MENTAL HEALTH MANAGED CARE ORGANIZATION FREQUENTLY ASKED QUESTIONS

Questions	Answers
Why is Idaho Medicaid changing from a fee-for service system to a managed care system for mental health services?	The 2011 Idaho legislature directed the Division of Medicaid to develop a managed care plan for the delivery of services because the managed care approach has a demonstrated history of being more effective and efficient than fee-for-service models. Mental health is the first Medicaid program to undergo this change.
When will services change over to the managed care plan?	Medicaid is currently developing a 1915(b) waiver to establish the funding authority of the Medicaid mental health managed care plan for Idaho that is targeted to begin July 1, 2012. The waiver application must be approved by the Centers for Medicare & Medicaid Services (CMS) prior to implementation.
When will the contract for the MCO be awarded?	It is anticipated that the contract will be awarded in the fall of 2011, which will allow the MCO ample time to work with DHW and provider network to ensure an efficient transition.
After July 1, 2012, who will be the providers for Medicaid-reimbursed mental health services?	Medicaid will contract with a managed care organization (MCO) which will ultimately enroll and manage a provider network, determine the array of services to be delivered, and conduct utilization management and quality assurance activities. The managed care provider network may include current Medicaid providers as well as newly enrolled providers. The MCO will be responsible for establishing and enforcing requirements to meet the new law requiring providers of mental health services to meet national accreditation standards.
How will having an MCO in place change the availability or access to mental health services for participants in rural and frontier areas of the state?	Currently provider enrollment is "at will" or voluntary. Some areas of the state have low or limited access to providers and/or services. The MCO will be required to establish and maintain a statewide network of qualified mental health professionals that ensures adequate access to all Medicaid participants who need mental health services.

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What does Medicaid hope to gain by using an MCO?	Evidence has shown that systems operating under a managed care structure are more effective in producing positive outcomes for service recipients than fee-for-service models. It also shows that managed care systems are more efficient and can provide additional services with the same or lower cost.
Will the use of an MCO affect the quality of care or access to services?	Other Medicaid programs that have switched to a managed care structure have reported an increase in quality of care for their participants as well as improved access to services. Such systems are measured according to outcomes of participants as opposed to dollars saved. Since outcomes are the drivers of success, the incentive to deliver the right service in the right amount at the right time is embedded in the work of the MCO.
How will the use of an MCO affect the provider/participant relationship?	DHW anticipates very little change in the way providers and participants currently interact. A common feature in a managed care system is the heavy use of case managers who perform coordinating and monitoring functions in partnership with each participant who needs intensive services and his chosen providers. The intent is to develop an integrated system of services which promote the use of evidence-based treatments that are effective and efficient, and which would allow participants and their families the highest level of informed choice and consent regarding their treatment.
How will the MCO be monitored to ensure that they are fulfilling the terms of the contract with the department?	DHW will work closely with the MCO to ensure all work is delivered according to acceptable performance standards. The MCO will conduct self-monitoring reviews, which will include quality assurance reports. Outcomes also will be tracked, with specific data collected for how many people utilize each service, the extent of use and the outcomes for the participants. DHW will track all these monitoring activities and key indicators, maintaining a transparent process for all stakeholders. The department also will report MCO performance to the Centers for Medicaid and Medicare Services.

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How will the performance standards for the MCO contract be determined?	The Centers for Medicare and Medicaid Services mandates the minimum performance standards for any state's Medicaid program's use of managed care organizations. Additionally, Idaho Medicaid may add additional standards that are based on the needs of Idaho citizens, the demographics of the state, and the fact that Idaho is a rural and frontier state and is a mental health professional shortage area.
Under the managed care structure will a Healthy Connections referral be sufficient to establish medical necessity for mental health services?	Coordination of care is a central component of services under a managed care structure though it has yet to be determined how primary care services will be incorporated into the delivery of mental health services. Idaho Medicaid is developing "Health Homes" which is one model of mental and physical health integration. The mechanism of determining medical necessity for mental health services will be the responsibility of the MCO.
Will the MCO establish individual contracts with providers or contract with provider agencies?	This contractual structure has yet to be determined. Provider agencies can expect to enter into a contract with the MCO and will also be required to enter into a provider agreement with Medicaid. The MCO will determine whether or not to further contract with individual workers.
Currently a person who needs both skill training and psychotherapy must go to two different agencies to obtain these services. Will this be the structure of service delivery under the MCO?	Idaho Medicaid envisions that participants will be able to obtain all the direct professional mental health services they need from a single agency. If participants want to obtain additional recovery and support services to enhance the scope of services they receive, they may have to obtain such services from additional providers. It is the role of the MCO to determine how such a service system can be developed.