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Department of Human Services
Addictions and Mental Health Division
Integrated Treatment of Co-occurring Disorders
Funding Strategies
October 6, 2008

Introduction

The Addictions and Mental Health Division (AMH) promotes integrated and coordinated services for co-occurring mental health and substance use disorders (COD). This document describes populations, service delivery modalities and existing financing mechanisms that may be used to enhance Oregon's delivery system of COD treatment.

The different organizational structures and settings in which services for COD occur influence the ease or difficulty of providing a service delivery network that is integrated, comprehensive, and continuous.

Groups of providers should organize themselves into coherent systems of care enabling them to provide comprehensive services. Clients often have multiple needs, engaging in a series of treatment episodes. Progression in recovery may be gradual with repeated engagement in services and supports. Therefore, organizing a system of services along a continuum is more likely to help people with COD achieve recovery.

The Substance Abuse and Mental Health Services Administration (SAMHA), U.S. Department of Health and Human Service, National Association of State Mental Health Program Directors (NASMHPD) and the National Association of State Alcohol and Drug Abuse Directors (NASADAD) entered a partnership in 1998 resulting in the development of a conceptual framework for COD service delivery. The framework represents both the systems of care and the level of service coordination needed to improve services for people with co-occurring disorders¹.

¹ The Level of Care Quadrants should be used as a conceptual diagram only. Oregon uses the ASAM placement criteria to place clients in appropriate levels of care, and the individual assessment drives the actual locus of services access for both alcohol and drug and mental health treatment.

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Individuals with COD may fall into any of the four *Level of Care Quadrants* Program services must target populations based on the severity of clients' needs, diagnosis, symptoms and functional impairments.

Medicaid financing strategies for Mental Health and Alcohol and Drug Rehabilitative Services:

This document provides a few of the current options using Medicaid funding for collaborative and integrated treatment of COD in Oregon using the level of care quadrants I-IV. For those seeking to provide mental health services and/or alcohol and drug treatment services refer to the AMH Mental Health and Chemical Dependency Medicaid Provider Manual. This manual contains information on policy, services, service limitations, and billing instructions. The manual is located at the following web site:

<http://www.oregon.gov/DHS/mentalhealth/publications/main.shtml#codebooks>.

AMH encourages those who have met mental health treatment provider and/or alcohol and drug treatment services provider requirements to coordinate with the Fully Capitated Health Plan (FCHP) and Mental Health Organization (MHO) that serves the region regarding details of record keeping and Medicaid service reimbursement. For those not covered by a managed care plan, fee for service (FFS) is available and the manual cited above provides billing instructions.

Quadrant I: Screening and treatment in the primary health care setting.

- Primary Care Physicians (PCP) provide services in a primary care setting. Screening for the presence of mental health and substance use disorders is a common occurrence in primary health care settings. The Department of Human Services (DHS) requires the FCHP and their providers to engage in this practice. The primary care physician may be the sole provider of care in this setting, have a co-located behavioral health provider or refer to an outside alcohol and drug services and/or mental health provider when necessary. Services are reimbursed by a FCHP, MHO, Chemical Dependency Organization (CDO), or FFS.
- Alcohol and drug services are delivered in collaboration with the primary care physician and alcohol and drug treatment service providers, and are reimbursed using FCHP, CDO, and FFS.

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- Mental health services are delivered in collaboration with the primary care physician and mental health service providers are reimbursed through the MHO or FFS.

Example:

Primary health care setting-*Quadrant I:*

A primary care clinic provides screening, referral and treatment services with mental health and alcohol and drug treatment providers in the same location. All providers are affiliated with a managed care organization. The primary care physician can request immediate intervention.

AMH Certificate/Letter of Approval:

- Mental Health certification for outpatient mental health services and Letter of Approval for alcohol and drug treatment services.

Services Provided:

- PCP can prescribe medication, perform brief intervention and refer to mental health therapist and/or alcohol and drug counselor.
- Integrated services provided by interdisciplinary team as necessary.

Financing:

- Billing is based on the specialist providing the services. Primary care physician bills managed care plan for physical health services, mental health therapist bills MHO and alcohol and drug specialist bills managed care plan. A patient may be seen by all three providers during one visit to the location and billing will reflect the services provided by each specialist.

Quadrant II: Treatment in outpatient mental health systems with alcohol and drug provider collaboration or mental health program with integrated alcohol and drug services.

- Mental health provider collaborates with alcohol and drug treatment provider.
- Integrated treatment provided by dually licensed organizations. Services are provided by a dually credentialed counselor, or integrated treatment is provided by a credentialed mental health counselor and a certified alcohol and drug counselor.
- Assessment and treatment plan predict mental health and alcohol and drug treatment services.
- A provider serving individuals enrolled in a Managed Care Plan needs to collaborate with the plan to determine if prior

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authorization for services is necessary. FFS is available for those who are not enrolled in a managed care plan.

- Agencies and programs providing integrated treatment should use one assessment and treatment plan creating a single clinical record for both services. Record keeping must meet the requirements set forth by the Oregon Administrative Rules (OAR) for both mental health and alcohol and drug treatment programs.

Example:

Outpatient Mental Health Treatment Program-*Quadrant II*:

This program provides outpatient mental health services and alcohol and drug treatment for adults who have high severity mental health disorders and low alcohol and drug problems.

AMH Certificate/Letter of Approval:

- Mental Health certification for outpatient mental health services.

Services Provided:

- Provide integrated services in one mental health out patient site by hiring both mental health and addiction specialists. Both specialists participate on the interdisciplinary team and work collaboratively to complete comprehensive assessment and integrated treatment plan. Each specialist provides services in three ways: group therapy with both facilitators, group therapy specific to credentials, and one-to-one counseling. Both a psychiatrist and nurse practitioner are on staff to complete mental health diagnostic evaluations and prescribe and monitor medications.

Supervision:

- Master's level social worker provides clinical supervision for both alcohol and drug and mental health staff (in compliance with OAR).

Financing:

- Billing is based on the specialist providing the service. During co-facilitated groups, billing can alternate between each funding source. More than one service can be provided in a 24-hour period. For example, a one-to-one counseling session with the addiction specialist might be provided in the morning and group therapy with the mental health specialist might be provided in the evening.

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Quadrant III: Treatment in the outpatient chemical dependency system with mental health collaboration or alcohol and drug services program with integrated mental health services. (Assumes client meets ASAM criteria for out patient treatment).

- Alcohol and drug treatment provider collaborates with mental health provider.
- Integrated treatment provided by dually licensed organizations. Treatment services are provided by a dually credentialed counselor, or integrated treatment is provided by a credentialed mental health counselor and a certified alcohol and drug counselor.
- Assessment and treatment plan predict mental health and alcohol and drug treatment services.
- A provider serving individuals enrolled in a Managed Care Plan needs to collaborate with the plan to determine if prior authorization for services is necessary. FFS is available for those who are not enrolled in a managed care plan.
- Agencies and programs providing integrated treatment should use one assessment and treatment plan creating one clinical record for both services. Record keeping must meet the requirements set forth by the OAR for both mental health and alcohol and drug treatment programs.

Example:

Adult Intensive Outpatient Treatment Center-*Quadrant III:*

This program provides care for adults who need intensive, comprehensive and integrated alcohol and drug treatment and who have presenting mental health problems.

AMH Certificate/Letter of Approval:

- Letter of approval for adult alcohol and drug intensive outpatient services.

Services Provided:

- Alcohol and drug intensive outpatient treatment services provided by credentialed alcohol and drug counselors. Collaboration with the local community mental health provider for parallel mental health services (coordinated services from two different providers during the same treatment episode).

Supervision:

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- CADC II directly supervises alcohol and drug counselors in compliance with the OARs .

Financing:

- Billing is based on the specialist and service provider. More than one service can be provided in a 24-hour period. For example, a one-to-one counseling session with the addiction specialist in the alcohol and drug program could be provided in the morning and group therapy with the mental health specialist at the community mental health site could be provided in the evening.

Quadrant IV: Intensive, comprehensive and integrated alcohol and drug and mental health treatment.

- Assessment and treatment plan predict mental health and alcohol and drug treatment services. A provider serving individuals enrolled in a Managed Care Plan must collaborate with the plan to determine if prior authorization for services is necessary. FFS is available for those who are not enrolled in a managed care plan.
- Inpatient mental health treatment services for adults are reimbursed by contracts with the local Community Mental Health Program (CMHP). Adolescent inpatient mental health treatment is reimbursed by the regional MHO. Additional Medicaid alcohol and drug treatment services may be delivered by an on site certified alcohol and drug counselor and approval by the FCHP, or CDO. For those not enrolled in a managed care plans, FFS is available.
- Residential alcohol and drug treatment services are reimbursed by contracts through AMH. Medicaid mental health services are delivered by on site staff from an AMH mental health certified agency. The provider should have approval by the regional MHO. For those not enrolled in a managed care plan FFS is available.
- Specialized residential treatment provided by dually licensed organization with dually credentialed counselors, or integrated treatment services are provided by a credentialed mental health counselor and a certified alcohol and drug counselor.
- Individuals who present with high severity alcohol and drug problems and acute behavioral health problems that do not meet the criteria for serious mental illness (SMI) may be treated in a hospital for detoxification, medically managed residential alcohol

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and drug treatment services or out-patient medically monitored detoxification services.

- Individuals who present with high severity alcohol and drug problems and meet the criteria for SMI may be treated in a hospital, acute psychiatric hospital or a medically managed residential program.
- Agencies and programs providing integrated treatment should use one assessment and treatment plan creating one clinical record for both services. Record keeping must meet the requirements set forth by the OAR for both mental health and alcohol and drug treatment programs.

Example:

Adolescent Residential Alcohol and/or Drug Treatment Program- Quadrant IV:

This program provides care for adolescents who need intensive, comprehensive and integrated alcohol and drug and mental health treatment services.

AMH Certificate/Letter of Approval:

- Letter of approval for adolescent residential level of care.

Services Provided:

- Alcohol and drug residential treatment services provided by credentialed alcohol and drug counselors with on-site mental health counselor.
- Provider contracts with a child psychiatrist who provides mental health assessments and prescribes/monitors medication.

Supervision:

- Master's level social worker (MSW) directly supervised by local CMHP staff. The MSW provides the clinical supervision for the alcohol and drug treatment staff in compliance with OAR.

Financing:

- The residential treatment provider contracts directly with AMH for a specific number of Medicaid reimbursed bed days per year for alcohol and drug treatment services. The provider reports encounter data for mental health services provided by the MSW directly to MHO. Currently, the local mental health managed care plan and the provider are in the process of negotiating a plan to secure additional funding for mental health services.

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Example:

Alcohol and Drug Adult Residential Treatment Program-*Quadrant IV*:

This program provides care for adults who need intensive, comprehensive and integrated alcohol and drug and mental health treatment services.

AMH Certificate/Letter of Approval:

- Letter of Approval for adult residential level of care and certificate for mental health out patient services.

Services Provided:

- Enhanced COD residential level of services for alcohol and drug problems and mental health services co-located in a residential facility. Provider delivers a range of services addressing both addiction and mental health problems. Services include ASAM and mental health assessments, psychiatric evaluation, medication management, individualized treatment and skill development focused on managing substance abuse and mental health symptoms, treatment groups that integrate both problem areas, discharge planning, and coordination of services with community mental health.

Supervision:

- Master's level social worker provides clinical supervision for both alcohol and drug and mental health staff in compliance with OAR.

Financing:

- Referrals for this program are taken from the community mental health clinicians. Referrals do not usually come from agency to agency or from the MHO to the agency. Funding is achieved through collaboration between the MHO and a fee for service from County inpatient funds. These two sources are combined for one daily rate. A new Medicaid procedure code, S9480, was developed for intensive outpatient psychiatric service per diem by AMH.

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Common Behavioral Health Codes

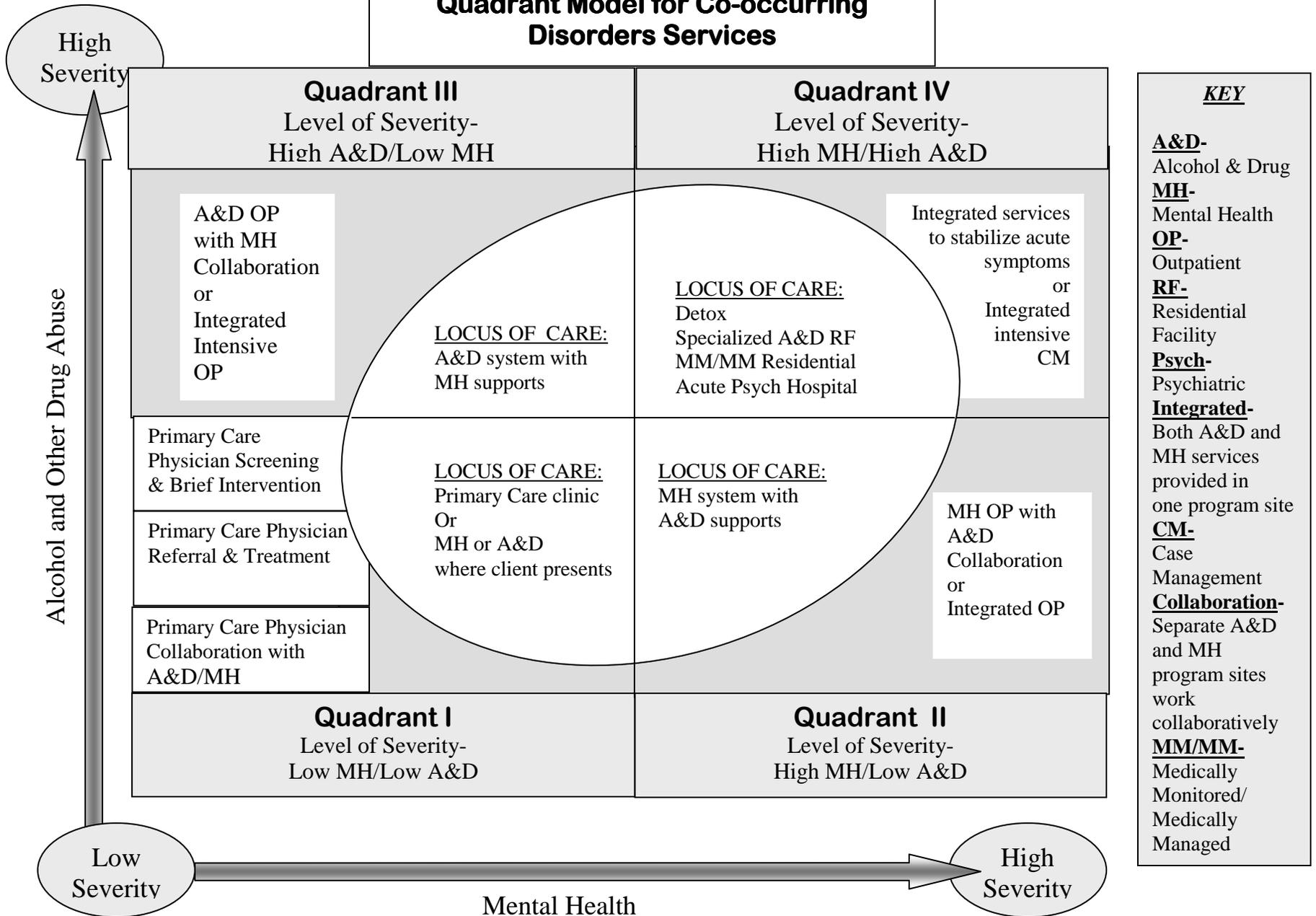
Listed below are behavioral health codes common to mental health and alcohol and drug treatment services. Table codes are billed according to the credentials of the service provider. It is possible to bill on the same day for these services in the treatment of co-occurring disorders. Case notes should clearly document the service provided and the credentials of the provider.

CPT/HCPC MH/AD	Daily Max/ Unit	Frequency Limitation	Upper Payment Limit	Description	Credentials of provider
H0004-A/D	8/day (2 hrs)	24/mth (6hrs)	\$20.63	Behavioral Health counseling per 15 minutes	CADC
H0004-MH	none	none	\$22.25		QMHA/QMHP
90849-A/D	1/day	4/mth	\$41.28	Multiple Family Group	CADC
90849-MH	none	none	\$44.52		QMHA/QMHP
90887-A/D	1/day	2/week	\$41.26	Explanation of procedure results to family/other persons	CADC
90887-MH	none	none	\$89.00		QHMA/QMHP

Oregon Health Plan Chemical Dependency and Mental Health Medicaid
Procedure Codes and Reimbursement Rates for Services on or after 01/01/07

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Quadrant Model for Co-occurring Disorders Services



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Level of Care Quadrants

Quadrant I: Individuals with low severity alcohol and drug problems and low severity mental disorders.

- Identified and managed in primary care settings through screening, brief intervention, referral and treatment (SBIRT). Primary care setting may consult with mental health and alcohol and drug treatment services providers. Individuals may also be treated in outpatient settings where they present with consultation or collaboration between settings if needed.

Quadrant II: Individuals with high severity mental health disorders who are usually identified as priority clients within the mental health system and who have low severity alcohol and drug problems (e.g. alcohol and drug problems in remission or partial remission).

- Out patient mental health programs using either collaboration with alcohol and drug treatment program or an out patient mental health program with integrated alcohol and drug treatment. Continuing care provided in the mental health system.

Quadrant III: Individuals who have high severity alcohol and drug problems and low or moderate severity mental health disorders.

- Out patient alcohol and drug treatment programs using coordination/collaboration with affiliated out patient mental health programs to provide ongoing treatment of the mental health disorders.
- Intensive out patient alcohol and drug treatment program with integrated mental health services.

Quadrant IV: Individuals who have high severity alcohol and drug problems and high severity mental health disorders. This quadrant is divided into two subgroups:

- 1) One subgroup includes individuals with serious mental illness (SMI), who also have high severity and acute alcohol and drug problems.
- 2) One subgroup includes individuals with high severity and acute alcohol and drug problems and high severity and acute behavioral health problems who do not meet diagnostic criteria for SMI.
 - Require intensive, comprehensive, and integrated treatment co-located for both their alcohol and drug problems and mental health disorders, or
 - Specialized residential alcohol and drug treatment programs, or
 - Acute detoxification centers, or
 - Acute psychiatric hospital, or

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- Medically monitored/managed residential facility.

Related information:

AMH is in the process of streamlining Oregon Administrative Rules (OAR), governing mental health and alcohol and drug services.

Effective 1/1/2008, case management will be a billable Medicaid procedure and reimbursement code for fee-for-service alcohol and drug service providers. Providers affiliated with physical health managed care plans may report case management as an encounter only and is a negotiated rate between the plans and providers.

AMH is encouraged by the efforts of many providers to improve services for persons with COD. We hope this document will be useful and would like to collaborate with providers to continue improving services for all Oregonians accessing mental health and addictions treatment.

For more information or to seek technical assistance, please contact:

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