CENTER *for* INTEGRATIVE HEALTH

insight to innovation

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Strategize.
Activate.

# Value Based Contracting to Address the Opioid Epidemic


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# Session Overview

- Maximizing federal and state grant funds to innovate
- Developing performance driven contracts with providers
- Attracting new providers through simplified processes
- Shifting from fee for service to a bundled rate
- Contracts that reduce administrative burdens and focus on outcomes
- Review Hub and Spoke model

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# Reasons for a Value Based Approach

- Improvements in administrative operations
- Advancement of Evidence Based Practice (EBP) treatment of Opioid Use Disorders
- Partnering with physical health providers to expand availability of addiction treatment
- Focus on consumers and outcomes

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# Course Objectives

- Medication Assisted Treatment is the gold standard for addressing Opioid Use Disorder (EBP)
- See the development process for value based contracting and learn from our missteps
- Obtain practical material on cost-modeling and outcome measurement
- Understand the Hub and Spoke model to expand local availability of treatment services in rural areas

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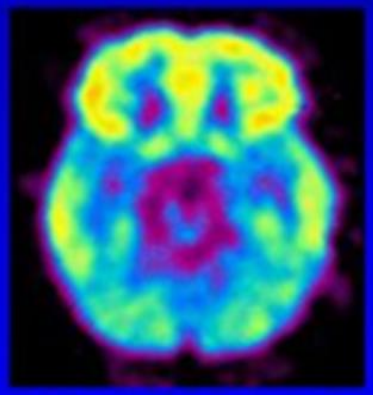
# OUD is not a Moral Failure

- The initial decision to take drugs is a choice
- However, when addiction takes root, a person's ability to exert self-control is seriously impaired
- Brain-imaging studies from people addicted to drugs show physical changes in areas of the brain that are critical for judgment, decision-making, learning, memory, and behavior control
- Scientists believe that these changes alter the way the brain works and may help explain the compulsive and destructive behaviors of an addicted person

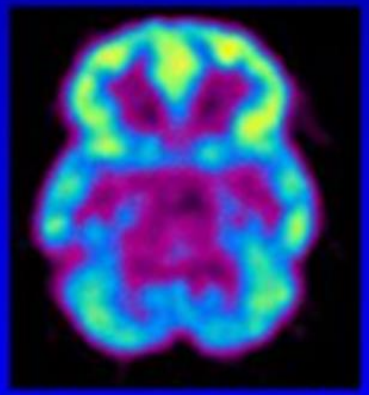
# *Addiction is Like Other Diseases…*

- It is preventable
- It is treatable
- It changes biology
- If untreated, it can last a lifetime

**Decreased Brain Metabolism in *Drug Abuser***

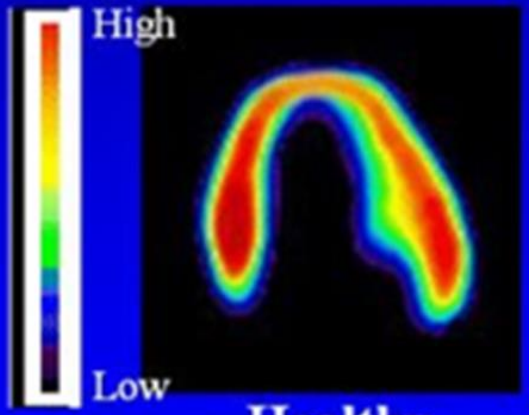


**Healthy Brain**

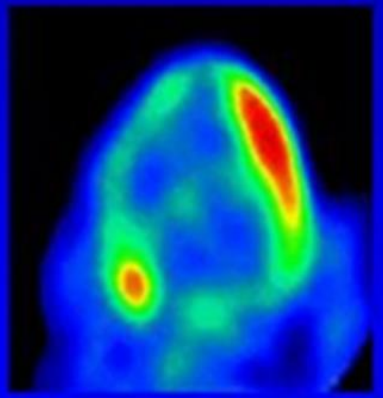


**Diseased Brain/ Cocaine Abuser**

**Decreased Heart Metabolism in *Heart Disease Patient***




**Healthy Heart**



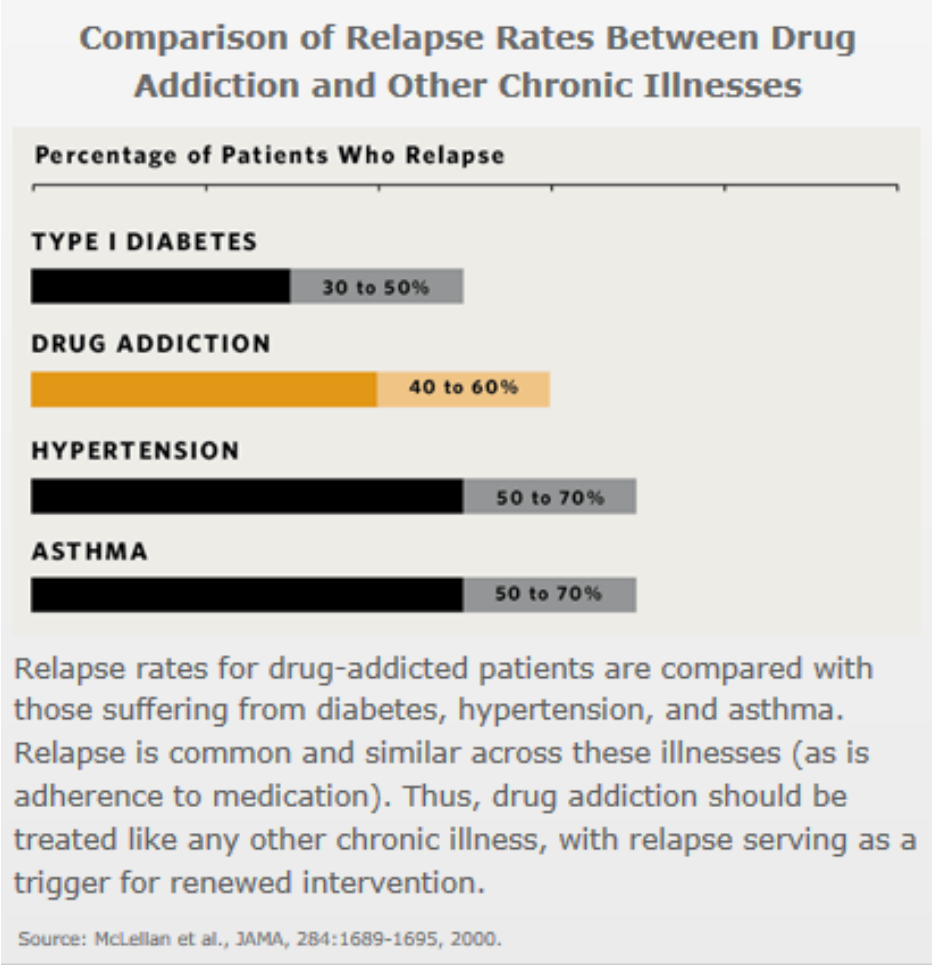
**Diseased Heart**

***Research supported by NIDA addresses all of these components of addiction.***

NIDA

# Relapse is not unique to addiction

**Typical in any chronic disease. Maintaining changes takes work and focus; people are human.**

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# Treatment Works

## Chronic disease needs long-term treatment

- Only 1 in 10 are likely to seek treatment (stigma & shame)
- Most wait as long as possible to ask for help (sicker)
- Best success rates are for pilots & doctors (2-5 years of highly structured and monitored treatment)
- Medication Assisted Treatment(MAT) = gold standard for OUD
- Social Determinants of Health can't be ignored
- 12 Step and other faith-based or peer support
- Counseling – individual, group and family

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# Medication Assisted Recovery Services

## Best treatment we know of for Opioid Use Disorder

- Full assessment of physical and emotional health
- Medications are tailored to individual needs and preferences
- Regular and random drug tests are performed for objective monitoring
- Psychoeducation for consumer and their families
- Individual, group and family counseling
- Developing  and strengthening connections – AA/NA/church
- Peer Support Services –removes stigma and provides hope

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# OTP vs. OBOT

- **Opioid Treatment Program** – a federally approved clinic that provides daily services in highly regimented setting, only one that can prescribe methadone
  - Urban, several hundred consumers, programmatic
- **Office Based Opioid Treatment** – DATA2000 waiver allows physicians (and now mid-level providers) to prescribe buprenorphine products in any setting
  - Rural, 30 – 275 consumers, more individualized & less stigmatized

ASAM
American Society of Addiction Medicine

# PATIENT-CENTERED OPIOID ADDICTION TREATMENT (P-COAT)

## BACKGROUND

Since 1999, there has been a growing epidemic across the United States of deaths due to opioid and heroin overdoses. This epidemic is widespread, growing rapidly, and has overtaken many other leading causes of death. Opioid addiction is a primary, chronic disease of the brain that leads to characteristic biological, psychological, and social manifestations. The treatment model of this complex and often devastating disease requires interventions that address these components - including medication-assisted treatment (MAT).

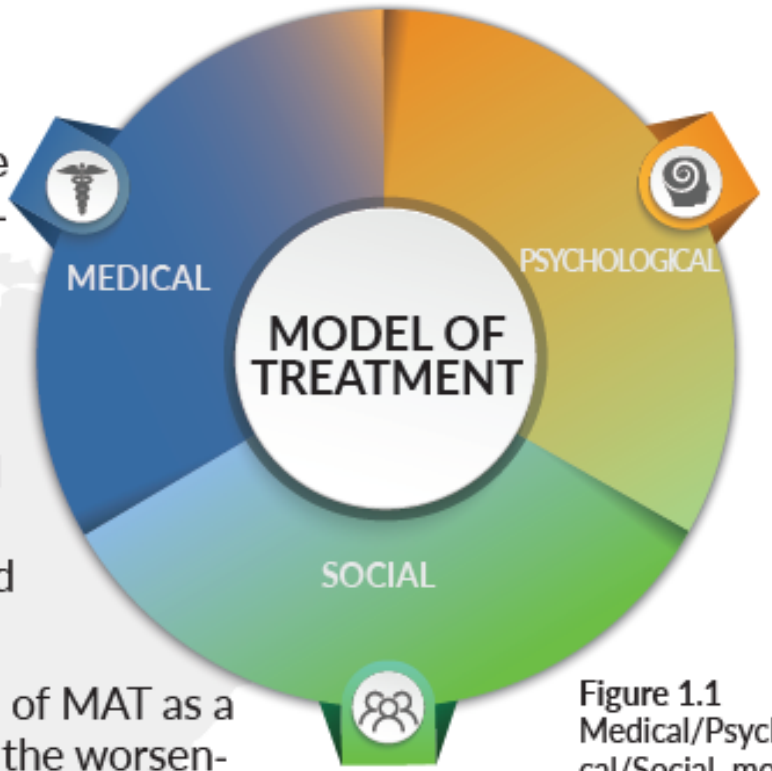


Figure 1.1
Medical/Psych
cal/Social mo
treatment

Substantial literature documents the clinical effectiveness of MAT as a treatment for opioid addiction. Despite this evidence and the worsening epidemic, MAT is significantly underutilized. Of the estimated 2.5 million patients who need treatment for opioid use disorder, only a small fraction of the population access it. According to a recent report by the Blue Cross Blue Shield Association (BCBSA), the numb BCBS members with an opioid use disorder diagnosis surged 493 percent, while the number of indi using medication-assisted therapy to treat their diagnoses only rose by 65 percent. This means the diagnoses grew nearly eight times as quickly as the rate of medication-assisted therapy use.

# Partners' Focus on Expanding Quality MAT

- Working with OTPs & Office-Based Opioid Treatment (OBOT)
- Alternate Payment for OTP approved for state funding (5/1/18)
- Fund medications (buprenorphine combination product)
- Fund regular drug testing – 10 panel Point of Care cups
- Meetings with & technical assistance to ASOUD providers
- Recruiting new providers and new sites (closed network gap)
- Collaborating with providers on sliding fee scale
- Working toward Value Based Contracting for recovery services

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# 1915(b) Waiver Opportunities

Alternative Payment for Opioid Treatment Program

- Reduce Administrative Burden
- Encourage clinical decision on medications

Medicaid Savings Reinvestment

B3 Services

- Peer Support
- Supported Employment

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# SAMHSA Grant

Gaston-Lincoln MARS Project

- Medication Assisted Recovery Services
- MAT – Prescription Drug and Opioid Abuse (MAT-PDOA) – three year, $1.6 million
- Comprehensive, recovery-focused opioid treatment, involving medications, peers, health, housing, and employment

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# Gaston-Lincoln MARS Project

- SAMHSA grant runs 9/30/18 – 9/29/21
- Only LME-MCO led MAT-PDOA grant & 2nd in state
- Engaging both OTP and OBOT with recovery supports
- Will serve 160 uninsured or underinsured
- Provided opportunity for initial cost modeling and invoice based contracting to experiment with paying for outcome driven care
- Incentive based contracts with three providers: OTP, OBOT and Peer Support

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# Cures Funding: STR and SOR

- Federal grants made to the State of North Carolina
- STR funds allowed extensive non-UCR spending
- Movement toward UCR earning made it harder to attract OBOTs and providers not used to IPRS

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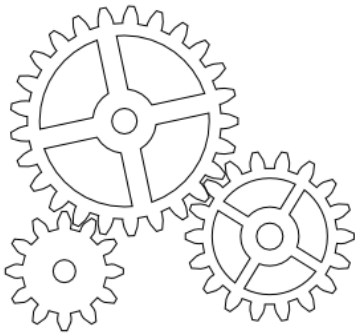
# Process



Solicit proposals from eager providers
Review claims for episode of care costs
Review Medicaid rates
Review what's working in other states
Meet with provider to discuss
Identify & agree on 2-3 key outcomes
Find the simplest way to track and report
Engage cross-department experts
Develop contract language and incentives
Send to providers for review
Meet and agree on all terms
Issue contracts

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# Alternative Payment Methods – Objectives/Goals

- Patient-Centered/Focused
  - Incentives should point focus in this direction
- Quality-Based Component
  - Disincentivize unnecessary/ineffective treatment
  - Scale to meet patient needs (co-occurring disorders)
  - Minimum Standards and mutual agreement
- Outcome-Based Component
  - Contingency portion & relationship to outcomes

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# APM - Provider Input

- Minimally, revenue-neutral
  - Not a punishment, incentives should align with goals
- Solid understanding of business processes is critical
  - Normal operating (input) costs
  - Upfront outlays & cost recovery
  - Transparency between both payee & payor
  - Hand-off/Transitions dependent on acuity
- Data collection & feedback loop
  - To the extent it is possible, continuous improvement

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# Lessons Learned

- Peers have a very positive impact on engagement
- Great deal of prejudice & stigma still exists against what the clinical evidence shows as the most effective treatment for OUD – Medication Assisted Recovery (MAT)
- Detox increases the risk of overdose death and turns people off from treatment
- Treatments must be recovery-focused and long-term

# More Lessons Learned

- Changing the way we do business is not easy
- Good negotiation = no one is completely happy
- Keep it simple
- Communication and Collaboration are key
- Everything takes longer than expected
- There is a steep learning curve for new IPRS providers

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# Questions?

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