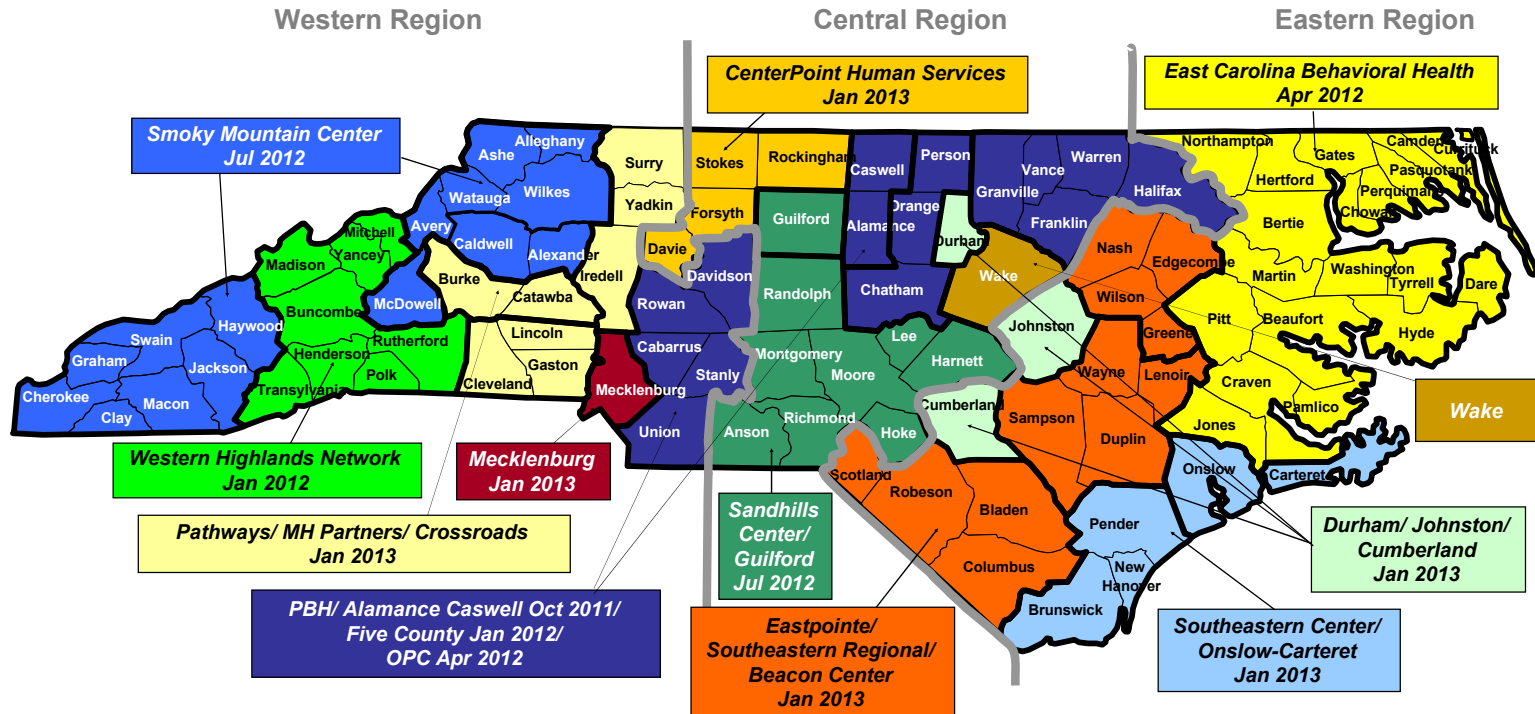


**PBH**  
**Waiver Expansion**  
**Status Report**  
**to the**  
**HHS Legislative**  
**Oversight Committee**

**Pamela Shipman, CEO**  
**February 14, 2012**

## Proposed Local Management Entity - Managed Care Organizations (LME-MCOs) and their Member Counties on January 1, 2013



Unless otherwise indicated, the LME name is the county name(s).  
The lead LME name for the proposed LME-MCO is shown first.  
Dates shown are the planned Waiver start dates.

Reflects plans as of October 2011

# **Expansion Schedule**

**October 1, 2011**

**Merger and Waiver Expansion to Alamance and Caswell Counties**

**January 1, 2012**

**Waiver Expansion to Five County. Contract to manage state funding. Merger planned for July 1, 2012**

**April 1, 2012**

**Waiver Expansion to Orange Person Chatham. Contract to manage state funding. Merger planned for July 1, 2012**

# Alamance Caswell, Five County, OPC and PBH

<b>LME</b>	<b>General Population</b>	<b>Medicaid Population</b>
Five County	234,199	53,358
OPC	231,192	25,118
PBH	739,448	106,172
Alamance Caswell	172,668	28,070
<b>Totals</b>	<b>1,377,507</b>	<b>212,718</b>

# Managed Vs. Fee For Service Starting Point



**Capitation Rates:**

**\$117 - \$145 - \$147 - \$237**

**Penetration Rates:**

**12.5% - 15% - 16% - 19%**

# Outpatient

<b>LME</b>	<b>Utilization Per Thousand</b>	<b>Per Member Per Month</b>
<b>PBH</b>	<b>2,453</b>	<b>7.53</b>
<b>OPC</b>	<b>2,536</b>	<b>20.93</b>
<b>Five County</b>	<b>1,913</b>	<b>13.76</b>
<b>Alamance Caswell</b>	<b>1,772</b>	<b>11.94</b>



# Utilization Strategy



- **Customized for each geographic area.**
- **Gradual changes in utilization patterns.**
- **Gradual reduction in costs as Medical Necessity is enforced.**

**Maintaining a local presence  
while achieving financial  
efficiencies.....**







# Community Operations Centers



- We have developed a model that ensures both a local presence and the efficiencies of centralized operations.
- This model includes establishing **Community Operations Centers** that will serve the counties currently served by each LME.
- **Community Operations Centers** are responsible for operations that involve interactions with consumers, providers, local stakeholders and other agencies involved in the care of people with mental health, intellectual/developmental disabilities and substance abuse conditions.

# Community Operations Centers Staffing:

- **Director**
- **Provider Relations**
- **Consumer Affairs**
- **Community Relations**
- **Housing**
- **System of Care**
- **Quality**
- **Care Coordination: Mental Health and Substance Abuse**
- **Care Coordination: Intellectual and Developmental Disabilities**



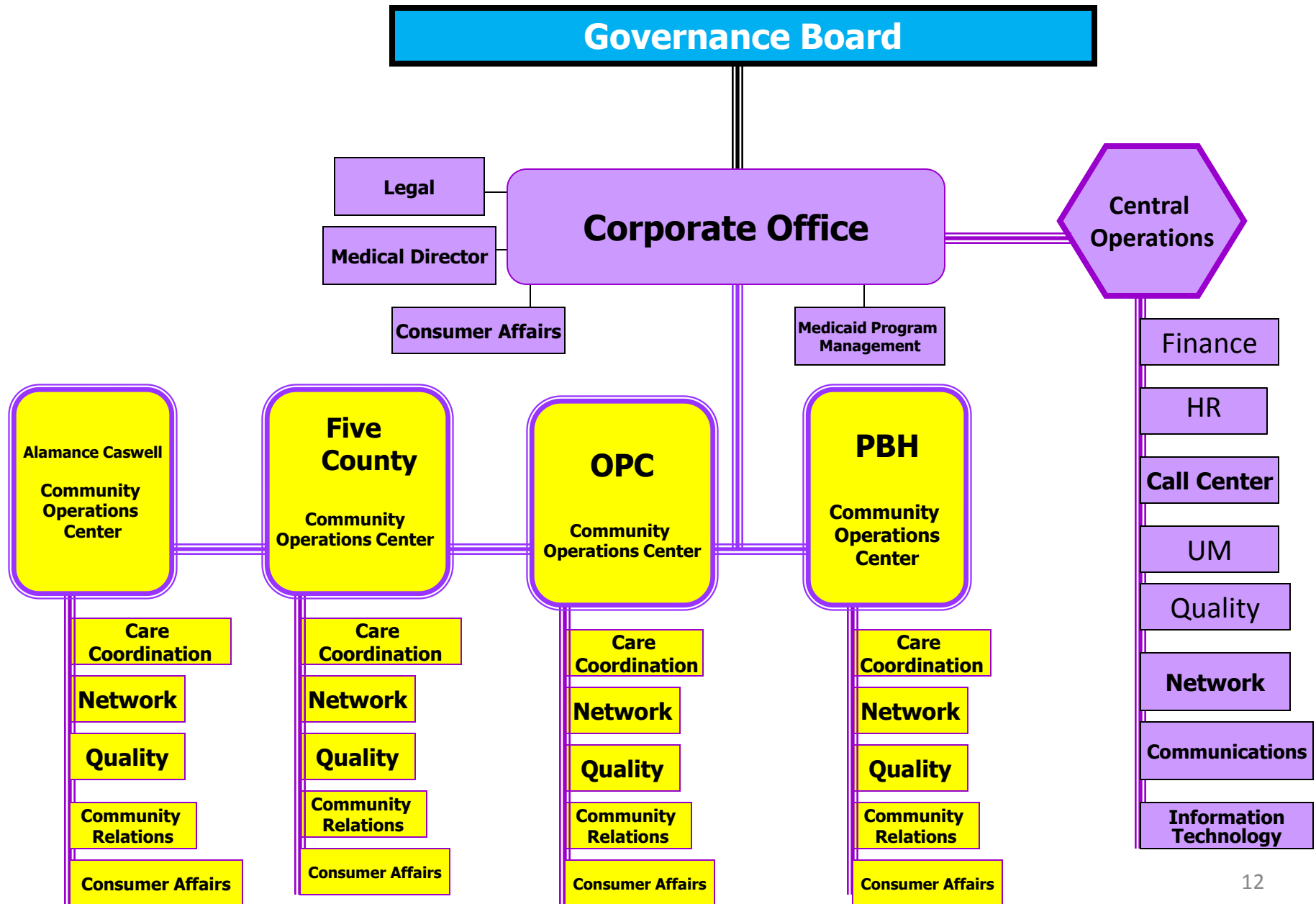


# Centralized Functions

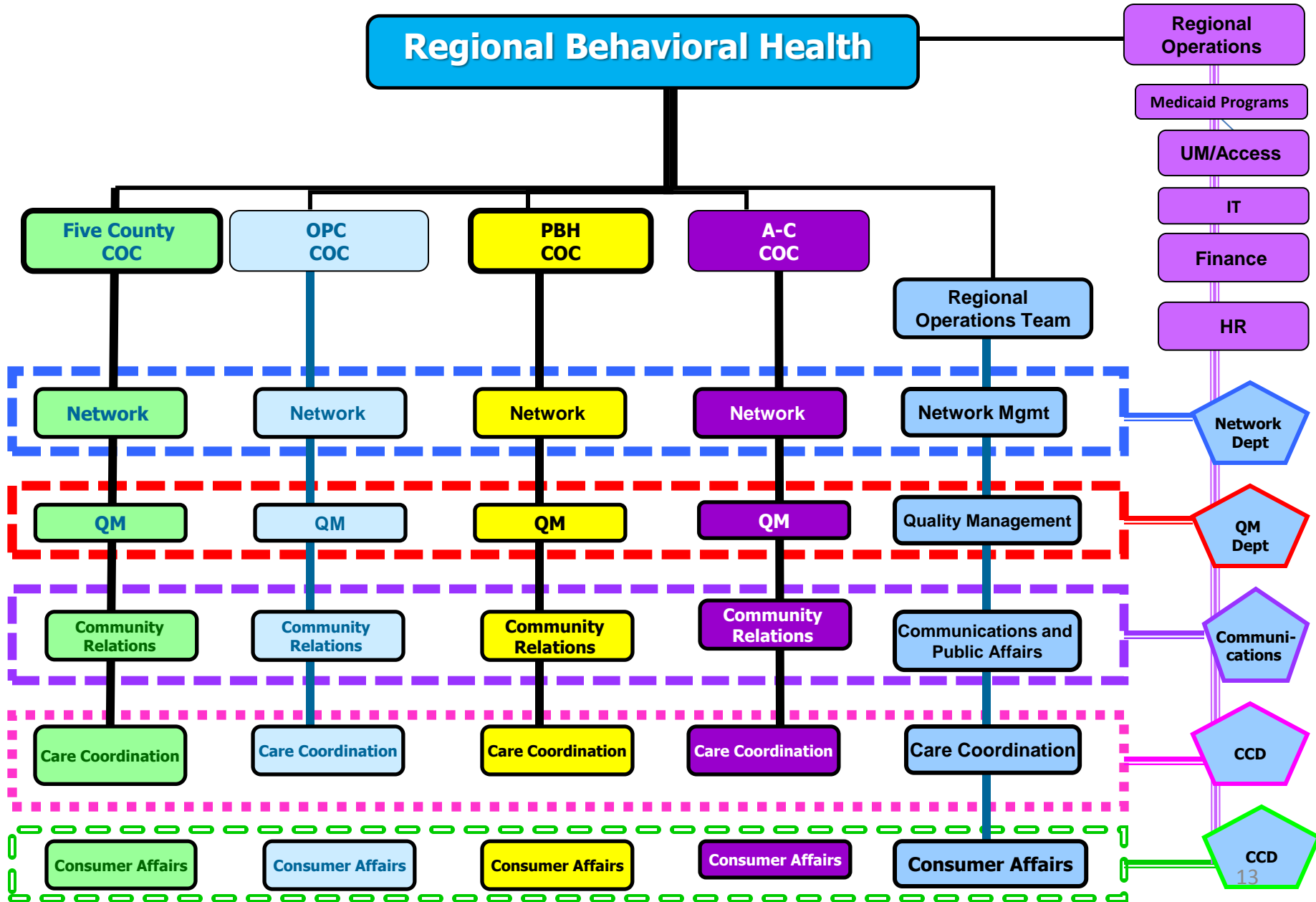
- In order to attain operational efficiency and standardization, functions that can be performed by the “back office”, located in Kannapolis will be conducted from that location. These functions include:
  - Call Center
  - Claims Processing
  - Financial Management
  - Human Resources
  - Informations Systems
  - And Specialty Operations support



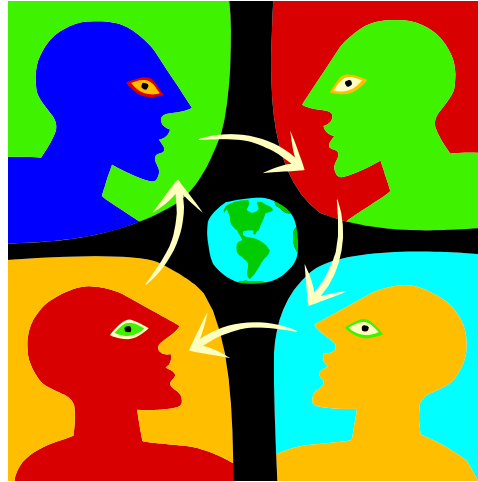
# Distribution of Responsibilities between Corporate Office and Community Operations Centers



# Community Operations Centers and Regional Team Configuration



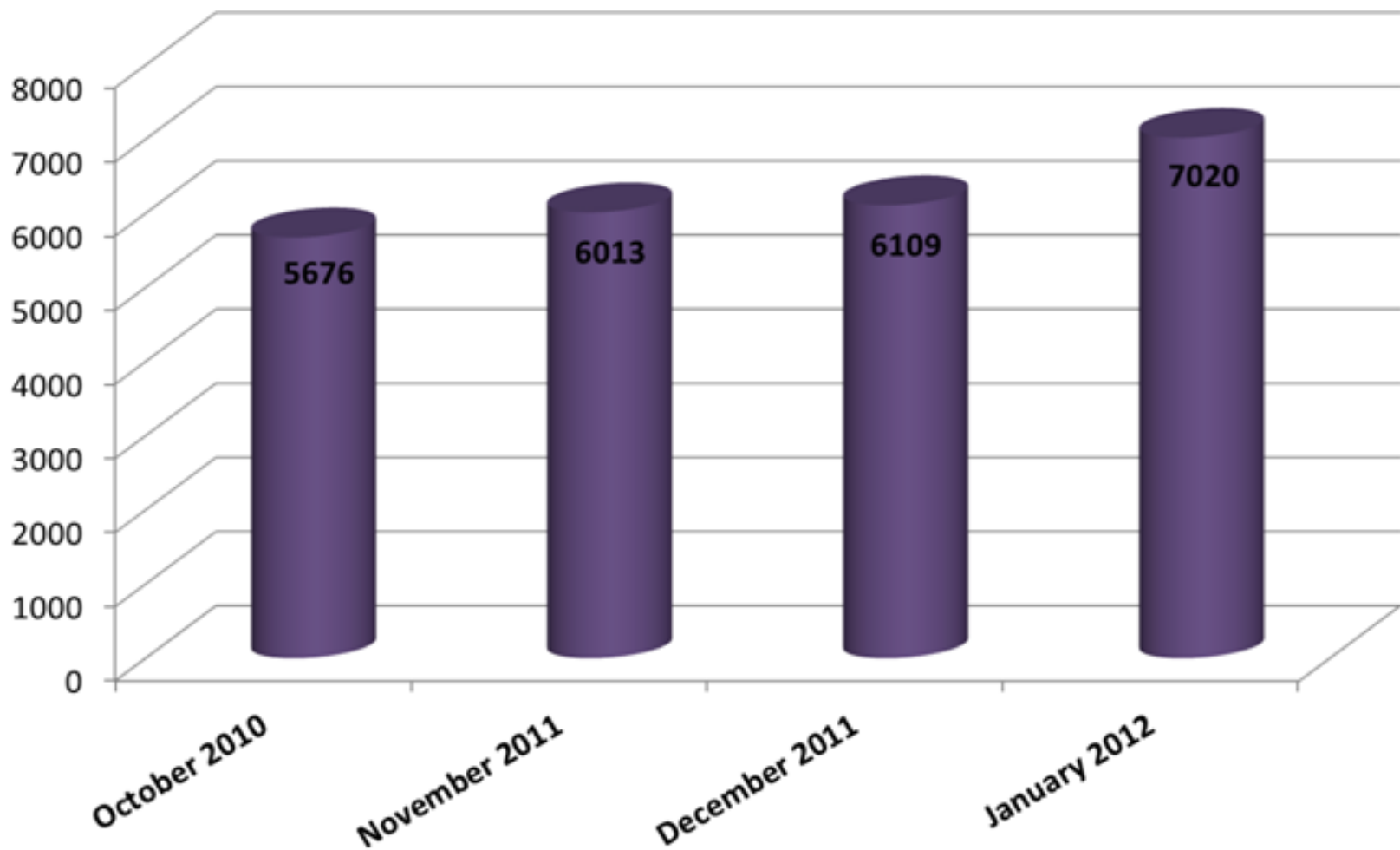
# Call Center Activity



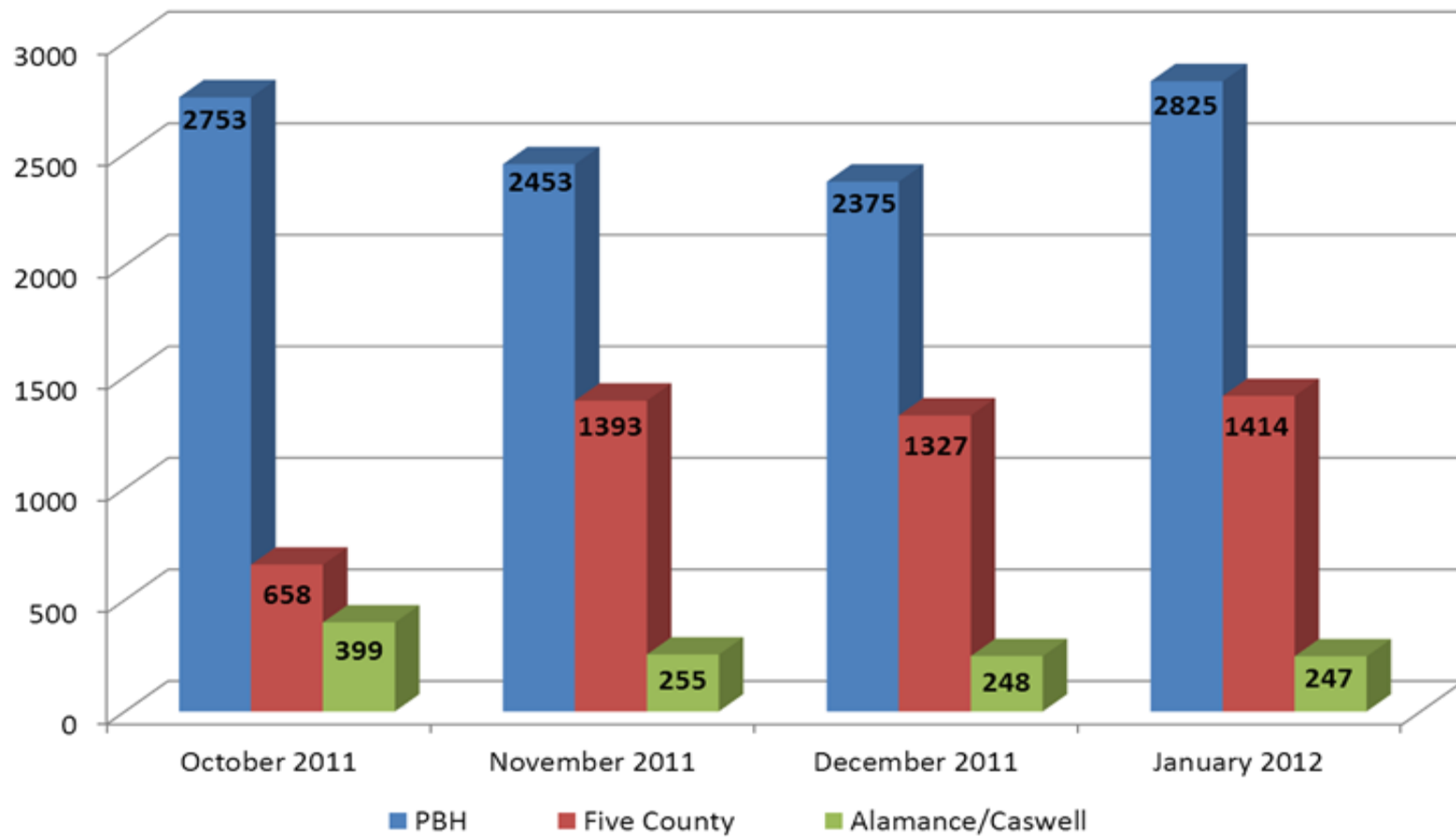
**Steady increase since August 2011**



## Total Calls Received through Access Department



## Calls Received by COC

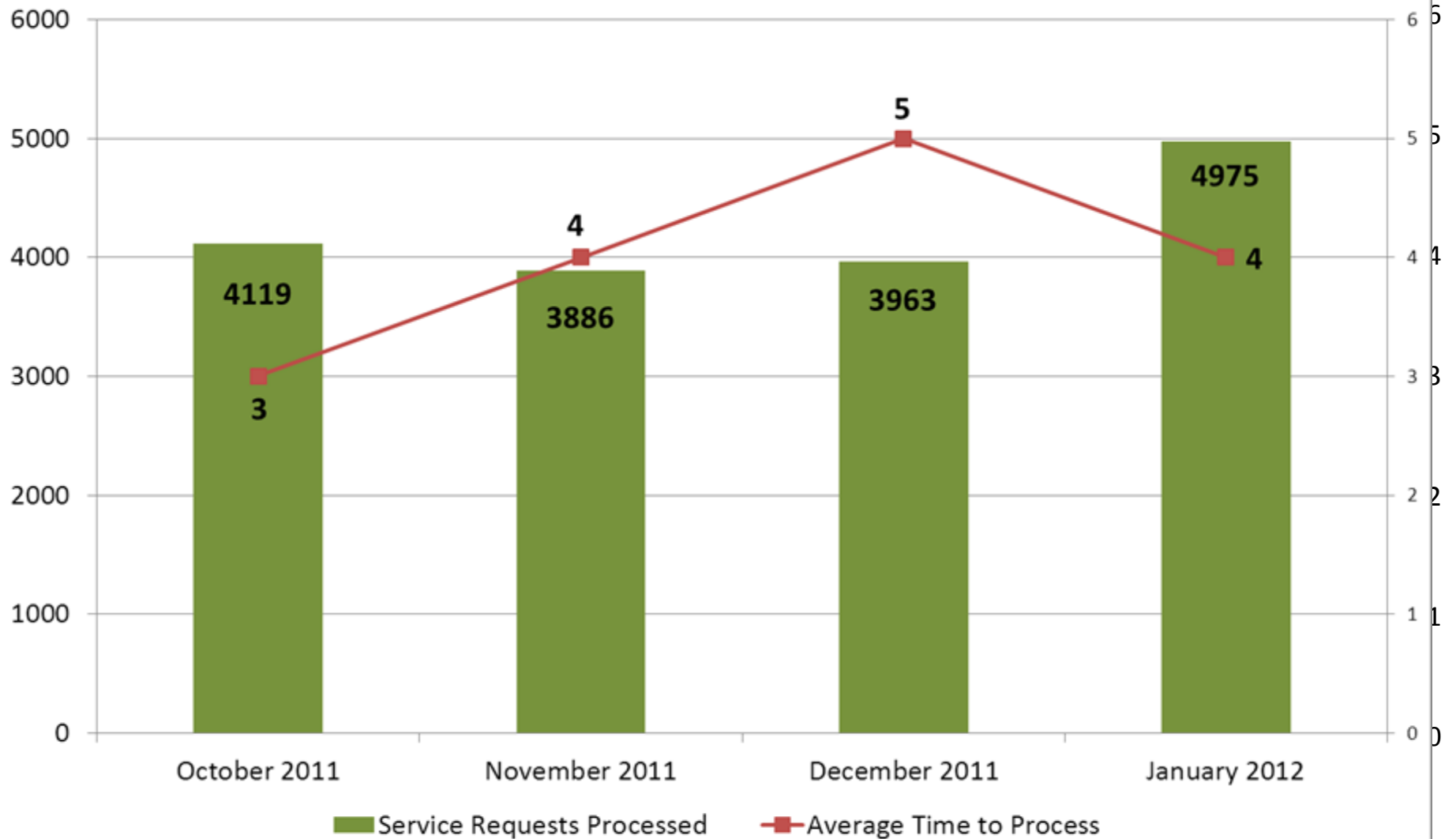




# Requests for Service Authorizations



## Total Services Processed and Average Time to Process



# PBH

## July 2011 – January 2012

### Enrollment

	Medicaid B	Medicaid C	State	County Total*
Cabarrus	24,446	160	41,628	51,643
Davidson	25,148	136	43,618	53,454
Rowan	21,951	109	35,489	43,826
Stanly	9,182	83	17,108	20,217
Union	19,747	160	34,593	43,405
<b>PBH Catchment</b>	<b>100,474</b>	<b>648</b>	<b>172,436</b>	<b>212,545</b>

# Alamance Caswell LME Enrolled October 2011- January 2012

	Medicaid B	Medicaid C	State	County Total*
Alamance	18,132	144	5,728	22,277
Caswell	4,079	24	522	4,413
<b>AC Catchment</b>	<b>22,211</b>	<b>168</b>	<b>6,250</b>	<b>26,690</b>

Medicaid B is the Managed Care Waiver for MH, SA, and I/DD

Medicaid C is the Innovations Waiver for the I/DD Population

State is the number of people enrolled to receive IPRS (State) funding

# Five County LME Enrolled January 2012

	Medicaid B	Medicaid C	State	County Total*
Franklin	7,942	39	853	8,545
Granville	6,750	51	665	7,210
Halifax	12,459	81	1,202	13,233
Vance ( incomplete)	232	62	1,265	1,402
Warren	3,978	35	337	4,170
<b>FC Catchment</b>	<b>31,361</b>	<b>268</b>	<b>4,322</b>	<b>34,560</b>

Medicaid B is the Managed Care Waiver for MH, SA, and I/DD

Medicaid C is the Innovations Waiver for the I/DD Population

State is the number of people enrolled to receive IPRS (State) funding

# Innovations Enrollment



- **August 1, 2011: 648**
- **October 1, 2011: 816**
- **January 1, 2012: 1,084**



# Managed vs. Unmanaged Systems

- **Numbers of providers. We were unprepared for the number of providers.**
- **Having too many providers results in higher administrative costs initially to enroll, and then to manage and monitor.**



# Provider Network Comparisons

LME	Licensed Independent Practitioners	Agency Providers	Total Number of Providers
Five County	369	148	517
Alamance Caswell	240	76	316
PBH	95	182	277



# Why We Were Unprepared



- **Incomplete lists of providers.**
- **Many Medicaid providers unknown to LMEs.**
- **Significant numbers of providers did not self initiate submission of applications**
- **High rate of returned mail for provider notifications due to bad addresses.**
- **Late applications.**
- **Incorrect organizational names and tax IDs.**
- **Incomplete applications.**



# Solutions



- **Shortened provider application.**
- **Issue Memorandum of Agreements (MOAs) when applications are received. These allow the provider to enroll and submit billing for up to 60 days.**
- **Contracts to follow after application is reviewed and approved.**
- **Extend period of time for agencies to come into full quality compliance as long as no health and safety issues exist.**



# Network Operations Command Center



- **Opened January 31<sup>st</sup>, 2012 and will remain open until OPC providers are enrolled.**
- **12 attorneys and 8 administrative assistants.**

# **Transition to the Waivers.....**

## **Continuity of Care is the Priority**



- **Meetings were held with Value Options to plan transition of services**

**Data was received on current authorizations**

**Providers were not required to submit authorization during the first 30 days for Mental Health and Substance abuse services.**

- **For Innovations, paper authorizations were issued if the provider was not fully enrolled to ensure care continued.**

# Transition:

## Education - Alamance Caswell

### August – October 2011

- **14 Provider Training Sessions including:**
  - Medicaid Waivers
  - Clinical Processes
  - Quality Management and Compliance
  - contracting and enrollment process
- **Two meetings for the general public**
- **Four meetings for Consumers and Families regarding transfer from CAP-MR to Innovations waivers.**
- **Total Attendees: 500+**





# **Transitions:**

## **Education - Five County**

### **October 2011 – January 2012**

- **12 Provider Sessions**
- **Two General Community Meetings**
- **Five sessions on the transition from CAP-MR/DD to Innovations for consumers and families**
- **Total attendees: 750+**

# OPC

## January 2012 - present



- **Three general community meetings**
- **Three CAP-MR/DD to Innovations meetings for consumers and families**
- **Five Provider Trainings**



# Claims Payment Statistics

- Increased claim volume ranges from 25% to 47% higher.
- Average 8.4 days to pay a clean claim.
- Date of Service to date of payment averages 27.8 days.
- Denial rate is 2.7 times higher than it was prior to expansion.



# Top 5 Reasons for Claims Denial

<b>Duplicate Claim</b>	<b>16.07%</b>	<b>1</b>	<b>51.56%</b>		<b>1</b>	<b>12.71%</b>		<b>2</b>
<b>Missing/incomplete/invalid treatment auth code.</b>	<b>8.59%</b>	<b>2</b>	<b>3.42%</b>		<b>5</b>	<b>17.46%</b>		<b>1</b>
<b>Claim submitted before service date</b>	<b>8.46%</b>	<b>3</b>						
<b>Claim received after billing period</b>	<b>5.69%</b>	<b>4</b>	<b>3.96%</b>		<b>4</b>	<b>4.91%</b>		<b>5</b>
<b>Invalid rendering provider NPI number</b>	<b>4.35%</b>	<b>5</b>	<b>6.64%</b>		<b>2</b>	<b>8.81%</b>		<b>3</b>
<b>Invalid provider NPI number</b>			<b>4.50%</b>		<b>3</b>			
<b>Patient not enrolled in the billing provider's managed care plan on the date of service.</b>						<b>6.44%</b>		<b>4</b>

# Ongoing Support for Providers



- **On line training**
- **Assistance from Provider Relations staff from the Community Operations Centers**
- **Assistance from the PBH Helpdesk, Claims Staff, Network Operations Staff and others.**

# Consumer and Family Engagement



- **Consumer Affairs Staff located at the Community Operations Centers.**
- **Care Coordinators provide hands on assistance for individual consumers.**



# Community Relations

- **Continuity of Leadership**
- **Executive Directors at the Community Operations Centers continue to be available to consumers, families, providers, local government and community stakeholders.**





**We are working very  
hard. We still have  
far to go.....**

