

A New Approach to Behavioral Health Purchasing

Governor Jay Inslee has articulated a vision of full integration of mental health, chemical dependency and physical health care to improve health, advance care quality and control costs. The federal Centers for Medicare & Medicaid Services (CMS) has effectively required Washington to acquire Medicaid mental health services through competitive procurement.

Washington will accordingly implement the following health care delivery initiatives to address CMS' concerns within Governor Inslee's larger vision for integrated care:

- ▶ Organize the state into seven to nine regional service areas that align with Medicaid procurement regions for physical health care.
- ▶ Implement a thorough consultation process with stakeholders, including local governments, to develop the key elements of a competitive procurement. Elements include:
 - Regional service area boundaries
 - Scope of services and interplay with county-provided services
 - Timelines
- ▶ Competitively procure behavioral health (mental health and chemical dependency) services either through:
 - Separate behavioral health organizations or
 - Fully integrated risk-bearing entities (physical and behavioral health services) in regions that elect and are ready to opt in voluntarily.
- ▶ In regions where behavioral health and physical health services are purchased from separate organizations:
 - Competitively procure physical health services (Healthy Options) and behavioral health services in the same procurement regions, with the same performance measures, on the same schedule.
 - Require and provide incentives for care coordination and health information sharing among all risk-bearing entities in the region.
- ▶ Create a strategy to reach full financial and delivery system integration over time.