

# **Medicaid Mental Health Services Issues and Recommendations**

---

**Florida Council for  
Community Mental Health  
February 15, 2007**

# Medicaid Managed Mental Health Care HMO/PSN Issues

- |   |   |
|---|---|
| <ul style="list-style-type: none"><li>◆ Loss of essential services</li><li>◆ Disruption of continuity of care</li><li>◆ Frequent denials of needed services</li><li>◆ Lack of plan understanding of SPMI/SED populations</li><li>◆ Failure to meet prompt pay requirements</li><li>◆ Multiple prior authorization forms/procedures</li><li>◆ Excessive paperwork requirements</li><li>◆ Frequent plan audits of providers</li></ul> | <ul style="list-style-type: none"><li>◆ Decline in provider productivity</li><li>◆ Increased provider administrative costs</li><li>◆ Different staff credentialing protocols/requirements</li><li>◆ Required service termination dates for severely and persistently mentally ill</li><li>◆ Poor plan communications</li><li>◆ Sharp drop in beneficiary referrals</li><li>◆ Sharp drop in community mental health agency Medicaid revenues</li></ul> |
|---|---|

# Medicaid Mental Health Managed Care Recommendations

## Monitoring

- ◆ Monitor plan adherence to prompt pay requirements
- ◆ Expand AHCA monitoring of plan mental health service authorization and service delivery
- ◆ Closely monitor plan adherence to 80% medical loss ratio throughout the year
- ◆ Increase monitoring/audits of care provided to SPMI/SED individuals (medical record audits) Seek to standardize plan service authorization processes and forms

## Service Model

- ◆ Assess plan mental health service orientation and service protocols
- ◆ Assess plan application of 'medical necessity' criteria

## Planning

- ◆ Convene group of HMOs/PSNs and community mental health agencies to address managed care issues

# **Medicaid Mental Health Managed Care Other Recommendations**

- ◆ **Transition from medical necessity criteria to psychosocial criteria for service authorizations**
- ◆ **Convert from medical model of care to a recovery-based model of care**
- ◆ **Redesign Medicaid mental health benefit package to support strong disease management approach**
- ◆ **Preserve and strengthen application of 80% medical loss ratio**
- ◆ **Enhance SPMI/SED consumer protections**
- ◆ **Establish model mental health programs for SPMI/SED populations**
- ◆ **Expand MCO contract standards relative to mental health benefits and delivery**