

Changes in Health System responsibilities under Affordable Care Act & new HPSM contract

Board of Supervisors

Jean S. Fraser, Health System Chief

September 30, 2014

Two big changes under ACA

- Eligibility for Medi-Cal was expanded to include low-income adults without children

AND

- Expanded benefits for all Medi-Cal enrollees to include treatment for substance use and for moderate mental health

HPSM enrollment has grown from 71,000 to 100,000

- For Health System, this means that:
 - BHRS now has to provide a new service -- treatment of moderate mental illness -- for 100,000 HPSM members
 - SMMC has traded 9,000 ACE for 14,000 Medi-Cal members who are entitled to all Medi-Cal services on timely basis

We are not meeting access standards for Medi-Cal

- Have waiting list for new patient appointments due to @ 35% vacancy rate among primary care MDs
- Have long waits for certain specialties
- Patients have trouble getting through to clinics on phone

HPSM also wants us to expand two services

- Pain Management Clinic @ SMMC very successful in managing HPSM members with chronic pain, but we do not have enough appointments
- HPSM wants us to expand pilot of Vivitrol, a medication that eliminates alcohol craving
 - They will pay for medication
 - We need to engage chronic substance users, administer the medication, and provide support to sustain recovery

HPSM has additional revenue for the Medi-Cal expansion population

- HPSM wants to use these funds to expand services
- We expect \$30 million in additional revenue this year
 - This is dependent on number of actual HPSM members
 - May be volatility in enrollment due to issues with Medi-Cal enrollment

In exchange for new revenue, HPSM
requiring us to ...

- Ensure access to treatment for HPSM members who have moderate mental illness
 - Expected prevalence of moderate mental illness is 30% of population
- Improve speed of access to medical care for HPSM members

HPSM wants us to build the infrastructure to manage care

- Create Office of Managed Care
 - Reach out to HPSM members assigned to SMMC to engage them in primary care
 - Direct care based on data:
 - More to those at high risk of hospitalization
 - Less or different to those who are over-utilizing

Similarly, we need infrastructure @ BHRS to manage care for 100,000

- BHRS provides most care for moderate mental illness through network of contracted providers
- Need to increase rates, recruit more providers, hire psychiatrist to meet need
- Also need staff to do outreach to providers, manage provider contracts and utilization of services

September budget changes

- Creation of Office of Managed Care for SMMC
- Expansion of Pain Management, urgent care, small expansion of specialty care
- Addition of staffing for inpatient psychiatric unit to improve safety
- Expansion of use of medication and case management for chronic substance users
- Creation of Psychiatric Emergency Response Team with Sheriff

September budget changes

- Upgrade of phone system in clinics
- Remodel of clinic
- 2 temporary recruiters to deal with HR backlog

Future items

- Moderate mental illness treatment and managed care:
 - Going to watch utilization and determine when and where we need to augment

Questions?