



DHH Update

LA Department of Insurance – Annual Healthcare Conference
March 10, 2015

Kathy Kliebert, Secretary
Louisiana Department of Health and Hospitals



Today's Discussion

- 2015 Legislative Session
- ACA Impacts
- Transforming Health Care Delivery
 - LSU Partnership Highlights
 - Bayou Health
 - Behavioral Health
- Managed Long-Term Supports and Services
- New Health Promotion Initiative: *WellAhead*



Looking Ahead: Session & FY 2016



Legislative Session 2015

- Budget
- DHH legislative package
 - Working with stakeholders to update Act 212 - Bayou Health and Behavioral Health Partnership Reporting to include reporting for other managed care efforts in the department
 - We are working closely with Rep. Moreno on 2 bills - to update laws regarding coverage of rape victim's medical expenses and the other is one regarding naloxone (medication used to counter the effects of an overdose)
 - We are also updating the developmental disabilities law to reflect the transition from DHH regional offices to the Human Services Districts and Authorities to ensure that the advisory committees are able to communicate on important issues in the same way they previously did with the regional offices



Affordable Care Impacts on Medicaid

Louisiana Enrollment					
Total Medicaid and CHIP Enrollment, November 2014 (Preliminary)	Total Medicaid and CHIP Enrollment, December 2014 (Preliminary)	% Change November to December 2014	Average Monthly Medicaid and CHIP Enrollment, July-September 2013	Net Change, July-September 2013 to December 2014	% Change, July - September 2013 to December 2014
1,050,038	1,044,151	-0.56%	1,019,787	24,364	2.39%

➤ Open enrollment in the Marketplace began 11/15/14 and ended 2/15/15

*Data taken from the *Medicaid & CHIP: December 2014 Monthly Applications, Eligibility Determinations and Enrollment Report* (published by CMS on 2/23/15)



Transforming Health Care Delivery



LSU Partnership Highlights

- We are continuing to experience a successful shift from an antiquated model of the government-run public hospital system to community partners.
- The new model sustains access to safety-net care while supporting and improving graduate medical education in Louisiana.
- We are seeing improvements in healthcare and health outcomes every day, in each of the partnerships.
- Our CEAs with the partner hospitals were approved by CMS back in December.



Continuing Improvements

- Clinics serving more patients
- New urgent care centers
- Reopened previously shuttered specialty units
- Increased ER capacity
- Reopened inpatient, psychiatric, and detox beds
- Increase in specialty services such as orthopedics, cardiology, urology, oncology, gynecology, and many more



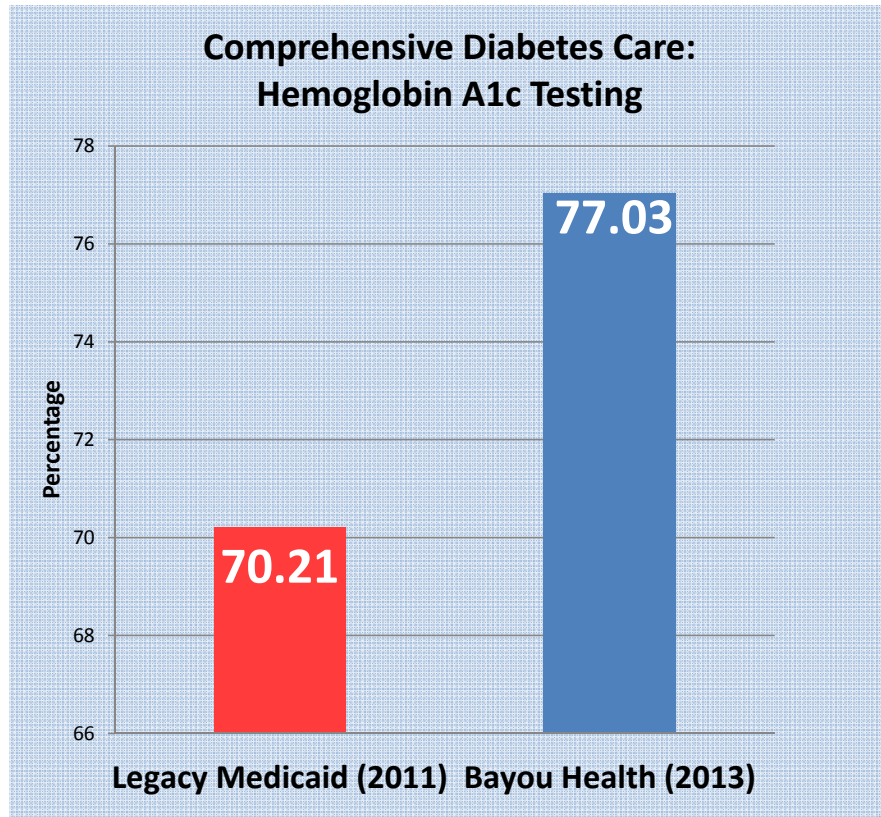
Bayou Health – Remembering Where We Started

- Louisiana Medicaid needed reform:
 - Fee-for-service systems encourage little coordination of care.
 - Despite spending billions a year, Medicaid was failing its recipients before Bayou Health
 - Only 40% (lowest 10th percentile) of eligible women received a breast cancer screening
 - Only 56% of eligible Medicaid women received a cervical cancer screening
 - Less than 5% of adults in the Medicaid program even had a preventive visit
 - Only 66% of Medicaid-covered diabetics in 2008 had their blood sugar level (Hemoglobin A1c) tested to help manage their disease, putting Louisiana in the lowest quartile
 - Only 25% of eligible children received an adolescent well-care visit
 - Medicaid moms were likely to have a low birth weight infant (12.9% among Medicaid versus 8.3% among non-Medicaid)

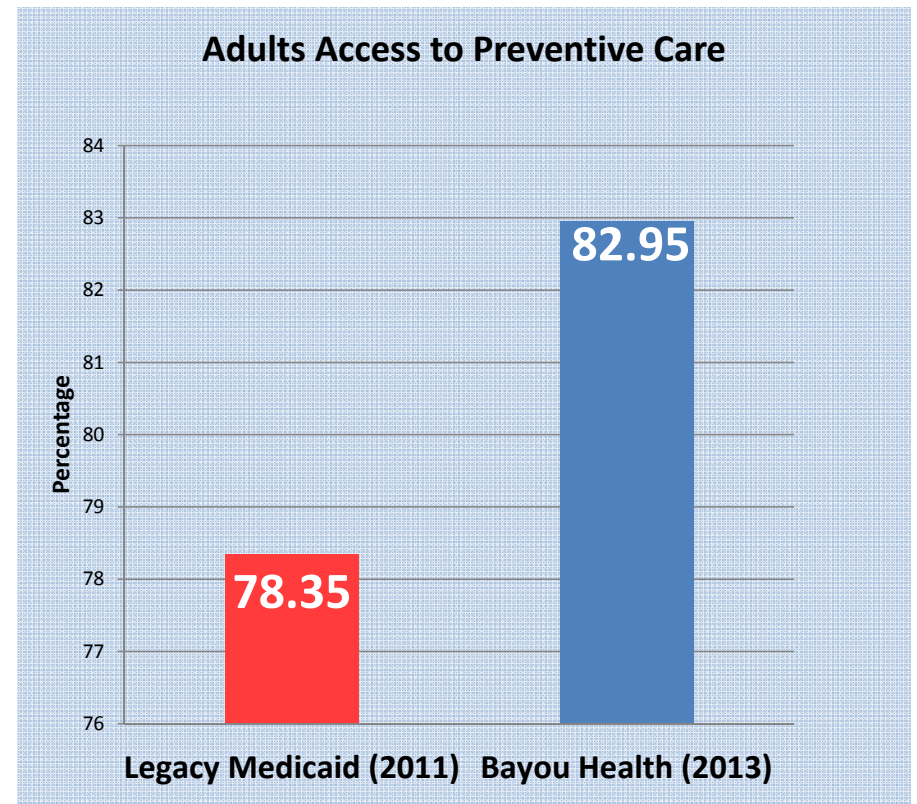
Now look how far we've come...



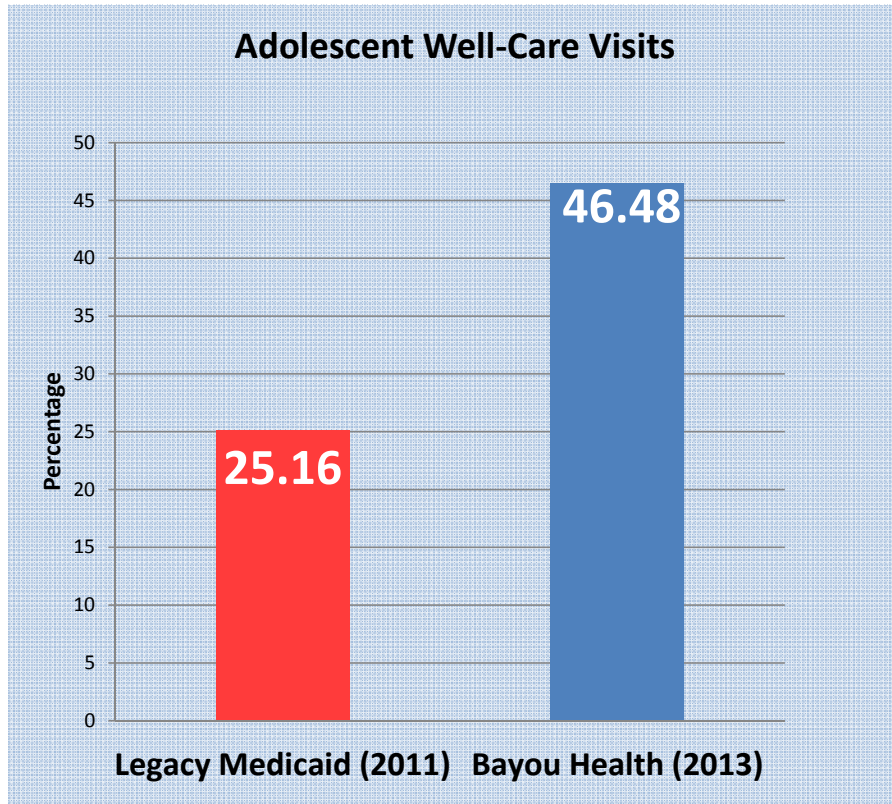
Better care for Diabetics



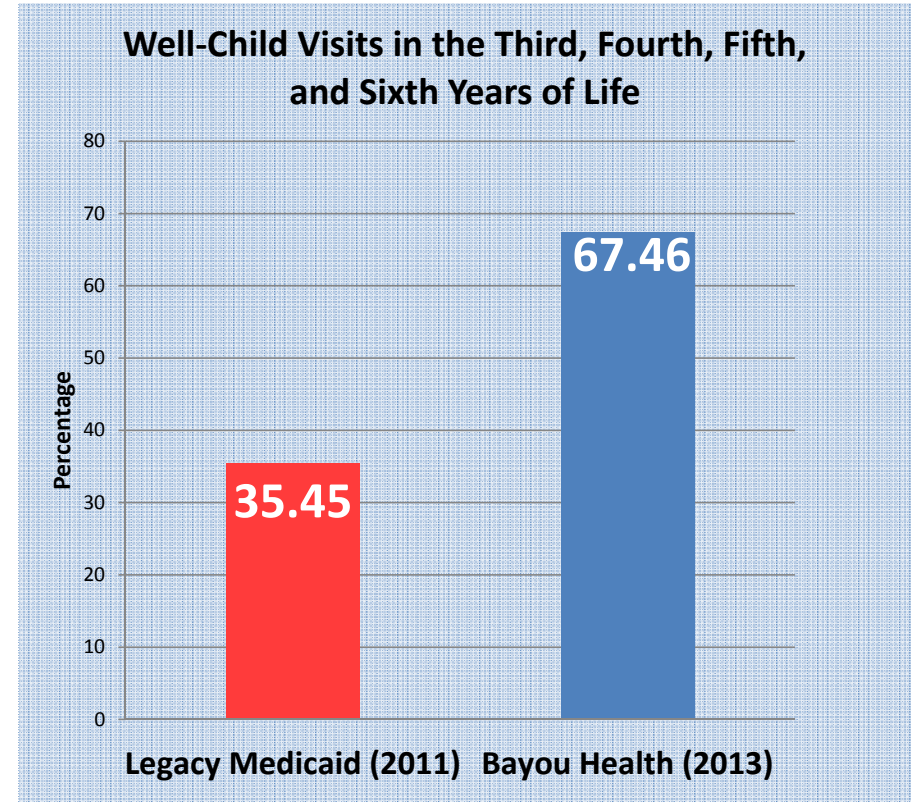
Better Access for Adults



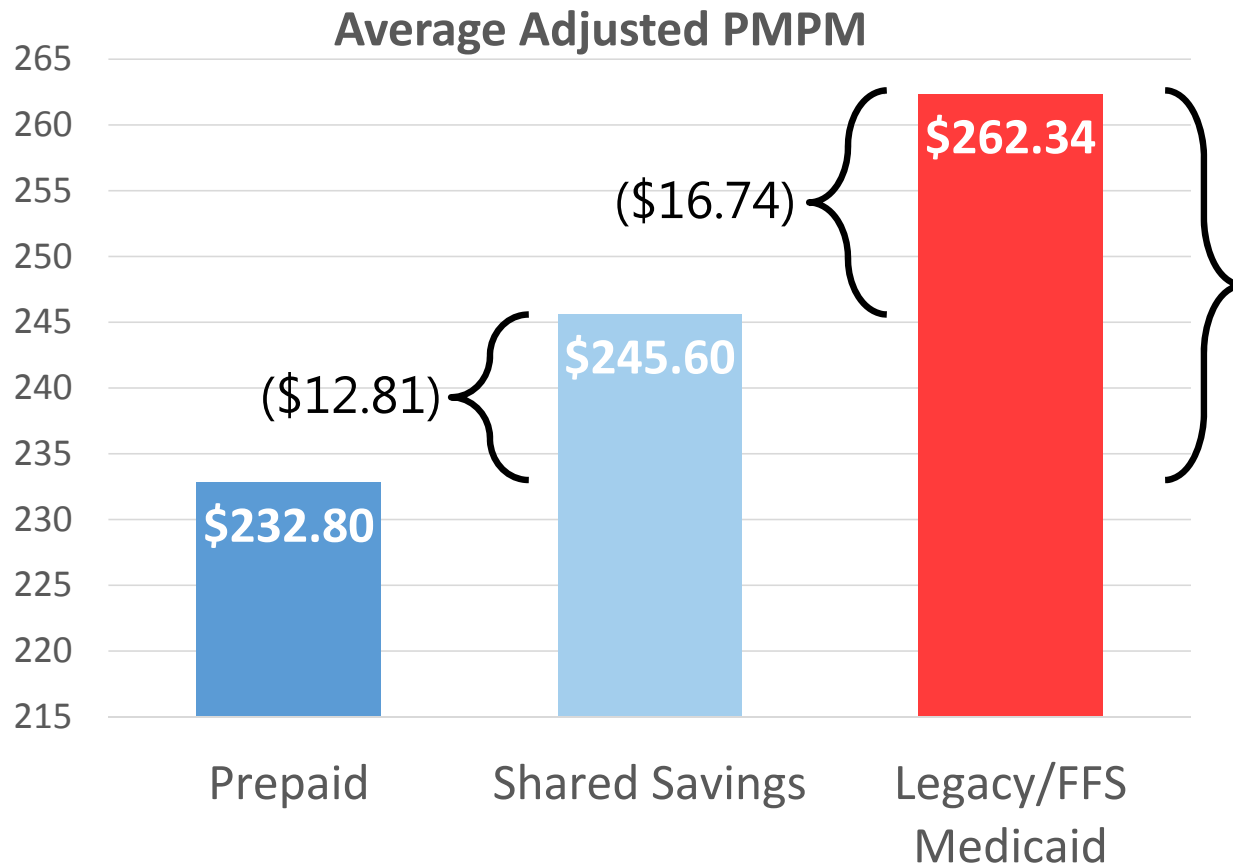
Better Care for Adolescents



More Preventive Care for Children



Comparing Costs between Models



Overall, DHH projects that Bayou Health is saving \$29.55 PMPM over what legacy Medicaid would be expected to cost today, or a greater than 12 percent reduction.

Continuous Improvement

- Since launch of Bayou Health, DHH has formed and evolved the Bayou Health (now Medicaid) Quality Committee and the Administrative Simplification Committee.
- Key outcomes from this process:
 - Increased provider engagement (more providers were added to enhance Quality Committee)
 - Recommendation to pursue a holistic approach to ER reform (resolution passed and a workgroup has been formed)
 - Alignment of benefit guidelines and creation of common forms for prior authorizations and EPSDT
 - Updates to provider manuals (first for durable medical equipment, which has been completed)
 - Vastly increased transparency of Medicaid programs through Bayou Health reporting
 - **Suggestions for new RFP were solicited and many were included**



Key Improvements

- Consolidated model
 - Full risk-bearing model for better budget predictability and savings, increased stability, greater flexibility and less confusion
 - Adapting best practices for provider engagement from shared savings model into risk bearing model
- Requirement for common formulary
 - Health plans will be required to develop a common Bayou Health formulary (with DHH approval) within six months of new contract
 - *Request from Medicaid Quality Committee*



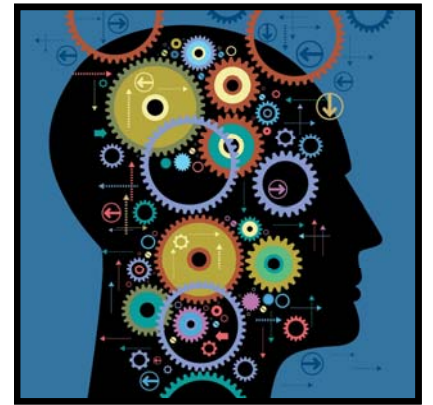
Next Phase of Bayou Health

- In October of last year, DHH announced the recommendation of 5 managed care organizations to administer the next contract period for Bayou Health:
 - Aetna Better Health of Louisiana (new entrant)
 - Amerigroup Louisiana, Inc. (current prepaid incumbent)
 - AmeriHealth Caritas Louisiana, Inc. (current prepaid incumbent)
 - Louisiana Healthcare Connections (current prepaid incumbent)
 - UnitedHealthcare Community Plan (current shared savings incumbent)
- New contracts started on February 1st



Behavioral Health Integration

- Back in November of last year, DHH announced plans to integrate specialized behavioral health services into Bayou Health
- Implementation is planned for December 1, 2015.
- DHH named a multi-disciplinary advisory group of key stakeholders to provide ongoing guidance and feedback as specific contract language is developed
 - They met for the first time on January 30th and met most recently on February 20th ; there are plans for a third meeting later this month on March 20th



Opportunities from Integration

- To save lives:
 - Of individuals who commit suicide:
 - 45 percent visited primary care physician in past month
 - 10 percent were discharged from emergency room in past 60 days
- To save money:
 - 25% of all adult inpatient stays in community hospitals involve mental illness and substance abuse disorders (M/SUDs).
 - 1 out of 5 Medicaid hospital readmissions are associated with M/SUDS.
 - The cost of treating a patient with diabetes is nearly five times higher if the patient has a co-occurring behavioral health condition.

Key Considerations

- Readiness and capacity:
 - DHH is allowing for a full year of planning and readiness review to ensure a smooth transition for members and providers. All of our contracted Bayou Health plans have experience with these services in other states.
- Subcontractors:
 - All of our Bayou Health plans provide specialized behavioral health management within their plan or within an affiliated company as part of their corporate umbrella, promoting true integration for better care coordination.
- Choice:
 - Bayou Health enrollees with SMI or addiction treatment needs will be able to choose from health plans – over time, a “best of breed” may emerge for various populations or conditions.



Key Objectives

- CMS has identified key elements that should be part of an integrated delivery system, including:
 - Aligned financial incentives across physical and behavioral health systems
 - Real-time information sharing to all members of care team
 - Multidisciplinary care teams accountable for full-range of services
 - Competent and complete provider networks
 - Mechanisms for assessing and rewarding high-quality care

Process and Activities

- Advisory group
- Initial concept paper
- Final contract amendment language
- Rate calculation
- Management of non-Medicaid population
- CMS authorities
- Training, education and outreach

Managed Long Term Supports & Services



Managed Long-Term Supports & Services

- “MLTSS refers to the delivery of LTSS (including both home and community based services (HCBS) and institutional-based services) through capitated Medicaid managed care programs. These programs can be operated by a variety of health plans, including managed care organizations.”*
- There has been a growing movement in this direction across the nation, from eight states in 2004 to 13 in 2013 with managed LTSS programs.

*Centers for Medicare and Medicaid Services (CMS), Guidance to States using 1115 Demonstrations or 1915(b) Waivers for Managed Long Term Services and Supports Programs, <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Delivery-Systems/Downloads/1115-and-1915b-MLTSS-guidance.pdf>.



Objectives for Managed Care

The key objectives of restructuring LTSS to a system of managed care are to:

1. Improve quality of services and health outcomes;
2. Decrease fragmentation and improve coordination of care;
3. Create a system that utilizes proven and/or promising practices;
4. Refocus the system in order to increase choice and provide more robust living options for those who need LTSS and their families; and
5. Rebalance the system in order to meet the growing demand for services within the existing level of expenditures for the LTSS population.

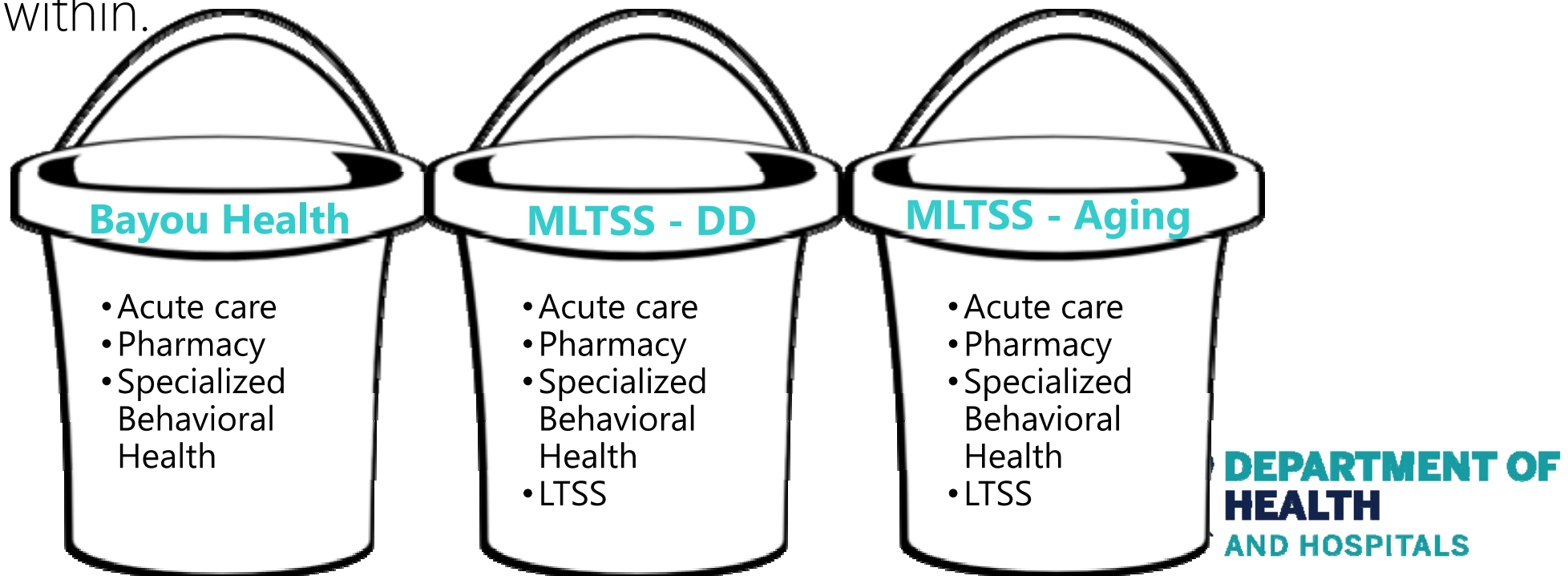


Timeline for MLTSS

- We began our efforts back in 2012
- There is an advisory group that meets regularly to discuss various issues and concerns – the most recent meeting was last Thursday, March 5th
- We continue to work with stakeholders on finalizing the appropriate balance between providing care in institutional and community settings, improving quality of care, expanding service options, and addressing financial sustainability

Vision for Integration

- With BH integration and implementation of MLTSS, DHH hopes to complete an integrated delivery system vision where individuals receive comprehensive care no matter which “bucket” they fall within.



Louisiana's New
Health Initiative:

www.wellaheadla.com

WELL-AHEAD



A New Initiative for Better Health

- Louisiana is an extraordinary, one-of-a-kind place...world class cuisine, music that moves, and festivals that excite. We are known for these things, but we want to add one more to the list: **excellent health**.
- In April of last year we officially launched the program, encouraging all Louisiana citizens to participate.
- How does this work?
 - The program proposes different tiers of health practices deployed in key places Louisiana residents spend much of their time: child care centers, grade schools, hospitals and health care facilities, local governments, restaurants, universities and colleges, and workplaces.
 - For each tier, the organization will be recognized as a health leader in Louisiana by DHH upon meeting certain criteria.

Business or Worksite Designation

- Level Three

- Tobacco-free policy
- One additional criteria of choice

- Level Two

- Level Three criteria
- Two additional criteria of choice

- Level One

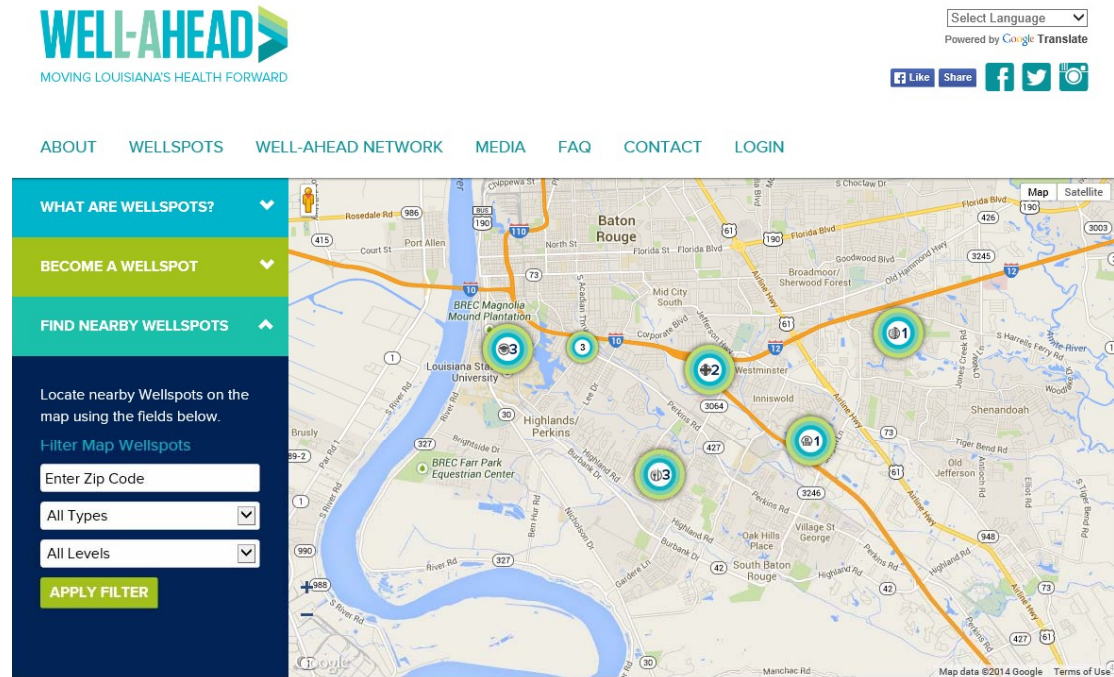
- All criteria met



Criteria List

- Designation as a Breastfeeding Friendly Workplace or Champion by the LA Breastfeeding Coalition
- Complete Steps 1-3 of the LA Business Group on Health Worksite Wellness Toolkit
- Complete Steps 1-5 of the LA Business Group on Health Worksite Wellness Toolkit
- 5-2-1-0 Let's Geaux Partner
- At least 50% of vending items meet the health vending guidelines
- Tobacco cessation coverage within employee health plans
- Tobacco Free Policy
- Tracking & reporting chronic disease measure (A1c, High Blood Pressure, BMI)
- Full implementation of the LA Business Group on Health Worksite Wellness Toolkit
- Promotion of the LA Tobacco Quit Line

- We just recently named our first Well Spots in the state - we have 100 so far and more applying every day.
- We also have an *interactive* website that is available for you to use.



Well-Ahead Louisiana is a campaign started by the Louisiana Department of Health and Hospitals aimed at improving the health and wellness of Louisiana citizens. Well-Ahead Louisiana promotes and recognizes smart choices in the spaces and places we live and work every day that make it easier for us all to live healthier lives, from going tobacco-free to ensuring healthy lunch options or supporting workplace fitness programs.

Staying hydrated has never felt more awesome.
(Giveaways coming soon!)
#WellAhead
pic.twitter.com/64VRX475m4

Questions and Answers

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Secretary

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