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THE MEADOWS MENTAL HEALTH POLICY INSTITUTE

Financing Programs for Early Psychosis through Commercial Insurance

The Second National Conference on Advancing Early Psychosis Care in the United States: The Complexities of Real-World Care, APA

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About Meadows Mental Health Policy Institute

- **History**

The Meadows Mental Health Policy Institute traces its origins to the vision of The Meadows Foundation and its philanthropic leadership throughout the State of Texas on mental health and other vital public issues.

- **Mission**

To support the implementation of policies and programs that help Texans obtain effective, efficient mental health care when and where they need it.

- **Vision**

For Texas to be the national leader in treating people with mental health needs.



Financing Early Psychosis Treatment

- Propose uniform coding and payment strategies for commercial insurers, Medicare and Medicaid
- Bowman Family Foundation and the Meadows Mental Health Policy Institute (MMHPI) convened a work group
 - American Psychiatric Association (APA), the BeST Center, Columbia University's OnTrack NY program, Maine Behavioral Health Care, NAMI, National Institute of Health, NY Office of Mental Health, and the National Association of State Mental Health Program Directors (NASMHPD)
- Based on work for Early Assessment and Support Alliance (EASA) in Marion and Polk Counties in Oregon by Brenda Jackson Consulting, LLC and Triwest Group, LLC

Financing Approach

Traditional billing does not cover program costs



Identify a billing strategy



Identify existing billing codes

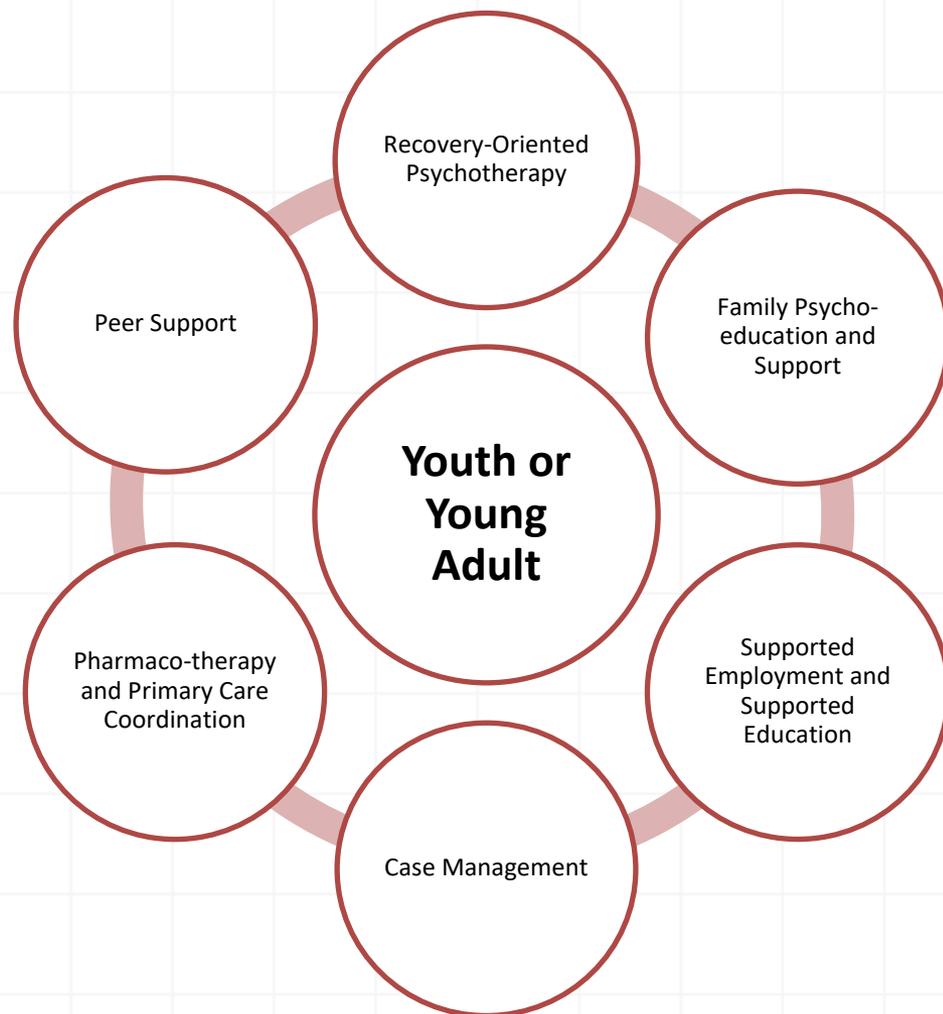


Develop guidance for providers/ insurers

Findings & Recommendations

Programs with fidelity have similar cost structures

Billing separate individual services will not compensate the program for non-face to face professional services, collateral contacts, travel for community-based services, daily team meetings, outreach, calls, and extraordinary training and documentation requirements.



Findings & Recommendations

A single rate for both professional and rehabilitative services using an existing Healthcare Common Procedure Coding System (HCPCS) billing code will result in fair compensation for early psychosis programs operating in fidelity to national research standards.

We recommend two separate reimbursement structures based on the intensity of service:

- A monthly case rate for delivery of the full model and
- An encounter rate billed for eligible services with less intense delivery.

HCPCS code T1024 paired with an HK modifier to indicate a full model was provided that month.

HCPCS T1024 without a modifier for an encounter rate.

Findings & Recommendations

The following criteria would need to be clearly defined for a case rate:

- Admission criteria including defining the target population
- Recommendation of care, supervision, and treatment plan developed by a licensed practitioner
- Minimum staffing required for the program
- Fidelity standards
- Minimum number of encounters required to be provided for a monthly case rate to be billed
- Definition of an encounter
- Discharge criteria to ensure that individuals who should be transitioned to other levels of care do not remain on caseloads
- Instances when it is appropriate to maintain an individual on a caseload even if the full model is not delivered and billed that month (e.g., hospitalization, transition to step-down levels of care, absence from the geographic area, etc)

Thank you...

For more information, contact Melissa Rowan
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