



## Louisiana Department of Health and Hospitals

### Health Plan Advisory 15-17

#### May 12, 2015

#### **Issue: “In Lieu of” Behavioral Health Services Provided by Magellan**

DHH supports continuation of the “in lieu of” behavioral health services currently provided by Magellan when behavioral health services are fully implemented in Bayou Health. Based on Magellan’s claims data since March 1, 2012, “in lieu of” services have been cost effective and have increased community based services, while reducing high cost inpatient and residential care.

The authority for “in lieu of” services is 42 CFR 438.6. Capitated health plans — unlike the fee-for-service Medicaid Program or a Primary Care Case Management (PCCM) Medicaid delivery model — may also provide “in lieu of” services, which are health related services that directly replace state plan services, which are included in the State capitated rate, **but are more cost-effective or efficient**. The flexibility of this approach allows a health plan to, for example, pay for home and community based services in lieu of providing more costly institutional services. The State does not pay for these services explicitly, but can include payment for them in the capitation rate for the state plan services, which they would replace.

DHH has approved the following “in lieu of” services and variances in Medicaid published fee schedules requested by Magellan, operating as Louisiana’s specialized behavioral health statewide management organization. These successful “in lieu of” services are not an exhaustive list of the possibilities, but are currently in place in the behavioral health system.

- 1. Residential Substance Use Treatment Facilities for Medicaid Eligible Adults (Age 21 and Above)** – Prior to March of 2012, this population was treated in residential programs not eligible for Medicaid reimbursement. As in the fee-for-service Medicaid system, some residential substance use treatment facilities are considered Institutions for Mental Diseases (IMD) because of the number of beds and the population served. However, without use of these facilities, members will be treated in more costly acute detox settings, and members will remain in hospital emergency departments while awaiting available beds. This service reduces emergency department consumption, increases substance use treatment bed capacity, and provides a less costly alternative to general bed placement.

- 2. Utilization of Freestanding Psychiatric Hospitals instead of General Hospital Psychiatric Units for All Medicaid Eligible Adults (Age 21 and Above)** – The purpose of this alternative service is to assist adult Medicaid members including 1915(i) waiver eligibles with significant behavioral health challenges. In fee-for-service Medicaid, this population was treated in more expensive general hospital psych units which created access issues as beds in this setting were limited. Members often remained in emergency departments while waiting for available beds, thereby increasing costs to the healthcare system as members utilized those medical resources while awaiting beds in general hospitals. Use of freestanding psych units reduces emergency department consumption, increases psychiatric bed capacity and provides a less costly alternative to general hospital beds.
- 3. Community Psychiatric Support and Treatment, Psychosocial Rehabilitation, and Crisis Intervention for 21 Year Olds Enrolled in the 1915(c) Waiver for Children/Youth with Severe Emotional Disturbances (SED)** – Members who are 21 years old are eligible for the 1915(c) SED waiver services but not for state plan services which are restricted to children and youth **under** age 21. These services are state plan rehabilitation services. According to the implementing 1915(b) waiver, a person cannot receive services from both the 1915(c) SED waiver and the 1915(i) SPA. Access to these services allows continuation of the level of services being received prior to these members' 21<sup>st</sup> birthday in their home environment, helps to increase skills, and decreases the likelihood of deterioration once the member formally transitions to state plan services at age 22.
- 4. Crisis Intervention (CI) Services for All Medicaid Eligible Adults (Age 21 and Above)** – This service is provided to persons experiencing psychiatric crises and are designed to interrupt and/or ameliorate the crisis experience through a preliminary assessment, immediate crisis resolution and de-escalation, and referral with linkage to the appropriate community services in order to avoid more restrictive levels of treatment. Utilization increases opportunities for diversion from emergency rooms and hospital intake departments.
- 5. 23-Hour Observation Bed Services for all Medicaid Eligible Adults (Age 21 and Above)** – Currently utilized by the Bayou Health Plans.
- 6. Crisis Stabilization Units for All Medicaid Eligible Adults (Age 21 and Above)** – The use of Crisis Stabilization Units for the adult Medicaid population is to assist those members with urgent or emergent needs who are in crisis and who have need of further stabilization. Use of these units is a key component in the crisis continuum and serves those who can be diverted from an emergency department or inpatient hospitalization, or can be “stepped down” from current inpatient hospitalization. Units are staffed year-round with treatment available every day of the week.

- 7. Peer Support Services for All Medicaid Eligible Adults (Age 21 and Above)** – Services are non-clinical, face-to-face services, designed to provide collegial support to promote recovery, resilience, and wellness. Services are grounded in the unique shared experience of living with a behavioral health condition or co-occurring disorder. This evidenced-based practice builds upon the continuum of care necessary to assist each individual realize his or her own recovery and wellness pathways through mentoring, navigating, advocacy, sharing learning and life planning. Services are adjunct and complimentary to clinical services.
  
- 8. Licensed Mental Health Professional Services for Non-1915(i) Adults (Age 21 and Above)** – Allows Licensed Mental Health Professionals (LMHP) to deliver therapeutic outpatient services (including individual counseling, group counseling and family therapy) to adult Medicaid members who are not eligible to receive 1915(i) specialized behavioral health services. These services are not available state plan services to the adult Medicaid member.
  
- 9. Injection Services Provided by Licensed Nurses to All Medicaid Eligible Adults (Age 21 and Above)** – Many members are unable or unwilling to take oral psychotropics, or their mental status indicates a need for injectable medication to ensure compliance and stability. Embedded in the cost of many Evaluation & Management coded visits is the cost of providing injectable medications. Allowing licensed nurses instead of physicians to perform this service delivery results in the most cost efficient and least costly service delivery, and helps to ensure compliance. The goals are reducing subsequent office visits and reducing hospitalizations due to lack of compliance.