

Behavioral Health Funding and Rate Development

Behavioral Health Commission

January 15th, 2025

California Public Behavioral Health Systems

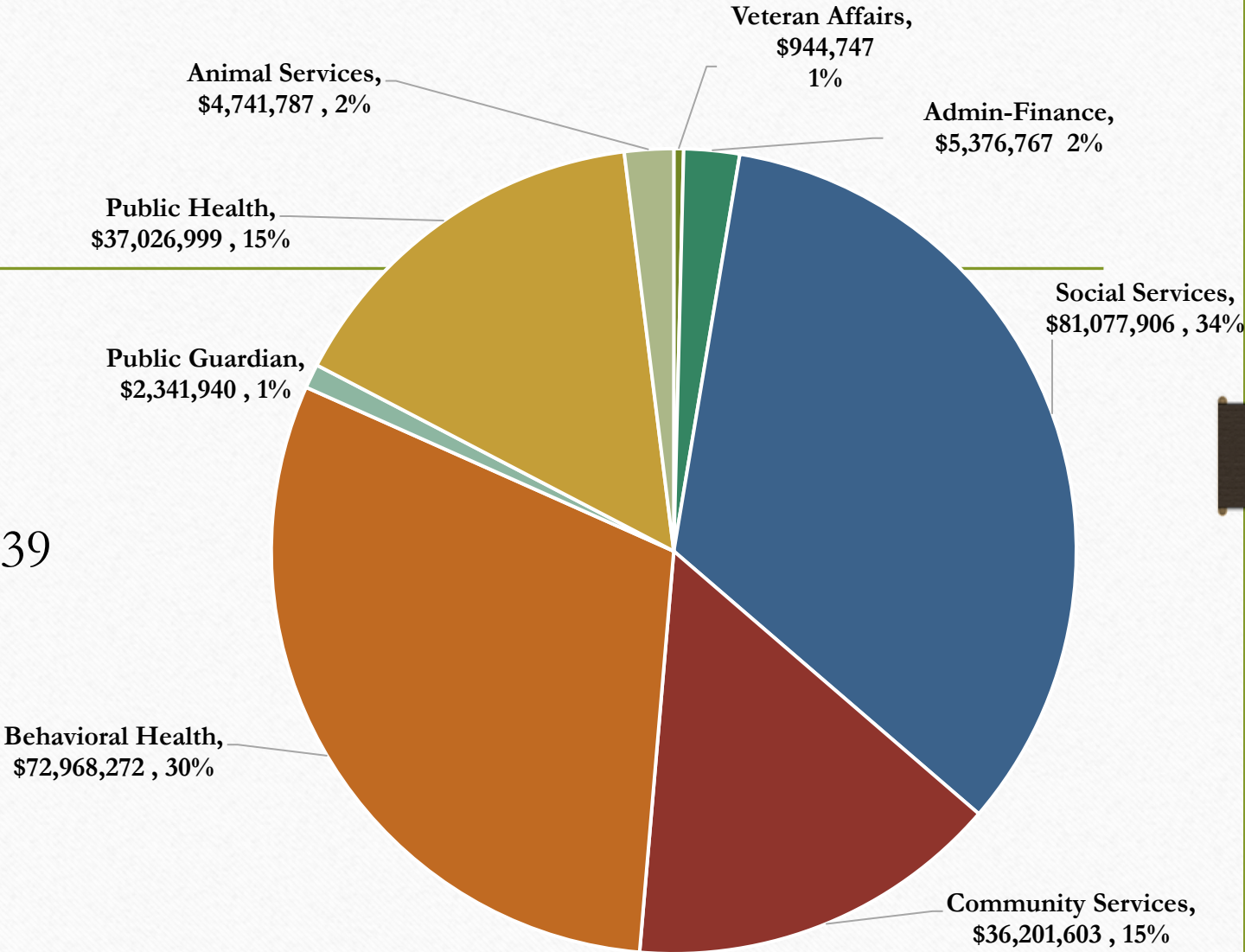
- County Behavioral Health Services: broadly responsible for Medi-Cal and emergency services
 - Mental Health Plan: Specialty Mental Health (Medi-Cal) and Mental Health Services Act funding (supported by 1991 and 2011 Realignment, and local funding)
 - Drug Medi-Cal Organized Delivery System: substance use disorder (SUD) treatment services established 2015 as an “opt in” for County systems (adopted in El Dorado County in 2019)
 - Public Guardian: Lanterman Petris-Short conservatorship, Probate conservatorship, and client asset management (mostly locally funded)
- Medi-Cal Managed Care Plans: Responsible for mild-moderate benefits, primary care needs of beneficiaries with Medi-Cal
- Private Insurance Plans: under the Affordable Care Act are responsible for “parity” in behavioral health benefits

El Dorado County Behavioral Health Funding

- County Behavioral Health is supported through many different funding streams, each with their own obligations and rules.
- This presentation is not intended as an exhaustive list of all aspects of publicly funded Behavioral Health services, but an overview as it relates to rate development for contract providers in the Specialty Mental Health System.

HHSA FY 24-25 Budget

Veteran Affairs - \$944,747
Admin-Finance - \$5,376,767
Social Services - \$81,077,906
Community Services - \$36,351,539
Behavioral health - \$72,968,272
Public Health - \$37,026,999
Animal Services - \$4,741,787
Public Guardian - \$2,341,940



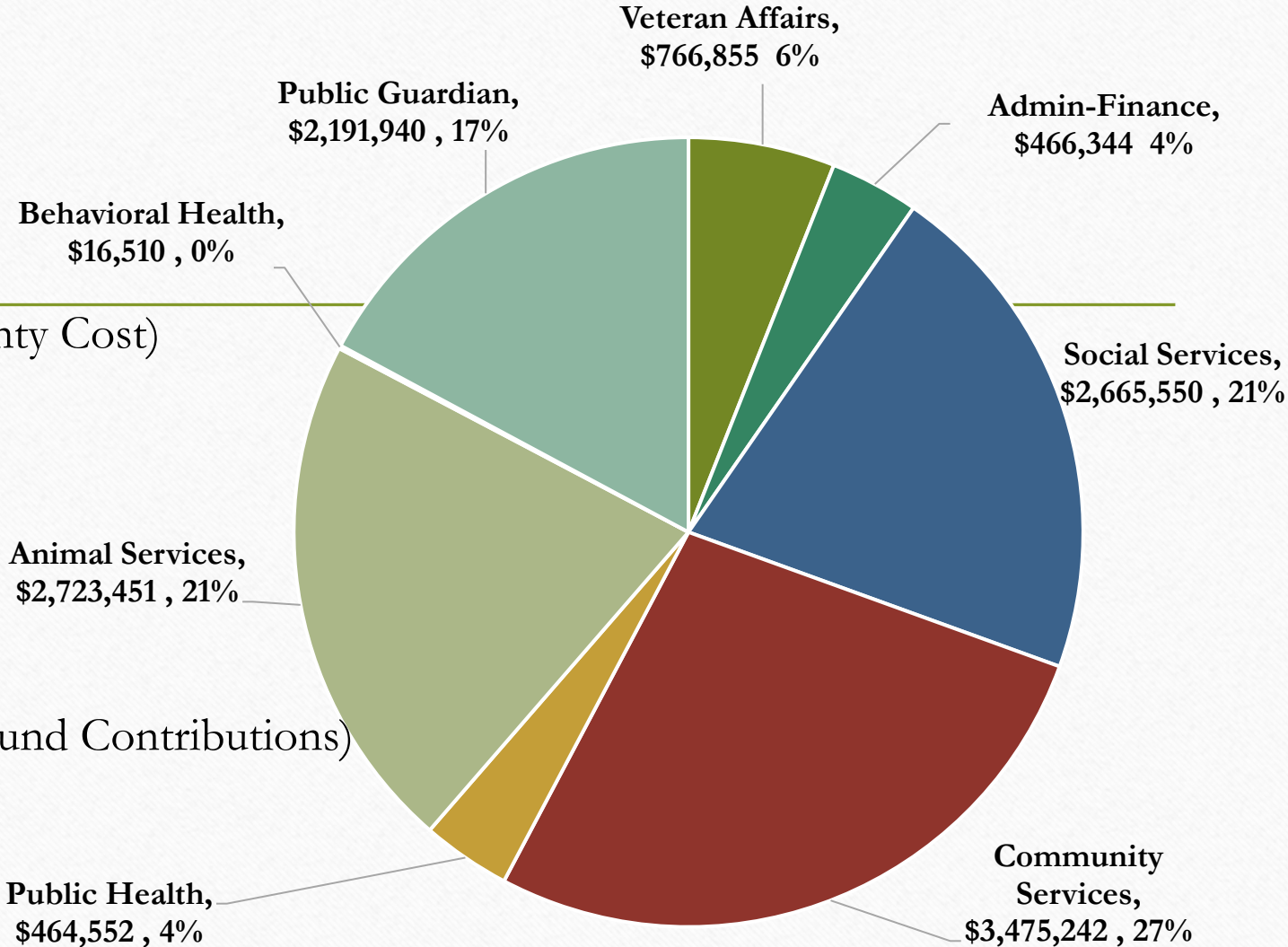
Net County Cost of \$12,770,444
5.3% of Total Appropriations

General Fund Departments (Net County Cost)

- Veteran Affairs
- Admin-Finance
- Social Services
- Animal Services
- Public Guardian

Special Fund Departments (General Fund Contributions)

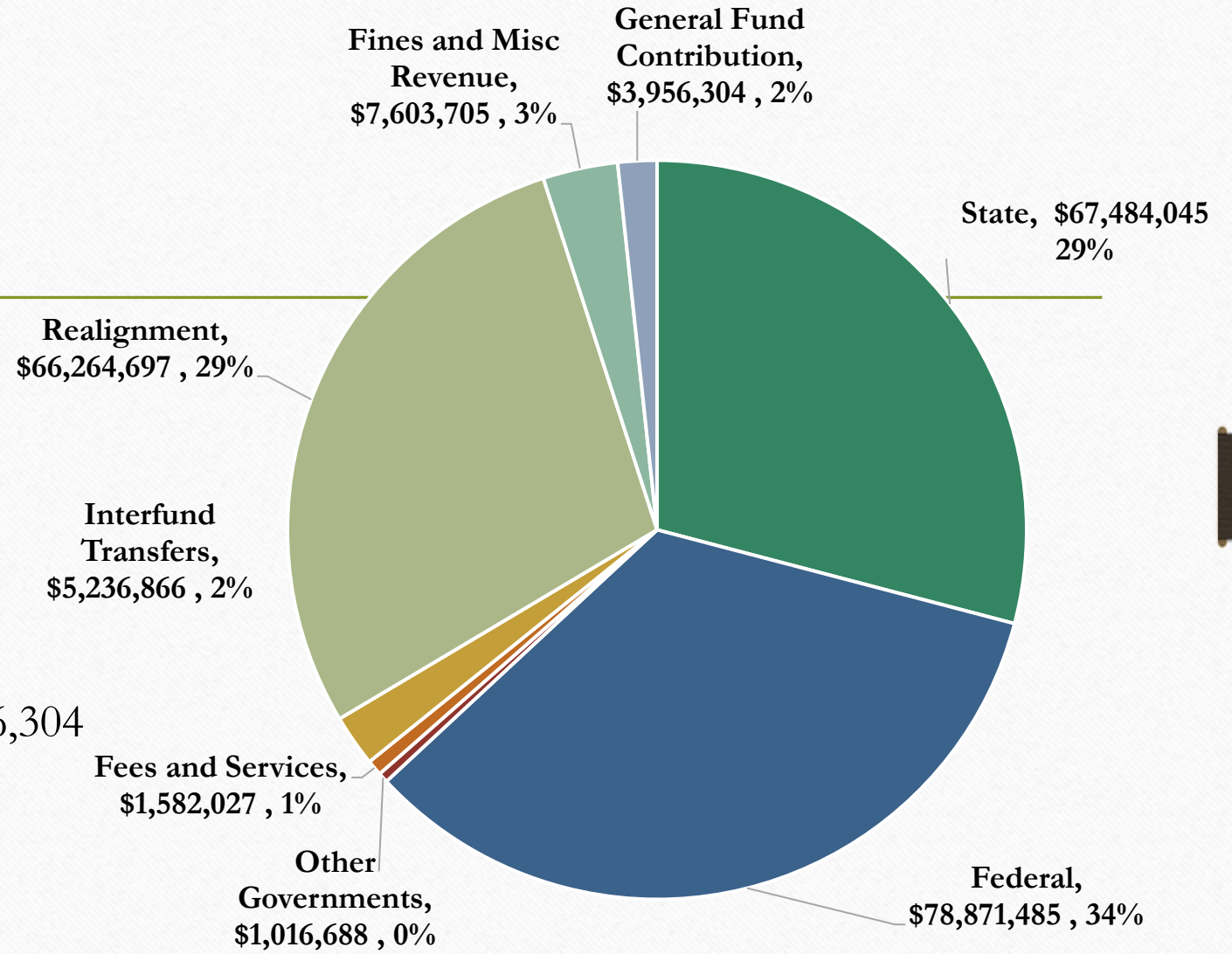
- Community Services
- Behavioral Health
- Public Health



HHSA Revenue Sources

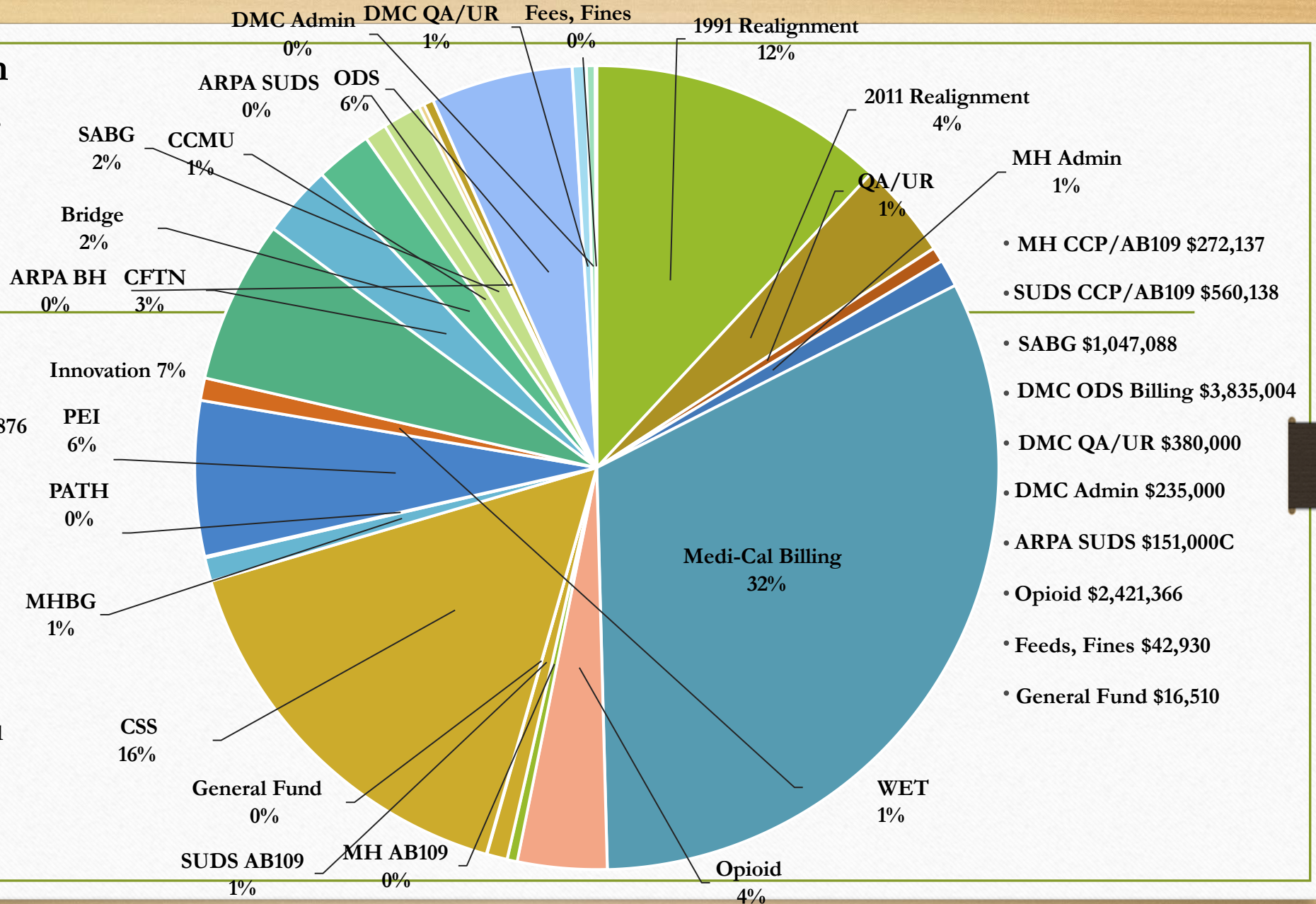
\$232,015,817

- State - \$67,484,045
- Federal – \$78,871,485
- Realignment - \$66,264,697
- Fines and Misc. - \$7,603,705
- Interfund Transfers - \$5,236,866
- General Fund Contributions - \$3,956,304
- Fees and Services - \$1,582,027
- Other Governments - \$1,016,688



Behavioral Health Revenue Sources

- '91 Realignment \$8,046,204
- '11 Realignment \$2,609,901
- QA/UR \$405,000
- MH Admin \$741,625
- MH Medi-Cal Billing \$21,605,876
- ARPA BH \$264,489
- CSS \$10,786,836
- PEI \$4,201,689
- WET \$608,447
- Innovation \$4,410,615
- CFTN \$1,942,886
- BH Bridge Housing \$1,522,111
- CCMU \$599,000
- MHBG \$643,274
- PATH \$36,594



“Payment Reform” and Medi-Cal Reimbursement

- Changes from a “cost reimbursed” to a “health care revenue/inter-governmental transfer” (IGT) model of County (and by extension provider) payment.
- Payment is now taxonomy (professional discipline) dependent, different taxonomy codes get different reimbursement
- Travel and documentation time were “rolled up” into reimbursement rate by DHCS (this was formerly reimbursed at a per minute rate)
- County Behavioral Health systems are obligated to provide all mandated benefits whether reimbursed by this model or not

“Payment Reform” and Medi-Cal Reimbursement

- These rates no longer “cost settle” as a result of the shift to an IGT model, neither the County nor contracted providers are obligated to “pay back” for payments in excess of cost.
- The funding is explicitly intended to support service delivery and innovation across the Mental Health Plan system of care.
- Rate development resulted in different reimbursements between County jurisdictions (with higher and lower rates for the same service when you cross a County line).
- County Behavioral Health is obligated to procure providers or deliver services themselves to meet beneficiary benefits and network adequacy independently from this payment reform rate process.

“Realignment Only” Required Services Fiscal Year 2023-2024

• Adult Residential Treatment	\$353,467
• Board & Care with Patch	\$460,256
• Declaration of Competence	\$2,500
• Inpatient Hospital	\$948,099
• Mental Health Rehab Center	\$1,467,356
• Skilled Nursing Facility w/ Special Treatment Program	\$193,587
• Total Services Realignment Funded	\$3,425,265

Health Care Revenue

- Intended to support the operation of the system by the MHP, including those required aspects that are not reimbursed by Medi-Cal
- This is distinct from the Managed Care Plan operations which are provider reimbursements for covered benefits (as a rule MCPs do not reimburse non-covered benefits)
- Is a transition and change from the historic “cost based” reimbursement for providers

Rate Development Process

- Data driven analysis of rate, encounter frequency, encounter duration, and engagement success
- Comparison to other “like” Counties (small and mid sized in the region)
- Competitive procurement process and contract negotiation with selected providers
- Fiscal analysis of system impact to maintain required network of care

Specialty Mental Health Provider Rates

Pre Payment Reform

Taxonomy	Billing Unit	July 2022- June 2023	
		Average Rate of Providers	
Psychiatrist/MD	15 Minutes	\$	91.35
Psychiatrist/MD (Group Rate)	15 Minutes	\$	91.35
Registered Nurse (RN)	15 Minutes	\$	91.35
Registered Nurse (RN) (Group Rate)	15 Minutes	\$	91.35
Psychiatric Technician (LPT)	15 Minutes	\$	91.35
Psychiatric Technician (LPT) (Group Rate)	15 Minutes	\$	91.35
Licensed Practitioner of the Healing Arts (LPHA)	15 Minutes	\$	42.81
Licensed Practitioner of the Healing Arts (LPHA) (Group	15 Minutes	\$	42.81
Mental Health Rehab Specialist (MHRS)	15 Minutes	\$	42.81
Mental Health Rehab Specialist (MHRS) (Group Rate)	15 Minutes	\$	42.81
Other Qualified Providers (Other)	15 Minutes	\$	42.81
Other Qualified Providers (Other) (Group Rate)	15 Minutes	\$	42.81

Specialty Mental Health Provider Rates

Post Payment Reform

Taxononmy	Billing Unit	July 2023- December 2024		January 2025 - June 2026		% Rate Increase
			Average Rate of Providers		Average Rate of Providers	
Psychiatrist/MD	15 Mins.	\$	226.80	\$	244.61	8%
Psychiatrist/MD (Group Rate)	15 Mins.	\$	50.40	\$	54.36	8%
Registered Nurse (RN)	15 Mins.	\$	92.14	\$	99.35	8%
Registered Nurse (RN) (Group Rate)	15 Mins.	\$	20.48	\$	22.08	8%
Psychiatric Technician (LPT)	15 Mins.	\$	41.55	\$	44.74	8%
Psychiatric Technician (LPT) (Group Rate)	15 Mins.	\$	9.23	\$	9.94	8%
Licensed Practitioner of the Healing Arts (LPHA)	15 Mins.	\$	60.90	\$	63.66	5%
Licensed Practitioner of the Healing Arts (LPHA) (Group)	15 Mins.	\$	13.53	\$	14.15	5%
Mental Health Rehab Specialist (MHRS)	15 Mins.	\$	44.40	\$	47.89	8%
Mental Health Rehab Specialist (MHRS) (Group Rate)	15 Mins.	\$	9.87	\$	10.64	8%
Certified Peer Support Specialist (Peer)	15 Mins.	\$	46.64	\$	50.29	8%
Certified Peer Support Specialist (Peer) (Group Rate)	15 Mins.	\$	10.36	\$	11.17	8%
Other Qualified Providers (Other)	15 Mins.	\$	44.40	\$	47.89	8%
Other Qualified Providers (Other) (Group Rate)	15 Mins.	\$	9.87	\$	10.64	8%
Family Psychotherapy (with patient present) -	15 Mins.	\$	756.00	\$	815.37	8%
Family Psychotherapy (with patient present) - LPHA	15 Mins.	\$	206.00	\$	212.21	3%
New Patient Evaluation - Psychiatrist/MD	15-29 Mins.	\$	332.64	\$	358.76	8%
New Patient Evaluation - Psychiatrist/MD	30-44 Mins.	\$	559.44	\$	603.37	8%
New Patient Evaluation - Psychiatrist/MD	45-59 Mins.	\$	786.24	\$	847.98	8%
New Patient Evaluation - Psychiatrist/MD	60-74 Mins.	\$	1,013.04	\$	1,092.59	8%
Established Patient Evaluation - Psychiatrist/MD	10-19 Mins.	\$	226.80	\$	244.61	8%
Established Patient Evaluation - Psychiatrist/MD	20-29 Mins.	\$	378.00	\$	407.68	8%
Established Patient Evaluation - Psychiatrist/MD	30-39 Mins.	\$	529.20	\$	570.76	8%
Established Patient Evaluation - Psychiatrist/MD	40-54 Mins.	\$	710.64	\$	766.44	8%
Interpretation Services	15 Mins.	\$	30.00	\$	30.92	3%
Interactive Complexity	Flat Rate	\$	16.50	\$	18.32	11%

Specialty Mental Health Provider “NTE”

July 2022 - June 2023 Contracted NTEs

Description	New Morning Youth & Family	Sierra Child and Family	Stanford Sierra Youth and Families	Summitview Child and Family - STRTP	Summitview Child and Family - Non-STRTP
Total NTE	\$ 368,987	\$ 1,780,492	\$ 291,695	\$ 1,200,000	\$ 1,096,567
Monthly Breakdown	\$ 30,749	\$ 148,374	\$ 24,308	\$ 100,000	\$ 91,381

July 2023 - December 2024 Contracted NTE

Description	New Morning Youth & Family	Sierra Child & Family	Stanford Sierra Youth & Families	Summitview Child & Family - STRTP	Summitview Child & Family - Non-STRTP
Total NTE	\$ 775,008	\$ 3,282,053	\$ 2,015,004	\$ 2,325,000	\$ 2,092,500
Monthly Breakdown	\$ 43,056	\$ 182,336	\$ 111,945	\$ 129,167	\$ 116,250

January 2025 - June 2026 Contracted NTE

Description	New Morning Youth & Family	Sierra Child & Family	Stanford Sierra Youth & Families	Summitview Child & Family - STRTP	Summitview Child & Family - Non-STRTP
Total NTE	\$ 795,000	\$ 3,339,000	\$ 2,067,000	\$ 2,385,000	\$ 2,146,500
Monthly Breakdown	\$ 44,167	\$ 185,500	\$ 114,833	\$ 132,500	\$ 119,250

% NTE Increase per Month when compared to Pre-Payment Reform	30.38%	20.01%	78.83%	24.53%	23.37%
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Payment Incentives

- Add payment incentive categories and amounts
 - Looking at key outcomes related to quality of service in our role overseeing the MHP
 - High Fidelity Wraparound
 - Preferred Language
 - Positive Treatment Outcomes
 - These align with our values as a system of care