

# North Texas Behavioral Health Authority Managed Care Organization Report

1-12-2011

## 1. NorthSTAR Clinical/Operational Changes

- **Bridge redesign implementation plan.**
  - Integration of housing oriented case management, peer services, mental health services with an emphasis on site based chemical dependency and intensive case management services.
    - Budget neutral with 270K annualized savings projected.
    - *See attachment 1*
    - *See attachment 2 (Proprietary information)*
- **Outpatient Crisis Clinics**
  - **Southern Area Behavioral Healthcare**
    - Establishment of utilization targets
    - Budget neutral with projected savings
    - *See attachment 3 (Proprietary information)*
  - **After Hours Crisis Services - Dallas Metrocare Services**
    - Recognition of case rated membership utilization
    - Capitated adjustment with projected savings
    - *See attachment 4 (Proprietary information)*
- **Adapt Community Solutions**
  - Recognition of peak and non-peak coverage obligations, and enhanced reporting requirements
  - Budget neutral
  - *See attachment 5 (Proprietary information)*

## 2. Financial Outpatient Case Rate Reconciliation Summary

- Current annualized run rate is \$2,239,800 above initial caps
- *See attachment 6 (Proprietary information)*

## 3. NorthSTAR Utilization Management Plan

- *See attachment 7*
- *See attachment 8 (Proprietary information)*

## 4. NorthSTAR Financial Trend Summary

- 28.38% increase in unduplicated claimants FY08 – FY10
- 4% increase in admin encumbered revenue FY08 – FY10
- *See attachment 9*



## Bridge/NorthSTAR Integration

- v. Shelter seeker services
  - vi. **Chemical dependency services**
    - 1. **Via contract with NorthSTAR provider**
  - vii. Mental health services
    - 1. Via contract with NorthSTAR provider
  - viii. Rehabilitative services
  - ix. Peer services
  - x. Housing seeker services
  - xi. Income services
- b. ***Prospective NorthSTAR outpatient average expenditures per participant per month:***
- i. ***\$200.00***
- c. **By integrating operations MDHA and VO will reduce redundancies and utilize funding to add on-site chemical dependency services and more robust intensive case management**

### IV. ***Implementation approach***

- a. Bridge Steps, LLC/ VO partnership formed for integrated operations management.
  - i. Prospective schedule: February 2011
- b. NorthSTAR provider contracted for chemical dependency services
  - i. Prospective schedule: April 2011
- c. NorthSTAR provider contracted for ICM
  - i. Prospective schedule: April 2011
- d. NorthSTAR provider contracted for mental health services
  - i. Prospective schedule: May 2011

### V. ***Prospective community impact***

- a. 800 participants increase their functionality per year (according to Global Assessment of Functionality or equivalent(s))
- b. 400 participants transition to housing and/or income per year
- c. \$270,023 reduction in expense by elimination of duplication and increase in diversion from acute services

## **ValueOptions Utilization Management Program Executive Summary**

The philosophy, purpose, scope, structure, and tools of the ValueOptions' Utilization Management Program are outlined in an 89 page proprietary UM Program Description. The following summary highlights some of the primary functions of the local UM Program that works within the NorthSTAR program to oversee that members have easy access to the most appropriate and efficient high quality care that will promote recovery around substance use and mental health needs.

The UM Program of the company is overseen by the Executive Medical Management Committee that is comprised of the Chief Medical Officer, National Medical Director, Division Clinical Leads, and Vice President of Quality. The role of this standing sub-committee is to review, develop, and implement best practices in clinical protocols and procedures and to ensure the highest clinical standards are maintained. The local UM program is comprised of the Chief Medical Director, Associate Medical Director, Clinical Director, Clinical Supervisors and Clinical Care Managers. The responsibilities of the service center UM program include the following:

- Ensuring appropriate member access
- Adequacy of clinical reviews
- Oversight of application of policies and procedures
- Ensuring appropriate medical management
- Supervision of clinical staff
- Ensuring compliance with applicable regulatory, accreditation and contractual requirements
- Implementing and monitoring patient safety activities
- Oversight of the Service Center UM Committee structure
- Ensuring Service Center staff are properly licensed and credentialed
- Development and oversight of clinical quality improvement activities
- Conducting staff and provider clinical training
- Conducting annual review of service center-specific policies, clinical criteria

Utilization management and care management are central functions within the local UM program. The local program has on site clinical care managers at Terrell State Hospital 5 days a week and Green Oaks Hospital 7 days a week. There are also clinical care managers who are office based and available to providers and members 24 hours a day 7 days a week. These care managers provide clinical triage, education, referrals, and clinical review. They review each case initially to determine that the admission criteria is met and the needs of the member are being addressed in the most efficient and least restrictive manner. Clinical Care Managers may interact with members and treatment teams in facilitating access to appropriate care, continuity of care from one level or facility to another, and discharge planning. Clinical Care Managers are trained to consistently apply the established clinical criteria for each request for care. Care is approved when it meets the medical necessity criteria. Clinical Care Managers work with the UM Medical Directors when criteria is not met or concerns arise regarding appropriateness of treatment or discharge planning. UM Medical Directors may speak directly with treatment providers as well to discuss any concerns regarding care. Alternatives may be recommended at the conclusion of a physician review. The UM process may result in adverse determination if medical necessity

## ValueOptions Utilization Management Program Executive Summary

criteria is not established. There is a defined appeal process that allows for two levels of appeal that are reviewed by physicians independent of the initial decision.

The local program also has Intensive Care Management (ICM) available for the members who have not been able to respond to standard care e.g. the high risk group identified as the top 200. These are individuals with complex needs in multiple domains. The ICM care manager works collaboratively with members and providers throughout the system and community to assess, plan, implement, and monitor care and outcomes. They facilitate the development and implementation of recovery plans for each individual and ensure that providers are informed and responsive to plans.

Clinical Care Managers and ICM Care Managers develop professional relationships with providers and treatment facilities in order to shape and promote efficient and effective care. They participate in clinical rounds with clinical supervisors and physicians in order to maintain inter-rater reliability and objectivity in decision making regarding authorizations and recommendations for care. Clinical Care Managers are licensed Master's level clinicians who may be social workers, counselors, or nurses who have various assignments and responsibilities in the following areas:

- State Hospital management
- Community Hospital management
- 23 Hour Observation Review and Care Coordination
- Crisis Residential management
- Substance Use Disorder Treatment management
  - Residential Services
  - Specialty Female Residential Services
  - Medically Monitored Detox
  - Ambulatory Detox
  - Intensive Outpatient Services
  - Supportive Outpatient Services
- Assertive Community Treatment review
- SPN services review
- Specialty programs:
  - Outpatient competency restoration coordination
  - Jail diversion program authorization
  - Birth to six
  - Preschool day treatment
  - Adult and Juvenile ICM/TCOMMI

## NorthSTAR FINANCIAL TREND SUMMARY 1-12-2011

<i>Per DSHS Data</i>			<i>Per DSHS Data Book</i>	
Month ID	Un-Duplicated Count of Enrollees (all enrollees)	Un-Duplicated Count of Claimants (all claimants)	Revenue Paid to VO for DSCT	
Sep-07	542,600	17,579	\$104,825,087	State Fiscal year 2007 (Sept. 06 - Oct. 07)
Oct-07	551,709	19,197		<b>MLR 88.00%</b>
Nov-07	558,827	18,349		
Dec-07	565,018	17,450		
Jan-08	573,209	19,409		
Feb-08	580,183	19,341		
Mar-08	587,740	19,202		
Apr-08	594,950	20,462		
May-08	602,120	19,733	State Fiscal year 2008 (Nov. 07 - Aug. 08)	
Jun-08	609,155	19,614	\$139,233,559	<b>MLR 88.02%</b>
Jul-08	616,308	19,682		
Aug-08	624,487	19,400		
Sep-08	632,319	20,776		
Oct-08	640,863	21,447		
Nov-08	648,367	19,911		
Dec-08	657,117	20,906		
Jan-09	664,871	21,809		
Feb-09	672,557	22,652	ARRA funding given to NorthSTAR due to increase in membership and expenditures	State Fiscal year 2009 (Sept. 08 - Aug. 09)
Mar-09	681,785	23,734		
Apr-09	690,172	24,278		
May-09	697,686	23,522		
Jun-09	706,224	24,050		
Jul-09	713,368	23,802		
Aug-09	722,112	23,653		
Sep-09	730,400	24,130		
Oct-09	739,728	23,812	Case Rate implementation started	State Fiscal year 2010 (Sept. 09 - Aug. 10)
Nov-09	745,396	22,246		
Dec-09	752,493	23,054		
Jan-10	759,856	23,940		
Feb-10	767,011	23,977		
Mar-10	775,340	26,432		
Apr-10	782,841	26,288		
May-10	789,145	25,214		
Jun-10	793,133	24,241	Continued increase causing need for new strategies	<b>Projected MLR 90.60%</b>
Jul-10	794,400	14,090 *Data not complete		

FY Comparison based on Q1-Q3 data		
	Un-Duplicated Count of Enrollees (all enrollees)	Un-Duplicated Count of Claimants (all claimants)
FY08 - FY09 % Increase	16.08%	16.58%
FY09 - FY10 % Increase	14.31%	10.08%
FY08 - FY10 % Increase	32.69%	28.33%

\* 2001 - 2010 MLR average 90.98% or \$45,495,164 above MLR floor.