



NATIONAL REGISTER
OF HEALTH SERVICE PSYCHOLOGISTS

Integrated Care: Models, Screening & Financing

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Financing Integrated Care

The Current State

- **Fee-for-service billing**
- **Carved-out mental health funding**
- **Specialty mental health regulations** which negatively impact sustainability (e.g. comprehensive clinical assessment form inhibits primary care consultation model)
- **Licensure type restrictions** on personnel inhibit workforce development
- **Volume of patients seen face-to-face** dictates profitability but regulations inhibit efficiency in a primary care environment
- Population based care efforts (e.g. registry management, curbside consultations) are **not specifically reimbursable** though core to integration efforts

The Future State of Sustainability

- **Capitated, quality laden contracts for providers**
 - **Integrated care efforts** will be seen as means to an end (improve specific outcomes, e.g. reduce ED utilization, care for larger populations more efficiently)
 - **Less emphasis on fee-for-service billing**
 - **More salary-based personnel**
 - **Competency-based qualification** for personnel versus licensure-based qualification
 - **Unified funding**
 - Instead of carved-out funds for mental health, mental health costs will be rolled up into medical budgets
 - Given the above, there should be less emphasis on self-sustainability, versus value provided

Who Is Making This Work Now

- **FQHCs:** Unified funding, enhanced payment and generally looser restrictions (e.g. no service plan requirements) allow them to roll behavioral health costs into their overall budgets without seeing these efforts as profit centers that must sustain themselves
- **VAs:** Unified funding, unified incentives allow behavioral health services to be integrated in a sustainable fashion
- **Isolated HMOs:** Unified funding, unified incentives, ability to set their own policy allow some HMOs to integrate readily
- **Isolated grant-funded agencies:** Grants reduce burden on organization for sustainability; some organizations simply make the calculus that the effort has other strategic benefits therefore they will not look to these efforts to sustain themselves
- At present the most optimistic scenario for integrated care programs is to work towards breaking even, but most likely are not cost neutral

The Pros & Cons of The Cost-Offset Argument

- A recent study showed that **cost offset potential was only identified within high utilizing populations** (uninsured, Medicaid) and not with the general community population (commercial, Medicare) (Serrano, et al, 2016)
- Despite a number of studies showing **cost offset potential of psychotherapy** little progress has been made over the last few decades to increase access to care for the population
- **The fragmentation of the health industry** makes the cost-offset argument difficult to make and not compelling to all audiences; even a robust argument for cost-offset through SBIRT services resulting in nearly \$500 per member/per month Medicaid reduction in costs (Estee et al, 2010) fails to move the needle

The New Cost of Doing Business In Primary Care

- Funding for integrated care only makes sense if considered **part of the cost of doing business in primary care**, assuming that primary care begins to receive enhanced funding
- The most compelling argument thus far appears to be that **integrated behavioral health models best prepare primary care clinics** for the demands that will be placed on them to provide higher value care with more financial risk/ reward
- There is **no substantial evidence** for arguments that maintain that integrated care will enhance productivity of primary care providers or will achieve self-sustaining status

Payment For MH Professionals

- In integrated care currently MH professionals can expect to be **paid via salary**, either as an employee of the site or on loan from another employer
- **Fee-for-service and grants** are the most common methods for sites to fund services
- Most sites with established models are **tied to governmental funding** with a minority of privately run health corporations running integrated care services
- The next frontier will include **mental health groups forming to provide integrated services in a turnkey fashion** to healthcare providers in much the same way that hospitals purchase hospitalist services or emergency department staffing services.



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