

# Adapting to the new Financing Landscape

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## Financing Landscape – Iowa

Evolution of financing SUD treatment in Iowa:

- September 1976 → August 1995
- September 1995 → December 2015
- January 2016 → ?

# Financing Landscape – Iowa

## 1976 – 1995

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- Alcohol vs Drug → CD → SA
- Public vs Private – parallel provider networks
- Block Grant (+ State \$s) vs Insurance
- Licensure vs accreditation
- 12 Step → IPPC/IJPPC → ASAM
- Cost-based vs FFS → managed care



# Financing Landscape – Iowa

## *1995 – 2015*

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- IA Plan for Behavioral Health
  - Statewide behavioral health managed care carve-out
  - 1915(b)3 waiver
  - DHS Medicaid MH and SA services –  
DHS IME = SMA; DHS MHDS = SMHA
  - “IDPH-funded” SA treatment –  
IDPH BH = SSA
  - 1 MCO



# Financing Landscape – Iowa

## *1995 – 2015*

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- Medicaid (DHS) MH and SA
  - Open provider panel
  - FFS reimbursement – at times, MH and SA rates aligned
- “IDPH-funded” SA
  - Limited at-risk provider network
    - Over time, IDPH-funded network also provided ~ 70% of Medicaid SA services
  - Case rates – generally aligned with Medicaid FFS rates

# Financing Landscape – Iowa

## 1995 – 2015

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- 1915(b)3 waiver key elements for SA
  - Medicaid covered residential treatment as (b)3 service
  - New providers eligible to contract/bill Medicaid
    - No more parallel provider networks
  - Medicaid Community Reinvestment funding
    - e.g. Motivational Interviewing



# Financing Landscape – Iowa

## 1995 – 2015

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- Other Iowa Plan key elements
  - DHS and IDPH oversight
    - Close, coordinated monitoring by SMA, SSA
  - ASAM required as SA utilization criteria
  - Performance measures – MCO, providers
  - Specific block grant monitoring
  - Multiple advisory committees
  - IDPH “incentive” funding
    - System/workforce development



# Financing Landscape – Iowa

## *1995 – 2015*

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- Other IDPH efforts
  - Outcomes monitoring
  - “Co-occurring”
  - NIATx
  - RROSC/Good and Modern
    - “Bi-directional integration”
    - Prevention, treatment, regulation, workforce development, etc., etc., etc.
  - ATR + MAT + SBIRT + Suicide Prevention, etc., etc., etc.



# Financing Landscape – Iowa

*Focus 2014 → 2015*

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- MH Peer Support vs SA Recovery Peer Coaching
- MH Integrated Health Homes vs Chronic Conditions Health Home
- Iowa Health and Wellness Plan
- HF2463 – SA Reimbursement
- System development
  - Program licensure standards
    - SA → SUD, medical and MH services

# Financing Landscape – Iowa

*Focus 2014 → 2015*

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- Iowa Health and Wellness Plan
  - Expansion – 150,000 new enrollees, \$1B
  - IDPH ACA Healthcare Reform Impact Study
    - Used DHS historical actuarial firm
    - Individual health services: cancer screening, home care, SA treatment, tobacco cessation
    - Analyzed covered benefits, covered population, provider network
    - SA treatment: IDPH/SSA likely to remain responsible for 19% of OP services, all residential treatment

# Financing Landscape – History in Iowa

## 2016 →

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- Medicaid Modernization
  - Iowa High Quality Healthcare Initiative RFP
    - 600,000 enrollees
    - \$4.2B
    - 2-4 MCOs
- SIM
- IDPH Integrated RFP

# Financing Landscape – History in Iowa

## 2016 →

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- Medicaid Modernization
  - Iowa High Quality Healthcare Initiative RFP
    - Iowa Medicaid, Iowa Health and Wellness Plan (ACA expansion), Healthy and Well Kids in Iowa (CHIP)
    - Physical health, behavioral health (MH, SUD), and long term services and supports (NF, ISF/ID, State Resource Centers, HCBS waivers)
    - IDPH-funded SUD treatment
  - Maintain CMS waivers, including 1915b
  - Value-based purchasing

# Financing Landscape – History in Iowa

## 2016 →

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- SIM
  - Round 1 – Design
    - SHIP → ACO
  - Round 2 – Test
    - \$43.1M over 4 years
    - ACOs, population health, less spending
    - Diabetes, HAI, obesity, obstetrics adverse events, smoking cessation
    - Social determinants

# Financing Landscape – History in Iowa

## 2016 →

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- IDPH Integrated RFP
  - RROSC implementation
  - Addictions – SUD and problem gambling
    - education, prevention, treatment, recovery supports
    - Care coordination
    - MAT
    - Medical and mental health services
  - “Rate” increases
    - Value-based purchasing

## Additional information:

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