

**BEHAVIORAL HEALTH
SERVICES FOR MEDICAID
ELIGIBLE ADULTS WHO ARE
SERIOUSLY MENTALLY ILL**

**Request For Information
No. RFI-MQD-2012-002**

**Department of Human Services
Med-QUEST Division
May 23, 2011**

INTRODUCTION

Reason for the RFI

The State of Hawaii, through its Medicaid agency, the Department of Human Services (DHS), Med-QUEST Division (MQD), is issuing this Request for Information (RFI). The MQD is seeking information to prepare a Requests for Proposal (RFP) for a comprehensive behavioral health care program (BHCP) for our current Medicaid QUEST Expanded Access (QExA) adult clients that are 65 years or older or with a disabling diagnosis.

The information received through this RFI will assist DHS in preparing the RFP. The DHS will be seeking vendors with the ability to provide comprehensive behavioral health services to low-income, Hawaii residents 65 years or older or with a disabling diagnosis that are receiving their primary, acute care, and long-term care services through a managed care program called QExA.

All QExA adult recipients have access to the same Medicaid-covered behavioral health services. These services are described in detail in the DHS Hawaii Administrative Rules (HAR) Section §17-1737-44.1. Some QExA adults with serious mental illness (SMI) and severe and persistent mental illness (SPMI) receive behavioral health services on a fee-for-service (FFS) basis from the Adult Mental Health Division (AMHD) of the Department of Health (DOH); others receive them through a separate program called Community Care Services.

The QExA program is a mandatory managed care program that provides services to the following individuals if they meet the Medicaid financial and non-financial eligibility requirements for those 65 years or older or with a disability diagnosis who are:

- **Living in the community** including:
 - Social Security Income (SSI) recipients;
 - Aged, blind or disabled (ABD) individuals whose countable household income is less than or equal to 100 percent of the federal poverty level (FPL) ; and
 - ABD individuals receiving state supplemental payments (SSP).
- **Residing in long-term care institutions (e.g., nursing facilities or long-term care hospitals) or receiving home and community based services (HCBS)**, including those who are subject to post-eligibility treatment of income (or patient share-of-cost or “payability” provisions). This category of ABD individuals includes the “Medically Needy with Spend down” eligibility group in long-term care institutions (i.e., those who have countable incomes greater than 100 percent of FPL but who incur substantial long-term care and other medical expenses).
- **Enrolled in the Developmental Disabilities HCBS 1915 (c) waiver program** for individuals of all ages who meet an intermediate care facility for individuals with a diagnosis of mental retardation level of care (ICF/MR LOC).

The QExA program provides all of the primary and acute care medical services to include but not limited to inpatient hospitalization, outpatient services such as physician services,

and diagnostic services. In addition, those that qualify for long-term care services shall receive either nursing facility or home and community based services (HCBS) through their QExA health plan.

For QUEST adult recipients, all behavioral health services are provided through the QUEST health plans. The QUEST managed care health plans provide medical and behavioral health services to their members including their members with serious mental illness (SMI) and severe and persistent mental illness (SPMI) that require additional behavioral health services. The QUEST managed care program covers low-income residents who are neither aged nor disabled.

A separate behavioral health carve out plan is available for those children/youth ages 3 through 20, whether enrolled in QUEST or QExA, who are eligible for the DOH's Child and Adolescent Mental Health Division (CAMHD) services.

This RFP will be developed to provide services for the SMI and SPMI adults in a DHS program called Community Care Services (CCS).

BACKGROUND

The State of Hawaii implemented QUEST on August 1, 1994. QUEST is a statewide section 1115 demonstration project that provides medical and behavioral health services through managed care delivery systems. The program was designed to increase access to health care and control the rate of annual increases in health care expenditures. The State combined its Medicaid program with its then General Medical Assistance Program and its State Children's Health Insurance Program and offered benefits to citizens with incomes below 300 percent of the FPL. Low-income women and children and adults who had been covered by the two state-only programs were enrolled into fully capitated managed care health plans throughout the State. This program contributed substantially to closing the coverage gap in the State for low-income individuals. The second phase of the 1115 demonstration waiver enrolled individuals 65 years and older and with disabling diagnoses of all ages into managed care.

A class action lawsuit under the Americans with Disabilities Act (ADA) was filed against the State in 1995 alleging that disabled individuals with incomes above 100% FPL were kept out of the program based solely on their disability status. To address this issue, the State reduced its coverage of the uninsured under QUEST to those uninsured adults with incomes at or below 100% FPL. A new program, QUEST-Net, was developed in 1995 for individuals who are no longer eligible for QUEST due to an increase in income or assets.

Since its implementation, the State has made several changes to the QUEST program.

- The first amendment, approved July 11, 1995, allowed the State to deem parental income for tax dependents up to 21 years of age, prohibit QUEST eligibility for individuals qualifying for employer-sponsored coverage, require some premium

sharing for expansion populations, impose a premium for self-employed individuals, and change the fee-for-service window from the date of coverage to the date of enrollment.

- The second amendment, approved on September 14, 1995 allowed the State to cap QUEST enrollment at 125,000 expansion eligibles.
- The third amendment, approved on May 10, 1996, allowed the State to reinstate the asset test, establish the QUEST-Net program, and require participants to pay a premium.
- The fourth amendment, approved on March 14, 1997, lowered the income thresholds to the mandatory coverage groups and allowed the State to implement its medically needy option for the AFDC-related coverage groups for individuals who become ineligible for QUEST and QUEST-Net.
- The fifth amendment, approved on July 29, 2001, allowed the State to expand the QUEST-Net program to children who were previously enrolled in SCHIP when their family income exceeds the Title XXI income eligibility limit of 200 percent FPL.
- In January 2006 (with a retroactive start date of July 1, 2005), the federal government approved an extension of the Section 1115 waiver for Hawaii, QUEST Expanded (QEx) which incorporated the existing QUEST program with some significant changes including:
 - Extension of coverage to all Medicaid-eligible children in the child welfare system;
 - Extension of coverage to adults with incomes up to 100% of the FPL who meet Medicaid asset limits (QUEST-ACE);
 - Elimination of premium contributions for children with incomes at or below 250% of FPL;
 - Elimination of the requirement that children have prior QUEST coverage as a condition to qualifying for QUEST-Net; and
 - Increased SCHIP eligibility from an income not to exceed 200% of FPL to 300% of FPL.
- In February, 2008, an additional amendment was approved. This waiver amendment increases the eligibility income level from 100 to 200% of the FPL for QUEST-ACE and includes terms and conditions related to the newly implemented QUEST Expanded Access (QExA) program. The waiver period runs through June 20, 2013.

RFI Response

Assuming that the DHS pursues a competitive RFP to provide a comprehensive behavioral health care program (BHCP) called the Community Care Services (CCS) program for the QExA eligible adult population, please provide responses to the following inquiries based on how your organization would propose to provide services as a behavioral health plan.

1. Within the QExA program, what recommendations can you make to the DHS about the policy decision to allow the client the option of enrolling into CCS or receiving services through their AMHD fee-for-service provider?
2. CCS is currently not responsible for psychotropic medication, but is responsible for medication management. The QExA health plans are responsible for all reimbursement of psychotropic medications. What suggestions would you make to the design of this program regarding the coordination with the QExA health plans regarding medication management?
3. The State is required by statute to cover any brand or generic antipsychotic medication or antidepressant/anti-anxiety on which a patient is stable prescribed for an FDA approved emotional or behavioral indication. How could psychotropic expenditures be decreased?
4. The current patient count for the CCS program is approximately 900. The Department of Health, Adult Mental Health Division (DOH-AMHD) provides services to approximately 2,500 Medicaid clients. How much prior notice must the DHS provide the contractor to transition those Medicaid eligible SMI patients who are currently receiving services from AMHD to this contract? What should be accomplished during that period to facilitate a successful transition? If the program efficiently delivers effective health care, how much prior notice must the DHS provide the contractor to transition those Medicaid eligible SMI patients who are currently receiving services from their QUEST health plans (approximately 2,000 Medicaid clients)?
5. The Department of Health, Adult Mental Health Division (DOH-AMHD) provides services to additional clients that do not have Medicaid as either their primary or secondary health insurance. If the State of Hawaii decided to combine this RFP to provide services to both Medicaid and non-Medicaid clients, what steps would we need to take to assure a successful transition for our clients? How much prior notice must the State of Hawaii provide to the contractor to perform this transition?
6. How would a vendor propose to coordinate with the Department of Health in order for the vendor's behavioral health service clients to access non-Medicaid covered services that are available through DOH and could benefit adults with SMI or SPMI?

7. What are the essential components to building a sound behavioral health carve out that will complement a health plan that provides for the recipient's acute/primary/long term care? Where should the CCS program concentrate its efforts/resources and why? What are the key types of staff and their qualifications that must be present in the CCS program? Is there an adequate supply of behavioral health providers and what role would the Community Mental Health Clinics need to play? How would you utilize primary care providers and health homes?
8. How would you structure your Prior Authorization or approval process for behavioral health services to facilitate access and still maintain appropriate utilization management oversight?
9. The DHS currently has a fiscal agent to process Medicaid claims. In the current CCS contract, the contractor acts as a Third Party Administrator (TPA), paying providers for services rendered. The CCS contractor then requests reimbursement from the DHS for payments made as well as submits encounter data on claims paid. Based on your organization's experience, please describe the pros and cons of utilizing the DHS' fiscal agent to process claims or continuing to utilize the CCS program contractor as a TPA.
10. For the purpose of case management, what would be your ideal case manager to member ratio? Would you be utilizing providers in the community or would you be case managing from in-house?
11. Based on your organization's experiences with managed care programs, please provide the DHS with any suggestions or recommendations that may assist the DHS in developing a realistic and reasonable RFP.

RESPONSE SUBMISSION

RFI submission must include name, organization (if applicable), and contact information of person/organization submitting the response.

Responses to this RFI are due by 2:00 pm Hawaii Standard Time (HST) on June 7, 2011. Please submit your response using Times New Roman, 12 point font with no less than one inch margins on all sides of the page, single line spacing. Please limit your responses to no more than 20 pages. Please indicate on the cover "Behavioral Health Response-RFI-MQD-2012-002" and mail or deliver one hard copy response with an electronic version stored on CD-Rom in Microsoft Word 2003 or lower to:

Ms. Patricia M. Bazin
Health Care Services Branch Administrator
Med-QUEST Division
Department of Human Services
601 Kamokila Boulevard, Room 506A
Kapolei, HI 96707-2005

OR

E-mail response to rfiresponse@medicaid.dhs.state.hi.us.

Electronic responses are required for submission in RFI process. Only Medicaid clients may provide hard copy responses without electronic submission.

CONFIDENTIAL INFORMATION

If respondents believe that portions of their RFI response should remain confidential, respondents shall clearly identify those portions of their response they wish to maintain as confidential and include a statement detailing the reasons that the information should not be disclosed. Such reasons shall include specific harm or prejudice that may arise. The DHS Director and the Administrator shall determine whether the identified information should remain confidential. A prior notice shall be provided to the respondent should any information that was requested to be confidential become part of public distribution/information.

COST OF RESPONSE

DHS will not reimburse any respondent for the cost of preparing and submitting a response to this RFI.

USE OF INFORMATION

The Department reserves the right to incorporate in a solicitation, if issued for such a contract, any recommendations presented in responses to this RFI. Please note that participation in this RFI process is optional and is not required in order to respond to any subsequent procurement by the Department. Neither the Department nor the responding party has any obligation under this RFI.

If there are any questions or clarifications pertaining to this RFI, please contact Ms. Patti Bazin at (808) 692-8083 or at rfiresponse@medicaid.dhs.state.hi.us.