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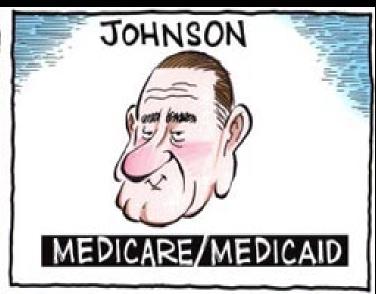
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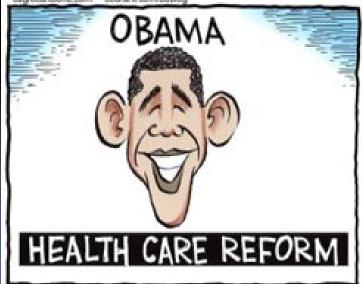
# MAKING NATIONAL HEALTH REFORM REAL













#### Key Components of Reform

- 1. Health Insurance Reform
- 2. Coverage Reform
- 3. Quality Reform
- 4. Payment Reform
- 5. Information Technology

#### 1. Health Insurance Reform

- New insurance for about 32 million more adults.
- Medicaid (2014): To 133 % of poverty.
- State Health Insurance Exchanges (2014): Individual and Small Group Plans.

#### Implications

- About 1/3 have MH or SU conditions— 10.5 million, and 60% qualify for Medicaid.
- Medicaid: Many new enrollees with SU conditions; smaller number with MH conditions.
- Insurance Exchanges: Will include many new enrollees who need public services.

- How can you work with the newly insured to help them understand insurance and care negotiation?
- How can you use this opportunity to achieve better care outreach and quality?



#### 2. Coverage Reform

- Pre-existing Conditions (2010): Eliminate pre-existing condition exclusions.
- Adult Child Inclusion (2010): Permit adult dependent children to age 26 to remain on parents' policy.
- Tax Credit (2010): Small businesses (25 employees or less & average salaries of \$40K or less) can receive a 35% tax credit for insurance premiums.

#### Coverage Reform: Parity

Health reform legislation assumes the Wellstone-Domenici Parity Act of 2008, and its associated regulations.

#### Current Parity Regulations

- Status: Regulations are "Interim Final" with comments due on May 5.
- The regulations do:
  - Address both mental health and substance use care
  - Address private employer based health plans that cover 50 or more persons
  - Address both quantitative (day and visit limits) and qualitative (care management) factors
  - Require carve-out MBHCOs to combine data with MCOs to produce a single deductible.

#### Current Parity Regulations

- The regulations do not:
  - Address private small group (<50) or individual plans</li>
  - Address public plans, such as Medicare
  - Address the uninsured population
  - Address a common definition of medical necessity
  - Address scope of services
  - Address quality or outcome.
- Government anticipates release of regulations focused specifically on privately managed Medicaid programs in the future.

#### Implications

You will need to do careful work to determine whether benefits and management vary between medical/surgical benefits and mental health and substance use benefits.

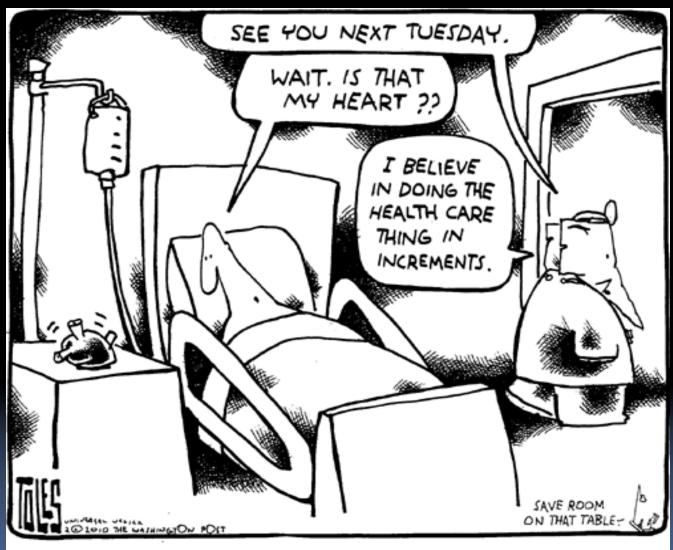
- Can the new coverage requirements and the parity regulations be used to improve service delivery to Medicaid clients?
- Can they be used to improve coordination of care benefits?

#### Parity Under Health Reform

- Parity law and regulations are an important context.
- The new assumes parity law and regulations.
- The new law extends parity to newly insured:
  Medicaid and Health Insurance Exchanges
- Law bases parity in exchanges on a 72% benefit compared with private plans, and uses a model private mental health insurance plan.

- We will need to weigh in on the new parity concept before 2014.
- A model private benefit will not be adequate for many persons in the Exchanges, who really will require a public level of services.
- We need to assess the implications of a multi-tiered Medicaid system (SSI; TANF; Reform).

- How will the new Medicaid benefit be linked to wrap-around social support services?
- How can you use the new prohibition on exclusion because of pre-existing conditions to improve your own care?



#### 3. Quality Reform

- HHS Demonstrations and Grants (2010+)
  - Medical and Health Homes
  - Accountable Care Organizations.
  - Disease Prevention and Health Promotion.
  - Quality Improvement, especially EBPs and PBEs

#### Some Additional Thoughts

- Much attention is now being devoted to the social and physical determinants of health and wellbeing.
- Also, the role of the community in promoting health and preventing disease is being explored.
- Can you engage these issues?

- For each of these developments, it will be critical for you to "be at the table" as the concepts and approaches are developed.
- It will also be critical that specific demonstrations and grants be directed toward state, county, and local behavioral health programs.
- You need to develop your strategy now.

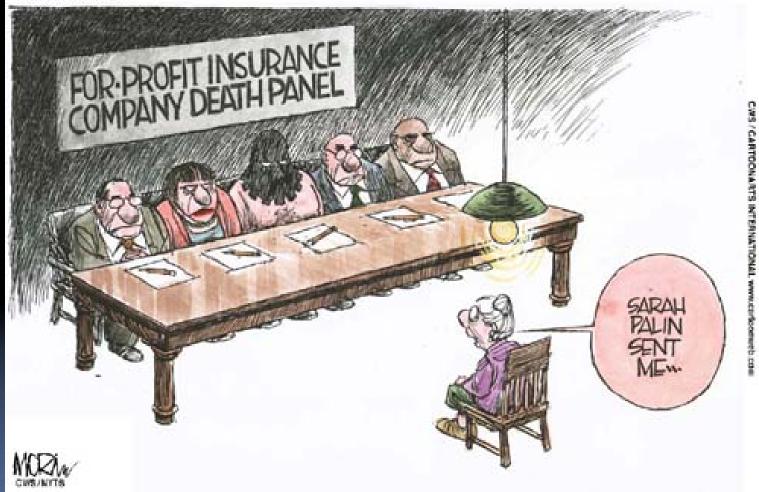
- What about Medical/Health Homes?
- What about Accountable Care Organizations?
- What about Consumer Centered/Directed Care?
- What about Personalized Care?

#### Core Issues

Dying 25 Years Prematurely!

#### Core Issues

3-4-50 Planning



#### 4. Payment Reform

- HHS Demonstrations and Grants (2010+):
  - Moving from encounter payments to case rates.
  - Linking case rates to performance.
  - Building prevention and promotion into case rates.

- We need to assure that case rates are adequate to address service needs.
- You have a major training agenda around these topics.

#### 5. Information Technology

- HHS and ONC Financial Incentives (2010+) for:
  - Implementation of IT, especially EHRs and PHRs.
  - Programs to foster reporting of quality measures through health IT.
  - Use of health IT to enroll, determine benefits, and do health risk assessments (Medicare).
  - Use of health IT to develop better delivery models and improve health outcomes.
  - Health IT education and training in medical schools.

- A field leadership group is needed urgently to organize and move this agenda.
- An urgent need exists to address privacy and confidentiality issues in 42 CFR Part 2 and services provided outside the health sector.
- You need a personal health record!

#### **Bottom Line Assessment**

- Economic recovery of the United States and Federal fiscal solvency in the future <u>require</u> <u>successful</u> national health reform.
- Consumer directed and personalized care <u>require</u> <u>successful</u> national health reform.

Hence, we must produce something!

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