

SENATE HEALTH & WELFARE COMMITTEE  
Monday, February 8, 2016

ATTACHMENT 2

# Design of the

# Idaho Behavioral Health Plan

Report highlights

January 2016

The Legislature and the Department of Health and Welfare have successfully addressed concerns about the overreliance on psychosocial rehabilitation. The department now needs to make significant improvements to mental health program planning before taking its next steps.

## The plan

Idaho wanted to reform outpatient behavioral health for Medicaid patients.

The department planned for changes to policy, service criteria, and oversight to bring services in line with department intent.

Changes were implemented through a 3-year contract estimated at \$300 million.

## Results

A substantial decline in PSR.

An increase in other services: most notably family therapy. Despite increases in other services, total spending is down.

Savings has not come from a reduction of members served.

Intentional changes negatively affected some providers.

Investing savings in the community has proved more difficult than planned by the department.

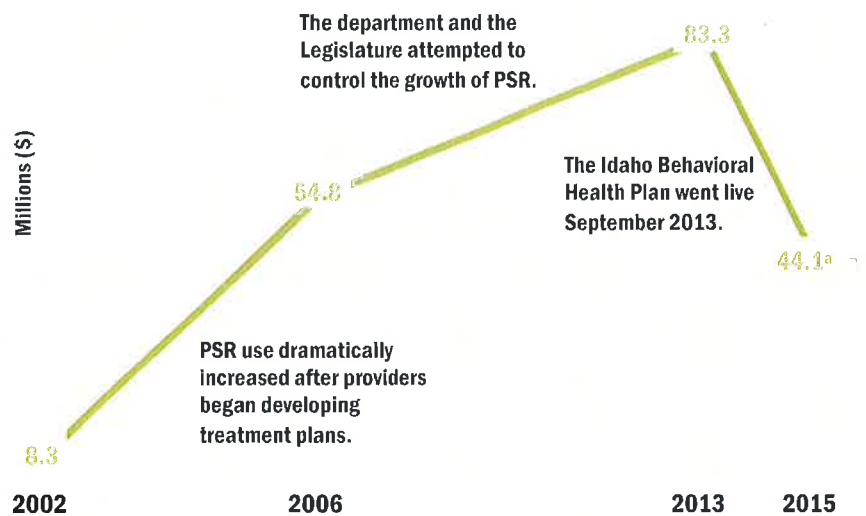
## Lessons

Clearly communicate plans and choices for new programs.

Program design should be well developed before going to contract.

Ensure sufficient expertise to align program design and vendor capabilities.

Medicaid spending on psychosocial rehabilitation (PSR) increased through 2013, a trend reversed by the behavioral health plan.



a. 2015 data extrapolated from Optum claims data. Changes in spending also reflect the department's redefinition of the service to community-based rehabilitation services in 2013.

## Recommendations

The department needs to continue taking steps to build capacity and services in the community.

The department should formally evaluate the merit of including inpatient services in the behavioral health plan.

The department should also use independent third-party expertise for assistance in evaluating the merit of including inpatient services. If it decides that including inpatient has merit, independent expertise would also be valuable for planning and designing the transition.



View the report: [www.legislature.idaho.gov/ope/](http://www.legislature.idaho.gov/ope/)