

Physical and Behavioral Health Integration Summary of ESSB 6312

Background

ESSB 6312 “An Act relating to state purchasing of mental health and substance use disorder treatment services” was passed by Washington State legislature on March 12, 2014.

- Calls for the creation of **new Regional Service Areas (RSA)** for Medicaid purchasing by the state. King County is a single RSA.
- Calls for the **integrated purchasing** of mental health and substance use disorder treatment (collectively, **behavioral health**) services through managed care by April 1, 2016.
- Calls for **full integration** of mental health, substance use disorder and physical health care through managed care contracts by January 1, 2020.
- Allows for “**Early Adopter**” Option for integrated purchasing of physical health, mental health, and substance use disorder treatment services by April 1, 2016. King County opted NOT to do this option.
- Provision in place to allow for regions to become “**Mid Adopter**” for integrated purchasing of physical health, mental health, and substance use disorder treatment services by January 1, 2019. King County has responded and has become a mid-adopter.

Behavioral Health Organization (BHO) / integration by April 1, 2016 (accomplished)

Major changes:

- Behavioral Health Organizations (BHO) will replace Regional Support Networks (RSN) and County Chemical Dependency Coordinators.
 - One BHO in each region.
 - King County Behavioral Health and Recovery Division (BHRD) will serve as the BHO for the King County region.
- Purchasing of mental health and chemical dependency treatment services through managed care contracts.
 - This already happens for mental health treatment services.
 - Requires significant changes for substance use disorder treatment services moving from a fee-for-service payment structure to a managed care payment environment.
 - The BHO will receive a single, capitated payment for all Medicaid eligible individuals in the region and will assume full financial risk for both mental health and chemical dependency treatment services (inpatient and outpatient).
- Increased use of evidence-based, research-based and promising practices.
- Increased accountability for client outcomes and performance measures.

What does this mean for King County?

- Increased flexibility to deliver integrated care to clients, especially those with co-occurring MH and SUD
- New lines of business – SUD Residential Treatment; expanded SUD outpatient services; expanded provider network;
- Increased risk for inpatient/outpatient SUD treatment (we are already at full risk for MH)
- Develop an integrated data system (expand current MH data system to allow for collection of SUD data)
- New integrated benefits; payment mechanisms; contracting; authorization processes
- New staff to manage increased business

Mid-adopter of full Integration of mental health, substance use disorder and physical health care through managed care contracts by January 1, 2019

Major changes:

- 2017 - Establishment of a leadership table to oversee and ensure to fully integrated managed care by January 1, 2020. (HCA, King County, MCOs, ACH)
- 2017 – Establishment of an Implementation team. (King County, ACH, HCA)
- 2018 becomes a planning and transition year involving, providers, MCOs, HCA, ACH and King County to assure transition to FIMC by 1/1/19.
- Medicaid funding will transition from King County to the MCO's January 1, 2019.
- Plans will contract back to the County for the delivery of certain Behavioral Health Services throughout 2019 while we work together to design the system 2020 forward.
- Medicaid individuals will receive integrated care for behavioral and physical health.
- King County will serve as the Behavioral Health Administrative Service Organization (BH-ASO) and administer the crisis system, federal block grant, non-Medicaid funding, Criminal Justice Treatment Account, administration of the Family Youth System Partnership, ombudsman services and management of the community behavioral health advisory board.
- Local investments of MIDD, BSK and VSHS levy funds and resources associated with becoming the BHASO will continuously be reviewed to be in alignment with County goals and our role and responsibility.

Key Milestones/Next Steps

- Stand up leadership table.
- Meeting with Providers for their perspective and our proposed path forward.
- Design work with MCO's related to 2019 contracts/shared outcomes and performance measures.
- Ongoing infrastructure development and training/TA for providers to get ready to operate in integrated managed care environment.
- Implementation and alignment of incentive payments and values based purchasing.
- Behavioral Health Medicaid funding transitions to MCO's January 1, 2019.
- New integrate contract effective January 1, 2019.
- Individual meetings with each of the MCOs regarding path forward.