Transformation and Reformation, 2013

Ron Manderscheid, Ph.D.
Executive Director, National Association of County Behavioral Health and Developmental Disability Directors
Adjunct Professor, Department of Mental Health, Johns Hopkins University
Bloomberg School of Public Health
Newtown Response

- Call to National Action
- Presidential and Congressional response
- Need for improved mental health and substance use services
- White House Conference on Mental Health
Affordable Care Act – United States

- Expanded insurance coverage for 18 million poor and 20 million near-poor citizens
- Health benefits for 11 million persons with behavioral health conditions*
- Safe Harbor for those with severe illnesses
- Implementing prevention and promotion interventions

* Source: HHS News Release, May 11, 2012, Statement from HHS Secretary Kathleen Sebelius on Mental Health Month
Affordable Care Act -- Texas

- Federally-Facilitated Marketplace: 2,341,572 to be enrolled; 6.0% SMI; 14.1% SUD.
- No Medicaid Expansion: 2,277,551 could be enrolled; 5.7% SMI; 11.0% SUD
- Essential Health Benefit Benchmark: Default to: BC & BS of Texas Best Choice PPO RS26
Medicaid Expansion -- Iowa

- New agreement - Democratic State Senate and Republican Governor
- Medicaid Expansion population is subdivided:
  - To 100% FPL – regular Medicaid Expansion
  - From 100 to 133% FPL – premium supplementation through Qualified Health Plans (QHPs). Premiums automatically waived in year 1 and in subsequent years if members undertake an annual physical and other wellness activities.
- Benefits will be equivalent to those available to State employees, adjusted to conform to the Essential Health Benefit
New Texas Medicaid 1115 Waiver

- Huge progress in the past year.
- Moving toward integrated care and carve-in funding, with performance measures to protect behavioral healthcare.
- Local entities can participate financially by contributing state match funds to expand the federal investment.
- Moving toward Medicaid managed care: a capitation rate with a behavioral health piece.
- Opportunity for local projects that vary by locale.
Congratulations to Danette Castle!!!

- She has done a fabulous job in a field full of thistles.
- She has managed the system to success, in spite of itself!
The Federal Government and Residential Services

- OLMSTEAD: The effects of the Olmstead Supreme Court decision are being felt widely, e.g., work toward the ID/DD settlement agreement Texas.
- IMD EXCLUSION—if 16 or more residential clients between 22-64, then no Medicaid payments. This is now affecting all three fields: MH community placements; substance abuse treatment and community placements; ID/DD treatment and community placements.
- INTEGRATED WORK PLACEMENTS: States are beginning to abandon sheltered workshops in favor of integrated work sites.
Changes for the ID/DD Population

- Moving from institutional to community placements and services.
- Moving toward integrated services under Medicaid.
- Moving toward full community participation and integration.

- Texas Council is advancing “boots on the ground” for necessary:
  - Habilitation Services
  - Targeted Case Management
Some Demographic Trends

- Changing U.S. demography
  - Bigger (282 → 350M)
  - Older (12 → 18%) ($27T Medicare; $11T Soc Sec)
  - More racially and ethnically diverse (81 → 78% white)
  - Medicaid (→ 80M) and Medicare (→ 75M) will continue to grow.
Some Important Facts for Behavioral Health Care

- People with behavioral health conditions **die 25–35 years earlier** than others.
- **One million** people with behavioral health conditions **will die from heart attack or stroke** in the next 5 years.
- Behavioral health conditions are implicated in all major chronic diseases and vice versa.
Implementing the ACA
The Affordable Care Act: Overview and Implications for County and City Behavioral Health and Intellectual/Developmental Disability Programs

Ron Manderscheid, PhD

FORTHCOMING IN: JOURNAL OF SOCIAL WORK IN DISABILITY AND REHABILITATION
© NACBHDD

Abstract
We begin by reviewing the five key intended actions of the ACA—insurance reform, coverage reform, quality reform, performance reform, and IT reform. This framework provides a basis for examining how populations served and service programs will change at the county and city level as a result of the ACA, and how provider staff also will change over time as a result of these developments. We conclude by outlining immediate next steps for county and city programs.

Article can be accessed at: http://www.nacbhdd.org/content/ACA%20Article%202011-18-12.pdf
Quick ACA Overview

- Insurance reform
- Coverage reform
- Quality reform
State Estimates of the Uninsured

- You can access state estimates for the Medicaid Expansion and for the State Marketplace at [http://www.samhsa.gov/healthReform/enrollment.aspx](http://www.samhsa.gov/healthReform/enrollment.aspx)
- Three estimates are provided:
  - Adults with Serious Mental Illness
  - Adults with Serious Psychological Distress
  - Adults with a Substance Use Disorder
ACA Medicaid Expansion

- Fact: For states that choose this option, system will go live on January 1, 2014, for all uninsured adults up to 133 percent of poverty (plus discounted 5 percent of income).
- Overall 40%. (About 7% will have a Serious Mental Illness and about 14% will have a Substance Use Disorder).
- Likely future
  - You will need to reach out and enroll people in the new system.
  - At the same time, you will have an opportunity to offer them services.
  - Begin strategizing now—may need to run some focus groups to help develop your approach.
Fact: System will go live on January 1, 2014, for all uninsured adults above 133 percent of poverty (plus discounted 5 percent of income).

Overall 25% (About 6% will have a Serious Mental Illness and 14% will have a Substance Use Disorder).

Likely future
- Reach out to companies offering insurance products (Qualified Health Plans) through the Marketplace—many enrollees will need “public” level of services.
- Don’t be shy about reaching across the aisle—this will represent an important business opportunity.
- Become engaged in your state’s effort to develop a Marketplace.
ACA New Coverage Mandates

- Fact: Certain prevention and promotion services now have no copays or deductibles; guaranteed issue for pre-existing conditions now covers up to age 19 (to be extended to all ages on 1/1/2014) and those up to age 26 can now be covered by family policies.

- Likely future
  - You need a *State Coalition for Whole Health*.
  - Mental health and substance use services available to your new clients will depend upon it.
Fact: **Everyone (including you) will be in a “health home” by 2020.**

Likely Future
- Health homes will be operated by ACOs.
- Behavioral health entities can’t form ACOs.
- You will need to become a provider in an ACO.
- Think about some out of the box approaches—county/community collaboratives!
ACA—Health Homes and ACOs

- Fact: We *do* have a lot to offer ACOs/CCOs!
- Likely future
  - We can and should contribute the concepts of *recovery* to chronic illness care.
  - We can and should contribute the concept of *resilience* (“well-being”) to prevention and promotion care.
  - We can contribute *peer support* and health navigation for cost reduction and improved outcomes.
Health Insurance Navigator Grants
Local Action

Identify a *Strategy Officer* who will help adapt your organization into the rapidly changing environment: strategic vs. steady-state planning
Contact Information

Ron Manderscheid, Ph.D.
Executive Director, National Association of County Behavioral Health and
Developmental Disability Directors (NACBHDD)
Adjunct Professor, Department of Mental Health, Bloomberg School of Public
Health, Johns Hopkins University
www.nacbhdd.org

NACBHDD
The Voice of Local Authorities in the Nation’s Capital!
25 Massachusetts Ave, NW, Suite 500
Washington, D.C. 20001
Office: 202-942-4296; Cell: 202-553-1827
Email: rmanderscheid@nacbhd.org