



**BEHAVIORAL HEALTH SERVICE
INTERGRATION ADMINISTRATION
6312 (2014 Session) Implementation**

2015-17 BIENNIAL BUDGET

Request	FY16	FY17	15-17
FTE			
GF-State	TBD	TBD	TBD
Total			

DECISION PACKAGE SUMMARY

The Behavioral Health Services Integration Administration (BHSIA) requests funding to implement actuarially sound Medicaid rates as a result of the passage of 2SSB 6312, Section 23, and to meet the requirement that persons eligible for Medicaid receive medically necessary chemical dependency/substance use disorder treatment services. By funding this request, BHSIA is expected to develop actuarially sound Medicaid rates for Medicaid eligible people receiving chemical dependency/substance use disorder treatment services and ensure adequate funding for behavioral health services.

PROBLEM STATEMENT

Because our chemical dependency/substance use disorder treatment system is currently funded on a fee-for-service basis, BHSIA does not currently have actuarially sound Medicaid managed care rates for the state’s chemical dependency/substance use disorder treatment system. 2SSB 6312 outlines the requirement for the state to implement managed care behavioral health integration by April 1, 2016. The state will deliver an integrated mental health and chemical dependency/substance use disorder benefit in new county-based regions known as Behavioral Health Organizations (BHOs) under risk based managed care contracts. The intent is that better coordination of care will lead to improved health outcomes.

PROPOSED SOLUTION

To support the integration of behavioral health services into a managed care environment, the actuary will analyze the overall cost of the new integrated system to ensure that managed care rates are adequate to operate a statewide service delivery system. The actuary also will determine cost offsets that will support the case for cost-effectiveness, which is a requirement of the Centers for Medicare and Medicaid Services (CMS). The expectation is that because of historically low provider rates and low service penetration by persons who require chemical dependency/substance use disorder treatment, the actuarial work will result in the need for additional resources. It is assumed that during the state’s budget and legislative processes, the numbers will be developed and refined.



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The rates will be paid to the BHOs on a per member per month basis and will be tied to the state's formal caseload forecast process to ensure that funding meets the demand for services.

EXPECTED RESULTS

The budget request supports the Department of Social and Health Services (DSHS) Goal 1: Health – Each individual and each community will be healthy.

The decision package is essential to implementing the BHSIA's Strategic Objective 1.15 - Implement managed care behavioral health integration by April 1, 2016.

This request supports the Results Washington Goal 4 to provide access to good medical care to improve people's lives. The state is required to serve persons who are eligible for Medicaid and require medically necessary chemical dependency/substance use disorder treatment services, and this request will ensure that the state has the resources to meet the demand.

STAKEHOLDER IMPACT

There is very high interest by stakeholders related to this investment. Treatment providers across the state and county leadership who will be part of the prospective county based Behavioral Health Organizations are awaiting actuarially sound Medicaid rates to support behavioral health integration.



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