

Kentucky Behavioral Health & Managed Care Payment Innovation

Humana in Kentucky

An important part of the Commonwealth

Kentucky Specific Stats: Founded & headquartered since 1961

11,000 associates with more than \$1.1B in salaries (63K total associates)

25 locations including: Corporate Headquarters, 5 new CenterWell Senior Primary Care Centers, 8 Home Health locations & Neighborhood Center

The Humana Foundation has invested more than \$25M in KY since 2019

Associates donated \$4.4M to KY orgs since 2020 and volunteered 255,000 hours in 2022



Partnered with Kare Mobile to fund a new, stateof-the-are mobile clinic to iincrease access to comprehensive dental care

Co-Sponsored and volunteered at rapid response **free health clinic** in Mayfield, KY last year and in Dec., 23

> Humana partnered with FastNet, LLC to expand broadband infrastructure in Lyon County, including 3 community hotspots

Medicaid Community Engagement Team

Geographically dispersed through Kentucky and deploys resources, sponsorships and other supports to all regions.

Funded UofL's Health Equity Innovation Hub

a research lab to study methods to tackle health disparities in marginalized communities and develop solutions for improved health outcomes

Partnered with VOA to deliver

disorder support for pregnant

residential substance use

women and mothers at

Freedom House in Clay Co.

The Humana Foundation announced \$1M in funding to support
the Mental Health Ecosystem in Louisville following recent mass shootings

No Kid Hungry, Pike Co.

Focused on providing healthy food to pregnant moms during pregnancy (and three months pot-partum) in collaboration with KY Dept. of Health and East Kentucky Dream Center

Re-furnished Mountain Comprehensive offices and Letcher Public Schools (damaged by floods), including delivery and installation of quality furniture





Meeting Enrollees' Behavioral Health Needs

Behavioral health coverage for conditions:

- Anxiety
- Attention deficit hyperactivity disorder (ADHD)
- Autism
- Bipolar disorder
- Depression
- Eating Disorders
- Schizophrenia/Schizoaffective disorder
- Substance use disorder

Behavioral health services covered:

- Crisis intervention services
- Community Support Services such as Peer Support, Day Treatment and Therapeutic rehabilitation
- Drug and alcohol screening and assessment
- Outpatient services such as counseling for individuals, groups, and families
- Psychological testing
- Substance use services, including residential services, for all enrollees, regardless of age
- Inpatient and Residential treatment for Mental Health and Substance Use Disorder
- Intensive Outpatient Treatment and Partial Hospitalization Programs



Behavioral health specialized case management services

Behavioral Health clinicians assigned to assist enrollees and their families to meet their health care goals and improve outcomes.

Case management supports include:

- Answering questions about services, medications, and overall health
- Help find resources and assist with making appointments or referrals
- Help enrollees focus on individualized needs and watch for signs and triggers of relapse
- Educate enrollees about their specific benefits and find providers
- Help schedule and get transportation to appointments
- Prevent non-emergency ER visits by promoting preventative care and finding providers that meet the member's scheduling needs
- Coordinate care between providers, interact with providers and or pharmacy on behalf of enrollees and their families

Promoting Innovation in Behavioral Health Treatment

Demonstrated thought leader bringing treatments to market with innovative payment methodologies that properly fund outcome-driven care

After years of collaboration and research Volunteers of America (VOA) Midstates and Humana paired value-based purchasing and outcomes-based financing to achieve upfront capital and ongoing revenue to increase access to the holistic model of care established in the Freedom House Recovery (FFR) program.

2021-2022 Outcomes:

- Overall reduction of infants born with NAS
- 15% reduction in average length of stay for infants in NICU

Value Based Payment Models Prioritize Quality Care

Specialized, high-touch, in-home and virtual care management programs for individuals with Substance Use Disorder

Incentive payments and bundled rate contracting structured around quality metrics:

- Increase length of time engaged in treatment without relapse
- Reduce NAS births and overall impact to newborns due to opioid dependence in mothers
- Reduce Emergency Room care following discharge
- Improve prenatal and newborn preventative care



In Kentucky, VOA works with the courts to **divert women from incarceration into SUD Treatment**. VOA is also partnering with the Department for Community Based Services (DCBS) of the Kentucky Cabinet for Health and Family Services to pilot an innovative approach that imbeds a VOA clinician in the local DCBS offices. This clinician **works with families who are struggling with SUD**, along-side the case workers and investigators, **encouraging treatment and keeping the family together whenever possible**.

Promoting Innovation in Behavioral Health Treatment

Humana Healthy Horizons® in Kentucky is pleased to partner with Train for Change to provide a virtual one-day overview of the American Society of Addiction Medicine (ASAM) Criteria training.

This training provides a broad overview of ASAM Criteria for addiction and mental health treatment providers and other important stakeholders. It is designed to educate program directors, administrative staff, court service officers and others on the historical foundations of the ASAM Criteria, guiding principles, six dimensions, levels of service, and continued stay, transfer and discharge criteria.



Date: Monday, November 6, 2023 Time: 8:30 a.m. – 3 p.m., Eastern time

Continuing education: 5.0 hours of National Association of Alcoholism and Drug Abuse Counselors (NAADAC) continuing education units (CEUs). Please check with your licensing board to see if these CEUs may count toward your state-specific licensure.

Please email Jennifer Fasel at **JFasel@Humana.com** by Monday, October 16, 2023, for more information about registering for this opportunity. Space is limited.

Complex Enrollee Engagement Strategies

- Immediate outreach and care coordination for enrollees who have emergency room visits for Overdose or Behavioral Health Crisis
- Active participant in pilot to bring Multi-systemic therapy (MST) to underserved populations in Kentucky
- Interdisciplinary Behavioral Health and Maternity teams collaborate to improve Maternal Mental Health conditions
- Focus on re-entry population to prevent recidivism and promote early engagement with health care upon return to community

Provider Education and Support

- Partner with Train for Change to provide virtual one-day training on American Society of Addiction Medicine (ASAM) criteria to improve outcomes for enrollees receiving Substance Use Disorder treatment
- 40 providers trained in Q2 2023

• Host quarterly meetings with high volume Behavioral Health Providers to target and improve quality outcomes

Background: Behavioral Health and Substance Use Disorder

Kentucky has one of the highest rates in the nation in opioid misuse, heroin use, and methamphetamine use

18+ Opioid Misuse in Past Year (2021)



Powered by Bing © GeoNames, Microsoft, TomTom Proportion of membership and prevalence of Opioid and Substance Use Disorders varies widely between Kentucky's participating MCOs

| | 2020 Demographic Factors | Aetna | Anthem | Humana | Molina/ Passport | UHC | WellCare |
|-------------|---------------------------------|-------|--------|--------|---------------------|-----|----------|
| , , , | Share of Medicaid Enrollees | 17% | 12% | 11% | 22% | 6% | 32% |
| , | Substance Use Disorder (SUD) | 6.1% | 9.0% | 11.8% | 9.2% | n/a | 7.5% |
| | Opioid Use Disorder (OUD) | 3.4% | 5.3% | 8.3% | 5.5% | n/a | 4.5% |

Mental Health and Substance Use Disorder has increased since the pandemic (March 2020.) Medicaid population impacted to greater degree due to the additional barriers they experience.

KY Humana Healthy Horizons Members (Q2 2023)

- 48% have a Mental Health Diagnosis
- 16% have a Substance Use Disorder Diagnosis

Source: Medicaid Managed Care Organizations in Kentucky: Examining the Evidence Related to Healthcare Quality, Patient Outcomes, and Program Costs; Prepared for the Department for Medicaid 6 Services by The Office of Health Data and Analytics

Source: Substance Abuse and Mental Health Data Archive

Solution: Substance Use Disorder Rate Cohort

Remove Disincentive for Innovation in Behavioral Health Treatment

Managed Care Funding Mechanism

- KY Medicaid sets rates annually based on utilization trends and provider fee schedules
- Industry costs determine total funding for program and risk adjustment distributes funding between MCOs
- Medical and pharmacy claims are assessed by State's actuaries and identified conditions derive an enrollee-specific risk score that represents level of acuity
- Risk scores are aggregated and MCOs receive higher or lower funding based on acuity of their membership

Funding Gaps for Treatment

- If risk adjustment doesn't adequately id higher acuity levels costs far exceed funding which disincentives innovation
- Humana's experience demonstrates enrollees receiving BH treatment have higher risk scores, but Medical Expense Ratios (MER) are above rate development

| Enrollee Cohort | Raw Risk Score | MER |
|---------------------|----------------------|------|
| BH Diagnosed | 1.94 | 112% |
| Non-BH Diagnosed | 1.06 | 88% |

 Underfunding enrollees with BH/SUD* creates a significant loss for MCOs compounded by the high percentage of enrollees requiring treatment

The Ask: Account for and Appropriately Fund Enrollees with BH/SUD*

- Create a specific rate cell cohort to align funding for treatment costs of members with BH/SUD*
 - Balance Medicaid budget by offsetting higher premium within the cohort by lower premiums outside the cohort
- Create risk score adjustment specific to BH/SUD* prevalence to ensure those with highest incidence receive appropriate funding
- Shift to KY-specific risk score weights from national weights so cost assumptions align to KY-specific treatment experience

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