



LME Medicaid Utilization Review Project

A Presentation to the
Legislative Oversight Committee on MH/DD/SAS
January 19, 2011

Agenda

- Medicaid Utilization Review (UR) background
- Keys to success
- Benefits of local approval
- Cost of local approval
- CAP UR update
- Information technology update
- Future plans for Durham and Eastpointe

Background

- Legislation (NC Session Law 2008–107, Section 10.15(x)) mandated the return of Medicaid UR to the LMEs from a statewide vendor
- RFP issued, four LMEs selected
- DMA provided training and consultation
- LMEs did technical and clinical testing
- 9/20/10 – The Durham Center and Eastpointe resume all behavioral health UR for consumers in their catchment areas

Keys to Success

- Close working relationship between DMA and DMH and the LME vendors
- Standardization of LME functions
- Community buy-in
- Relationship with provider network
- Unification of LME functions
- Support from ValueOptions

Local Approval is Key

- Increased communication between LMEs and providers
- Authorization conducted for all funding sources
- Integration of System of Care and Care Coordination activities
- Allows more efficient tracking of consumers

Cost of Local Approval

- Rates for other Medicaid services the same as for the statewide vendor
- 15% savings in CAP UR cost conducted by Eastpointe and The Durham Center vs. rates paid to ValueOptions

CAP MR/DD UR

- The Durham Center and Eastpointe became two of four LMEs (Crossroads and Pathways) to conduct CAP MR/DD UR for entire state
- The Durham Center to serve serve 7 LMEs
- Eastpointe to serve 8 LMEs
- Preparations underway for a January 20, 2011 start

Information Technology

- Eastpointe and The Durham Center utilize Netsmart Avatar with ProviderConnect
- Netsmart serves 18,000+ health and human services organizations nationally
- 13 other LMEs currently employ Netsmart software (80% of population)
- Using a web-based system

Workplan for the Future

- Lay successful groundwork for being awarded a Medicaid Waiver contract
- Continue working with Netsmart to establish needed system updates to meet all additional waiver requirements