



C.L. "BUTCH" OTTER – Governor  
RICHARD M. ARMSTRONG – Director

# IDAHO DEPARTMENT OF HEALTH & WELFARE

PAUL J. LEARY - Administrator  
DIVISION OF MEDICAID  
Post Office Box 83720  
Boise, Idaho 83720-0009  
PHONE: (208) 334-5747  
FAX: (208) 364-1811

August 26, 2013

Members of the Idaho State Legislature  
State Capitol  
700 W Jefferson  
Boise ID 83720

Idaho Legislative members,

I wanted keep you informed of a significant change in Idaho Medicaid - all outpatient mental health and substance abuse services (behavioral health services) will be provided to Idaho Medicaid participants by Optum – a member of United Healthcare Group.

Optum was awarded the contract for these services following the State's competitive bid process. This continues the Idaho Medicaid behavioral health service evolution from a volume-based, fee-for-service system to an outcome/value based system. Optum will be reimbursed at a per-member-per-month rate (fully capitated/risk based contract) to provide, through their provider network, all outpatient mental health and substance abuse services for Idaho Medicaid participants. The Department of Health and Welfare (DHW) will change its focus from approval of services and credentialing of providers to contract monitoring/enforcement and ongoing quality monitoring and improvement.

## **A brief history**

The Idaho Legislature has been instrumental in the improvement of behavioral health services and evolution to a managed care system for Idaho Medicaid participants. In 2006, HCR 48 encouraged DHW to modify eligibility for mental health benefits to be accessible only to individuals who needed the services, establish mental health risk assessments that provide meaningful diagnostic information about mental illness, provide mental health treatment benefits for children and adults based on need and not service limitations, and to make mental health benefits consistent with best clinical practice (evidence-based).

Additionally, in 2011, HB 260 provided that mental health services are delivered by providers who meet national accreditation standards and that DHW move to managed care contracts to pay for behavioral health benefits. Since 2006, the Department has made adjustments to benefits to meet participant needs, monitored impact of the benefit changes, and established/enforced provider credentialing standards.

### **About Optum in Idaho**

The next iteration of change is to move to the managed care arrangement with Optum. Beginning September 1, 2013, Optum will administer the outpatient behavioral health services covered under the Idaho Behavioral Health Plan (IBHP). Optum has hired a dedicated staff of 45 Idahoans to manage the IBHP benefits and services. The primary hub of Optum Idaho operations is located in Meridian. Network and clinical staff are regionally-based to better serve providers and the IBHP membership. The goal of Optum's public sector business is **to improve community health care systems by improving clinical outcomes, expanding access to appropriate care, and strengthening individual capabilities to pursue wellness and recovery.**

### **How Optum is working with providers**

Providers are critical to the success of the Idaho Behavioral Health Plan. Optum credentials behavioral health agencies using a National Committee for Quality Assurance (NCQA) compliant credentialing process. NCQA is a recognized accreditation body for managed care organizations and sets the standards for the industry around key managed care functions, including provider credentialing and quality. A copy of the Managed Behavioral Healthcare Organization (MBHO) Accreditation fact sheet provides more detail on the NCQA, and is enclosed for your convenience. Credentialing is a key component of Idaho's managed care plan, as it elevates the competency of providers, which in turn improves the outcomes for participants. Enclosed is a copy of the Information Release (IR) sent to providers in June 2013.

Optum Idaho is working with providers, including case management providers, to help them achieve credentialing requirements. Optum has implemented a 60-day transitional grace period from September 1 through October 30, 2013, that allows for continued coverage for members in treatment with existing Idaho Medicaid providers. Claims submitted for covered services that are medically necessary for dates of service during the initial 60 days will be paid for both in-network providers (contracted with Optum) and non-network Medicaid providers to ensure continuity of care for all IBHP members and additional time for non-network Medicaid providers to achieve credentialing.

Not all providers will meet the criteria for the Optum provider network. As stated above, Optum is willing work with these providers to meet the credentialing criteria so they can be included in the Optum provider network. As of August 19<sup>th</sup>, Optum reports that 73% of providers actively seeking Medicaid members are contracted with Optum or in the credentialing process. Optum's target is to have 95% of these providers in network by the end of September.

In addition to current Medicaid providers, Optum has expanded its network by contracting with 150 providers who are new to serving Medicaid members in Idaho. This should improve overall accessibility for plan participants, including those living in rural and frontier communities.

DHW and Optum are committed to making sure that Medicaid participants get the services they need and that their transition to the Optum provider network is as transparent as possible. I have attached

Idaho Legislators  
August 26, 2013  
Page 3

an Optum fact sheet that includes contact information for Optum and links to their website. As always, please do not hesitate to contact my office with any questions you may have. I can be reached at (208) 364-1804.

We look forward to the beginning of our relationship with Optum Idaho and your continued guidance in helping us improve the Idaho Medicaid program to achieve better outcomes through services that are accessible, evidence-based, and efficient with taxpayer dollars.

Sincerely,

PAUL J. LEARY  
Administrator

PJL/ksl

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CC: Richard M. Armstrong, Director



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June 24, 2013

**Medicaid Information Release MA13-11**

**To:** Mental Health Clinics, Psychosocial Rehabilitation Agencies, Mental Health Service Coordination Agencies, Children's Service Coordination Agencies, Healthy Connection Primary Care Providers (PCPs), Health Homes, Hospitals, Schools, and Substance Use Disorder Agencies

**From:**  Paul J. Leary, Administrator  
Division of Medicaid

**Subject:** **Implementation of Idaho Behavioral Health Plan (IBHP)**

Effective September 1, 2013, Medicaid-reimbursed outpatient mental health, substance use disorder, and related service coordination services, collectively called "behavioral health" benefits, will be provided under a managed care structure rather than the current fee-for-service structure. The managed care program structure allows for a contractor to be reimbursed for the management of benefits on a per-member-per-month capitated basis. United Health Care, doing business as Optum Health, is contracted by the Department for a term of three years, with two two-year extensions possible, to provide the benefits identified in the Idaho Behavioral Health Plan (IBHP).

Optum will manage all aspects of the IBHP. The contractor will recruit, hire, train, manage, and reimburse a network of qualified providers. Therefore, Medicaid provider agreements with mental health clinics, psychosocial rehabilitation agencies, and mental health service coordination agencies will end on August 31, 2013. No new provider applications will be accepted for any type of mental health service agency providers after this date. Agencies that have imbedded a primary care component into their structure need to make sure that their practitioners have the appropriate provider agreement in place with Molina to provide ongoing physical health services.

In order to continue to provide Medicaid-reimbursed outpatient behavioral health services, agencies must enroll in the Optum provider network. Optum will enroll agencies as well as individual practitioners. Optum will process behavioral health service claims beginning with dates of service on or after September 1, 2013. Outstanding claims for behavioral health services provided for dates of service on or before August 31, 2013, may be submitted to Molina Medicaid Services for payment consideration up to 364 days after the date of service.

In order to promote a smooth transition to the managed care structure and minimize any potential disruption in care, Optum has agreed to maintain each member's existing plan of care for at least 60 days after implementation of services. Optum will honor any existing prior authorizations through October 30, 2013. This transition will also allow for existing providers to continue with service delivery to participants on their current caseload, as appropriate. **Current providers that do not enroll with the Optum network, or that do not make other formal arrangements with Optum to continue providing services, must cooperate with efforts to transition their Medicaid participants to an Optum network provider.**

Some Medicaid providers may not be able to meet the Optum requirements for credentialing and enrollment by September 1, 2013; however, Optum has agreed to work closely with the provider community to arrange for a sufficient number of providers to avoid creating any access issues. In order to obtain the Optum provider network enrollment information, interested parties should email Optum's Idaho Network Manager at [Regina.hanley@optum.com](mailto:Regina.hanley@optum.com), or by telephone at (714) 445-0723.

## **Transitional Impacts to Other Medicaid-Reimbursed Programs**

### **Children's Service Coordination Agencies**

The process to request services for children with severe emotional disturbances (SED) will not change between July 1 and August 31, 2013. Children with SED who currently receive service coordination will automatically have their prior authorizations extended until October 30, 2013. New service requests should be submitted by fax to (208) 334-6616, or by email to [CSCRequests@dhw.idaho.gov](mailto:CSCRequests@dhw.idaho.gov). Children's service coordination providers serving children with SED who need further clarification about this process should call (208) 528-5784.

Extension of the prior authorizations does not mean that services provided on or after September 1, 2013, should be billed to Medicaid. Providers must make arrangements with Optum in order to be reimbursed for services provided after August 31, 2013.

### **Healthy Connections Primary Care Providers (PCPs)**

Effective September 1, 2013, Healthy Connections referrals will no longer be required for behavioral health services. Optum Idaho is requiring all of its network providers to obtain a release of information from each of their members in order to facilitate the coordination of services with each member's PCP, including sharing reports, documents, and invitations to participate in treatment planning. When a member obtains a service from an Optum provider a notification to the member's PCP is automatically generated that does not provide any private health care information but notifies the PCP of the member's interest in obtaining behavioral health services. After the Optum provider secures the release of information document, the PCP will be sent information from the member's medical record. Optum is including the requirement for its providers to refer all members to their PCPs annually to obtain a physical examination. Optum will also provide behavioral health screening tools and psychiatric consultation (at no charge) to PCPs at their request.

### **Health Homes**

Optum Idaho and the Idaho Health Home Program share the common goal ensuring that the services provided to a Medicaid participant are holistic and coordinated. Optum will be contacting all health homes to begin the collaboration that will be needed for those Medicaid participants who access both programs.

### **Hospitals**

Optum Idaho will be operating services designed to divert members from a hospital level of care when it is not needed. They are also required to establish an interface with hospitals so that they can facilitate discharge planning to outpatient behavioral health services. In order to accomplish these objectives, Optum will establish working relationships with hospitals across Idaho.

### **Schools**

School-based services are not included in the IBHP. Schools should continue billing Medicaid for the Medicaid-covered mental health services identified on their students' individualized education programs (IEPs).

### **Substance Use Disorder Agencies**

Medicaid-reimbursed substance use disorder benefits are included in the IBHP. In order to continue to provide Medicaid-reimbursed substance use disorder services, agencies must enroll as an Optum network provider. Agencies that accept multiple payers must work with Optum to establish the correct billing method for obtaining reimbursement for Medicaid benefits.

Medicaid is notifying all eligible Medicaid participants of the upcoming changes. Optum will send out information packets to all eligible Medicaid participants in early August. Information updates on the IBHP can be found on the Department of Health and Welfare's website at [www.healthandwelfare.idaho.gov](http://www.healthandwelfare.idaho.gov).

If you have questions about this information, please contact the Office of Mental Health and Substance Abuse in the Division of Medicaid at (208) 364-1844.

Thank you for participating in the Idaho Medicaid program.

PJL/rs

## Managed Behavioral Healthcare Organization (MBHO) Accreditation

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NCQA Managed Behavioral Healthcare Organization (MBHO) Accreditation demonstrates to health plans, employers, regulators and consumers that an organization follows evidence-based practices for providing high-quality care, access and consumer protections.

An expert panel of MBHOs, health plans, state agencies, consumer organizations and behavioral healthcare researchers helped update NCQA 2013 MBHO Accreditation. Modernized to help organizations thrive in today's marketplace, MBHO accreditation emphasizes:

- Care coordination to reduce fragmented care, especially for people with special needs.
- Complex case management, a challenge for managed care initiatives where complex cases are common.
- Data exchange between health plans and behavioral healthcare organizations, to support clinical quality and patient experience measurement and improvement by the MBHO.

Behavioral healthcare organizations earn NCQA Accreditation by proving their proficiency across five standards:

**MBHO 1. Quality Management and Improvement** The organization has processes designed to monitor, evaluate and improve the quality and safety of care provided to its members, including those with complex needs.

**MBHO 2. Care Coordination** The organization coordinates medical care and behavioral healthcare for its members?

**MBHO 3. Utilization Management** The organization notifies members and practitioners about coverage decisions within required time frames.

**MBHO 4. Credentialing and Recredentialing** The organization verifies the credentials of the practitioners in its network.

**MBHO 5. Members' Rights and Responsibilities** The organization has a written members' rights and responsibilities policy.



## Optum Idaho Fact Sheet

### Optum Idaho

At Optum Idaho, our goal is to help people enrolled in Idaho Medicaid access the outpatient mental health and substance use care they need. We are dedicated to working in partnership with providers and community stakeholders to implement an accountable, outcome-driven, recovery-centered system through the Idaho Behavioral Health Plan.

Optum is working together with the state of Idaho, consumers, providers and community stakeholders to ensure the best use of the limited public resources available to help people access the right care at the right time and place. Optum will begin managing the new outpatient Idaho Behavioral Health Plan on September 1, 2013, and steps are already underway in preparation for the transition:

### Local Office and Staff

- Optum Idaho has established a main office in Meridian and is currently in the process of hiring more than 40 staff members who will be based in Idaho. When possible, we are recruiting and hiring Idahoans who are currently part of the mental health and substance use delivery system because we believe their local perspective will help ensure a smooth transition.
- Included in the Optum Idaho organization will be six regional staff members who live and work in one of the state's public health districts so they can establish effective local relationships. Their responsibilities will include working on-site with provider agencies; supporting the efforts of the Idaho Department of Health and Welfare, the Regional Mental Health Boards and Regional Advisory Committees to improve services; building relationships with local advocacy and consumer groups; and supporting communication between behavioral health and primary care providers.

### Provider Network

- Optum is establishing a network of behavioral health providers that includes the current network, plus additional resources to meet the needs of Idaho Behavioral Health Plan members. In addition, because Optum believes that the best care is delivered locally, we are committed to increasing access to services in rural areas to ensure that people throughout Idaho are able to get the care they need close to home.

### New Programs and Services

- In addition to expanding the network of behavioral health providers, Optum Idaho is making new programs and services available through the Idaho Behavioral Health Plan. This includes peer services for consumers, programs that support consumers' family members, and services to help individuals make a smooth transition back to living in their community after being discharged from a hospital or other in-patient facility.
- Optum Idaho will operate the Member Access and Crisis Line, a free 24-hour, seven days a week service that provides support and referrals to people experiencing a mental health or substance use crisis. The line will also serve as a central access point for Idaho Behavioral Health Plan members to get provider referrals and information about the Plan.
- Optum Idaho will offer providers new ways to enhance their skills and expertise through a variety of continuing education resources, including online and in-person training opportunities.

## Communication:

- The Optum Idaho website [www.OptumIdaho.com](http://www.OptumIdaho.com) offers information for both providers and consumers, including a “Frequently Asked Questions” page and contact information for those who have questions about the Idaho Behavioral Health Plan.
- Optum Idaho is planning a series of regional information meetings in the fall to give providers, consumers, other stakeholders and the general public an opportunity to learn more about the Idaho Behavioral Health Plan and discuss what to expect after September 1.

## Optum’s 30 Years of Public Sector Experience

Optum has extensive experience helping public health systems transform their mental health and substance use treatment programs so they maximize their ability to help people achieve long-term recovery. In collaboration with our partners, Optum designs innovative programs that serve the unique needs of each state or population while providing public agencies with the best value for their resources.

A few examples of our collaborative, innovative work in public mental health and substance use services include:

- **Transforming care through peer support:** A peer is an individual who has managed his or her own mental health issue and is in recovery. Peers are trained to help people currently dealing with a mental health issue by providing support, encouragement and links to community resources. Optum has incorporated peer support services into public mental health systems in New York, New Mexico, Utah and Washington State, resulting in better adherence to follow-up treatment, fewer unnecessary re-hospitalizations and significant cost savings for local governments. Optum Idaho plans to hire peer support specialists to work with members and families in local Idaho communities.
- **Serving more people with less funds:** In Pierce County, Washington, Optum partnered with stakeholders to sustain current programs, add innovative recovery-based programs and improve quality of care. For example, by working to connect people with mental health conditions to appropriate community-based resources, we were able to serve 32% more people and reduce unnecessary hospitalizations by more than 32%, while saving the County an estimated \$7.3 million cumulatively over three years.
- **Helping people avoid unnecessary incarceration:** Many communities have experienced an increase in the number of offenders with mental health and/or substance use issues booked into local jails. In collaboration with local governments in Salt Lake County, Utah and Pierce County, Washington, Optum operates programs designed to reduce the time people with mental health and/or substance use issues spend in jail by redirecting them from the criminal justice system to appropriate community-based treatment and support.

## Contact Information

For more information about Optum Idaho, contact:

Becky diVittorio, Executive Director, Optum Idaho

(208) 914-2012

[rebecca.divittorio@optum.com](mailto:rebecca.divittorio@optum.com)