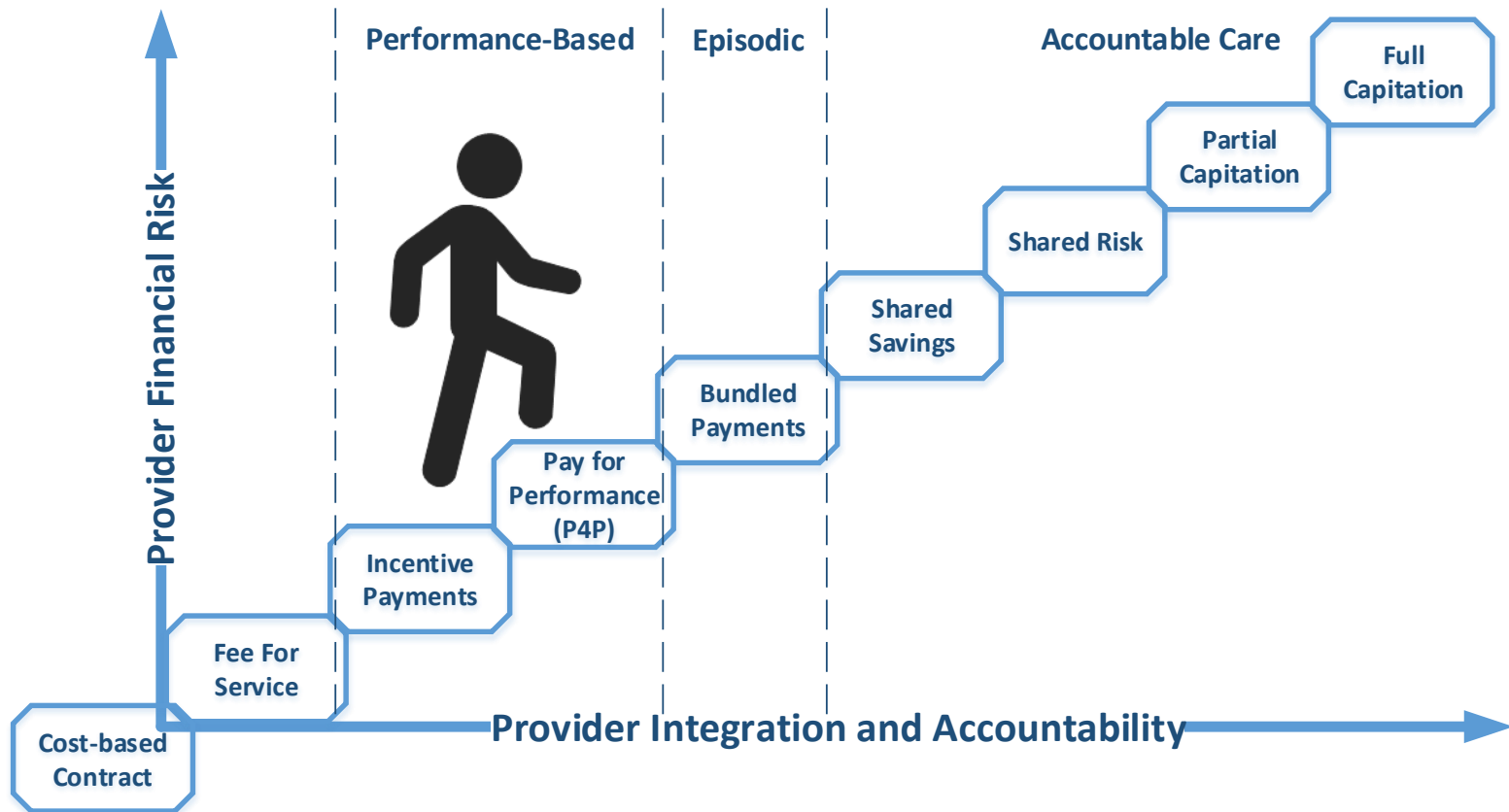
Source: Mark T, Levit K, Yee T, Chow C. Spending on Mental and Substance Use Disorders Projected to Grow More Slowly Than All Health Spending Through 2020. Health Affairs, August 2014, 33:8,1407-1415.

# VBP Purchasing Provisions in ACA

Type of VBP Program and Setting	Timeline
	Pay for Performance
Hospital Value-Based Purchasing (HVBP)	October 1, 2012 (current program)
Physicians (or groups of physicians) under Physician Value-Based Payment Modifier	January 1, 2015, for a subset of physicians January 1, 2018, for all physicians (program to be implemented)
Inpatient critical access hospitals	No later than 2 years after date of act (May 1, 2010) (demonstration program)
Hospitals excluded from HVBP program due to insufficient numbers of measures and cases	No later than 2 years after date of act (May 1, 2010) (demonstration program)
Long-term care hospitals	No later than January 1, 2016 (pilot program)
Hospice programs	No later than January 1, 2016 (pilot program)
Psychiatric hospitals	No later than January 1, 2016 (pilot program)
Rehabilitation hospitals	No later than January 1, 2016 (pilot program)
Prospective Payment System—exempt cancer hospitals	No later than January 1, 2016 (pilot program)
Ambulatory surgical centers	Submit plan to Congress no later than January 1, 2011 (plan for program)
Home health agencies	Submit plan to Congress no later than October 1, 2011 (plan for program)
Skilled nursing facilities	Submit plan to Congress no later than October 1, 2011 (plan for program)
Shared Savings	
ACOs	No later than January 1, 2012 (current program)
Bundled Payment	
Hospital/physicians/post-acute care	No later than January 1, 2012 (demonstration program)



# Accountability and Risk Go Together



# **CORE ELEMENTS NECESSARY FOR GROWTH**

# Core Elements

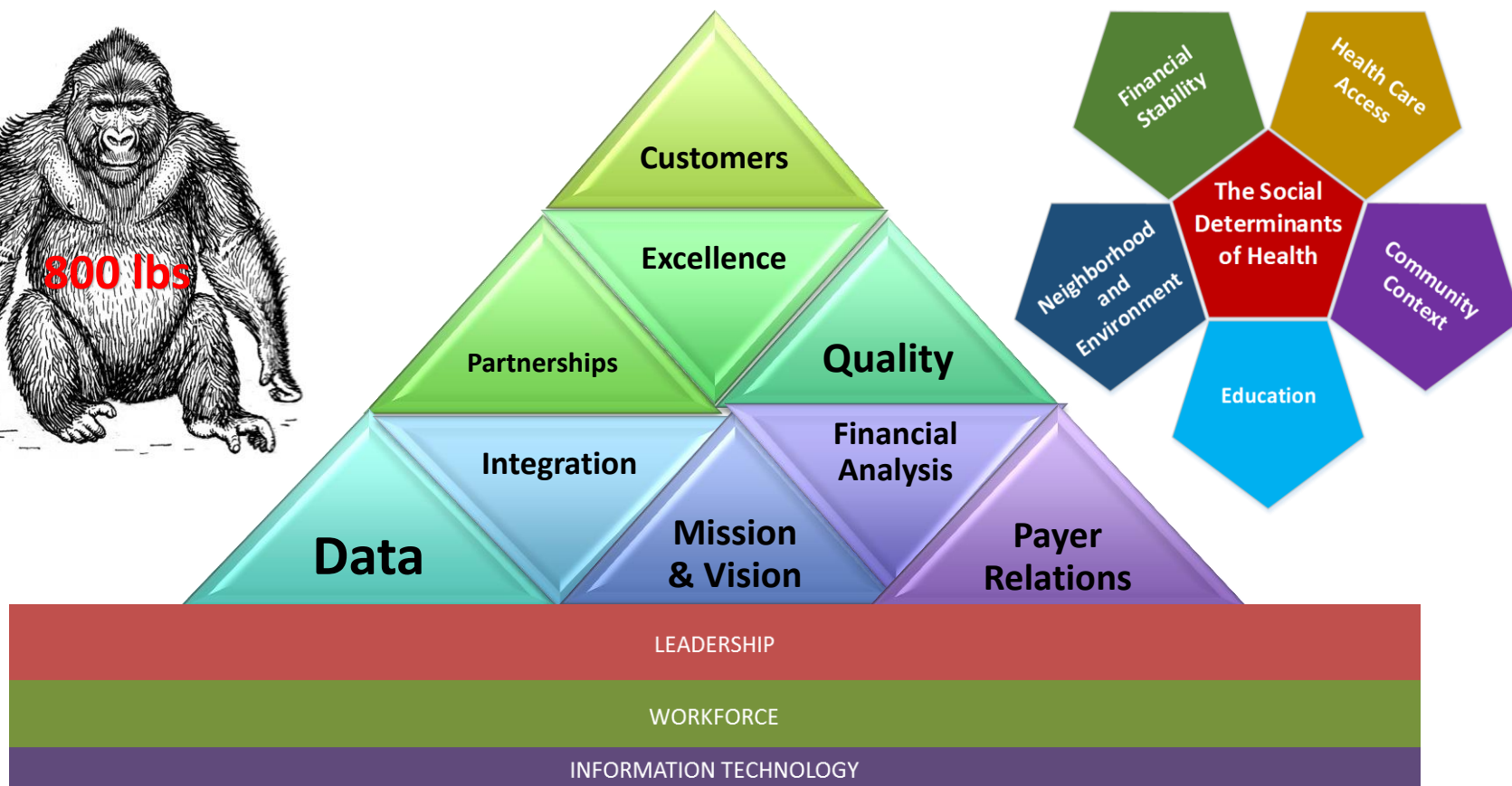
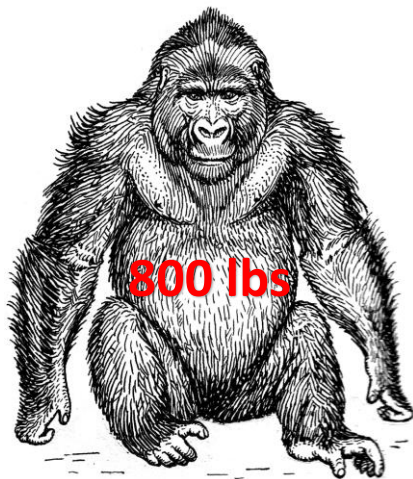
Leadership committed to practice transformation and change management

## Clinical/Programmatic

- Engagement and activation
- Clinical integration
- Quality
- Targeted and innovative model of care
- Coordination

## Operational

- Financial health
  - Total Cost of Care
  - Projections and Drivers
- Strategy based on data and vision
- IT
- Data analytics and connectivity
- Volume



# DEVELOPING YOUR STRATEGIC VISION

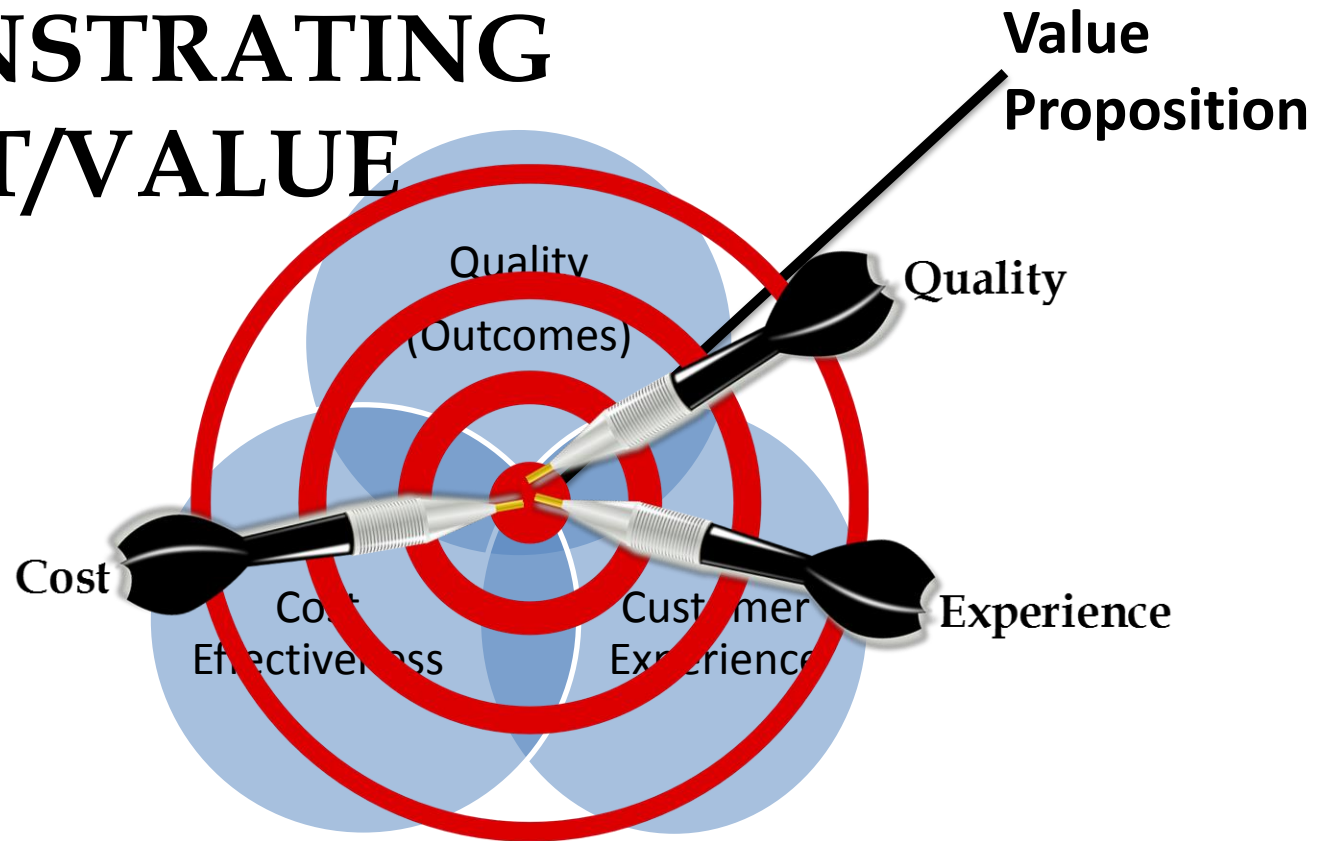
# Start With the People You Serve

No matter how the financing structure, service environment, regulatory environment, program names, billing systems change...

...the people you serve will still need services

**The question is how**

# DEMONSTRATING IMPACT/VALUE





# Options for Infrastructure Development

- Build v Buy considerations
  - Control
  - Economies of scale
  - Specialization
- Outsourcing
  - What?
  - To whom?
  - How are you going to oversee the contract?
- Collaboration Models
  - Independent Practice Association (IPA)
  - MSO
  - Provider Sponsored Organization (PSO)
    - Cooperative venture of a group of providers

# Key Collaborative Considerations

How do you provide the best possible service to your consumers?

- Time
- Money
- Control/Individual Organizational Identity
- Legal Complexities
- Start-Up Capital
- Governance
- Critical Mass to Achieve Economies of Scale

Merger Considerations Specifically

- Values
- Culture
- Cost
- Synergies
- Integration
- Workforce
- Risk
- Ego
- Control
- Antitrust
- Timeline
- Cost
- Identity
- Horizontal v vertical integration
- Governance
- Excellence

# Risk Ready Care Framework

Build your foundation	Capture sure-wins	Integration	Make it all work
<i>Patient-Centered Medical Home and/or Health Home</i>	<i>Targeted Interventions</i>	<i>Primary Care &amp; BH Integration</i>	<i>Financial Capacity &amp; Management Control</i>
<p>Access &amp; communication</p> <p>Continuity</p> <p>Tracking of referrals, results, prevention</p> <p>Care management</p> <p>Performance improvement</p>	<p>Reduction of low value tests &amp; services</p> <p>Post-hospital transition care management</p> <p>ED diversion</p> <p>Med Optimization</p>	<p>Behavioral health ability to delivery primary care</p> <p>Interdisciplinary Teams BH and PC</p> <p>Co-location and consultation</p>	<p>Utilization Management</p> <p>Analytic Capacity</p> <p>Financial monitoring connected to patient- specific program intensity</p> <p>Contracting for Risk</p>



# **BH PROVIDERS WHO ARE LEADING THE WAY**

## Meet our Leaders:



LIBERTY RESOURCES



Recovery  
Network  
of Programs  
Helping people build better lives since 1972



THE LIFE LINK



# HEALTH MANAGEMENT ASSOCIATES

Agency	Starting Program	Today
Liberty Resources, NY	Community mental health center	Grew from under \$500,000 to over \$52M
Operation PAR, FL	Partner support group	\$30 million
SSTAR, MA	Detox center	Added MH license, and added PC to become an FQHC → started with 2 rooms and now we serve 50,000
Life Link, NM	Transitional housing program serving 50 individuals	\$4.1 million one-stop-shop health and behavioral health services to over 1,700
Way Station, MA	Mental health organization	3,000 individuals annually as the state's first medical home pilot program
Regional Mental Health, IN	Two small mental health agencies	continuum of integrated care offered at two FQHCs and ten other program sites in Indiana
Recovery Network of Programs, CT	Methadone agency	continuum of services ranging from addiction, to homelessness, to mental health services
Cherry Health, MI	FQHC	\$70 million; merged with both behavioral health and substance abuse organizations serving over 61,000 patients in 2014
Townsend Treatment Centers Services, LA	Opened in 2009; outpatient SA	\$25 million agency; over 17 sites spanning 5 states

## Common Themes

- Need driven care
- Actively engaged in transformation policy
- Data analytics are a significant feature
- Diversified funding
- Partnerships, mergers, collaborations
- Open to risk
- Thoughtful change management
- Eye on the future



## Need Driven Care

- Programmatic development driven by identified community need
- Focus on building sustainable infrastructure

*If we sit around and wait for people to reimburse us for what we already know is going to make the difference, then nothing would change.”*

– Carol Luna Anderson,  
Life Link

# Supporting Advancement of the Field

- Local Coalitions
- Research Engagement
- Critical leading edge pilots
- State and Federal taskforce involvement

*“What’s good for the behavioral health field is inherently good for Operation Par.”*

-Nancy Hamilton,  
Operation PAR



# Data Analytics

- Data is central to development and success
- Network cost sharing
- State and local collaborations to support IT



## Diversified Funding

- Business-like non-profits
- Investment mentality
- Diversity via integration, expansion to new populations, new geographic areas

*“Every time you get into a new line of business, you can’t make money from day one—enough lines of business though, they even it out.”*

— Bob Krumwied,  
Regional MH

# Partnership and Collaboration

- Mergers and acquisitions
- Collaborations/cooperative agreements to share costs

*“It’s about relationships.  
It’s the psychosocial model  
at the administrative level.  
It’s about trust”*

-Scott Rose, Way  
Station





# Open to Risks

*“Failure is my favorite word. Its so necessary to project improvement... to getting it right.”*

— Chris Shea,  
Cherry Health

- The biggest risk lies in doing nothing
- Growth will lead to peaks and valleys financially, leaders must prepare and weather the storm



# Change Management

- Staff must be flexible and open to change
- Buy-in is crucial
- Humility and transparency are vital
- Participatory leadership facilitates both organizational support and insightful management

“Communication and shared decision making are critical.”

-Carl Coyle, Liberty Resources





# What's on the Horizon?

- Certified Community Behavioral Health Center Demonstration
- Managed Care
- State 1115 Waivers
- SUD Treatment Expansion
- First Episode Psychosis

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## Q & A

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