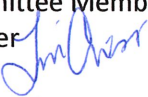


April 18, 2018

To: Joint Medicaid Oversight Committee Members
From: Lori Criss, Chief Executive Officer 
RE: BH Redesign Provider Survey Results

As you know, the Department of Medicaid has been managing Behavioral Health Redesign (BH Redesign) with the goal of modernizing regulations and resources to increase service capacity as of January 1, 2018 and move coverage for services to managed care plans on July 1st. As expected, there are abundant challenges with such a massive change, and many problems are taking longer to overcome than originally believed.

In public meetings, the administration shares the hopeful message that everything is going exactly as planned. But a deeper look at the state's data and providers' metrics for success tells a different story. We surveyed our membership to get a better understanding of how BH Redesign is impacting treatment capacity, overall system health, and readiness to transition to managed care coverage of services on July 1st. The results, which are attached to this letter and represent an 80% response rate with input from over 100 organizations, demonstrate that BH Redesign has fractured an already fragile system. To ensure that no one gets turned away from services even when resources aren't flowing, providers have used cash reserves, lines of credit, and are selling off assets. Here's what providers are saying:

"As the primary crisis mental health and substance abuse provider in Franklin County since 1995, Netcare Access sees approximately 1000 patients per month. At a time of a raging opioid epidemic, more acute and complex mental health cases and a very tight labor market, Ohio Medicaid BH Redesign has resulted in Netcare now only receiving 60 to 80% of the Medicaid revenue that was received during the prior 20 years, severely limiting our ability to provide quality services to our community 24/7/365." – King Stump, CEO, Netcare Access

"Providers are expected by the administration to provide evidence-based services. With BH Redesign, group counseling, the most effective evidence-based service for people with addictions, has been decimated by a rate cut. Providers are dropping group which decreases access to care, or they are reducing group time, which reduces treatment efficacy." – Steve Carrel, CEO, Muskingum Behavioral Health

The Ohio Council stood with the Department of Medicaid in agreement that implementation should begin on January 1, 2018, and we did so with confidence in the repeated assurances by the Administration that if we got into implementation and saw that significant problems and threats exist, course corrections would be made immediately. Our survey results show that identified problems have not been immediately resolved and claims payments neither support current capacity nor ensure the success of the impending managed care carve-in.

We welcome the opportunity to discuss these survey results with you, and urge you to join us in calling for the Ohio Department of Medicaid to move forward with the transition to managed care only when criteria for both fee-for-service and MyCare Ohio claims indicate readiness. Such metrics include reducing claim denial rate to the historical 10% threshold, ensuring actual payment received is consistent with budgeted resources, and achieving higher successful claim testing rates with managed care plans. The state must also fully resource providers to sustain current capacity for behavioral health services after July 1st.