West Virginia Association of HEALTH PLANS

Ben Beakes, Executive Director
Mitch Collins, Chair

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VIA EMAIL: bms.comments@wv.gov and jeff.a.wiseman@wv.gov
Mr. Jeff Wiseman
WV Department of Health and Human Services
Bureau for Medical Services
1 Davis Square, Suite 100E
Charleston, WV 25301

RE: Comments on Draft Managed Care for Vulnerable Youth and Families RFP

Dear Mr. Wiseman:

The West Virginia Association of Health Plans (WVAHP) is encouraged by the Bureau for Medical Services' (BMS) strong consideration of utilizing a managed care approach to help serve vulnerable youth and families in the foster care system. The four managed care organizations (MCOs) that currently serve the 407,000 people in West Virginia's Medicaid system make up the membership of the WVAHP. Due to our experience with the Medicaid Program, we are confident our members can assist BMS in delivering critical services to children in the foster care system.

WVAHP has closely monitored the discussion regarding the crisis in the foster care system. Specifically, we have listened to the concerns levied against moving forward with a managed care approach. We understand. This is more than a policy decision – this decision affects our most vulnerable youth. There are many groups and associations who are rightfully concerned about the crisis we are facing. By BMS suggesting a shift in how services are coordinated and delivered for foster care children we understand how this can solicit fears and some uncertainty, especially by folks who aren't familiar with managed care or are exposed to the mistruths being spread about it.

Our comments will address some of the concerns we have heard in relation to the sample RFP. We will also outline for your consideration reasons why managed care can be beneficial to the foster care system and BMS's goals. It is our hope that these comments can help facilitate a better understanding of what managed care is and isn't – and by doing so, alleviate some of the fears that have been expressed in public forums, social media, and op-eds.

MCOs and the Judicial System

It has been suggested that if BMS were to move foster care into managed care then MCOs would ignore or overrule orders from the court. MCOs cannot overrule judicial orders. In addition to the traditional delivery of medical care, the role of the MCO is to coordinate any services spelled out by the court. In states such as Georgia, MCOs have even developed a Judicial Council to strengthen the communication and solution-oriented focus of the court in conjunction with the MCO. As outlined in the RFP, there is no reference or suggestion that BMS would look for an MCO to take the role of the Judiciary – nor could it. In reality, the MCO and the Judiciary become partners in delivering the essential services for each child.

Managed Care and Service Delivery

As expressed in a recent op-ed that appeared in the Charleston Gazette-Mail, there are concerns that the sole role of an MCO is to deny services. MCOs are responsible for the efficient and coordinated delivery of quality care to its members – in this case foster care children. The delivery of services is a two-way street. On one hand, MCOs are responsible for coordinating the care for its members. In many cases this means serving as an advocate for children in foster care by searching for ways to get the quality care and services he or she needs on a case-by-case basis – not just limited to healthcare. On the other hand, MCOs are responsible for ensuring that care delivery meets certain nationally approved standards and best practices.

Being an advocate for children goes both ways – coordinating services that are needed and reducing services that are not. In Georgia, MCOs were able to reduce psychotropic medication utilization by 24%, emergency room visits by 22%, and lessen psychiatric residential treatment by 48%. This was done by adhering to standards of care protocols and delivering services that were more personal to meet the needs of the children.

It is also important to note that the MCOs currently administering West Virginia's Medicaid Program employ roughly 800 West Virginians. Care managers are on the ground meeting with providers and members. Further, care managers are supported by teams of cross-disciplinary medical professionals including social workers, nurses, psychologists, and medical doctors.

The Financial Model of Managed Care

The current system of care for foster care children is based on a fee-for-service (FFS) model. This model entails that the State pays the bills it receives with limited oversight or input into whether services were actually rendered and proper.

Managed care operates with a capitation rate where the MCOs hold the financial risk, not the State. The capitation rate is simply the allotted amount of dollars available to serve individual members. Rates are established by studying historic utilization of services and considering criteria that may affect utilization in the coming year. Capitation rates are ultimately set by the State, not the MCO. A capitated rate allows for more creativity in the delivery of services rather than relying on how things have always been done in the past. However, MCOs are still held accountable by the State on quality measures.

The idea that managed care is a way for insurance companies to get rich is simply not true. Managed care forces service providers and insurance companies to think differently and more efficiently, which sometimes means not doing what is easy or always has been done. This model also alleviates the role of chief-policing-agent from the State. Instead, the State is focused on ensuring that children's needs are being met properly by holding MCOs to strict quality standards.

Accountability in Managed Care vs Other Models

How many different programs and agencies are involved in providing services for children in foster care? There are over a dozen bifurcated programs attempting to deliver services to children according to testimony to the West Virginia Legislative Oversight Commission on Health and Human Resources Accountability (LOCHHRA) by a representative of an administrative service organization who currently works with the State in the foster care system. It is difficult to implement critical accountability

measures in place with these many entities involved in an uncoordinated fashion. When children are placed into foster care they don't just have a "home problem." They have medical, social, mental health and various other needs. MCOs are designed to integrate services and deliver a holistic model of care, not just individual components. Under managed care, BMS can hold one entity accountable for the delivery of these services– the MCO.

Managed Care isn't New to West Virginia

The WVAHP would encourage BMS to reassure foster care stakeholders that managed care is not an unknown to West Virginia. West Virginia's Medicaid Program, and its 407,000 members, is currently in managed care. As children move in and out of foster care they have primarily been covered under the TANF program, managed by the MCOs. MCOs are experienced in delivering care to a population we are familiar with. Based upon certain comments that have been made the association is concerned that key stakeholders are not aware of this well-established relationship.

Partnerships - The Key to Success

It is clear from the sample RFP that BMS is looking for a partner, not an entity to take over. We applaud BMS for structuring your request is such a way. In fact, the key to success in a managed care model is developing strong partnerships. Obvious to most is the essential partnership between the MCOs and BMS, which is currently enjoyed under the Medicaid Program. However, we would encourage BMS to promote the benefits of partnerships MCOs bring for other groups.

MCOs can develop a strong partnership with the Judicial System (as discussed previously) to achieve common goals focused on caring for children. Providers and MCOs can develop partnerships that result in unique and effective treatment for foster care families. Foster parents can partner with care managers who can be strong advocates in obtaining the quality care a child needs rather than foster parents having to contact several different agencies for different services. Finally, MCOs want to form a relationship through our care managers with those we serve – relationships that can remain consistent no matter where in the system the child moves to and from.

The WVAHP members, if chosen to manage the care for foster care children, want to build these critical partnerships. Specifically, we want input from critical stakeholders so that we can help facilitate the quality care in the most efficient way possible while producing positive outcomes for our state's most vulnerable population. We are encouraged that BMS is soliciting similar input from the same stakeholders.

The Stated Goals of DHHR

The statistics do not need repeated. We know we are in a crisis. As BMS evaluates its next steps and specifically the comments made per this sample RFP, the WVAHP doesn't want BMS to lose sight of its stated goals.

Child Protective Service workers are over worked. In a May 24th interview with the Gazette-Mail, Cabinet Secretary of the DHHR, Bill Crouch, said that CPS caseworkers should handle no more than 15 cases. In West Virginia's situation caseworkers are handling upwards of 25 cases, or more. Crouch said, "With that many cases, you can't even see all your kids." Further, Secretary Crouch has alerted lawmakers that the U.S. Department of Justice may sue West Virginia over its foster care crisis.

Additionally, Deputy Cabinet Secretary Jeremiah Samples stated to the LOCHHRA on September 17, 2018 that DHHR needs to "tie the system together." He went on to say that DHHR needs "another set of eyes on the problem." Further, he said that the "managed care model is tried and tested." At that same meeting of LOCHHRA the commission, by unanimous support of voting members, voted to send a letter of support endorsing the State's move to managed care for the foster care population.

Transitioning to a managed care model will help address the stated goals and concerns of DHHR. The agency is overwhelmed and the membership of WVAHP is confident it can help. With our eyes on the issue of delivering care services CPS workers can be freed up to focus on ensuring safe conditions for our state's children. DHHR will have a partner in MCOs with more accountability and expertise to bring solutions to the crisis we are currently enduring.

Conclusion

The WVAHP would like to thank DHHR for the opportunity to comment on its sample RFP. We also believe that DHHR is heading in the right direction when it comes to providing solutions to our foster care crisis. Our members are committed to facilitating meaningful conversations with key stakeholders about the benefits of managed care. It's unfortunate that there are many misunderstandings and mistruths being discussed and shared. However, when wrestling with a problem with so much at stake we understand why there are certain groups with concerns.

MCOs are not new to West Virginia and managed care has proven to work in other areas of the country, as well as in West Virginia's Medicaid Program. We encourage DHHR to consider its publicly stated reasons for why it began exploring managed care. The members of WVAHP are a good match for its needs and looks forward to working with the State, the foster care community, and most importantly our foster children if afforded the opportunity to do so.

Sincerely,

Benjamin R. Beakes
Executive Director