



Department of  
Mental Health

**John R. Kasich**, Governor  
**Tracy J. Plouck**, Director

To: Community Behavioral Health Centers

From: Tracy J. Plouck, Director

Subject: Ohio Health Homes for Persons with Serious and Persistent Illness – Population and Payment

Date: June 25, 2013

The Ohio Department of Mental Health, in partnership with the Office of Medical Assistance, has been working to develop a sustainable payment methodology and a streamlined process for information sharing to support the statewide implementation of the health home service for persons with serious and persistent mental illness. The purpose of this communication is to provide an update on our progress and to invite you to participate in a webinar on Wednesday, July 10, 2013 from 10 am to noon.

During the initial five county implementation of health home services, a greater number of people were enrolled than the state had anticipated. While there is certainly benefit in connecting so many people to integrated health care, it is imperative that we effectively balance management of the whole population while maintaining fiscal responsibility within Ohio's budget limitations. A considerable amount of time has been spent examining the experience of the first phase and recognize that at this juncture we must put a more concerted focus on those with highest need and highest cost.

To that end, the state will be implementing a two-level payment approach based on acuity as determined by a combination of diagnosis and service utilization history. This payment method will be used for all health home service providers certified or after October 1, 2013 in all Ohio counties EXCEPT for providers or provider sites operating in Butler, Adams, Scioto, Lawrence and Lucas counties. Clients will be identified in two acuity groups. For those with lower acuity, health home providers will be paid at a monthly case rate of \$215 per enrollee and those with higher acuity will be paid at a monthly case rate of \$315. These rates will be published in the Medicaid reimbursement rules for mental health services (5101:3-27-02, 3-27-05 and 3-30-04), which were introduced via the Office of Medical Assistance clearance process today. The rule is posted at <http://www.odjfs.state.oh.us/clearances/public/index.aspx>. The comment period ends July 2, 2013.

Please note that work continues on the addition of Assertive Community Treatment (ACT) as a Medicaid reimbursable service, but unfortunately the draft ACT rate is not yet available. The

reimbursement model for ACT will be designed to accommodate ACT team members enrolled in health homes by recognizing the intensity of ACT supports that fall outside of the health home services.

While our goal is to establish a statewide payment methodology that will support the provision of quality care and promote improved client outcomes, it is also necessary to work within Ohio's budget limitations, primarily the need to support continued funding when the enhanced federal match is no longer available. This is a departure from the initial approach of accommodating total population based management for all persons who meet the definition of serious and persistent mental illness to targeting the eligible population using a hot spotters approach. After significant work, the resulting methodology is one that focuses on maximizing resources to a prioritized population based on a combination of diagnosis and medical history indicating appropriateness for health home services (i.e. inpatient hospitalization, high emergency department use, high prescription drug use, high overall medical service use).

I recognize that you likely have questions regarding information provided in this memo, and I encourage you to register for the upcoming webinar in order to hear more information and pose questions. Additional details about how these groups were derived will be outlined during the presentation.

ODMH will conduct the webinar on Wednesday, July 10, 2013 from 10 am to noon. The focus will be:

- eligible population;
- tiered payment methodology;
- a description of the de-identified data that will be available to providers; and
- proposed approach to determine enrollment when an individual has a service history with more than one provider.

You may register at <https://www2.gotomeeting.com/register/599939866>.

Thank you for your attention to this evolving initiative. For more information on health homes, please visit our website at <http://mentalhealth.ohio.gov>.

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