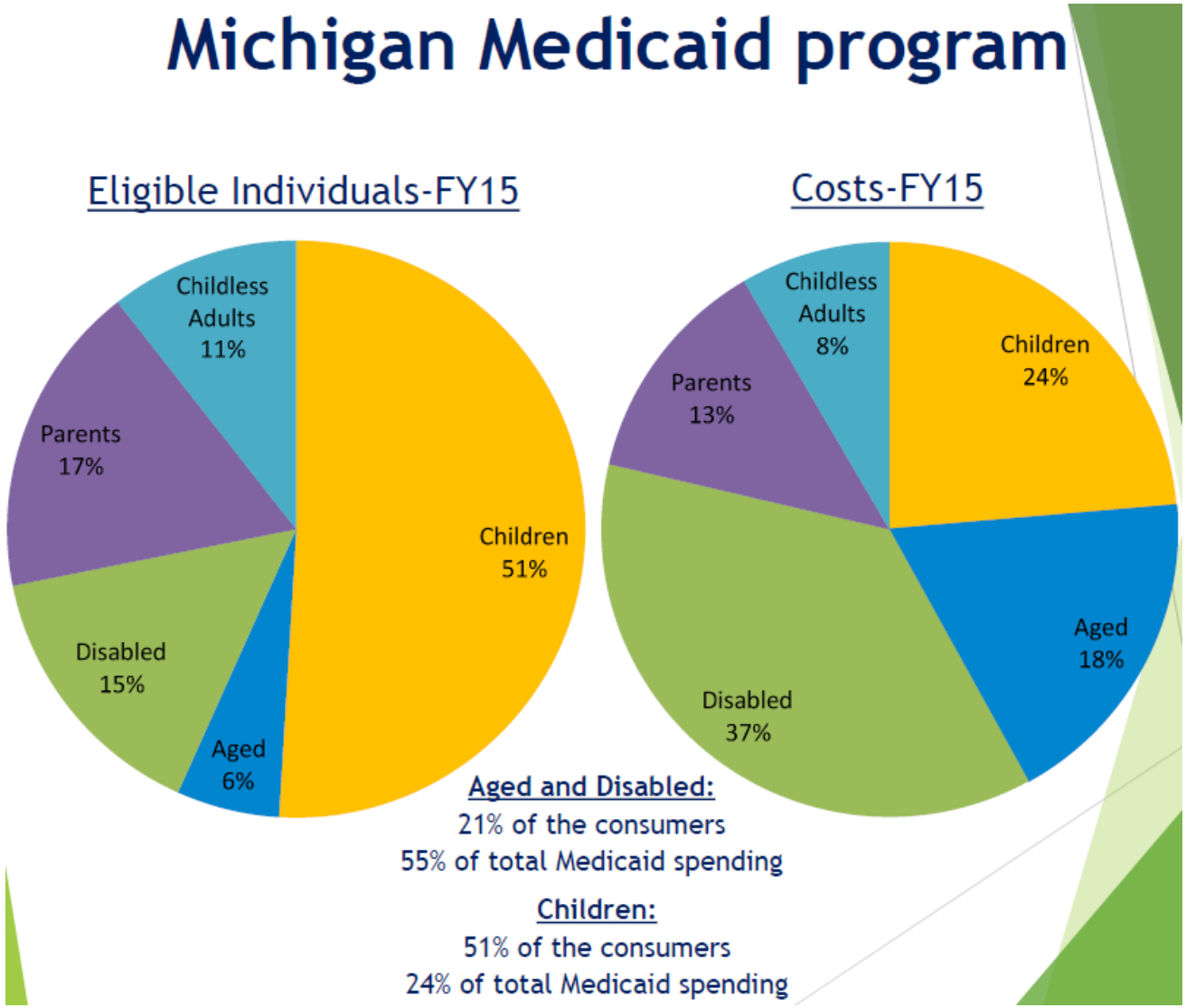
MICHIGAN MEDICAID PROGRAM

Stakeholder 298 Workgroup

April 2016

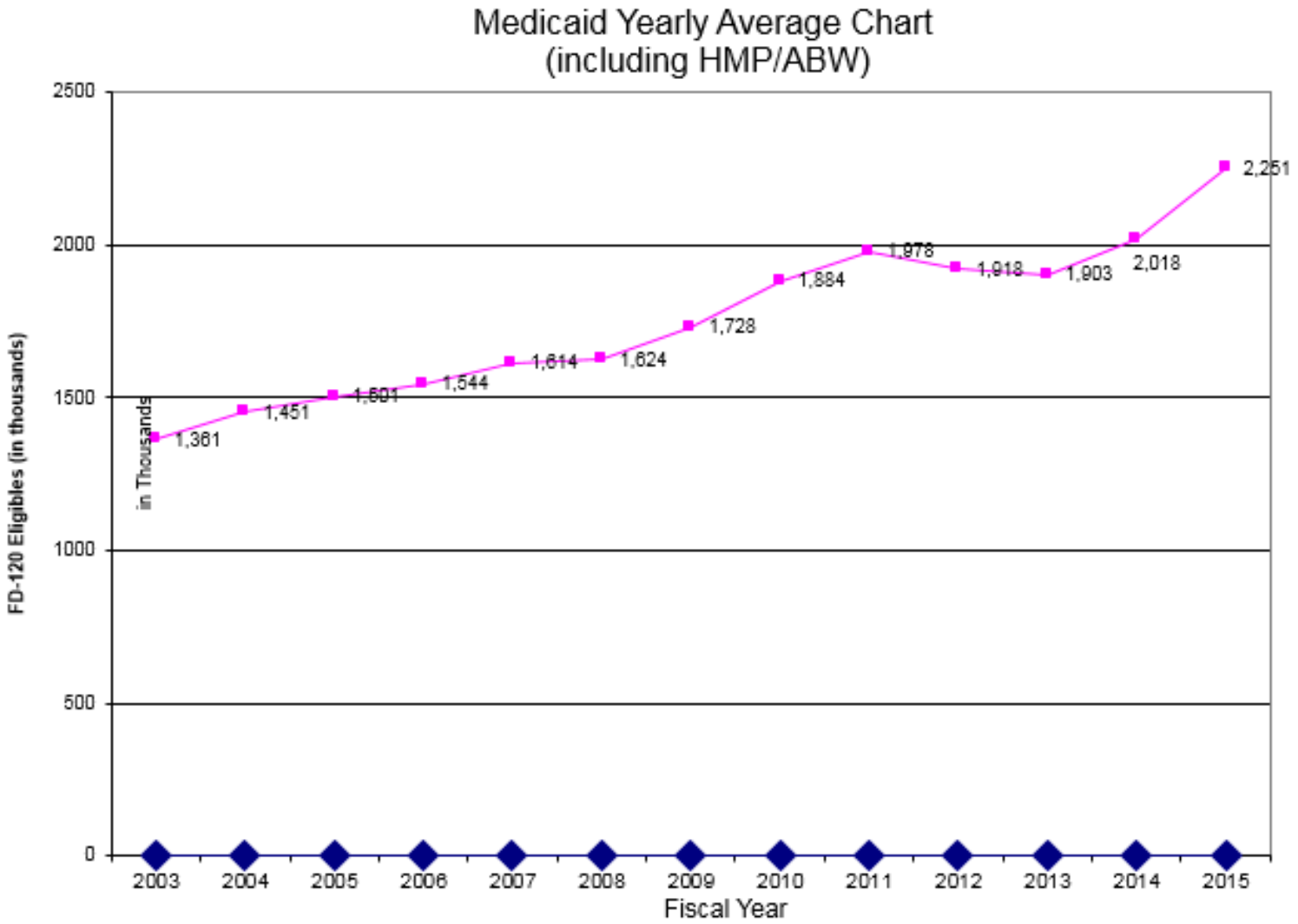
Behavioral Health & Developmental Disabilities Administration

Michigan Medicaid eligibles verses spending for fiscal year 2015.[1]



[1] Michigan Department of Health and Human Services, FY15 encounter data pulled from the MDHHS data warehouse March, 2016

The number of Michigan residents who were Medicaid eligible increased from almost 1.3 million in 2003 to just over 1.7 million in 2015. [2]



[2] Michigan Department of Community Health, FD-120 Report, March, 2016

In fiscal year 2014, 20% of members enrolled in a Medicaid Health Plan (MHP) received at least one mental health visit that was covered by the MHP. These members averaged four visits per year, and 22% also had at least one mental health visit covered by a PIHP. Among those with more than 20 visits, 27% also had at least one PIHP mental health visit. [3]

Number of Mental Health Visits	# of Medicaid Beneficiaries
1 - 10 visits	207,325
11 -20 visits	18,422
More than 20 visits	4,480
Grand Total	**230,227**

[3] Michigan Department of Health and Human Services, FY14 encounter data pulled from the MDHHS data warehouse March, 2016

Per member per month (PMPM) costs increase with a behavioral health diagnosis.[4]

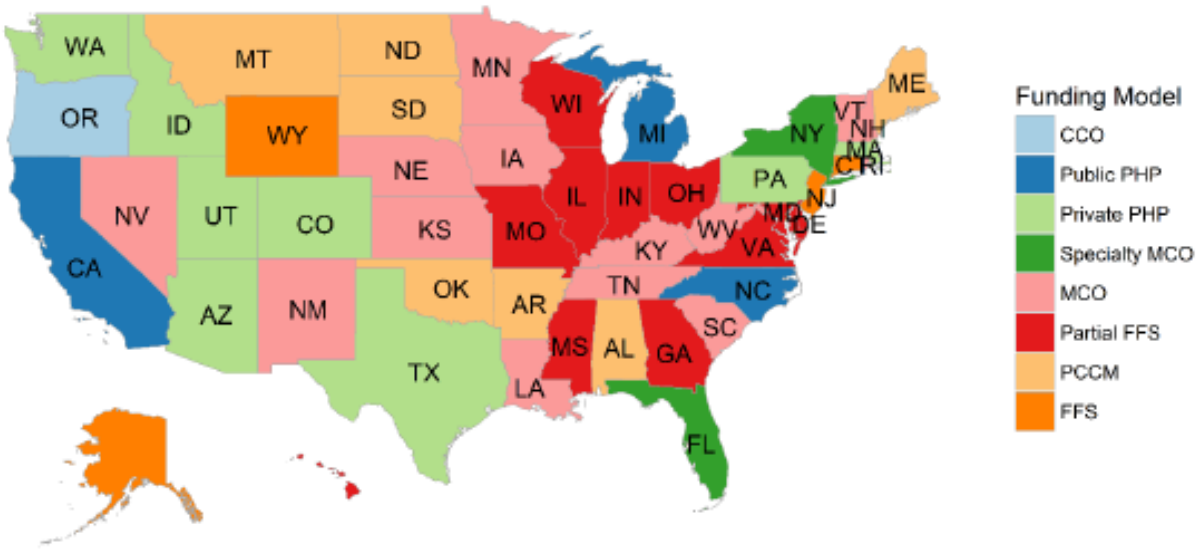
High Health Care Costs

Population	% with behavioral health diagnosis	PMPM without BH diagnosis	PMPM with BH diagnosis	Increase in total PMPM with BH diagnosis
Commercial	14%	$ 340	$ 941	276 %
Medicare	9%	$ 583	$ 1429	245 %
Medicaid	21%	$ 381	$ 1301	341 %
All insurers	**15%**	**$ 397**	**$ 1085**	**273 %**

Mental health specialty care accounts for only 3 % of overall costs.
More effectively integrated mental health care could save billions.
* APA Milliman report; Melek et al; 2013

[4] Unützer, J., MD. (2015, October 9). Integrated Behavioral Health Care. Retrieved April 5, 2016, from http://www.njhcqi.org/wp-content/uploads/2015/10/ACO-Conference-Slides-Final.pdf

Behavioral Health Financing Models by State[5]



Model	Definition
Fee-for-Service (FFS)	The state funds behavioral health services primarily through fee-for-service (FFS) arrangements, directly paying providers for each covered service they provide. This includes instances where a state contracts with an administrative services organization (ASO) to pay provider organizations on a FFS basis. Not risk-based.
Primary Care Case Management (PCCM)	The state funds behavioral health services primarily via contracts with primary care providers, paying a case management fee in addition to regular FFS payments. Not risk-based.
Partial FFS	The state funds behavioral health services partially through Managed Care Organizations (MCOs), but continues to manage certain (usually more complex) populations using a FFS or PCCM model.
Managed Care Organizations (MCO)	The state funds behavioral health services primarily through MCOs for at-risk management of comprehensive Medicaid benefits to enrolled Medicaid beneficiaries for a pre-set per-member-per-month (PMPM) premium, or capitation payment.
Specialty MCO	The state funds behavioral health services primarily through MCOs, but requires that these MCOs demonstrate specialty knowledge of specific populations, either directly or by subcontracting.
Private Prepaid Health Plan (PHP)	The state funds behavioral health services primarily through a private, for-profit Pre-paid Health Plan (PHP) responsible for the management of defined services for behavioral health conditions and related issues. This is often done via contract with a specialty managed behavioral healthcare organization (MBHO).

[5] TBD Solutions, Beyond Appearances: Behavioral Health Financing Models and the Point of Care, January, 2016

Public PHP	The state funds behavioral health services primarily through a public, non-profit health plan that is responsible for the management of defined services for behavioral health conditions and related issues.
Coordinated Care Organizations (CCO)	The state funds behavioral and physical health services through local health entities called Coordinated Care Organizations (CCOs). CCOs have a single budget with fixed growth rate and are accountable for a defined set of population-level outcomes. *(This model is presently found only in Oregon.)*.

Children's Behavioral Health Facts from MDHHS Division of Services to Children and Families.

1. **Total Michigan child population estimate (ages 0 through 17) 2,223,790** (KIDS COUNT data center using 2014 U.S. Census population estimates)
    - Children ages 0-3 = 339,373
    - Children ages 3-5 = 347,472
    - Children ages 6-11 = 740,558
    - Youth ages 12-17 = 796,387

2. A National Research Council and Institute of Medicine report (Preventing mental, emotional and behavioral disorders among young people: progress and possibilities, 2009) estimated that 13-20% of children in the U.S. experience a mental disorder in a given year.

3. A Center for Disease Control study (Mental Health Surveillance Among Children – United States , 2005-2011) published in the May 17, 2013 Mortality and Morbidity Weekly Report, collected a variety of data sources between the years of 2005 and 2011 and reported the estimates below:

    a) 1.5% of children ages 3-5, 5.1% of children ages 6-11, and 5.7% of youth ages 12-17 have ever received a diagnosis of behavioral or conduct problems (this includes children diagnosed with autism.)

b) % of children ages 3-17 ever diagnosed with the following:

ADHD 8.9%

Behavioral or conduct problems 4.6%

Anxiety 4.7%

Depression 3.9%

c) % of youth ages 12-17 with the following diagnoses:

Illicit drug use disorder 4.7% (past year)

Alcohol use disorder 4.2% (past year)

Cigarette dependence 2.8% (past month)

4. Autism Spectrum Disorder (ASD) prevalence estimates for Michigan

Age Group	Estimated ASD Children in MI*
Age 0-3	4,990
Age 4-12	17,952
Age 13-17	9,760
Total	32,702

* Estimates based on the CDC's latest estimate for ASD prevalence in children (1 in 68) combined with the estimated number of children in the state (2,223,790).

Numbers served by CMH (FY14 404 Report)

AGE	SED	I/DD	SUD	DUAL (MI-I/DD)	ASSESMENT ONLY	UNKNOWN DISABILITY	TOTAL
0 through 3	1,730	708	0	109	95	156	2,798
4 through 12	19,108	3,851	1	431	258	430	25,079
13 through 17	21,068	2,047	44	1,308	207	666	25,340
TOTAL	41,906	6,606	45	1,848	560	1,252	

Supplemental Revision to Step One of Facts Group Data Subcommittee 3-28-16 Report

(Focusing primarily on adults)

April 2016

1. Adults with at least one psychiatric condition at any point in time

A. The National Comorbidity Survey (NCS)

This collaborative effort of the federal government, Harvard, and other universities was the most comprehensive clinical interview survey ever done of the U.S. population. The most recent version (early 2000s), known as *NCS-Replication (NCS-R)*, studied a national probability sample of 10,000 non-institutionalized adults. Substance use disorder was among the several psychiatric conditions assessed; schizophrenia was not. NCS-R found (as reported in Kessler et al. Prevalence, Severity and Comorbidity of Twelve-Month DSM-IV Disorders in the National Comorbidity Survey Replication (NCS-R). *Arch Gen Psych.* 2005; 62(6): 617-627.):

(1) 26.2% of subjects had at least one psychiatric condition (including substance abuse disorder, but excluding schizophrenia) in the previous 12 months.

(2) 5.8% of subjects had at least one current psychiatric disorder categorized as severe; 9.8% had current disorders characterized as moderate; and 10.6% were considered to have mild disorders.

B. Accounting for Schizophrenia

While schizophrenia begins for some persons in their late teens, it is most commonly an adult condition. Schizophrenia information on the National Institute of Mental Health website (www.nimh.nih.gov/health/statistics/prevalence/schizophrenia.shtml) indicates that the 12-month U.S. prevalence rate of schizophrenia is 1.1%. (Note: It is possible that some persons with schizophrenia could also have a psychiatric condition studied by the NCS-R.)

C. Publicly Funded Specialty Behavioral Health Services in Michigan

Per budget boilerplate reports submitted to the Legislature by MDHHS in 2015 (section 404, CMHSP services) and 2014 (section 408, substance abuse prevention, treatment & recovery), around 145,000 state adults annually receive CMHSP service for a primary diagnosis of serious mental illness; about 13,000 additional adults receive CMHSP service for a dual diagnosis of

intellectual/developmental disability (I/DD) and serious mental illness; and over 60,000 persons of all ages receive publicly funded specialty services for substance use disorder.

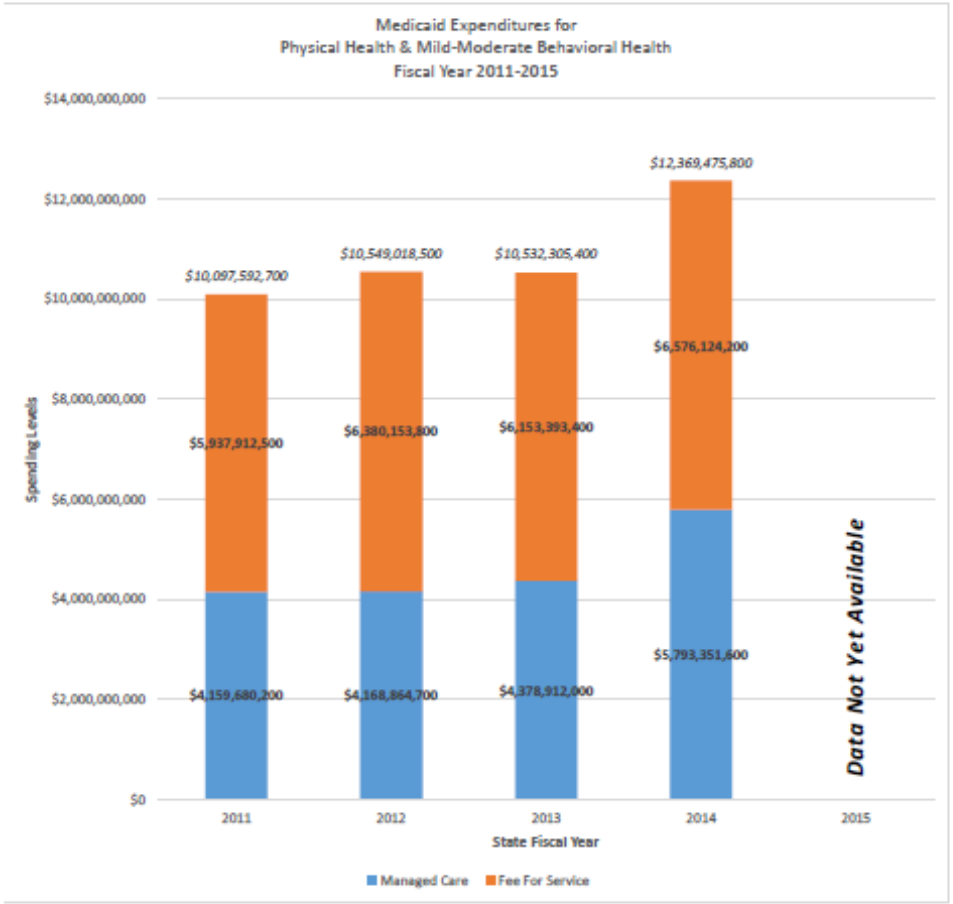
2. Persons with Intellectual or Developmental Disability (all ages)

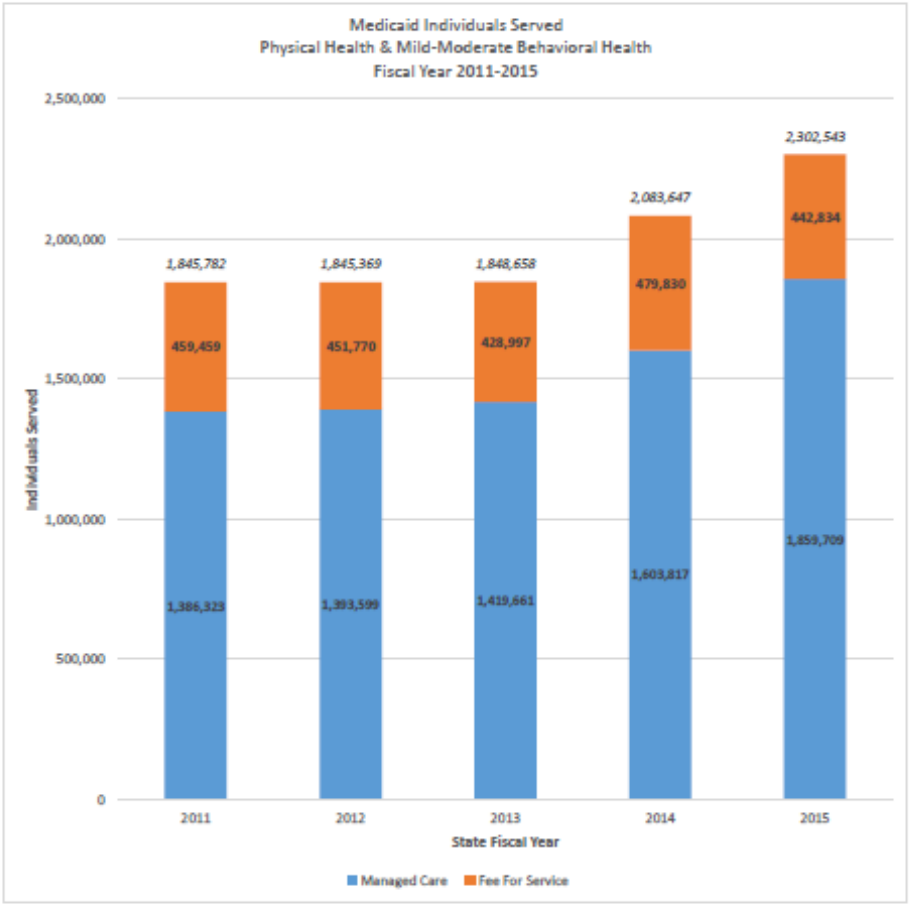
A. The Michigan Developmental Disability Council, in its five-year plan for 2007-11, stated that **just over 182,000 people in the state have intellectual or developmental disability.**

B. According to the MDHHS service report on CMHSP services to the Legislature, about 30,000 Michiganians annually receive CMHSP service for a primary diagnosis of I/DD, while approximately 15,000 annually receive CMHSP service for a dual diagnosis of I/DD and serious mental illness/emotional disturbance.

Physical Health and Mild-Moderate Mental Health Spending and Individuals Served

Please Note: The graphs below are simply a depiction of dollars spent and number of actual individuals served. This does not depict intensity of services per person or any changes over time.





Footnotes:

(1) Fee For Service expenditures represent the total amount of Fee For Service claims paid during the Fiscal Year. Managed Care expenditures represement the total Per Member Per Month Capitation Payments made on behalf of individuals enrolled in a Medicaid Health Plan in the Fiscal Year.

(2) FY15 Expenditure Data is not yet available. This information will be added when complete (target: June 2016).

(3) Individuals with at least one encounter paid through the Medicaid Health Plans are shown in the Managed Care Individuals Served Counts.

(4) Healthy Michigan Plan enrollment began in the third quarter of FY14.

(5) The traditional Medicaid caseload dropped by 136,490 in 2015; however, due to the ramp up of Healthy Michigan Plan, the total Medicaid caseload grew by a net of 232,671 in this timeframe, as compared to the 2014 caseload.

(6) Source data: MDHHS- Medicaid Data Warehouse