

## 2018 Plan for MIDD 2 Strategic Incentives and Non-Medicaid Support Pool

### REVENUE SOURCES FOR 2018: \$10.7 million<sup>1</sup>

3,157,928	Unallocated 2018 funds from MIDD 2 Initiative SI-03 Quality Coordinated Outpatient Care
2,545,500	New MIDD Initiatives CD-04 and CD-09 on hold
1,697,113	Other new MIDD initiatives delayed for 2017, launch expected in 2018
1,300,000	Projected 1% underspend in existing MIDD initiatives
<b>8,700,541</b>	<b>Total estimated MIDD funding for 2018</b>
2,000,000	Additional Medicaid match
<b>10,700,541</b>	<b>Total estimated funding for 2018</b>

### ANTICIPATED POOL EXPENDITURES IN 2018: \$10.7 million

5,157,928	Practice Transformation Incentives ( <i>Initiative SI-03 funds plus Medicaid match</i> ) (includes clinical outcome measure implementation and helping people gain/maintain stability in the community)
1,400,000	Outpatient Treatment on Demand Incentives ( <i>one-time funds</i> )
4,142,613	Strategic Non-Medicaid System Support ( <i>one-time funds</i> )
<b>10,700,541</b>	<b>Total estimated expenditures in 2018</b>

### PRACTICE TRANSFORMATION INCENTIVES (\$5.2 million in 2018) (MIDD 2 Initiative SI-03)

#### MIDD SI-03 Quality Coordinated Outpatient Care Initiative Funding and Match

- 2018: \$3,157,928 from MIDD<sup>2</sup> + ~\$2.0 million Medicaid match<sup>3</sup> = \$5.2 million total in 2018<sup>4</sup>
- Potential future funding:<sup>5</sup> ~\$4.1 million per year<sup>6</sup> + ~\$2.0 million Medicaid match<sup>7</sup> = ~\$6.1 million total per year<sup>8</sup>

#### Goals from [MIDD 2 Implementation Plan SI-03 QCOC Initiative Description](#)

- *MIDD 2 Policy Goal #4:* Improve health and wellness of individuals living with behavioral health conditions.<sup>9</sup>
- *Initiative-specific goals:*
  - Support behavioral health system transformation to the fully integrated managed care environment.
  - Support the implementation of behavioral health outcome measures; and/or
  - Advance equity and social justice in the behavioral health system.

MIDD's practice transformation incentives will include two components: clinical outcome measure implementation, and improving system performance in helping people gain and maintain stability in the community.

#### Incentives for Clinical Outcome Measure Implementation

As the system progresses toward fully integrated managed care, consistent implementation of common scales, assessing change in overall functioning and/or symptoms over time, will help the behavioral health system to **measure care routinely, adjust client care based on measure results, and demonstrate key improvements and/or outcomes.** Specific implementation benchmarks and timing will be determined by early 2018 in consultation with providers.

- **Implement a standard functional assessment (DLA-20)**
  - Provides a single widely applicable outcome measurement.
  - Provides functioning information beyond short-term clinical gains.
  - Demonstrates treatment effectiveness in terms relevant to the newly integrated system.
- **Possibly implement a suite of diagnosis-specific measure(s) (PHQ-9 for depression, GAD-7 for anxiety, etc.)**

<sup>1</sup> As presented to the MIDD Advisory Committee on September 28, 2017.

<sup>2</sup> The amount of 2017-18 funding remaining after the Workload Reduction model for this initiative (from MIDD 1) winds down in Q4 2017.

<sup>3</sup> The potential for limited Medicaid match funding (less than in MIDD 1) was discovered in late summer 2017.

<sup>4</sup> Of 2018 funds from initiative SI-03, \$4.0 million is subject to Medicaid rules and \$1.2 million is flexible.

<sup>5</sup> Potential future funding is based on the MIDD 2 Implementation Plan, but is subject to revision for 2019-20.

<sup>6</sup> Funding after 2018 is not guaranteed and may be repurposed, either to other incentives or to other MIDD programming.

<sup>7</sup> This is an early estimate only. Match amount may vary over time as overall behavioral health rate ranges are revised in future years.

<sup>8</sup> Of potential future funds from initiative SI-03, \$4.0 million would be subject to Medicaid rules and \$2.1 million would be flexible.

<sup>9</sup> May also relate to MIDD 2 policy goal 5: "Explicit linkage with, and furthering the work of, other King County and community initiatives."

Anticipated phases<sup>10</sup> for Clinical Outcome Measure Implementation incentives:

- Up-front support to providers for implementation planning.
  - Measure-specific training, electronic health record design, clinical process design.
- Using the measure frequently in screening/assessment and/or ongoing treatment.
- Aggregate client progress as shown by these measures, as appropriate.

### **Incentives to Help More People Gain and Maintain Stability in the Community**

To align with federal and state mandates to implement value-based purchasing, King County is developing incentive structures to be based on data already available or routinely collected from providers. Domains currently under consideration for incentives include: **decreasing hospital and/or emergency department utilization, decreasing homelessness, increasing employment, and/or decreasing jail utilization.**

A final determination on the incentive categories for this component will be made during 2018 in consultation with managed care organization partners and providers, with implementation to begin in mid-2018. Because little or no new data collection is expected to be necessary, incentives would be linked to providers' progress toward a systemwide goal.

### **OUTPATIENT TREATMENT ON DEMAND INCENTIVES (\$1.4 million in 2018)** *(one-time MIDD funds)*<sup>11</sup>

Outpatient Treatment on Demand aims to **improve timely access to outpatient behavioral health care** and follow-up for individuals seeking such care, through the use of bonuses for agencies that deliver timely intake assessments and connections to routine care. This will support a significant first step toward treatment on demand throughout behavioral health system. If people are able to get treatment when and where they need it, they will be less likely to cycle into crisis. Treatment before a crisis occurs will benefit the individual, their family and the whole community.

Anticipated phases for Outpatient Treatment on Demand incentives:

- Agencies receive initial payments to support enhanced staffing and infrastructure.
- 2% bonus on outpatient payments when agencies achieve sufficient progress toward countywide targets leading to a systemwide goal of 80% of all new clients receiving timely access.

### **STRATEGIC NON-MEDICAID SUPPORT (\$4.1 million in 2018)** *(one-time MIDD funds)*<sup>12</sup>

Multiple new facilities are coming online to help bring needed improvements to treatment access throughout King County, thanks in part to investments of local dollars for capital costs. Specifically, in 2017-18 the County is planning for significant expanded capacity in **psychiatric evaluation and treatment**,<sup>13</sup> **detoxification (voluntary and secure)**,<sup>14</sup> and **medication-assisted treatment for opioid use disorder**.<sup>15</sup>

About 85-90 percent of people served in such facilities are covered by Medicaid. However, approximately 10-15 percent of the patients who need this expanded capacity are expected to not be Medicaid-eligible. In the past, state general fund dollars have covered the cost of serving this population in previously existing facilities. However, the fixed and limited amount of state general funds King County receives is insufficient to cover treatment for all Medicaid-ineligible people as capacity expands.

\$4.1 million in one-time MIDD support in 2018 will help expand this essential treatment capacity for **people who do not have Medicaid but have intensive behavioral health needs.**

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<sup>10</sup> Specific details of phases and payments for the implementation of the standard functional assessment and any diagnosis-specific measure(s) will be finalized in consultation with providers and in alignment with Medicaid Demonstration Project incentives and value-based purchasing mandates.

<sup>11</sup> As funding for this incentive is based on repurposing 2017-18 funds from on-hold initiatives, and 2017 funds from delayed initiatives, it has not yet been determined whether this incentive will be funded through MIDD vs. another source in 2019 or thereafter.

<sup>12</sup> As funding for these non-Medicaid services is based on repurposing 2017-18 funds from on-hold initiatives, and 2017 funds from delayed initiatives, it has not yet been determined whether these services will be funded through MIDD vs. another source in 2019 or thereafter.

<sup>13</sup> An estimated 56 new evaluation and treatment beds are coming online in 2017-18 at four different facilities.

<sup>14</sup> An estimated 40 detoxification beds are coming online in 2017-18 at two different facilities.

<sup>15</sup> An estimated 500 additional clients will be served at a new medication assisted treatment facility coming online in 2017-18. To facilitate integrated reporting and evaluation, funding for non-Medicaid MAT may be added to Initiative PRI-11 Community Behavioral Health Treatment.