

OHCA Investment and Payment Workgroup

August 21st, 2024

Agenda

- 9:00 a.m. **1. Welcome, Updates, and Introductions**

- 9:10 a.m. **2. Recap of July Workgroup Meeting**

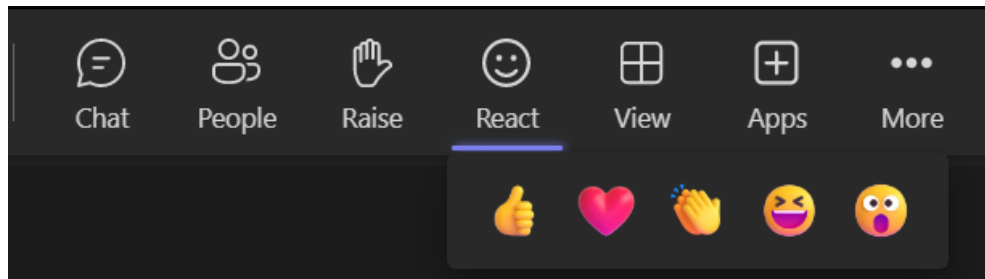
- 9:30 a.m. **3. Data Collection Approach for Behavioral Health Spend Measurement**

- 9:50 a.m. **4. Continue Discussion on Goals for Increased Behavioral Health Investment**

- 10:30 a.m. **5. Adjournment**

Meeting Format

- Workgroup purpose and scope can be found in the [Investment and Payment Workgroup Charter](#)
- Remote participation via Teams Webinar only
- Meeting recurs the third Wednesday of every month
- We will be using reaction emojis, breakout rooms, and chat functions:



Date: August 21, 2024

Time: 9:00 am PST

Microsoft Teams Link
for Public Participation:
[Join the meeting now](#)

Meeting ID: 289 509 010 938

Passcode: r5gbsW

Or call in (audio only):
+1 916-535-0978

Conference ID:
456 443 670 #

Investment and Payment Workgroup Members

Providers & Provider Organizations

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Paula Jamison, MAA

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Chair, Government Affairs Committee, California State Association of Psychiatrists

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Catherine Teare, MPP

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State & Private Purchasers

Lisa Albers, MD

Assistant Chief, Clinical Policy & Programs Division, CalPERS

Palav Babaria, MD

Chief Quality and Medical Officer & Deputy Director of Quality and Population Health Management, Department of Health Care Services (DHCS)

Teresa Castillo

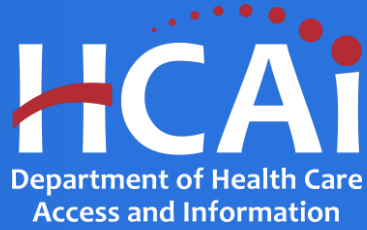
Chief, Program Policy Section, Medical Behavioral Health Division, Department of Health Care Services

Monica Soni, MD

Chief Medical Officer, Covered California

Dan Southard

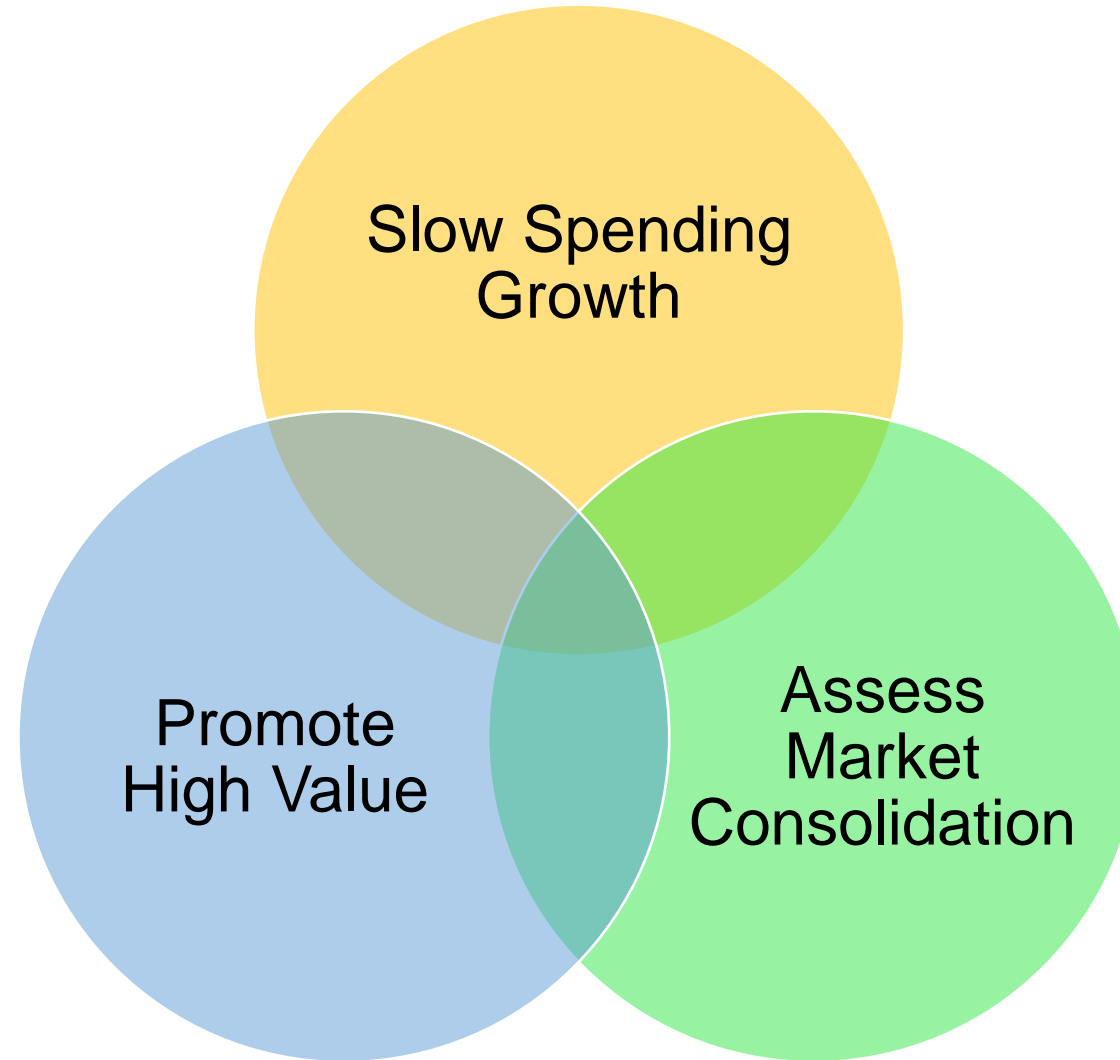
Chief Deputy Director, Department of Managed Health Care



Recap of July Workgroup Meeting

Debbie Lindes, Health Care Delivery System Group Manager

OHCA Key Components



OHCA Focus Areas for Promoting High Value

APM Adoption

- Define, measure, and report on alternative payment model adoption
- Set standards for APMs to be used during contracting
- Establish a benchmark for APM adoption

Primary Care Investment

- Define, measure, and report on primary care spending
- Establish a benchmark for primary care spending

Behavioral Health Investment

- Define, measure, and report on behavioral health spending
- Establish a benchmark for behavioral health spending

Quality and Equity Measurement

- Develop, adopt, and report performance on a single set of quality and health equity measures

Workforce Stability

- Develop and adopt standards to advance the stability of the health care workforce
- Monitor and report on workforce stability measures

Primary Care & Behavioral Health Investments

Statutory Requirements

- **Measure and promote a sustained systemwide investment in primary care and behavioral health.**
- **Measure the percentage of total health care expenditures allocated to primary care and behavioral health and set spending benchmarks.**
- Include an analysis of primary care and behavioral health spending and growth, and relevant quality and equity performance measures, in the annual report.
- Consult with state departments, external organizations promoting investment in primary care and behavioral health, and other entities and individuals with expertise in primary care, behavioral health, and health equity.
- Benchmarks and public reporting shall consider differences among payers and fully integrated delivery systems, including plan or network design or line of business, the diversity of settings and facilities through which primary care can be delivered, including clinical and nonclinical settings, the use of both claims-based and non-claims-based payments, and the risk mix associated with the covered lives or patient population for which they are primarily responsible.

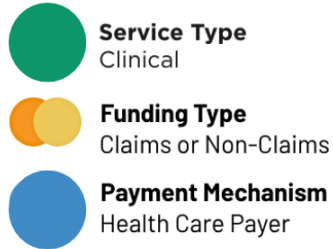
Primary Care & Behavioral Health Investments

Statutory Requirements

- Promote improved outcomes for behavioral health, including, but not limited to, health care entities making investments in, or adopting models that do, any or all of the following:
- a. Integrate primary care and behavioral health services, including screenings for behavioral health conditions in primary care settings or delivery of behavioral health support.
 - b. Implement innovative approaches that integrate primary care and behavioral health with broader social and public health services.
 - c. Leverage APMs that provide resources at the practice level to enable improved access and team-based approaches for care coordination, patient engagement, quality, and population health.
 - d. Deliver higher value behavioral health services with an aim toward reducing disparities.
 - e. Leverage telehealth and other solutions to expand access to behavioral health, care coordination, and care management.

Data Collection and Measurement Scope

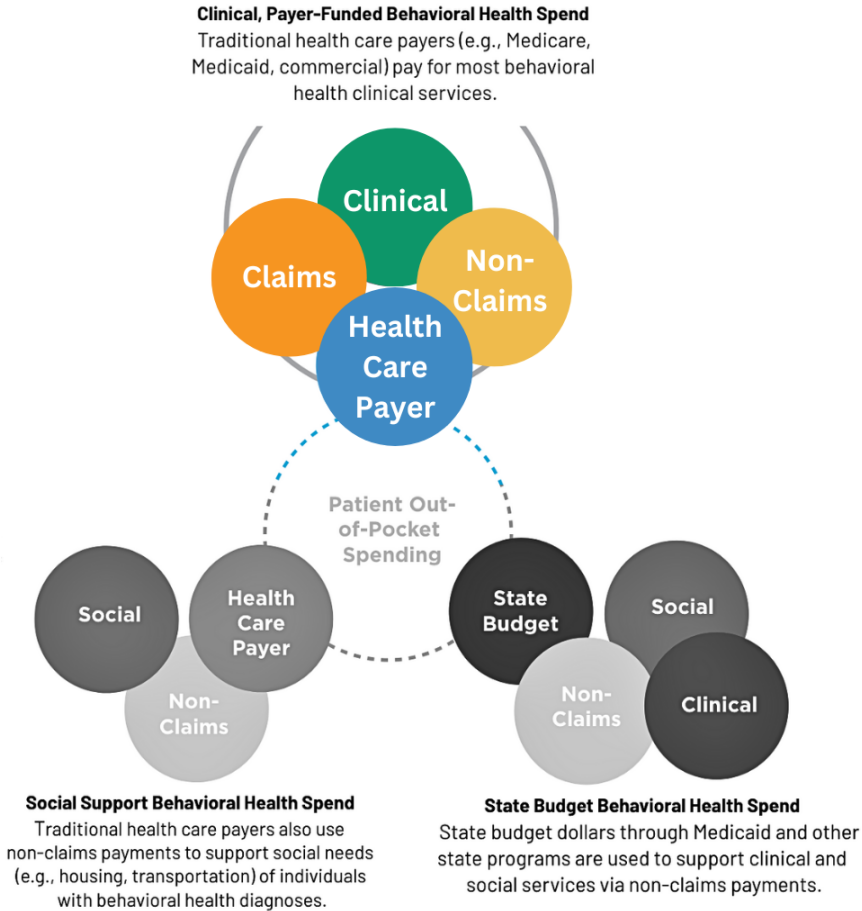
Defining Components of Behavioral Health Spend for State Measurement



----- **Medicaid funds behavioral health services as a health care payer and is also funded via state budgets.**

Patient Out-Pocket Spending

Some behavioral health spending is paid by patients due to patient cost share, a lack of coverage of certain services, and a lack of available in-network providers.



- Initial focus on clinical services and health care payers (e.g., commercial and Medicare Advantage)
- Possibility of using supplemental data sources to capture other spending in the future

Figure 3. Components of Behavioral Health Spending

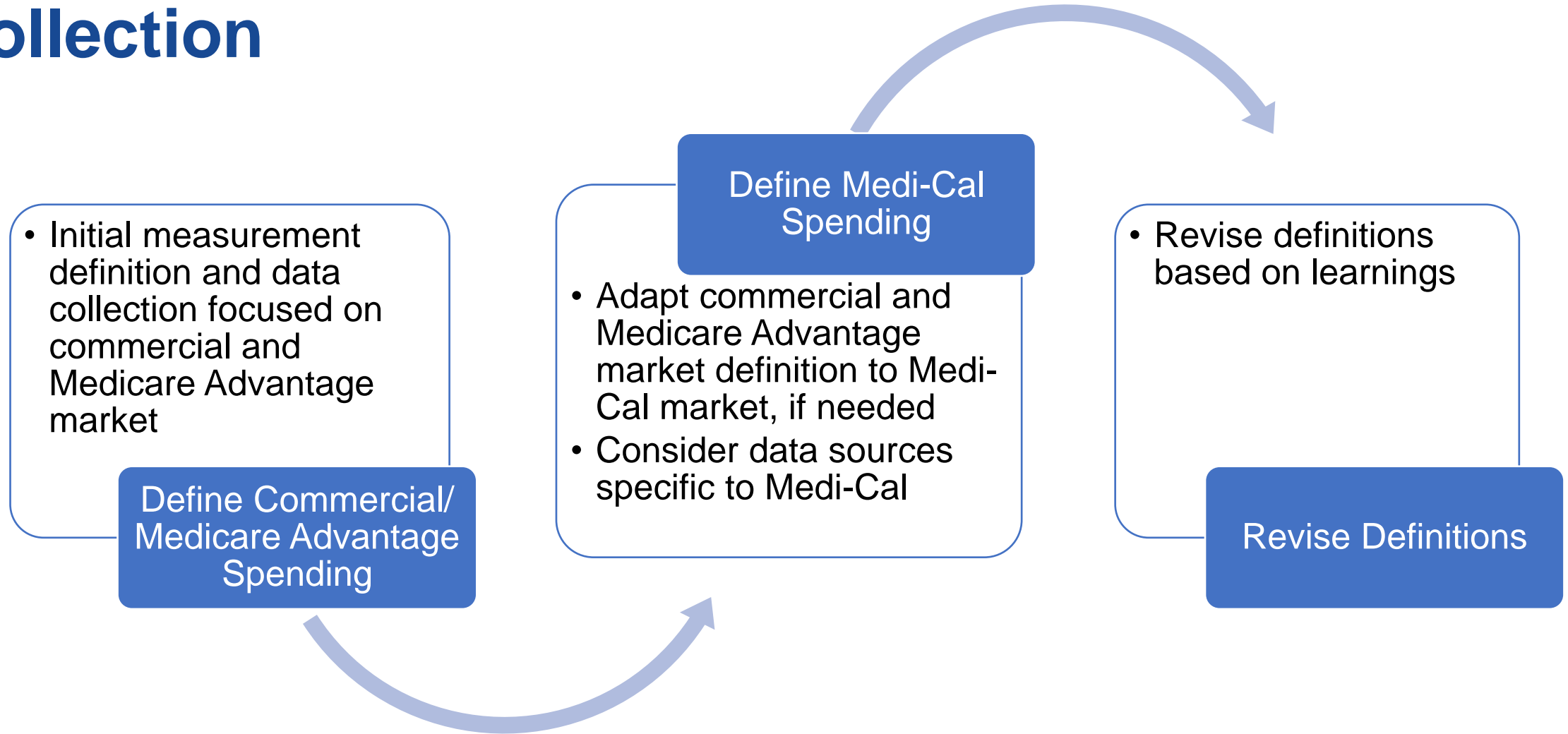
Clinical services are services provided by medical and allied health professionals to prevent, treat, and manage illness, and to preserve mental well-being across the clinical care continuum, paid via claims and non-claims payments (e.g., outpatient therapy visit, day treatment programs).

Three Recommended Modules for Behavioral Health Spending Measurement

OHCA proposes to use three modules to measure behavioral health spending, following the approach for measuring primary care spending. Behavioral health in primary care will be measured separately so it can be included in analyses of behavioral health or primary care spending.



Proposed Phased Approach to Behavioral Health Spending Measurement Definition and Data Collection



Summary of July Workgroup Discussion

Why measure behavioral health spending

- Understand baseline, recognizing it does not reflect unmet need, underdiagnosis, inadequate access
- Measure progress towards investment benchmark

What to measure

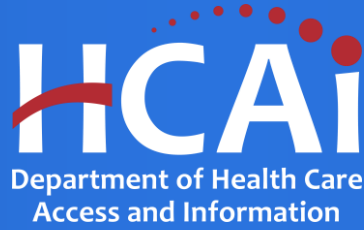
- Initial focus on payer spending on clinical services, via existing total health care expenditure (THCE) data collection
- Future approaches may include additional data sources for a more comprehensive view

Other considerations

- General support for phased approach that begins with commercial and Medicare Advantage focus
- Important to consider substance use disorder treatment as well as mental health
- Targeted approach to increased investment may generate the greatest impact

To Support the Workgroup, OHCA is:

- Considering other state definitions and sibling California state departments' definitions of behavioral health in developing the OHCA definition
- Pursuing options for understanding current behavioral health spending in California
- Coordinating across existing workstreams to explore methods to assess supplemental spending, such as out-of-pocket out-of-plan (self-pay) spending
- Exploring opportunities to document additional potential data sources, such as Behavioral Health Services Act (BHSA) funding, to create a fuller picture of behavioral health spending
- Recognizing that current levels of utilization and spending may not reflect true population need due to underdiagnosis and lack of access
- Highlighting how increasing behavioral health investment supports OHCA's statutory requirements to promote improved outcomes for behavioral health



Data Collection Approach for Behavioral Health Spend Measurement

Robert Seifert, Consultant, Freedman HealthCare

OHCA Data Sources for Measuring Behavioral Health Investment

- OHCA will collect the data to measure behavioral health spending as part of its Total Health Care Expenditures (THCE) data collection efforts; THCE data submissions do not capture all sources of behavioral health spending
- Behavioral health spending data will include claims and non-claims payments, which will be categorized using the Expanded Framework
- OHCA will provide definitions, technical specifications, and technical assistance to support submitters accurately allocating payments to behavioral health, particularly for non-claims payment categories
- OHCA is planning for initial behavioral health data collection and measurement efforts to focus on the commercial and Medicare Advantage populations

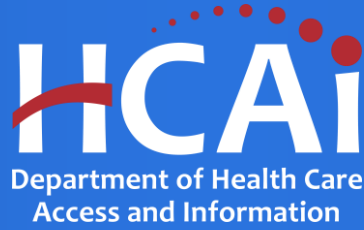
Initial Behavioral Health Data

Data to be collected during the Total Health Care Expenditure (THCE) 2025 Performance Year Submission

Data Sources	Data Collected
<ul style="list-style-type: none">• Full-service Commercial plans• Full-service Medicare Advantage plans• Data from behavioral health service plans (carve-out) will be submitted by the full-service payers with which they contract	<ul style="list-style-type: none">• Fee-for-service (FFS) paid for behavioral health• Capitation paid for behavioral health• Performance payments paid for behavioral health• Payments to support integrated behavioral health• Other non-claims payments in support of behavioral health

Discussion

1. What level of detail is in the information transmitted between full-service and behavioral health service plans (carve-out)?
2. How does that vary for FFS v. capitation?
3. How does that vary for fully insured v. self-insured?



Continue Discussion on Goals for Increased Behavioral Health Investment

Margareta Brandt, Assistant Deputy Director

Key Decisions for Measuring Behavioral Health Spending and Benchmark Setting

Determine priorities for measuring behavioral health spending

Consider need for a phased approach





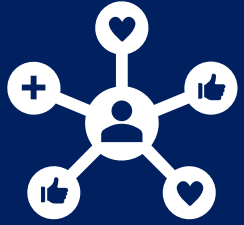
Define diagnoses, services, providers, care settings

Define approach to non-claims payments

Define benchmark focus – conditions, care settings, population

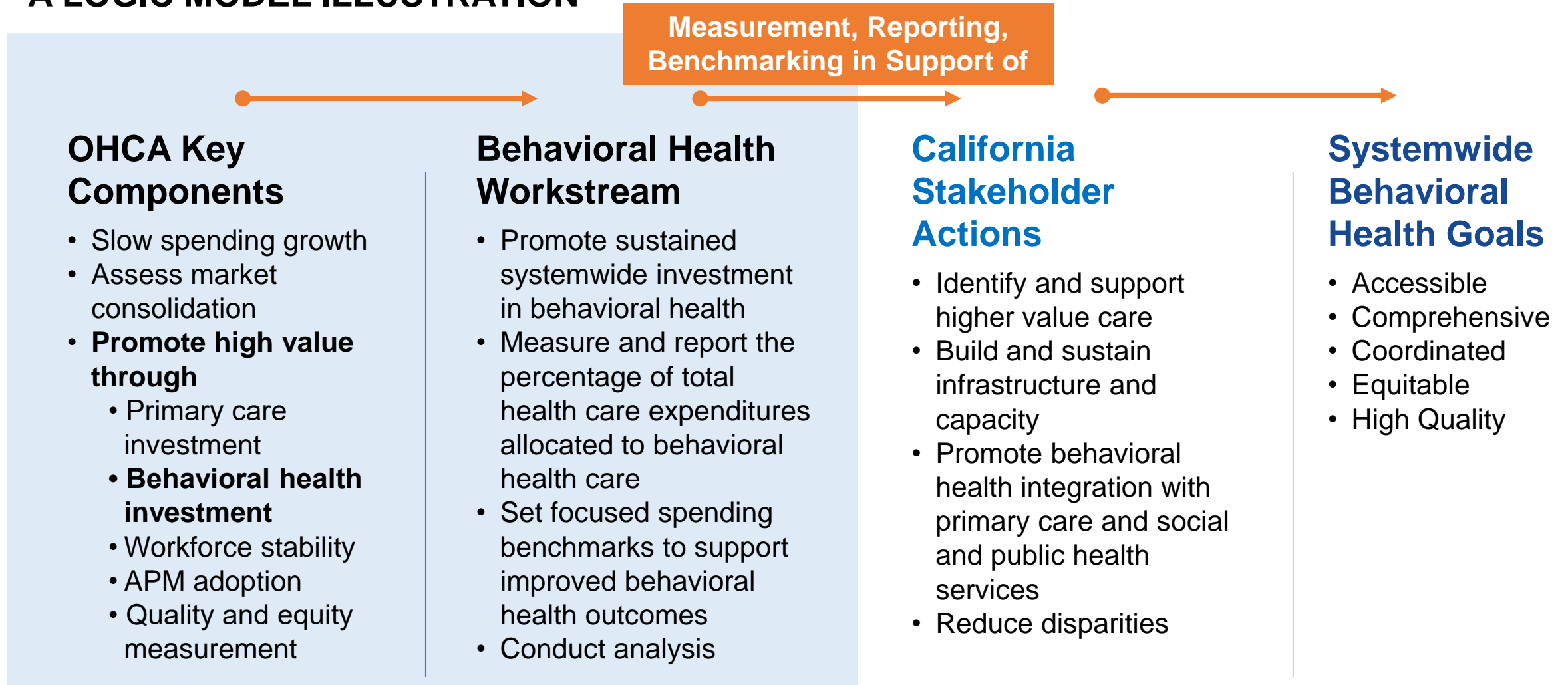
Define benchmark structure and timing

Proposed Goals for an Improved Behavioral Health System


				
Accessible	Comprehensive	Coordinated	Equitable	High Quality
<ul style="list-style-type: none"> • Available when needed • Culturally responsive • Affordable 	<ul style="list-style-type: none"> • Services across the continuum • More treatment in community and health care facilities, reduced need in correctional facilities 	<ul style="list-style-type: none"> • Integrated with primary care • Attentive and responsive to health-related social needs 	<ul style="list-style-type: none"> • Reduced misinformation, stigma, and discrimination • Reduced disparities in utilization and outcomes 	<ul style="list-style-type: none"> • Low frustration, high satisfaction • Improved outcomes

OHCA's Role in Improving Behavioral Health Outcomes

A LOGIC MODEL ILLUSTRATION




Examples of how OHCA can support better behavioral health outcomes




Measure mental health spending and substance use disorder spending separately

Show how spending differs; compare to need as represented in prevalence data (from other sources)



Measure spending across service and treatment categories (e.g., primary care, outpatient, emergency/observation, inpatient)

Highlight goal to rebalance care toward prevention and outpatient care



Set spending benchmarks that focus on specific populations, services, or care settings

Motivate positive change towards meeting goals of an improved behavioral health system

Discussion

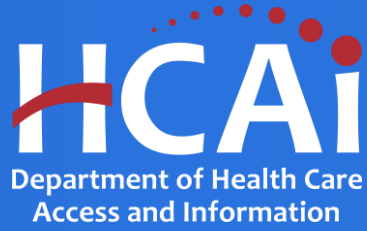
- Anything missing from the proposed goals for an improved behavioral health system (slide 21)? OHCA will use these proposed goals to help guide Workgroup discussions.
- What feedback do you have on the *OHCA's Role in Improving Behavioral Health Outcomes* logic model (slide 22) illustrating OHCA's role in improving behavioral health?
- How can OHCA illuminate the challenges in the behavioral health system (workforce, underdiagnosis, access) within its statutory scope?
- Other information we should use to guide our work on measuring behavioral health investment?

September Workgroup Meeting Preview

Agenda: Discuss considerations for key decisions for measuring behavioral health spend

- Introduce measurement framework
- Consider trade offs for key decisions
- Begin defining behavioral health diagnoses, services, providers, and care settings for measurement and reporting purposes

NOTE: November Workgroup meeting will be rescheduled to Thursday 11/21/2024, 9-10:30am (*currently scheduled for 11/20/2024*).



Adjournment