



COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

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April 3, 2023

MEMORANDUM

TO: The Honorable Janet D. Howell
Chair, Senate Finance Committee

The Honorable Barry D. Knight
Chair, House Appropriations Committee

The Honorable John Littel
Secretary of Health and Human Resources

FROM: Cheryl Roberts
Director, Virginia Department of Medical Assistance Services

SUBJECT: Medicaid Behavioral Health Services Advisory Panel Report

This report is submitted in compliance with Item 304.YY. of the 2022 Appropriations Act which states:

“The Department of Medical Assistance Services (DMAS) shall convene an advisory panel of representatives chosen by the Virginia Association of Community Services Boards (VACSB), the Virginia Association of Community-Based Providers (VACBP), the Virginia Coalition of Private Provider Associations (VCOPPA), Caliber, the Virginia Network of Private Providers (VNPP), and the Virginia Hospital and Healthcare Association. The advisory panel shall meet at least every two months with the appropriate staff from DMAS to review and advise on all aspects of the plan for and implementation of the redesign of behavioral health services with a specific focus on ensuring that the systemic plan incorporates development and maintenance of sustainable business models. Upon advice of the Advisory panel, DMAS may assign staff, as necessary, to review operations of a sample of providers to examine the process for service authorization, the interpretation of the medical necessity criteria, and the claims processing by all Medicaid managed care organizations. DMAS will report their findings from this review to the advisory panel and to the Secretary of Health and Human Resources, and the Chairs of House Appropriations and Senate Finance and Appropriations Committees by December 1, 2022.”

Should you have any questions or need additional information, please feel free to contact me at (804) 664-2660.

CR/wf
Enclosure

Medicaid Behavioral Health Services Advisory Panel Report

A Report to the Virginia General Assembly

April 3, 2023

Report Mandate:

Item 304.YY. of the 2022 Appropriation Act states:

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Background

DMAS received initial funding for the proposed Redesign of Medicaid Behavioral Health Services through the 2020 Acts of Assembly, though this funding was un-allotted during the initial Public Health Emergency associated with COVID-19. Funding was re-instated through the 2020 Special Session of the General Assembly, with an altered timeline and budget projection that adjusted for time lost due to the suspended implementation due to the Public Health Emergency.

The 2020 Acts of Assembly included language that mandated DMAS to establish an advisory panel composed of behavioral health provider associations to address concerns related to the implementation of new services within Medicaid managed care, including the process for service authorization, the interpretation of the medical necessity criteria, and claims processing. In working with the stakeholders named in the budget language, the group resolved that this panel would be an on-going collaborative to be called the “Behavioral Health MCO Resolutions Panel.” The initial meeting of the panel was on December 17, 2020, and included the Behavioral Health Provider Associations and DMAS Divisions including Behavioral Health, Healthcare Services and Integrated Care.

The mission of the Virginia Medicaid agency is to improve the health and well-being of Virginians through access to high-quality health care coverage.

The Department of Medical Assistance Services (DMAS) administers Virginia’s Medicaid and CHIP programs for over 2 million Virginians. Members have access to primary and specialty health services, inpatient care, dental, behavioral health as well as addiction and recovery treatment services. In addition, Medicaid long-term services and supports enable thousands of Virginians to remain in their homes or to access residential and nursing home care.

Medicaid members historically have included children, pregnant women, parents and caretakers, older adults, and individuals with disabilities. In 2019, Virginia expanded the Medicaid eligibility rules to make health care coverage available to more than 600,000 newly eligible, low-income adults.

Medicaid and CHIP (known in Virginia as Family Access to Medical Insurance Security, or FAMIS) are jointly funded by Virginia and the federal government under Title XIX and Title XXI of the Social Security Act. Virginia generally receives an approximate dollar-for-dollar federal spending match in the Medicaid program. Medicaid expansion qualifies the Commonwealth for a federal funding match of no less than 90% for newly eligible adults, generating cost savings that benefit the overall state budget.

Workgroup Processes

DMAS developed a structure for the Provider associations to submit concerns regarding Managed Care Organization (MCO) contract compliance of the areas in the mandate. The established scope includes trend-level evidence indicating repeated examples that could be indicative of contract violations. The panel was charged with reviewing documents to determine evidence of contract compliance violations and posting resolutions on the DMAS website.

The workgroup consists of the following participants:

Dennis Parker - Caliber

Steven Hammond - Caliber

Christy Evanko - Virginia Association for Applied Behavior Analysis

Keven Schock - Virginia Association for Applied Behavior Analysis

Mindy Carlin - Virginia Association for Community Based Providers

Cassidy Taylor - Virginia Association for Community Based Providers

Jennifer Faison - Virginia Association for Community Service Boards

Beth Ludeman-Hopkins - Virginia Association for Community Service Boards

David Cassise - Virginia Association of Medication Assisted Recovery Programs

William Elwood - Virginia Coalition of Private Provider Associations

Laura Easter - Virginia Coalition of Private Provider Associations

Wicker, Jennifer - Virginia Hospital and Healthcare Association

Emily Bebber - Virginia Network of Private Providers

Jennifer Fidura - Virginia Network of Private Providers

Alexis Ablasca - Department of Behavioral Health and Developmental Services

Lisa Jobe-Shields - Department of Behavioral Health and Developmental Services

Katharine Means - Department of Behavioral Health and Developmental Services

Karla Callaham - Department of Medical Assistance Services

Kim Moulden - Department of Medical Assistance Services

Jackie Brown - Department of Medical Assistance Services

Rhonda Thissen Parsons - Department of Medical Assistance Services

Jason Lowe - Department of Medical Assistance Services

Angel Clark - Department of Medical Assistance Services

Ashley Airington - Department of Medical Assistance Services

Sue Klaas - Department of Medical Assistance Services

Oketa Winn - Department of Medical Assistance Services

Laura Reed - Department of Medical Assistance Services

Ashely Harrell - Department of Medical Assistance Services

Stefanie Pollay - Department of Medical Assistance Services

Shamika Ward - Department of Medical Assistance Services

Patty Smith - Department of Medical Assistance Services

The following processes were established for the workgroup:

- The process for submitting issues to the panel and development of an Issues Log Template to document concerns, including parties involved, dates of submission, and actions taken for resolution by DMAS and the MCOs.
- DMAS and MCO process for assigning, researching, and working an issue to resolution
- The panel's role in prioritizing issues based on common themes and trends as reported by the Provider Associations. If no common areas of concern were identified, issues would be heard in the order of submission.
- Timeframe for resolving issues
- Reporting back to the panel on outcomes, noting that the complexity of the issue and required resources to research the issue will influence the resolution. The Panel determined that meetings would occur every other month to allow time for internal DMAS meetings and outreach with the MCOs.

Schedule of Meetings and General Themes

December 17, 2020: MCO Resolution Panel Kick-off Meeting

March 11, 2021: Discussion of the Issues Log format and Review with the Panel

May 13, 2021: First Sample Run, Therapeutic Day Treatment Training Overview

July 8, 2021: Provider Terminations, Therapeutic Day Treatment Post-Covid

September 9, 2021: MST/FFT Service Authorization Forms, MCO Training Requirements

November 18, 2021: HBCS Rate Increases

January 13, 2022: HBCS Rate Increases, Mental Health Skill Building Questions

March 10, 2022: Community Stabilization Services

May 12, 2022: Mobile Crisis Billing Questions, Background Checks

July 2022: Meeting cancelled due to no new active submissions, distributed summary of BRAVO issues being tracked

September 8, 2022: MES issues (dis-enrollments), BRAVO updates, Tracker updates

Summary of Resolutions

1. Specific Therapeutic Day Treatment Denials and Appeals

While the panel was formed with the intention of working through thematic complaints about MCO processes that rose above the typical provider appeal process, this first issue was done to demonstrate how the process would work for the group. This topic involved a provider who reported issues related to denial, untimely MCO appeals process, evidence of lack of comprehensive review of service authorization materials submitted and potential misinterpretation of medical necessity criteria across three MCOs.

DMAS Behavioral Health (BH) staff worked with the provider to set up individual meetings with the BH leads at the respective MCOs. These meetings resulted in escalation to MCO leadership and in one case a Corrective Action Plan was developed to address contract compliance issues. These corrective actions included an MCO performing the following:

- end-to-end review of all BH utilization management standard operating procedures to ensure compliance with mental health parity,
- a review and update of internal policies and procedures,
- trainings for utilization management staff,
- development of interrater reliability for Psychologist reviewers,
- restructuring of the reporting relationships of some reviewers, and
- partnership with National Committee for Quality Assurance accreditation teams to conduct chart reviews, quarterly audits, and verifications that policies and procedures meet NCQA standards.

The provider and their association reported satisfactory results and the matter was used to demonstrate the process for the members of the panel.

2. Billing Issues for Temporary Detention Orders (TDOs) in Community Services Boards (CSBs) Crisis Stabilization Units (CSUs)

CSB Crisis Stabilization Units had difficulty getting TDO claims paid due to confusion on billing after the Department of Behavioral Health and Developmental Services (DBHDS) allowance for TDOs for adults to be accepted in CSUs. Previously, TDO billing had only been based on hospital billing processes.

The main issue regarding billing was the guidance to bill TDOs using crisis stabilization codes. Individuals under TDO were often under the influence of substances, making them unable to participate in interventions. This technically disallows billing under the crisis stabilization service as written in the manual at the time, since only active intervention time counted towards reimbursement.

The Managed Care Organizations (MCOs) requested guidance from DMAS on how to proceed. DMAS worked with DBHDS to research this matter, address unpaid claims by CSBs for these services rendered, and plan for how Project BRAVO would address these situations in the future. The team established a new process for CSBs to bill DMAS directly for TDOs in CSUs using a new procedure code and providers were able to begin billing effective March 1, 2020. A Medicaid memo was issued providing this formal guidance and DMAS processed TDOs for Medicaid members and uninsured individuals. DMAS worked to ensure all eligible claims were paid appropriately and the TDO Supplement of the policy manual was revised to reflect the changes.

3. Clarification on Pandemic Impacts to Service Authorization Considerations

During the pandemic, there were concerns expressed by panel members about how Therapeutic Day Treatment (TDT) should operate and how MCOs should examine service authorizations. Schools closing and moving to virtual formats created significant barriers to the implementation of the TDT service as written in policy manuals. Despite DMAS issuing a Medicaid memo outlining allowable provider flexibilities due to the Public Health Emergency (PHE), panel members reported that further training and information was necessary.

In response to the panel's concerns, DMAS developed a training on the policy manual and covered the context of the allowable flexibilities. It also included the following:

- Research on the needs for youth and families during the current public health emergency
- Youth mental health crisis
- Guidance on the policy flexibilities and corresponding service authorization processes.

DMAS held training on these issues on July 9, 2021, for providers and MCOs. It was also recorded and posted on the Virginia Medicaid YouTube site: <https://www.youtube.com/watch?v=3OYufQ8C180>

4. Service Authorization Forms/Administrative Requirements Training for New Services

Concerns about the discrepancies among the service authorization forms across all six MCOs were raised by several providers. After these concerns were raised, DMAS Behavioral Health staff updated the service authorization forms for the implementation of Project BRAVO. The goal of this process was to address cross-MCO discrepancies and reduce administrative burdens by streamlining the forms and making sure they were directly aligned with medical necessity criteria. Further, DMAS specified on each section of the service authorization form where the required information could be taken directly from the Comprehensive Needs Assessment requirements to create alignment and ease of completion. The forms were previewed by the

members of the panel prior to public roll out as part of a collaborative process with panel members. This action was critical to the group's proactive approach towards the goals of the MCO Resolutions Panel.

Training for the BRAVO services began in May 2021 and was recorded and posted on the DMAS website here: <https://www.dmas.virginia.gov/for-providers/behavioral-health/enhancements/>.

5. Utilization Management of Services by the Managed Care Organizations (MCOs)

Members of the panel expressed concerns with the utilization management reviews within the MCOs being out of sync or not fully understanding how the service worked in clinical settings. Some members felt that there was a need for clinical training on all services. DMAS Behavioral Health staff provided training on Project BRAVO services, which was recorded and posted to the Virginia Medicaid YouTube channel.

6. Network Adequacy & Provider Termination

DMAS collaborated internally to distribute information to the panel members regarding network adequacy and provider termination. Providers were concerned about being terminated from the MCO networks and felt that network adequacy was not being achieved in certain areas. DMAS shared the MCO contract language that allows the MCOs to manage their networks and authorizes them to terminate providers from the network without cause. DMAS also distributed information concerning the Joint Subcommittee for Health and Human Resources Oversight Committee whose mission is to ensure that monitoring of the MCO network terminations are occurring.

7. Home and Community Based Services (HCBS) Rate Increases

While not a resolution, this topic was raised by providers, requesting that DMAS staff provide education on the implementation process for the HCBS rate increases. Providers also requested a review of the Provider Memo that gave public notice of the rate increases, and time to address questions regarding how the increases would be rolled out across MCOs.

8. Community Stabilization Services

Over time, DMAS observed high utilization of the new Community Stabilization Services; the Agency brought this observation for discussion with the providers. DMAS asked for provider feedback regarding what drivers could influence this utilization, and providers discussed the need for this service to fill in gaps in other services and noted that it may be used by providers as a preventive measure to keep a crisis from becoming worse. DMAS clarified that this service is not a group service and that it may only be delivered to individuals. DMAS also noted that providers should expect changes to this service if utilization trends continued on this trajectory. DMAS stated that anecdotal and data collection from crisis providers was welcome in order to help the Agency make sense of what is happening on the front line of delivery.

Status of Resolutions Panel

The Behavioral Health MCO Resolutions Panel continues to meet bi-monthly and alternates with the Provider Association Meeting. The Provider Association meeting is used for the more general purposes of discussing dynamics and happenings across the behavioral health system at large and is not restricted to topics related to managed care implementation. There is no current plan to discontinue this panel, though there have been discussions about recent lack of submissions for resolutions by providers, and whether it may be possible to move to a quarterly cadence if needed.