Payment Innovation
What Payers What

- Lower Costs (Utilization)
- Better Care (Quality)
- Both only pay if
  - Savings Occur
  - Quality meets explicit measured results
- Predictability
- Integration with BH (but don’t know what that is)
- Social Determinants addressed (but don’t know how to)
- You (and everyone else) to Share Their Risk
...from encounters...to ongoing management

### Fee-For-Service

<table>
<thead>
<tr>
<th>Pre-Encounter</th>
<th>Encounter</th>
<th>Post-Encounter</th>
<th>Disengaged</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>$$$$$</td>
<td>X</td>
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### Population Management

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Types of Bundled Payment

• Case Rate
• Diagnostic Related Groups (a type of case rate)
• Episode of Care
• Prospective payment
• Capitation
• **May or May Not Include**
  – Performance bonus or penalty
  – Shared Savings
Issue – What is the Baseline?

• Options
  – Same patients Pre/Post
  – Compared to a control group
  – How long is the base period

• What Services/Costs are In/Out?

• On Performance Measures
  – What/whose data is used
  – What diagnosis, persons, procedures are excluded?
New Costs to Cover

• Software for Disease Registry/Care Management
• Data field mapping from your EMR
• Data analyst/Report Developer
• Data Entry
• Cost Reporting/Accounting
• Primary Care Expertise
• Training, Training, TRAINING!!!
What Will can Payers Do to Help Providers Succeed?

• Provide Data
  – Claims
  – Notification of Admission/ER visit
• Provide Training
• Help Communicate with other Providers
• Help Communicate with Patients
• Allow input into Decisions
  – Prior authorization
  – Admit/Discharge/LOS
  – Medication PAs
Require LOCUS/CALECUS

• 7 levels of Care
• Scores for
  – Co-Morbidities
  – Prior Response to Treatment/ Resilience
  – Supportiveness of Environment
  – Stressfulness of Environment
  – Engagement of Patient and Family
• Defined Staffing Levels
• Contracts should require provision of at least the level scored
HIPAA and 42 CFR part 2

- Payer should put their operation definition of how to comply in MCO and provider contracts.
- SMHA, Medicaid and contracted MCO’s should put broad boiler plate consent to share PHI in their initial consent to coverage.
- Payers should encourage/require providers to put consent to share PHI with other providers in their initial consent to coverage.
Rate Parity

• 70% of National Council Members report losing money on psychiatric services and having to make an average 15% more in other service lines to cover the loss

• Hospitals report closing or not opening inpatient units because BH is less profitable

• Payers must set rates consistent with the actual cost of providing the services
BH Advantages

• Higher Cost/Utilization Patients have more opportunities for improving and cost savings
• More Comfortable working outside of Clinic/in Community
• Ability to maintain engagement with people others don’t understand and can’t tolerate
• Actually know what Social Determinates of Health are and how to impact them
• Motivational Interviewing
• Lower unit cost for personal interactions
What BH Needs to Succeed

• Get Realistic about HIPAA and 42CFR part 2
• Learn to use data to manage
• Keep using the Personal Relationship
• Learn about chronic disease and Medical Care
• Be Culturally Competent (with the rest of Health care Providers)
• Act like competent confident experts
• Lead by Partnership
DYSFUNCTION

The only consistent feature of all of your dissatisfying relationships is you.
S.M.R. Covey, *The Speed of Trust*

Behaviors that Promote Trust

> **Character**
  - Talk Straight
  - Demonstrate Respect
  - Create Transparency
  - Right Wrongs
  - Show Loyalty

> **Competence**
  - Deliver Results
  - Get Better
  - Confront Reality
  - Clarify Expectations
  - Practice Accountability

> **Character & Competence**
  - Listen First
  - Keep Commitments
  - Extend Trust
Partnership Principles

**DON’T**
- Talk about your need first
- Expect to get something
- Limit assistance to a project
- Make it about this deal
- Push a specific position
- Withhold information
- Let them take their lumps

**DO**
- Ask about their needs first
- Give something
- Assist wherever you can
- Make it about the next 10
- Pursue common interest
- Reveal anything helpful
- Take one for the team
High Impact Performance Indicators

• Medication Adherence
• Keeping PCP appointments
• Follow up after discharge
• Asthma
  – Being on inhaled corticosteroid
  – Adherence to inhaled corticosteroid
• Medication Assisted Treatment for SUDs
Putting It All Together

• Data identify treatment and prevention opportunities
• Training implements new evidence-based interventions
• Personal interaction is the true change agent
• Data analytics identify the dose response curve of personal interaction required
• Training allows use of a lower-cost FTE to produce an effective personal interaction
CHANGE

When the Winds of Change Blow Hard Enough, the Most Trivial of Things can turn into Deadly Projectiles.