

San Mateo County Mental Health Managed Care Implementation Plan Table of Contents 1998

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San Mateo County Mental Health Managed Care Implementation Plan

Fiscal Years 1998-2000 Report

July 1, 1998 – June 30, 2000

Background

On April 1, 1995, San Mateo County implemented a managed mental health care system for the County's Medi-Cal beneficiaries, under a 1915 (b) waiver granted to California's Department of Health Services by the Health Care Financing Administration (HCFA). This system consolidated all mental health services for Medi-Cal beneficiaries into a single plan administered by San Mateo County Mental Health Services. A renewal waiver was granted effective July 1, 1998 adding new elements to the original field-test. These included changing to a case rate method of Medi-Cal reimbursement, and extending the San Mateo Mental Health Plan's (MHP) responsibilities to cover mental health pharmacy and related laboratory costs.

San Mateo County's MHP is publicly administered and operated. With its additional responsibility for pharmacy and laboratory services as well as acute, subacute, and outpatient care, the MHP now provides a full range of mental health services. Enrollment is mandatory for all Medi-Cal eligible aid categories.

This report covers the waiver renewal period, from July 1, 1998 through June 30, 2000.

Accomplishments and Highlights

Case Rate Reimbursement

- Under the original waiver, the MHP received a fixed annual allocation of State General Funds based on the historical cost of Medi-Cal services as provided by HPSM. These funds plus the county's realignment funds were available to the MHP to serve as the State match for federal financial participation, which was claimed on a fee-for-services basis, subject to the SD/MC cost report system. As of July 1, 1998, the renewal waiver placed the MHP at risk for both State General Funds and FFP for all psychiatric inpatient hospital services and most other specialty mental health services. State General Funds continued to be provided as a fixed annual allocation. Federal funds were provided by client (a beneficiary who uses any specialty mental health service), using a monthly case rate funding mechanism. The case rates were determined using historical data for San Mateo County, with emphasis

on the data obtained during the initial waiver period. There are three case rates each, for adults and children, based upon the level of care a client is authorized to receive. In all circumstances, the case rate is all-inclusive, with the exception of pharmacy and laboratory services.

- This method of reimbursement is often referred to as a “capitation by user” rate. San Mateo’s “field testing” of this reimbursement mechanism is providing the State with information necessary to plan for the next phase of the statewide Medi-Cal managed mental health care program.

Pharmacy and Laboratory Services

- In January 1999, the MHP became the only MHP in the state to provide the authorization and management of pharmacy and related laboratory services to Medi-Cal recipients when prescribed by a psychiatrist for a mental health condition. The San Mateo County MHP contracted with MedImpact Healthcare Systems, Inc. as its pharmacy benefit management (PBM) company. Through MedImpact’s network, clients have accessibility to over 100 hundred pharmacies within San Mateo County and vicinity, as well as major chain drug stores statewide
- Various reporting capabilities are available through the PBM. Examples of pre-defined reports include: Utilization Summary, Drug Market Share, Physician Prescribing Profile, Client Usage, Medication Compliance, and Top Drugs by Volume/Cost. In addition, the raw claims data are available on MedManager (a reporting tool from MedImpact) to be manipulated in order to answer specific inquiries; for example, which clients are on new antipsychotics, or which clients are on more than five medications, etc. These specific MedManager reports have been used to conduct medication quality studies and to target educational programs for the clinicians.
- Effective January 1, 1999, the MHP also began managing laboratory services. At this time, the County Mental Health Department received approval to contract with BioCypher Laboratories to provide services for Medi-Cal clients of the MHP and non-Medi-Cal county clients. BioCypher was subsequently purchased by a company that canceled the county’s contract. SmithKline Beecham, the alternate under the original Request for Proposals, accepted the contract under its new ownership, Quest Diagnostics. Under the current agreement, Quest provides laboratory services on a fee-for-service basis and provides monthly invoices of services provided with specific beneficiary data.

Program Reviews

- The MHP participated in a comprehensive program review conducted by the Department of Mental Health, in February 2000 (inpatient services will be reviewed at a later date). Access, Quality Improvement, Consumer Rights,

Cultural Competency Issues, waiver management and fiscal issues as well as other general MHP policies and procedures were included. No items on the statewide checklist were found to need improvement.

- The MHP conducted a comprehensive program review of a community mental health agency in Spring 1999; this process may serve as the prototype for program reviews of other large agencies.

Access

- The ACCESS Team continued to function as the primary information and referral resource for the MHP. It handled approximately 12,000 phone calls each year. ACCESS provides an average of 24 face-to-face assessments each week for consumers who seem likely to benefit from extensive rehabilitation services and refers other beneficiaries to the private provider network for assessment and treatment.
- The MHP has maintained service capacity by contracting with over 100 private psychiatrists and psychologists, one hospital based clinic, and over 25 community mental health organizational providers.
- To continue to meet specific language and geographic needs, in September, 1999, the Plan extended its provider network to licensed clinical social workers and to Marriage and Family Therapists (MFT's) who could meet specific plan needs. In June of 2000, the network was extended to include all MFT's who met Plan requirements.
- On November 1, 1999, the California Mental Health Directors Association along with the Department of Mental Health entered into a statewide contract with Value Options, an Administrative Services Organization (ASO), to develop a provider network and manage services for youth placed out of county. The ACCESS Team has continued to provide case management services as necessary to support the timely provision of services for such youth, primarily in foster care or adoptive homes, by the ASO.

Service Delivery

- The REACH program, a case rate capitated program (implemented in 1996-97) for thirty adults who have severe and persistent mental illness continues to demonstrate significant cost savings and improvement in the quality of life for the clients served.
- Therapeutic Behavioral Services (TBS), a new mandated Medi-Cal service for full scope youth up to age 21 who meet certain eligibility criteria has been implemented. An RFP selected Fred Finch Youth Center as the primary

provider for services within county; out of county youth are being served through a combination of organizational providers and county contracts.

- Prenatal-to-Three services continues to grow, with substance use services available for mid-risk families through FACES, a contract agency.
- The MHP aggressively pursued grant funded collaborative opportunities to improve service delivery and outcomes for specific sets of consumers. The Options Program (implemented in 1999) provides case management and treatment to Mentally Ill Offenders. The WrapAround Pilot Program is a comprehensive strengths based community centered model to serve adolescents at risk of out-of-home placement or institutionalization. Both programs have strong evaluation components to identify their strengths and impact.

Quality Improvement

- Retrospective review of inpatient hospital episodes in private care facilities continued. (See Appendix A for results).
- Compliance Reviews of network outpatient service providers continued. (See Appendix B for results.)
- Site certifications of community mental health organizational providers are 95% complete.
- Among completed studies was an analysis of Adherence to Access Standards at Key Points of Contact (8/99) and follow-up of this study for two selected teams (8/00).
- Annual studies of medication prescribing and/or administration errors were conducted for FY1998-9 and FY1999-2000. Additionally, a study entitled Prescribing Practices in the Treatment of Psychotic Disorders for Young Adults was conducted jointly by QI and the mental health pharmacist (3/99). (See Appendix C for studies referenced in this bullet.)
- Significant efforts were made during this two-year period to implement a comprehensive and consistent credentialing and recredentialing process for County-employed licensed/waivered/registered providers (note: Network Providers were already subject to scrupulous credentialing procedures.) Policies are now in place to support this quality process.

Client and Provider Satisfaction

- Satisfaction surveys were conducted for outpatient services provided by community agencies, individual providers and county regional clinics; satisfaction with the ACCESS Team was separately assessed using a mail-in postcard. Adult client satisfaction for these two years was assessed using the MHSIP survey.
- Surveys of provider satisfaction (network) and staff satisfaction (County) were conducted.
- Client surveys conducted during the two-year waiver period yielded the following information from respondents:
 - Client Satisfaction Questionnaire – 89% rated the quality of services from good to excellent
 - Youth Satisfaction Questionnaire – 93% were satisfied with the service they received
 - MHSIP (Adults) – 94% were satisfied with the services they received
 - ACCESS Satisfaction Survey Postcare – 95% were satisfied with the services they received from the ACCESS team

Costs

- For 98-99, total Medi-Cal costs increased by 10%, while users decreased by 2%. This resulted in a 12% higher cost per user than in the previous year.
- For 99-00, total Medi-Cal costs increased by 4%. while users increased by 7%. This resulted in a 3% lower cost per user than in the previous year.
- For 98-99, inpatient costs decreased by 26%
- For 99-00, inpatient costs increased by 45%

Outcomes

A. Administrative/Performance Outcomes

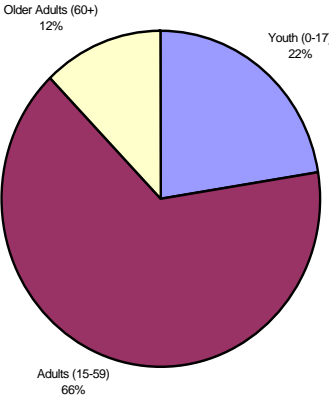
Clients Served

In FY 1998-99, San Mateo County Mental Health provided services to a total of 5,038 Medi-Cal clients, a reduction of approximately 2% from the previous year. The number served increased in FY 1999-00 to 5,395, or an increase of

approximately 7% from FY98-99. Figures 1-4 illustrate the number of clients seen by age, aid code, ethnicity and gender for each of the two fiscal years.

FIGURE 1: Client Age

**a. Unduplicated Clients By Age:
FY 1998-99 (N=5,038)**



**b. Unduplicated Clients By Age:
FY 1999-00 (N=5,395)**

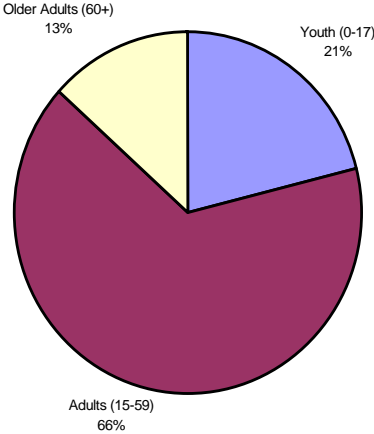
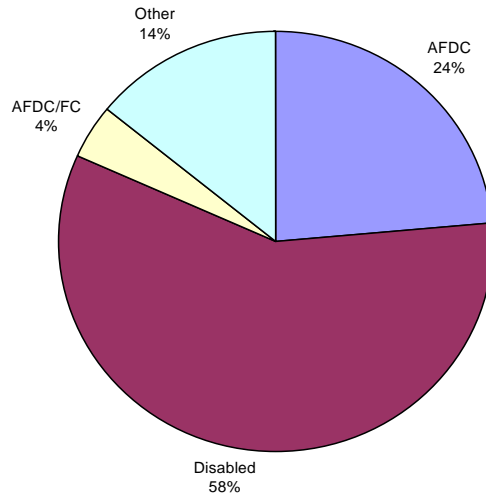


Figure 2. Aid Codes

**a. Aid Codes 1998-99
(N=5,058)**



**b. Aid Codes 1999-2000
(N=5,395)**

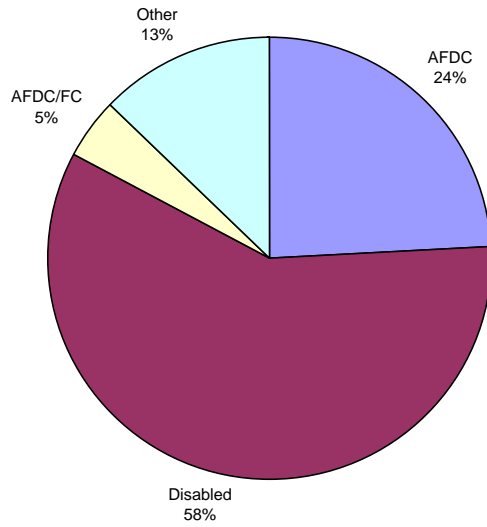
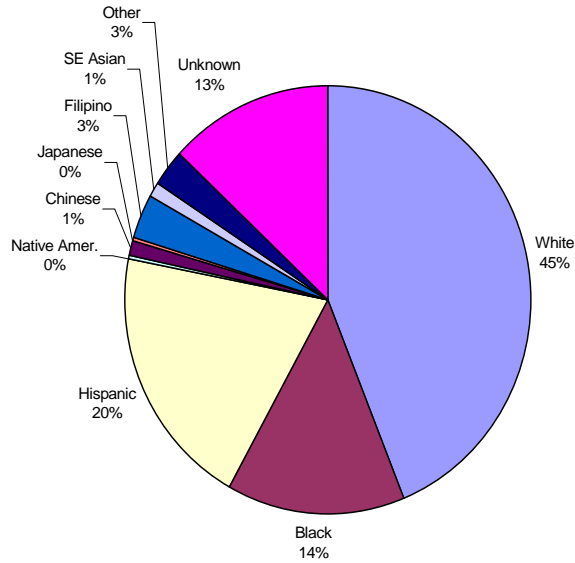


Figure 3. Ethnicity

**a. Ethnicity 1998-99
(N=5,038)**



**b. Ethnicity 1999-2000
(N=5,395)**

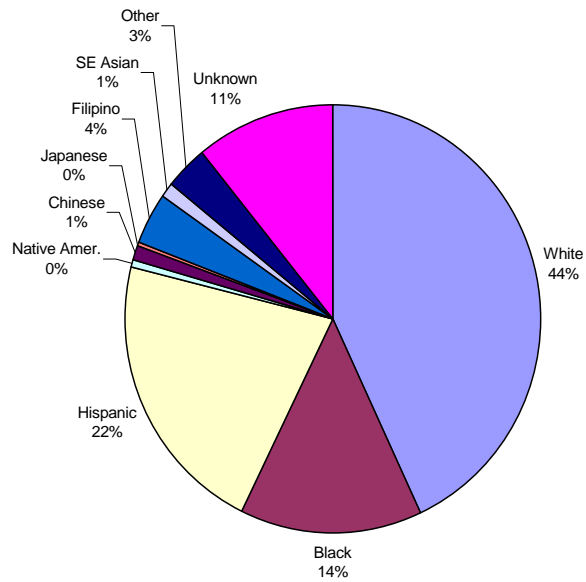
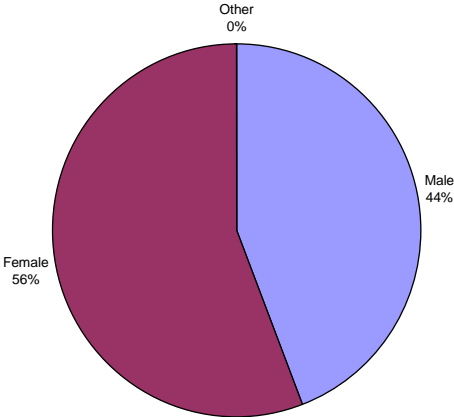
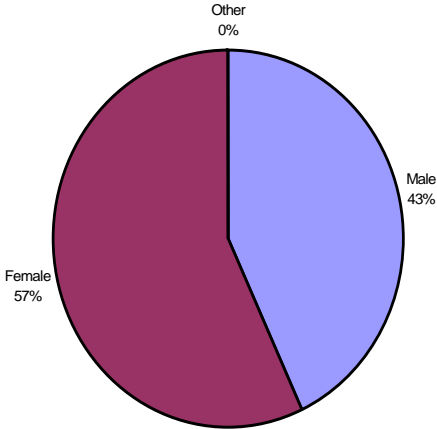


Figure 4. Gender

**a. Gender 1998-99
(N=5,038)**



**b. Gender 1999-00
(N=5,395)**



In 1998-99, ACCESS responded to over 2900 inquiries concerning mental health services, 56% of which concerned Medi-Cal beneficiaries. Of the Medi-Cal beneficiary inquiries, 69% resulted in referral to a treatment resource. Altogether, 593 clients were referred to the private provider network and 527 individuals were referred to regional treatment teams.

Correspondingly, the inquiries for FY 99-00 were approximately the same, with 52% from Medi-Cal beneficiaries and 69% of the Medi-Cal beneficiary inquiries resulted in a treatment referral. Fifty-eight percent, or 601 individuals were referred to the private provider network and 42%, or 438 individuals were referred to regional treatment units.

Penetration rates measure the percentage of Medi-Cal beneficiaries that actually use mental health services in a given year. San Mateo MHP's penetration rates for FY 98-99 and FY99-00 were 10.6% and 11.7% respectively. This upward trend in penetration rate has been occurring since the MHP began operation. It is due to the fact that the numbers of Medi-Cal beneficiaries have been decreasing while actual service users have increased. Tables 1 and 2 illustrate penetration rates by aid code for each of the two years in the waiver renewal period.

**TABLE 1
PENETRATION RATE BY AID CODE
FY – 1998-1999**

Aid Code	Eligibles	Users	Penetration Rate
AFDC	18717	1196	6.4%
Disabled	9092	2933	32.2%
AFDC/FC	615	217	35.3%
Other	19047	712	3.8%
Total	47471	5038	10.6%

**TABLE 2
PENETRATION RATE BY AID CODE
FY – 1999-2000**

Aid Code	Eligibles	Users	Penetration Rate
AFDC	17667	1298	7.3%
Disabled	8989	3161	35.2%
AFDC/FC	603	244	40.5%
Other	18794	692	3.7%
Total	46053	5395	11.7%

Inpatient Services

Table 3 below provides inpatient utilization rates per 1,000 eligibles for the waiver renewal period, compared to the previous fiscal year:

**TABLE 3
INPATIENT UTILIZATION RATES PER 1,000 ELIGIBLES**

	FY 97-98	FY 98-99	FY 99-00
Inpatient Admissions	14.4 per 1000	16.38 per 1000	13.85per 1000
Inpatient Bed Days	142.7 per 1000	205.93 per 1000	164.70 per 1000

Table 4 illustrates inpatient lengths of stay for both children and adults in all of the MHP’s contracted hospitals, San Mateo County General Hospital and the aggregate for all non-contract hospital stays.

**TABLE 4
INPATIENT LENGTHS OF STAY**

Hospital	FY98-99 Admissions	FY 98-99 Avg. LOS	FY 99-00 Admissions	FY 99-00 Avg. LOS
Charter	14	12.86	2	9.50
Mills-Peninsula	108	8.66	87	7.92
Ross	5	3.60	1	2.00
SMCHC	506	13.76	445	13.47
St. Mary’s	25	12.04	30	9.40
Non-Contract	24	7.25	56	7.93
Sequoia	N/A	N/A	17	9.00

Tables 5 and 6 show inpatient recidivism rates for both years, based upon readmissions within a 30-day period.

**TABLE 5
INPATIENT RECIDIVISM
FY 98-99**

Hospital	Medi-Cal Episodes	Readmissions	Recidivism Percentage
Charter	14	0	0
Peninsula	108	18	16.67%
Ross	5	0	0
SMCHC	506	55	10.87%
St. Mary’s	25	3	12.00%
Non-Contract	24	10	41.67%

**TABLE 6
INPATIENT RECIDIVISM
FY 99-00**

Hospital	Medi-Cal Episodes	Readmissions	Recidivism Percentage
Charter	2	2	100%
Peninsula	87	15	17.24%
Ross	1	0	0
SMCHC	445	63	14.16%
St. Mary's	30	6	20%
Sequoia	17	1	5.88
Non-Contract	56	11	19.64

Inpatient admission, los and recidivism data discussion here

Pharmacy and Laboratory Services

The MHP hired one full time pharmacist to manage and monitor the PBM. She handles approximately 200 PBM-related phone calls per month from pharmacies, clinics, doctors, and clients. In addition, a PBM Quality Assurance Committee meets quarterly to discuss operational issues; and a PBM Oversight Committee meets quarterly to discuss formulary management issues.

Approximately 5,000 Medi-Cal clients are served by the PBM annually. The monthly volume of prescriptions processed through the PBM is approximately 9,000 prescriptions for Medi-Cal clients. The total cost of prescriptions is approximately \$700,000 a month for Medi-Cal clients. The cost per prescription at the beginning of the program was \$86 and it was under \$76 by the end of FY 99-00 due to drug cost savings efforts.

B. Consumer and Provider Satisfaction Data

The MHP continues to monitor all client and provider concerns through both informal and formal complaint and grievance processes. The annual report on complaints and grievances is included in this document as Appendix D. Summaries of client and provider activity in this area for FY 98-99 and FY 99-00 are shown in Table 7 below:

**TABLE 7
CLIENT AND PROVIDER COMPLAINTS**

	FY 98-99	Fy 99-00 [*]
Number of client complaints	28	0
Number of client grievances	3	12
Number of fair hearing requests	0	0
Number of provider concerns	-**	-**
Number of formal provider complaints	0	0
Number of provider appeals	0	0

*Informal provider concerns were not tracked in these years.

C. Clinical/Service Outcomes

The MHP monitors and evaluates services based on specific outcome objectives defined separately for youth and adults.

Children and Youth

Administration of standardized outcome instruments to a sample of children and their families began in July 1995. These outcome instruments measure the child’s behavior and functioning from the child’s own perspective (Achenbach Youth Self Report), the parents' or caregiver’s perspective (Achenbach Child Behavior Checklist) and the clinician’s perspective (Child and Adolescent Functional Assessment Scale). In addition, the clinician completes a scale capturing the number of places a child lives; parents complete the Family Empowerment Scale; and the child and parent complete satisfaction with services questionnaires. The packet of instruments is administered at admission, again at six months, annually and at discharge. Results derived from the collection of this data are positive, although it is important to note that the changes from year to year are not statistically significant.

For the Child Behavior Checklist (CBCL), the Youth Self Report (YSR) and the Child and Adolescent Functional Assessment Scale (CAFAS), intake scores for youth were compared to a second test administration taken up to about one year later. When looking at all data gathered through June 30, 1999, a high percentage of youth have had their symptoms or functioning improve or at least stay the same. According to caregivers and clinicians, at least 87 percent of youth in any given year improved their functioning or at least stayed at the same level. According to youth, during one year, 75 percent decreased their symptomatology or remained at the same level, however, over all three years, 82.5 percent improved or maintained. From each of the three

* After DMH Compliance Review, all complaints/concerns received are being logged as grievances.

perspectives, more youth improved or maintained from the first to last year assessed.

Adults

The California Department of Mental Health (DMH) mandated administration of performance outcome instruments to adult consumers beginning July 1, 1999. The instrument set currently includes the California Quality of Life Inventory (CAQOL) and the Mental Health Statistics Improvement Program (MHSIP). DMH originally included the Behavior and Symptom Identification Scale (BASIS-32) among the mandated instruments but dropped this instrument on December 31, 2000. San Mateo, however, continues to administer the BASIS-32. The schedule for assessment with these instruments is at intake, annually and at discharge from services.

The BASIS-32 is a measure of symptom and function, yielding an overall score as well as five sub-scale scores (Daily Living Skills and Role Functioning, Depression and Anxiety, Impulsive and Addictive Behaviors, Psychosis, and Relation to Self and Others).

The CAQOL assesses self-reported satisfaction with life in a number of domains (e.g., living situation, social relations, daily activities, finances, etc.). The MHP calculates an overall quality of life index that is the average of the consumer's responses to the questions comprising these domains. This provides an index of the consumer's quality of life that is a more reliable measure of quality of life than may be obtained by analysis of the individual domain scores. The MHP has not yet begun to analyze change over time in its CA-QOL data because the MHP has only recently amassed sufficient volumes of data to make these analyses possible. (The only reason that the MHP is able to do such analyses with the BASIS-32 data is because of the availability of the pilot data was collected prior to statewide implementation of the performance outcome measures. The CA-QOL is sufficiently different from the QOLI, which was piloted, that these analyses are precluded.)

The MHSIP is a primarily a measure of consumer satisfaction with services. Three satisfaction sub-scale scores are derived: Access to Services, Appropriateness of Services and Overall Satisfaction.

The results presented below are based on comparisons between the annual administration completed nearest the end of the specified fiscal year and the first recorded administration.

Symptom and Function

The percentage of consumers showing maintained or improved BASIS-32 Total symptom status and functioning are presented in Table 8 below:

**TABLE 8
BASIS-32 TOTAL RESULTS**

	FY98-99 (n= 129)		FY99-00 (n=216)	
	Maintained %	Improved %	Maintained %	Improved %
BASIS-32 Total	57	19	55	22

Table 9 depicts the percentage of consumers showing change or maintenance on the BASIS-32 subs-scale scores.

**TABLE 9
BASIS-32 SUB-SCALE RESULTS**

	FY9899 (n= 129)		FY9900 (n=216)	
	Maintained %	Improved %	Maintained %	Improved %
BASIS-32 Total	57	19	55	22
Daily Living	61	21	52	23
Depression & Anxiety	61	20	58	21
Impulsive & Addictive	69	24	50	20
Psychosis	55	18	51	24
Relation Self & Others	43	23	50	22

Satisfaction

The percentage of consumers endorsing satisfaction on each of the three MHSIP sub-scales are tabled below:

**TABLE 9
MHSIP RESULTS**

	*FY98-99 (n=0)	FY99-00 (n=918)
<i>Access to Services</i>	insufficient data	95%
Appropriateness of Services	insufficient data	93%
Satisfaction with Services	insufficient data	94%

*There were insufficient data for FY9899 because we did not begin to administer the MHSIP until July 1, 1999.

Summary

This report covers the two-year waiver renewal period from July 1, 1998 through June 30, 2000. During this time, the MHP successfully transitioned to a case rate method of reimbursement. Case rates create incentives for increasing access, and for providing efficient and effective service. The penetration rate for the MHP increased during the waiver renewal period, and is now at 11.6%. This is a continuing upward trend since the waiver began. It reflects increased access, as well as the fact that while Medi-Cal eligibles are decreasing, there has not been a corresponding decrease in the number of Medi-Cal mental health users. The fact that satisfaction has remained high and outcomes have shown positive results demonstrates the continuing improvement of quality of care provided to Medi-Cal beneficiaries.

The pharmacy benefit (for psychiatric medications prescribed a psychiatrist for a mental health condition) was added to the waiver during this two-year period. To manage this benefit, the MHP contracted with a pharmacy benefit management (PBM) company. The MHP has increased access to pharmacies within and adjacent to San Mateo County, and has contracts with major chain drug stores statewide. The management of this benefit has allowed the MHP to have better information about the medications our clients are using. This data has been used to conduct medication quality studies and to target educational programs for the clinicians.

The MHP is currently operating under an extension of the two-year renewal period. Throughout the entire waiver period, the MHP has increased access, achieved high levels of client satisfaction, and consistently operated at costs far below those projected without the waiver. An independent evaluation of the waiver renewal is scheduled early in FY 00-01. A second two-year waiver renewal request is currently in process.