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Providers ask state to delay Medicaid behavioral health changes

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As the state Department of Medicaid moves toward a July 1 date to switch mental-health coverage from a state-run system to managed care, a group representing about 150 providers says patients could suffer if the change isn't delayed.

A previous change in January in the way providers are required to bill for services has led to months-long delays in payments from the state, forcing providers to tap into cash reserves and lines of credit and sell assets, said Lori Criss, chief executive of the Ohio Council of Behavioral Health & Family Services Providers.

A July switch, she said, would exacerbate the problem because managed-care plans reimburse providers about every two months, on average. The state's standard is one or two weeks.

"There will be a large number of organizations that can't manage that shortfall in cash, and it will result in layoffs, it will result in programs closing," she said. "People are expecting crisis services

to be available in communities for people who are a danger to themselves or others, and we're putting all of that at risk."

Basing her concerns on the results of an April survey of Ohio Council members, Criss said a large number of providers are receiving only a portion of the Medicaid dollars they have budgeted, and that many claims are being denied. She is asking for a six- or seven-month postponement.

The state, noting that survey respondents represent about 25 percent of providers in Ohio, does not plan a delay in what is being referred to as "integration," the final step in Gov. John Kasich's plan to modernize and expand mental-health and substance-abuse treatment services.

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The state said it is moving to managed care to ensure that mental-health services are covered at the same level as physical-health services, to encourage more providers to participate and to expand services, including for people with the most-intense needs and for preschoolers.

Greg Moody, director of the Governor's Office of Health Transformation, said the state is keeping track of whether people are getting the care they need — not whether it's easy for providers.

"It's our role to always be concerned on behalf of the individuals who need the services," Moody said, noting that many providers have expressed support for moving ahead on July 1. "We've put a lot of focus on making sure that access to care is going to be available."

Moody said the overall claims-denial rate in the first three months of 2018 is 21 percent, above the normal 11 percent average. However, the rate falls to 6 percent, well below historic norms, when adjusted to remove ineligible requests and claims from the 26 providers who account for 41 percent of denials.

Once claims were submitted, they were paid slightly faster than they were a year earlier, he said.

Managed-care plans have conducted several tests to ensure they will be ready and have been working with the state, providers and others for two years to ensure a seamless transition, said Miranda Motter, president and chief executive of the Ohio Association of Health Plans.

"Delaying behavioral health integration is not a solution for the Ohioans that deserve to have their physical and behavioral health needs coordinated through a whole-person approach," Motter said. "We trust Ohioans' behavioral health providers are working with the same earnestness to prepare for integration as they are for delaying coordinated care for their patients."

But Criss said members of her group, who provide 70 percent of the mental-health services reimbursed by Medicaid, have spent hundreds of thousands of dollars and committed hours of staff

time to preparation. A delay, she said, would afford them time to stabilize.

Among Ohio Council members supporting the delay are Southeast Healthcare Services in downtown Columbus and the Netcare Access crisis service in Franklinton.

While Southeast's cash position should be $5 million, it's at $2 million, and a line of credit was renewed as a safeguard, said Sandra Stephenson, director of integrated health care. She said there have been a number of unexpected claims rejections and board members are concerned, asking if any programs should be cut.

King Stumpp, president and chief executive of Netcare, said the changes amount to unfunded mandates, requiring retooling of billing systems, training of staff members and establishment of new treatment designs — updates that cost Netcare $75,000 to $100,000. He said Netcare will continue to serve people 24/7, but he has concerns over whether claims will be paid.

Also expressing concern about provider readiness is Mark Mecum, chief executive of the Ohio Association of Child Caring Agencies. He has made several recommendations to the state to help the 30 percent of association providers that he said still face significant challenges due to contract delays with the managed-care organizations, technology issues and low cash reserves.

The Ohio Association of County Behavioral Health Authorities also has heard concerns. The association has asked the state to pull together a quick-response team to handle any issues as they

arise, and to establish an evaluation system, said chief executive Cheri Walter.

Terry Russell, executive director of the National Alliance on Mental Illness of Ohio, said his goal is to ensure appropriate, timely care for patients as well as timely payment for providers. The state, he said, has assured him that officials will try to address any patient complaints within 24 hours.

"Everyone in behavioral health is very nervous because this is a change, but we believe the change is well-founded," he said. "It's the implementation that we're going to have to really monitor closely to make sure our citizens receive the care that they deserve."

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