1

MassHealth Restructuring Overview

State of the State, Assuring Access, Equity and Integrated Care

Massachusetts League of Community Health Centers

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Executive Office of Health & Human Services

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2

Goal of MassHealth Waiver and Restructuring

- Improve population health and care coordination through payment reform and value-based payment models
- Improve integration of physical and behavioral health care
- Address the opioid addiction crisis by expanding access to substance use disorder (SUD) services
- Scale innovative approaches for populations receiving long-term services and supports
- Ensure financial sustainability of MassHealth

Overview of MassHealth Waiver and Restructuring

- New 1115 Demonstration Waiver is effective from July 1, 2017 through June 30, 2022
- Authorizes $52.4B in spending over five years and generates $29.2 billion of federal revenue for the Commonwealth over that timeframe
- Approves implementation of ACOs and Community Partners to deliver integrated care
- Provides federal match for up to $7.9B over five years for the Safety Net Care Pool (SNCP)
  - 1.8B of Delivery System Reform Incentive Program (DSRIP) payments to support transition to ACO models
  - $4.8B for uncompensated care by safety net providers, including through the Health Safety Net
  - $1.3B to provide affordable coverage to consumers through the Health Connector
- Allows increased access to treatment and ongoing recovery support for all MassHealth members with SUD

ACO Models and Implementation

Three ACO models:

A. Accountable Care Partnership Plans (Model A)

- Managed care organizations (MCOs), each with a closely and exclusively partnered ACO with which the MCO collaborates to provide vertically integrated, coordinated care under a global payment

B. Primary Care ACOs (Model B)

- Provider-led ACOs that contract directly with MassHealth to take financial accountability for a defined population of enrolled members through retrospective shared savings and risk, and potentially more advanced payment arrangements

C. MCO-administered ACOs (Model C)

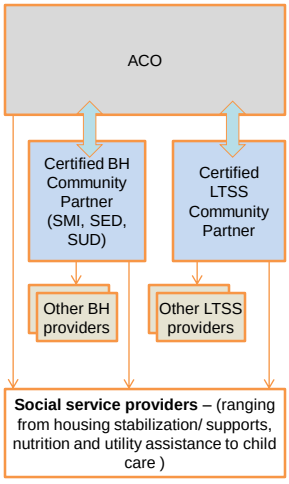
- Provider-led ACOs that contract directly with MassHealth MCOs to take financial accountability for the MCO enrollees they serve through retrospective shared savings and risk

Implementation:

- **ACO Pilot launched in December 2016 with six pilots**
  - Includes Community Care Cooperative (C3), composed of a number of CHCs
- **MassHealth received 21 responses to the full ACO procurement**
  - 15 Accountable Care Partnership Plans
  - 3 Primary Care ACOs (including response from C3)
  - 3 MCO-Administered ACOs

5

Community Partners



Goals:

- Encourage ACOs to "buy" BH/ LTSS care management expertise from existing community-based organizations
- Invest in infrastructure and capacity to overcome fragmentation amongst community-based organizations
- Improve continuity of care and member experience for those with complex needs

Who can be a BH or LTSS Community Partners

- The State certifies BH and LTSS CPs
- Criteria include expertise in care coordination and assessments and infrastructure/ capacity
- CPs can be providers but self-referrals monitored

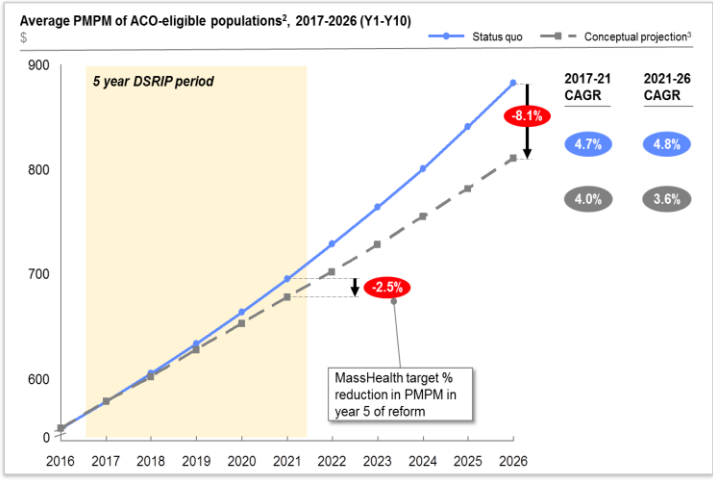
How it works

- Certified CPs and ACOs both get direct DSRIP funding
- MCOs may provide support to Model A and Model C ACOs for integrating with BH and LTSS CPs
- Avoid duplication of care coordination and care management resources

SMI = Serious Mental Illness, SED= Serious Emotional Disturbance, SUD = Substance Use Disorder

6

DSRIP: State Targets/Commitments



Cost commitments:

- 2.5% PMPM reduction by Year 5
- Reductions in avoidable utilization

Quality commitments:

- **29 quality measures** across several domains
- **Patient experience and access** measures
- Aligned with Medicare/ Commercial metrics where applicable

Accountability:

- Hold **ACOs accountable** for performance targets

1 Analyses shown here demonstrate the financial impact of ACO reform on MassHealth; 2 The ACO-eligible population is defined as all non-dual members under the age of 65; 3 An illustrative scenario that achieves the target 2.5% reduction in ACO-eligible PMPM and spend by year 5 (2021) and reduction of the PMPM growth trend to 3.6% (based on Chapter 224 target) in 2021-2026

DSRIP Funding

ACOs ***($1.0B)***	▪ Provider-led organizations that are held responsible for quality, coordination, and total cost of members' care ▪ Supports ACO investments in PCPs, infrastructure and capacity building, and expansion of ACO model to safety net providers ▪ Portion dedicated to reimbursing flexible services to address social needs
Community Partners (BH & LTSS) and CSAs ***($547M)***	▪ Supports BH and LTSS care coordination ▪ Supports CP and CSA infrastructure and capacity building ▪ Directs considerable new funding into community-based organizations
SWI & DSRIP Admin ***($188M)***	▪ Allows state to more efficiently scale up statewide infrastructure and workforce capacity ▪ Ensures robust implementation and proper oversight of the DSRIP program

- ACOs & CPs are accountable to State for quality and performance (some funding at risk)
- State is **accountable to CMS** based on aggregate performance across the State (some funding at risk)
- If State does not achieve performance targets, then State may lose a portion of DSRIP expenditure authority

Statewide Investments (SWI) Overview

Statewide investments (SWIs) will help to efficiently scale up statewide infrastructure and workforce capacity, and provide assistance to ACOs & CPs in succeeding under alternative payment models. Currently $115M is preliminarily allocated across 5 years for the SWIs.

1. **Student Loan Repayment***
2. **Primary Care Integration Models and Retention***
3. **Investment in Primary Care Residency Training***
4. **Workforce Development Grant Program**
5. **Technical Assistance (TA)***
6. **Alternative Payment Methods (APM) Prep Fund**
7. **Enhanced Diversionary Behavioral Health Activities**
8. **Improved accessibility for people w/ disabilities or for whom English is not a primary language**

*Specifically designed to invest resources in CHCs

SWI Stakeholder Engagement with CHCs

- The Student Loan Repayment Program, Primary Care Integration Models and Retention Grants, and Investments in Primary Care Residency Training focus on recruiting and retaining providers in CHCs and community mental health centers
- Currently engaging with stakeholders to ensure that the needs and priorities of CHCs are recognized and addressed through SWIs
- Stakeholder engagement to date:
  - Meetings with Mass League leaders and team members
  - Focus group with CHC leaders convened by Mass League
  - Interviews with ACO Pilots regarding technical assistance (TA) needs
  - Interviews with individual CHCs participating in ACO Pilot on TA priorities
  - Interviews with leaders at CHCs that train residents

Addressing Opioid Epidemic

- **Expanding Access to Treatment through MassHealth**
- The approval of the waiver will provide $52.4 billion for MassHealth restructuring to improve the health of the population and also reduce spending. This will mean an addition $25 million will be invested in the substance use treatment system in FY18.
- Work to address the opioid addiction crisis by expanding access to a broad spectrum of recovery-oriented substance use disorder (SUD) services
- 1115 waiver expands capacity to include the full continuum of medically necessary 24-hour community-based rehabilitation services
  - Also makes available care management and recovery support services
- Under the 1115 demonstration waiver, the MassHealth benefit will be expanded to include:
  - ❖ Residential rehabilitation service programs; and
  - ❖ Care coordination and recovery services for members with significant SUD.
- MassHealth and the Department of Public Health will adopt a standardized American Society of Addiction Medicine assessment across all SUD providers.

Expansion of Psychiatric and Substance Use Services in the Commonwealth (As of January 1, 2017)

Program Type	Total Operational Licensed Capacity as of January 1, 2015	Total Operational Licensed Capacity as of January 1, 2016	Total Operational Licensed Capacity as of April 1, 2017	Change Since January 1, 2015
DPH Acute Treatment Services (ATS) (level 4.0 & 3.7), Adult	846 beds	902 beds	1,068 beds	222 beds
DPH Clinical Stabilization Services (CSS)	297 beds	340 beds	575 beds	239 beds
DPH Transitional Support Services (TSS)	339 beds	312 beds	342 beds	3 beds
DPH Adult Residential Recovery	2,300 beds	2,375 beds	2,356 beds	56 beds
DPH Youth Stabilization Beds	48 beds	48 beds	48 beds	0
DPH Second Offender Residential	58 beds	58 beds	58 beds	0
DPH Adolescent / Transitional Youth Residential Beds	144 beds	111 beds	86 beds	-58 beds*
DPH Family Residential	110 families	110 families	110 families	0
DMH Adult Psychiatric	1,782 beds	1,854 beds	2,019 beds	237 beds
DMH Geriatric Psychiatric	399 beds	399 beds	458 beds	59 beds
DMH Adolescent & Child Psychiatric	252 beds	266 beds	298 beds	46 beds
Section 35 Men's Beds	258 beds	308 beds	308 beds	50 beds
Section 35 Women's Beds	90 beds	90 beds	163 beds	73 beds
DPH Outpatient Treatment Program (OTP) - Medication Assisted Treatment (MAT) Programs (Methadone)	39 programs	41 programs	41 programs	2 programs
DPH Outpatient Counseling and Outpatient Detox Programs	190 programs	190 programs	208 programs	18 programs
DPH Office-Based Outpatient Treatment (OBOT) (buprenorphine) – MAT Sites funded by DPH	14 programs	17 programs	31 programs	17 programs
Sober Homes Certified by the Mass Association of Sober Houses	0	0	147 homes 1,974 beds	147 homes 1,974 beds

**DPH has awarded contracts to providers to add 60 new beds across 4 programs, these beds are not included in this number*

11

12

Next Steps

- Continue the 55 action items from the Governor's Action Plan, which focus on prevention, intervention, treatment and recovery
- SAMHSA grant totaling nearly $12 million to bolster public health response to the opioid epidemic, particularly for outpatient opioid treatment, recovery services and expanded community overdose prevention programs.
- DPH & DMH are collaborating with the Schools of Social Work to implement core competencies around the treatment of individuals with a substance use disorder
- Expand access to Recovery Coaches and Residential Recovery Homes through implementation of the MassHealth Waiver
- Improve the quality of treatment for men civilly committed under section 35 of chapter 123 of the General Laws by moving them from MASAC to MCI-Plymouth
- Use the data from MassPAT to inform doctors about their opioid prescribing practices to reduce instances of overprescribing