

## INDIANA AGED, BLIND AND DISABLED MEDICAID RECIPIENTS: RECOMMENDATION FOR ENROLLMENT INTO RISK-BASED MANAGED CARE

Magellan Complete Care is pleased to respond to the invitation to provide input to the Indiana Family and Social Services Administration (FSSA) regarding the benefits of enrolling Indiana’s Aged, Blind and Disabled (ABD) Medicaid and dual eligible recipients into risk-based managed care. Magellan Complete Care (a division of Magellan Health Services) is a managed care entity (MCE) that specializes in providing state-of-the-art, integrated medical and behavioral health services for Medicaid members with serious mental illness (SMI). People with SMI carry a disproportionate illness burden and pose significant challenges in management of care. They need deep clinical expertise combined with new models of care to be able to have the best chance at recovery and living a productive life. Therefore, Magellan Complete Care urges FSSA to support and recommend a Medicaid specialty plan for the comprehensive care of individuals with SMI.

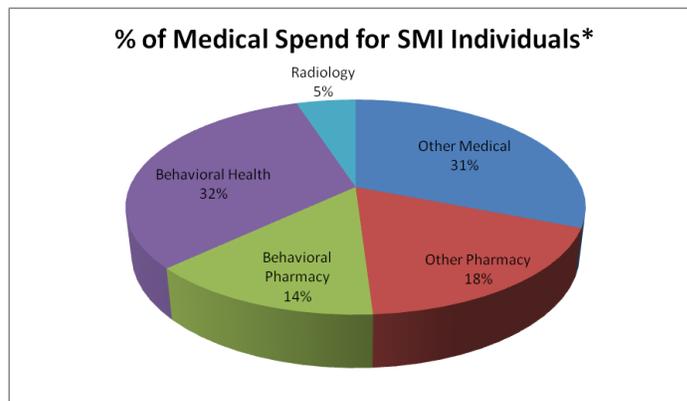
### SPECIAL NEEDS OF INDIVIDUALS WITH SERIOUS MENTAL ILLNESS

According to a report released by the Substance Abuse and Mental Health Services Administration (SAMHSA), the national rate of SMI among adults aged 18 or older is approximately 4.6 percent, equating to 10.4 million Americans. Indiana’s rate of SMI is 5.9%, which ranks among the highest prevalence rates in the country. In addition, 24% of Indiana adults enrolled in Medicaid had a diagnosis of SMI, compared to 12% of the national Medicaid population. More specifically, according to the Indiana Division of Mental Health and Addiction (DMHA) FFY 2014-2015 Mental Health and Substance Abuse Block Grant Application, the prevalence estimates for Indiana adults with SMI are depicted in the following table:

Indiana Adults with Serious Mental Illness  
2011 Population Estimates

Eligible for DMHA Services (at or below 200% of FPL)	103,601
CMHS Estimation Methodology	265,643
2010 Indiana Population aged 18 and above	4,919,319

People with SMI **die on average 25 years younger** than the general population<sup>i</sup>. People with SMI have a high incidence of co-morbid medical conditions that lead to much higher total health care costs. **Total costs for chronic medical conditions are more than 50% greater** when there is behavioral health co-morbidity. The Robert Wood Johnson Foundation’s 2011 report on mental health and medical co-morbidity notes that **68% of people with mental disorders have physical health disorders**. The most common co-morbid chronic conditions in the SMI population are cardiovascular disease, diabetes, obesity, chronic obstructive lung disease (COPD) and substance use disorders. The following table illustrates the total share of Medicaid costs for individuals with SMI:



\*Based upon estimates of spend provided by Milliman.

## Barriers to Care

For an ABD or dual eligible member, particularly one with SMI, navigating the health care system is often a complex and frustrating process. The health care system poses unique barriers to the effective care management of the SMI population. **Most primary care providers have limited experience with SMI patients.** They and their office staff are often uncomfortable treating people with SMI, and the patients are often uncomfortable in the waiting rooms of primary care providers. A sad reality is that even when office visits are made, these individuals oftentimes remain clothed and are not given thorough physical examinations. We have found that even MCEs with strong behavioral health programs have been challenged in implementing a truly integrated approach. Our experience in working with providers confirms that there is **little or no communication or coordination between the physical and behavioral health providers** caring for the same member. Many MCEs claim to fully integrate physical health and behavioral health services, yet the reality is that experience shows otherwise.

Due to the unique challenges the SMI population faces for access and coordination of preventive care, the SMI population has a **very high prevalence of modifiable risk factors** such as tobacco use, lack of physical activity and poor nutrition. In addition, many of the most effective medications used to treat mental health disorders can worsen physical health conditions by causing weight gain, raising lipid levels and blood pressure, and increasing the likelihood of developing diabetes. Finally the **mental illness itself is a barrier to effective management** of physical health conditions. Mental illness makes it harder for people to adhere to a therapeutic regimen, keep follow up appointments and navigate the health care system.

## THE RECOMMENDED SOLUTION

Based on these statistics, it is clear that Indiana's Medicaid program should include a risk-based Medicaid specialty plan for the ABD and dual eligible populations focused on addressing the high rates of SMI among these populations. We believe our recommendations for this approach—with a focus on the Medicaid program's highest need, highest cost special populations—is a strategy that maintains and facilitates access to needed and appropriate care and services, ensures quality of care, while being fiscally responsible. In addition the budget predictability and the flexibility that comes with risk-based managed care can often promote innovation, more so than fee-for-service (FFS) programs.

## Case Study – Challenges of an Individual with SMI

*Jackie Blakely is a 38 year old white female who suffers from bi-polar disorder, alcohol abuse and diabetes. Jackie has a long history of criminal activity and has been in and out of the justice system over the last 5 years. When stabilized on medications used to control her behavioral health condition, she has been able to maintain employment. Unfortunately, she has had difficulty in maintaining sobriety and, when she resumes drinking, she is not adherent to her medication regimen and this leads to a vicious cycle of criminal behaviors and incarceration. To make matters worse – she is not diligent in managing her insulin injections and sells her syringes to drug users. When incarcerated, her medications are often changed and this has increased her instability when transitioning in and out of jail.*

Jackie's situation is unfortunately a fairly common scenario for individuals with SMI and comorbid medical conditions. Traditional care coordination and case management programs alone are not enough to provide the supports necessary to successfully mitigate the impact of serious mental illness on an individual's likelihood of recovery, resiliency, and optimal clinical outcomes. It is clear that coordination of care starts with a strong connection to and working relationship with all providers of care, whether they are physicians and hospitals, or agencies and systems such as housing and corrections. It also includes other stakeholders like advocate organizations, faith-based support programs and ACT teams. Much of the care and support of these vulnerable individuals must be provided through the use of community support structures – outside of the traditional care delivery system. Capabilities delivered through clinical field staff, mobile crisis intervention teams, and peer support specialists must all be part of the system of care.

The goal of Magellan Complete Care's specialty plan is to transform the existing system of care so as to holistically support individuals with serious mental illness in a manner that will improve their overall health, both mental and physical. In doing so, we will increase the recipients' ability to lead a productive life and decrease the burden on the state in terms of the impact on not only the health care system but also other agencies like the justice system that are so often involved.

As previously stated, people with SMI carry a disproportionate illness burden and need deep clinical expertise combined with new models of care to be able to have the best chance at recovery and living a productive life. These members often do not receive the intense clinical and support services they need in a traditional managed health care organization. Magellan Complete Care's recommendation to implement a Medicaid specialty plan for the comprehensive care of individuals with SMI aligns with DMHA's continuing priority to achieve the true **integration of primary and behavioral health care**.

The establishment of a specialty health plan approach for individuals with SMI creates an environment conducive to facilitating access to appropriate care and services specifically tailored to the needs of individuals with SMI. Building upon the foundation of a traditional medical home, a specialty health plan for individuals with SMI positions the behavioral health care needs of that individual at the center of the treatment plan and integrates and/or coordinates his/her other needs as appropriate. Traditional MCE approaches do not meet the specialized needs of specialty populations, like individuals with an SMI diagnosis. We believe that population specific approaches for certain Medicaid-eligible beneficiaries are greatly needed and are best served by entities that have experience with the specialty population.

Furthermore, we believe that the state should consider including the coordination of 1915(i) services through the recommended SMI Medicaid specialty plan. Studies have shown that providing care to individuals directly in their communities improves health outcomes and reduces Medicaid costs. The coordination of care with nonmedical supports, such as housing, employment and other psychosocial rehab services is critical to individuals with SMI. The Medicaid specialty plan provides a managed behavioral health infrastructure to allow for needs assessments and improved access to these services. We recommend that the Medicaid specialty plan be required to develop those critical relationships to coordinate care with the recipients of the 1915(i).

Additionally, we commend the state for establishing an open and collaborative process to solicit feedback and comments from consumer organizations, advocacy groups and other entities familiar with programs for the ABD population. We strongly support the elements outlined in the guidance issued by the Centers for Medicare and Medicaid Services (CMS) to states seeking 1115 demonstrations and 1915(b) waivers. In our experience, allowing adequate time for the design and implementation of a new program is essential to prepare for the transition, along with consistent stakeholder input throughout the process. We believe that establishing safeguards for members is critical to the success of the program, as is working with experienced and qualified long-term service and support providers. We recommend the state consider all of these elements as they develop a program to care for ABD and dual eligible members.

#### **WHY MAGELLAN COMPLETE CARE?**

Magellan Complete Care has experience with this model of care that includes newly created, integrated evidence-based clinical protocols. The model includes new resources at the plan and provider level that assist these members who are difficult to reach and resistant to treatment adherence. We use customized assessment tools and analytics to stratify and identify gaps in care that incorporate standard metrics as well as nuanced metrics that are unique to those with serious mental illness. The model of care uses a technology infrastructure that facilitates the sharing of information and allows for system-wide outcomes assessment. Our model is built on a deep clinical expertise and experience that enhances the traditional suite of managed care services by creating a service model tailored for the SMI population.

The Magellan Complete Care SMI Specialty Plan **Model of Care** seamlessly integrates the management of behavioral and physical health services, including pharmacy, of individuals with SMI and is built upon the principles of:

- Recovery and resiliency
- Self-directed care
- Transparency
- Shared decision making
- Ensured access to care

Program goals include the following:

- Increase the quality of care through better integration of services
- Promote coordinated and timely access to care through integration of the physical and behavioral health delivery systems
- Reduce the fragmentation of services often experienced by this population
- Reduce medical and behavioral inpatient hospitalizations and emergency room visits
- Enhance the ability of enrollees to self-manage their care
- Create system transparency and accountability through data sharing and outcome tracking
- Provide FSSA a predictable cost model for a group of individuals with complex care needs and historically escalating costs of care

## MODEL OF CARE - COMPONENTS

The **Model of Care**, which fully integrates physical and behavioral health, and pharmacy includes the following components:

**Enrollee Identification, Outreach and Engagement:** In the absence of a defined eligibility category, there are three methods that will effectively identify enrollees who have SMI and would benefit from the management by a Medicaid SMI Specialty Plan. Each method can be used independently and will not entirely overlap, but the majority of the SMI individuals will be identified by any one of the following methods:

- Screening done by the enrollment broker when enrollees are selecting their Medicaid health coverage
- Review of claims data for any of the six diagnoses that may indicate an enrollee has SMI
- Review of pharmacy claims data for “indicator drugs” and therapeutic regimens that may indicate an enrollee has SMI

Following identification, the critical first step is to find and engage enrollees in care. Partnering with trusted community-based organizations and Peer Support and Community Health Workers to provide outreach to enrollees is most effective.

**Health and Wellness Questionnaire and Risk Stratification:** An important step in improving outcomes for the SMI population is in the identification of people at high risk and the gaps in care that can be closed. This requires tools customized to the SMI population including predictive modeling and assessment tools. For example, Magellan has developed a unique, SMI-tailored Health and Wellness Questionnaire (HWQ) that includes components that identify key areas of risks and needs of the SMI

population. This tool has been deployed broadly throughout many states so it has been tested for reliability and effectiveness.

**Behavioral Health Led Integrated Care:** Magellan has extensive experience implementing two models for providing integrated medical and behavioral health services for enrollees with SMI including the health home and care coordination models. Utilizing these two approaches allows the Specialty Plan to work with provider partnerships that are ready for a home health model, while offering the second option (care coordination) where providers are not yet prepared for integrated care for enrollees with SMI.

- **Patient Centered Health Homes (PCCH):** Enrollees with SMI are typically seen on a more frequent basis by behavioral providers<sup>ii</sup>. Enrollees are comfortable receiving care in behavioral health settings. Specialty Plan MCEs should have programs to facilitate integrated health management by providing preventive and chronic medical condition maintenance services to enrollees through a holistic, behavioral health centered approach that embraces mental health recovery and resiliency. Magellan has experience creating PCCH in partnership with high volume Community Mental Health Centers (CMHCs), Federally Qualified Health Centers (FQHCs), and Primary Care Providers. As a result, enrollees are able to receive the majority of their medical care at a location within which they feel most comfortable, perceive fewer stigmas, and where they may actually receive better medical care through a high degree of personalization and integration with behavioral care.
- **Care Coordination:** For areas where the density of enrollees with SMI does not support the creation of a behavioral health home partnership, the Medicaid SMI Specialty Plan provides direct care coordination in collaboration with a Patient Centered Medical Home (PCMH) and/or traditional provider groups, the enrollee, and the enrollee's family. Magellan has experience providing the tools and relevant clinical information such as medication lists, analysis of gaps in care, and risk stratification to providers. Magellan Complete Care provides direct intervention with enrollees to improve their chronic condition self-management skills, socialization, and recovery.

**Care Coordination Team:** The Medicaid SMI Specialty Plan includes an integrated Care Coordination Team (CCT). The Magellan Care Coordination team members include the enrollee or designated representative and the following:

- The *Integrated Care Case Manager (CM)*, either an RN or a licensed Mental Health professional, is responsible for developing the plan to coordinate care consistent with the enrollee's health care needs and goals.
- The *Health Guide* is the Enrollee's advocate and helps the enrollee navigate through the delivery system.
- The *Primary Behavioral Health Provider* is a co-leader of the team and is responsible for overseeing the delivery and quality of the behavioral health services that the enrollee receives.
- The *Primary Medical Provider* oversees the medical services that the enrollee receives to ensure they are medically appropriate and coordinated.
- The *Peer Support Specialist* is a Certified Peer Support Specialist who is familiar with resiliency and recovery principles and tools such as wellness recovery action plans, wrap-around processes, family and person-driven care, and systems of care that use these skills to provide emotional support and to inspire hope for the future.

- The *Pharmacist* participates on the Care Coordination Team as needed to review the medications the enrollee receives and, in collaboration with the prescribing physicians on the team, is responsible for identifying potential over or under utilization, potential drug disease interactions, and optimal therapeutic regimens.
- The *Care Collaborator* is an experienced health care administrator who is assigned to a designated health home partnership to provide support during implementation and on an on-going basis.
- *Other Medical Specialists* may participate on the Care Team when the enrollee has a complex medical condition that requires specialist input and consultation.

**Care Coordination Plan:** Members of the CCT are responsible for the Care Coordination Plan (CCP). CCPs are created in a secure web portal where they are available for input and collaboration from all permitted members of the Care Coordination Team. Interventions are tailored to the specific needs of the individual, and take into account his or her risk level. The web-based CCP provides a consistent and accessible way for monitoring of progress on enrollee goals and interventions, and supports reporting at an individual, practice, and population level.

**Recovery Care Management (RCM):** RCM is a collaborative, strengths-based approach that assesses, plans, implements, coordinates, monitors, and evaluates options and services required to meet enrollees' needs on an ongoing basis. Based on the consistently positive outcomes achieved through the program, Magellan has implemented RCM programs for enrollees with SMI in our behavioral health programs in Florida, Pennsylvania, Iowa, and Arizona. The RCM program increases community tenure, reduces readmissions, enhances support systems, and improves treatment efficacy through person-centered advocacy, communication, and resource management. In addition to conducting utilization review and service authorization, RCM care managers reach out to enrollees to eliminate barriers to treatment, locate resources, and offer support. For example, rural and frontier areas require intensive and creative coordination of services with transportation and other community-based services. RCM also makes use of peer-based recovery support services for whole health services, described in the next section, to help with enrollee outreach and support, assist the enrollee in navigating the health care system, and serve as a "bridge" prior to, during, and after treatment services.

**Peer-based Recovery Support Services:** The Medicaid SMI Specialty Plan includes Peer Support Specialists on staff to work with providers, care management staff, and enrollees. Peer connections programs have been developed that include strategies for enrollee engagement and provider collaboration. These services are designed to initiate, enhance, and sustain the recovery process, which in turn facilitates movement towards wellness, self-management, and community participation to augment behavioral health treatment services. Well-trained peers have a powerful effect, grounded in their unique experiential knowledge and skills. For example, the use of peers with enrollees after hospitalization combined with other Magellan strategies has been successful in improving seven and 30-day post hospitalization follow-up rates. Magellan's Florida Pre-paid Mental Health Program saw a 60 percent reduction in days spent in the hospital when peer specialist positions were added to the RCM program. The average length of stay in psychiatric facilities dropped by more than 40 percent, and enrollees experienced a 32 percent reduction in readmissions. In many cases, Magellan's peer supporters have helped enrollees develop plans to increase enrollee participation in creating self-management skills, identify a circle of supporters they can rely on to prevent or cope with crisis situations, and to support the enrollee in returning to the community after time spent in restrictive settings.

**Self Directed Care (SDC):** Self-direction is a key component of behavioral health recovery, however, few behavioral health programs actually incorporate self-direction into their day-to-day practices. Magellan has pioneered the SDC approach for behavioral health services with unique reinvestment fund supported pilot programs. In these programs, participants collaborate with the CCT to manage a limited budget for the purchase of goods and services not covered by insurance or existing community resources, but which support the enrollee’s recovery. The team works diligently with each participant to identify resources available in their communities, and to help them problem-solve to maximize the benefit of the SDC funds. “Purchased” services can include transportation to appointments, fees for employment-related training or education, costs related to obtaining permanent housing, charges for instructional materials, and other goods or services that support recovery, resiliency, wellness, and independence.

**Integrated Pharmacy Management (IPM):** By reviewing pharmacy, medical diagnosis, and lab data, IPM identifies prescribing patterns that are inconsistent with national, evidence-based, best practice guidelines and then outreaches to providers, both physical and behavioral health, to engage in multi-channel consultations for education and information sharing. Magellan Complete Care’s Integrated Pharmacy Management (IPM) program is built on the foundation of behavioral health conditions and/or co-occurring physical health conditions.

## OUR EXPERIENCE

Magellan has over 30 years of national behavioral health management and a deep knowledge of the Indiana market, through our leadership team’s experience and work with Indiana Medicaid MCEs. Magellan is a recognized thought leader on best practices for treatment of SMI and substance abuse issues not just within the managed care field, but within the sphere of public mental health. Our specialized care strategies for SMI and substance abuse issues include member and caretaker/family involvement and strategies for social inclusion. Our abundant national and state experience in the management of an array of specialty and general healthcare services has positioned us to develop innovative solutions to meet the complex needs of enrollees with SMI.

With more than 40 years of experience as the Pharmacy Benefits Manager (PBM) to Medicaid FFS programs across 25 states and the District of Columbia, Magellan brings a unique perspective and understanding to managing pharmacy. We have combined our foundation in behavioral health with our drug management experience to focus on behavioral health disorders and co-occurring physical health conditions. We help providers manage patients with behavioral health conditions, including the pediatric and geriatric populations and look to identify: inappropriate medication dosing, polypharmacy utilization—both duplicate therapy and multiple prescribers, misuse of medications, failure of patient to refill their prescriptions in a timely fashion and comorbid condition polypharmacy contraindications.

Along with being a recognized leader with national behavioral health management and our unique perspective and understanding to managing pharmacy, Magellan Complete Care also brings to the SMI population our experience in the creation and implementation of Integrated Health Homes (IHH) and enhanced coordination of care in various markets around the country. This same experience will allow Magellan Complete Care to implement a highly effective model that specifically addresses the needs of the SMI population in Indiana.

The goal of the IHH program is to create a more effective environment to help states improve the quality of care and lower the costs of treating the SMI population. Magellan Complete Care is currently assisting several states, including Iowa and Arizona, to pursue IHH initiatives for adults with SMI. In

In addition, Magellan Complete Care is operating a Medicaid HMO in select counties in the State of Florida that offers customized benefits tailored to individuals with SMI. That plan is expected to expand to more regions of the state in the coming years. We will continue to expand in those markets that recognize the significant experience, exceptional knowledge and value that Magellan Complete Care has to offer the SMI population.

Furthermore, we have experience working collaboratively with other health care providers to integrate physical and behavioral health for individuals with SMI. For example, Magellan was selected to participate in a pilot program in three Pennsylvania counties. Along with physical health MCEs, and county behavioral health partners, we created *HealthChoices HealthConnections*, a program with the goal of focusing on the whole person and facilitating quality health care in an integrative and holistic manner. Along with our partners, we shared patient information to coordinate health and treatment among treatment providers. Navigators from each entity worked to improve member engagement and enhance care coordination to bridge the gap between their own agency and physical and behavioral health providers, develop care plans and share information on recent hospital and emergency department (ED) use. Through this program we saw improvements in the rate of ED visits, along with improved rates of connectivity to primary care and specialty providers.

Our past experience has positioned us as a leader in meeting, developing and achieving quality standards. Magellan has adopted various industry standard and proprietary measures to monitor and evaluate the services provided and outcomes of care for people with SMI. Although many of the measures for the general Medicaid population apply, we recognize the need to include additional metrics of critical importance to this specialty population. These include measures of access to care, care coordination, use of behavioral health therapies, outcomes for behavioral health conditions, avoidance of risk for those enrollees with co-occurring physical and behavioral health conditions, and measures of transition in care. We use standard nationally-recognized measures (such as those approved by the National Quality Forum (NQF), CMS or NCQA) as these allow for benchmarking on a regional and national level. Measures of preventive care based on the US Preventive Services Task Force (USPSTF) and measures from the Agency for Healthcare Research and National Quality Measures Clearinghouse are also used. We have identified additional measures derived from the evaluation of challenges and barriers for people with SMI and innovative programs that Magellan developed while serving similar populations. The use and linkage of a wide array of quality measures will best support service delivery improvement, system transformation, and comprehensive quality healthcare to best serve the needs of Indiana's enrollees.

## **CONCLUSION**

Medicaid is Indiana's largest health care payer, covering approximately 1.2 million residents<sup>iii</sup>. In FY 2011, Medicaid spending in Indiana reached \$6.6 billion, representing approximately one fourth of total state government spending (taking into account the federal matching percentage-in FY 2011 the match was 72/28%)<sup>iv</sup>. According to the Kaiser Family Foundation, the average annual growth in Medicaid spending in Indiana from FY 2007-2010 was 5 percent. Clearly, the current rate of Medicaid expenditure growth is unsustainable. Although the State has adopted progressive cost containment actions, a new and innovative way of meeting and delivering the health care needs of Indiana's ABD and dual eligible population is needed.

As has now been implemented in many states, full risk managed care better coordinates care and improves health outcomes for ABD and dual eligible beneficiaries while achieving cost savings through

the use of a single point of care coordination. The introduction of a fully integrated Medicaid SMI Specialty Plan for the most vulnerable and often the most costly members within the ABD/Dual populations, will better treat the whole person, align priorities for consumers in the form of better health outcomes, and provide better value to taxpayers.

In the past, mental illness was viewed as a life sentence with no hope of change and growth for individuals who were labeled as mentally ill. Magellan Complete Care's goal is to transform the existing system of care to holistically support individuals with serious mental illness in a manner that will improve their overall health, mental and physical. In doing so, we will increase the enrollee's ability to a lead productive life and fully participate in their community.

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<sup>i</sup> Parks, Joe et. al. "Morbidity and Mortality in People with Serious Mental Illness." *The National Association of State Mental Health Program Directors (NASMHPD)*. October 2006

<sup>ii</sup> SAMHSA-HRSA, Center for Integrated Health Solutions. "Behavioral Health Homes for People with Mental Health & Substance Use Conditions: The Core Clinical Features." May 2012.

<sup>iii</sup> Kaiser Commission on Medicaid and the Uninsured and Urban Institute estimates based on data from FY 2010. <http://kff.org/medicaid/state-indicator/total-medicaid-enrollment/?state=in>

<sup>iv</sup> Urban Institute estimates based on data from CMS (Form 64) as of 8/24/12. <http://kff.org/medicaid/state-indicator/total-medicaid-spending/>