



National Association of County Behavioral Health & Developmental Disability Directors

Expanding Initiatives of Managed Care Entities

Dan Ohler, VP, State & Local Government Programs

Transformation begins with relationships

PROVIDERS



4/5
U.S.
hospitals

EMPLOYERS



4/5
of
Fortune 100

HEALTH PLANS



300
health
plans

LIFE SCIENCES



100
organizations
around the globe

GOVERNMENTS



35
States, DC and many
federal entities

CONSUMERS



115 million
empowered consumers

Powering modern health care



A Look at the Healthcare System

- *Over 133M Americans live with a chronic condition*
 - Asthma, diabetes, heart disease, obesity, et. al.
 - Expected to reach 171M by 2030
- U.S. share of global research funding has declined 23%*
- *In 2017, national health care spending will reach \$3.5 trillion*
 - That represents 18% of the U.S. economy; about \$10K per person
 - Will swell to \$5.6T by 2025, or 20% of the national economy
 - Healthcare costs are increasing faster than household income
- ESI remains the nation's largest source of healthcare: 178M people
- *Medicaid covers 90M people; 28M uninsured under 65*
- Everyday 11K people in the U.S. celebrate their 65th birthday
 - Medicare enrollment at 56M in 2015; 76M by 2025
 - Medicare spend at \$12K per person 2015; \$18K per person by 2025
 - At current rate of spend, Medicare will be insolvent in 2028

The Medicaid Marketplace

- The Medicaid system is now 52 years old – and still growing
- 75M Americans are covered by Medicaid
- Annual Medicaid spend now exceeds \$532B
- Nearly 70% of the Medicaid population is in managed care
- Nearly 3M in Medicaid ACOs
- In excess of 1.5M enrolled on Medicaid waivers
- 38 states use ‘at-risk’ capitated contracts with MCOs
- 10M beneficiaries are Medicare/Medicaid dual eligible

Source: The Still Expanding State of Medicaid in the United States; PriceWaterhouseCoopers, November 2015

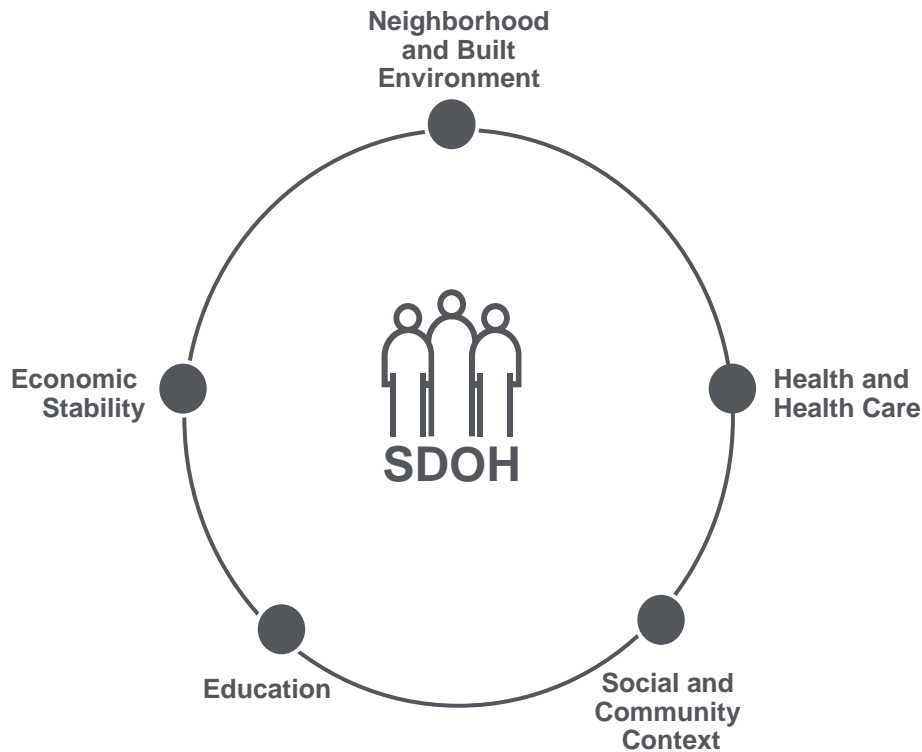
Factors shaping the Market

- More consumers in Managed Care
 - Nearly 52M people
- More LTSS moving to a MC model
 - 20 states with some form of Managed LTSS
- Increasing utilization of value-based payment models
 - States moving away from traditional fee-for-service models
- Competing factors for state / county budget dollars
 - Multiple demands for limited public dollars
- Potential 'block grant' and 'increased state discretion'
 - What does the future hold on Capital Hill?

Social Determinants of Health

5
social
determinants

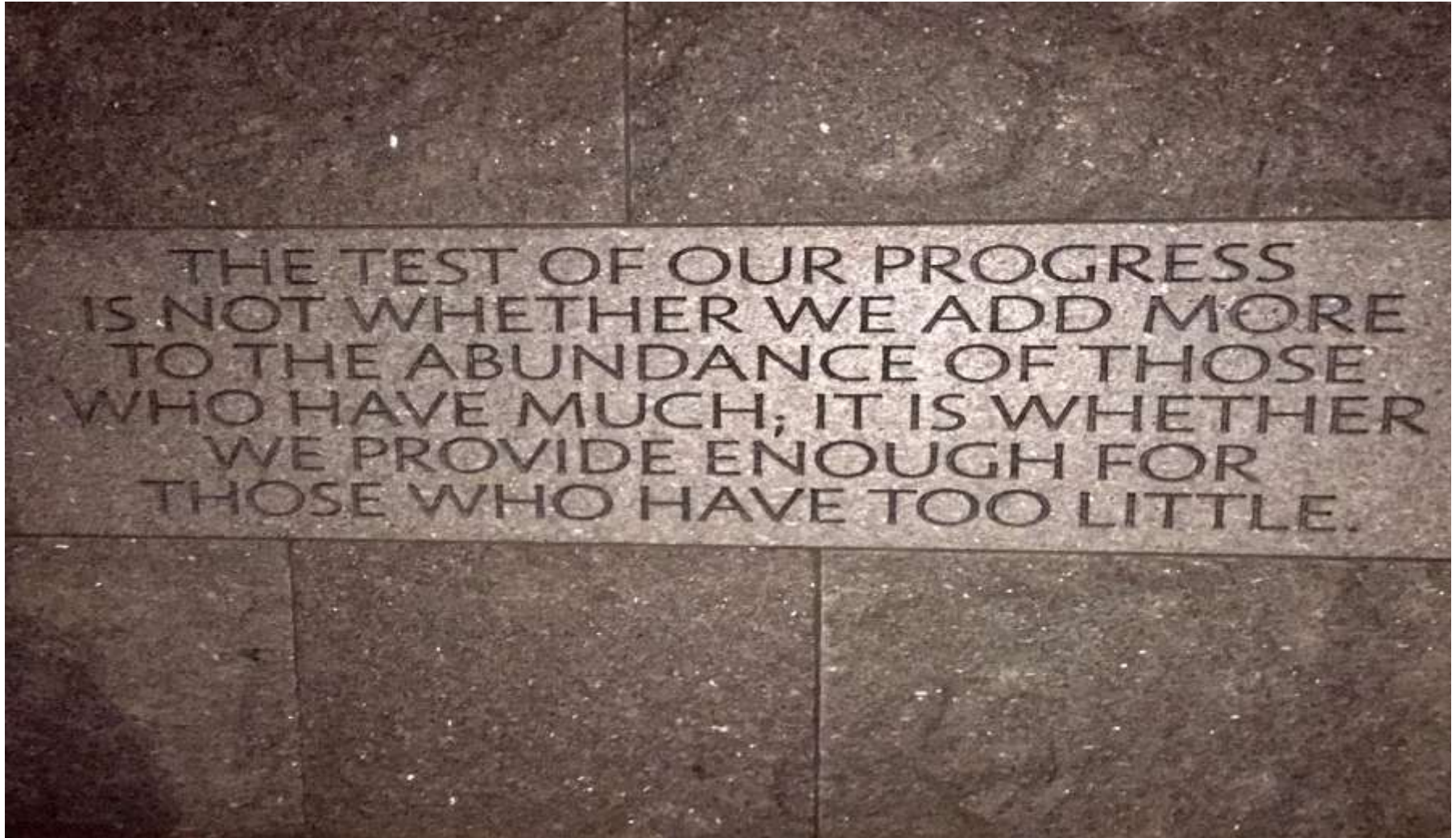
impact **40%**
of health outcomes*



Factors that influence health

- Access to care
- Air & Water Quality
- Community Safety
- Education
- **Employment**
- Family and social support
- Housing
- Personal Income
- Transportation

Quotable Quotes



Expanding Initiatives

- Promoting Self-Advocacy
- Reinvesting savings in the Community
- Helping Members to obtain gainful employment
- Partnering with Community Housing organizations
- Working with local food banks
- Providing members with cell phones / other mobile devices
- Advancing telehealth / telemedicine
- MCOs and MCEs are expanding their efforts to address Wellness

The I/DD Marketplace

- There are approximately 5M individuals in the United States with an Intellectual and/or other Developmental Disability
 - More than 60% rely on Medicaid for their health care coverage
 - An estimated 80% are Medicaid eligible
 - Nearly 75% live with family members
- 1.4M are served by State agencies - that's less than 30%
- 25% live with a primary caregiver over the age of 60
- There will be 1.2M individuals with I/DD over age 60 by 2030
- Total public spend for I/DD in the U.S. exceeds \$61B
- There is a high level of health care utilization for people with I/DD
 - Co-occurring mental illness: 33%
 - Soars to 50% when including substance use disorders
 - Cardiovascular disease: 38%
 - Central nervous system diseases: 28%
 - Three or more chronic conditions: 45%

Sources: Thomas Cheetham, MD; Kennedy Center, Vanderbilt University
David Braddock, Coleman Institute, University of Colorado



How I/DD Fits into the Medicaid Model Strategy

Focusing on whole-person care, harmonizing and integrating areas of clinical specialization to achieve the personal health and wellness goals of the individual.

Optimal health and well-being

Whole-person care

- Whole-person care focuses on how the physical, mental and social elements of a person are interconnected to maintain health.

Person-centered care

- An approach to “providing care” that is respectful of and responsive to individual patient preferences, needs and values.

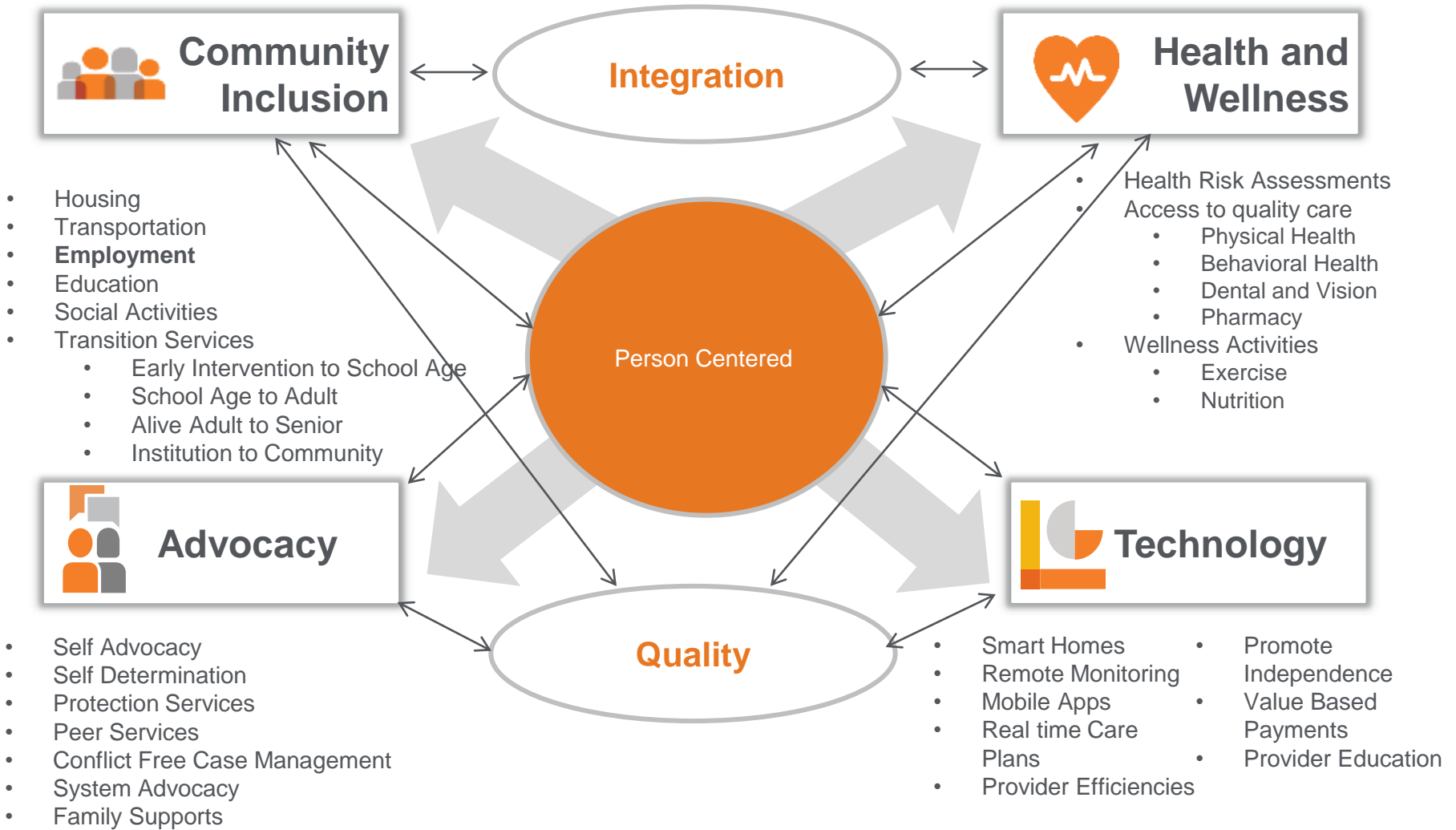
Aligned to the delivery system

- Care focused on supporting the physician to consumer relationship.

As we evolve Medicaid programs, the core clinical team will be supported by specialists who can “flex” to quickly address the needs of the member.



An Effective System starts with the Individual



Physical Health Issues with I/DD Population

- People with I/DD have nearly 3X the PH issues of the General Population
- *There are 4X as many prescriptions written for people with I/DD*
- Over 90% of surveyed adults with I/DD had associated medical conditions
 - 42% of conditions were previously unreported
 - Yet, 24% of Caregivers reported no problems
- *Many individuals with I/DD are unable to report their symptoms*
 - Often results in poor physical health presenting as behavioral problems
- Prevalence of anxiety and mood disorders is more than double general population
- *Children with ID are 3X - 6X more likely to suffer abuse*
- Women with ID are 5X more likely to suffer sexual abuse
- *Two KEY Questions:*
 - How well do we know this person?
 - How would we know if this person is experiencing pain?

Sources: Thomas Cheetham, MD, FAAIDD (2015)
American Psychiatric Association (2000)
American Journal of Mental Retardation (1995)

Behavioral Health Data

It's prevalent

One in four Americans experience a diagnosable mental health disorder every year¹

50% of Medicaid beneficiaries with disabilities have a psychiatric illness²

6% of adults have a serious mental illness such as bipolar disorder, major depression or schizophrenia⁴

8% of Americans are classified with a substance use disorder³

1. Kessler RC, Chiu WT, Demler O, Walters EE (2005). Prevalence, severity, and comorbidity of twelve-month DSM-IV disorders in the National Comorbidity Survey Replication (NCS-R). *Archives of General Psychiatry* 62(6):617-27. 2. R.G. Kronick, M. Bella, T.P. Gilmer. The Faces of Medicaid Ill: Refining the Portrait of People with Multiple Chronic Conditions. Center for Health Care Strategies, Inc., October 2009. 3. Substance Abuse and Mental Health Services Administration, Results from the 2013 National Survey on Drug Use and Health: Summary of National Findings, NSDUH Series H-48, HHS Publication No. (SMA) 14-4863. Rockville, MD: Substance Abuse and Mental Health Services Administration, 2014. 4. Kessler RC, Chiu WT, Demler O, Walters EE. Prevalence, severity, and comorbidity of twelve-month DSM-IV disorders in the National Comorbidity Survey Replication (NCS-R). *Archives of General Psychiatry*, 2005 Jun;62(6):617-27.

(more) Behavioral Health Data

Exacerbates Health problems

Depressed patients have **more primary care visits** (5.3 vs. 2.9)¹ and **higher rates of referral to specialists** (1.1 vs. 0.5) than non-depressed patients¹

One-quarter of admissions to hospitals has something to do with mental health or substance use²

Fastest rising cause of death in the United States?
Drug Overdoses

1. Luber MP, Hollenberg JP, Williams-Russo P, DiDomenico TN, Meyers BS, Alexopoulos GS, Charlson ME. Diagnosis, treatment, comorbidity, and resource utilization of depressed patients in a general medical practice. *Int J Psychiatry Med.* 2000;30(1):1-13. 2. Rainwater, M. "Integrated Primary Care & Behavioral Health Programs" California Mental Health Planning Council Presentation. June 18, 2009.

Let's Talk About Work

- For the majority of adults in the United States, a job is part of personal identity – it helps define ‘who we are’
 - 71.4% of adults have a job¹
- *Our ability to earn income has a direct effect on quality of life*
 - *It enables us to pay our bills*
 - *It permits us to participate in social activities*
- Research has shown that work has a direct link to a person’s happiness, as well as to their mental health
- *Our jobs are also frequently a pathway to social opportunities and interaction with other people*
 - *Isolation is a leading cause of depression in our society²*
- For most people, getting a job as an adult was an expectation of moving to the next phase of life
- *But if you have a Disability, well, things look a bit different...*

1 National Report on Employment Services and Outcomes 2013; Institute for Community Inclusion. 2. Mayo Clinic, Rochester, MN; 2014

National Report on Employment Services and Outcomes*

- There is a significant gap in the employment rate:
 - **71.4% of adults without disabilities are employed**
 - **32.5% of adults with disabilities are employed**
- The gaps are even more significant for people with intellectual and/or other developmental disabilities:
 - **14.7% of adults with I/DD are employed**
- Participation in facility-based and non-work settings has increased
- Employment services remain an “add-on,” not a systematic change
- SSI data reveals that individuals with I/DD work more than their counterparts with other disabilities; however, they participate in work incentive programs less frequently
- 44 States consider themselves to be ‘Employment First’ States

*

National Report on Employment Services & Outcomes was published in 2013 by the Institute for Community Inclusion at the University of Massachusetts Boston (Butterworth, Smith, Hall, Migliore, Winsor & Dornin)

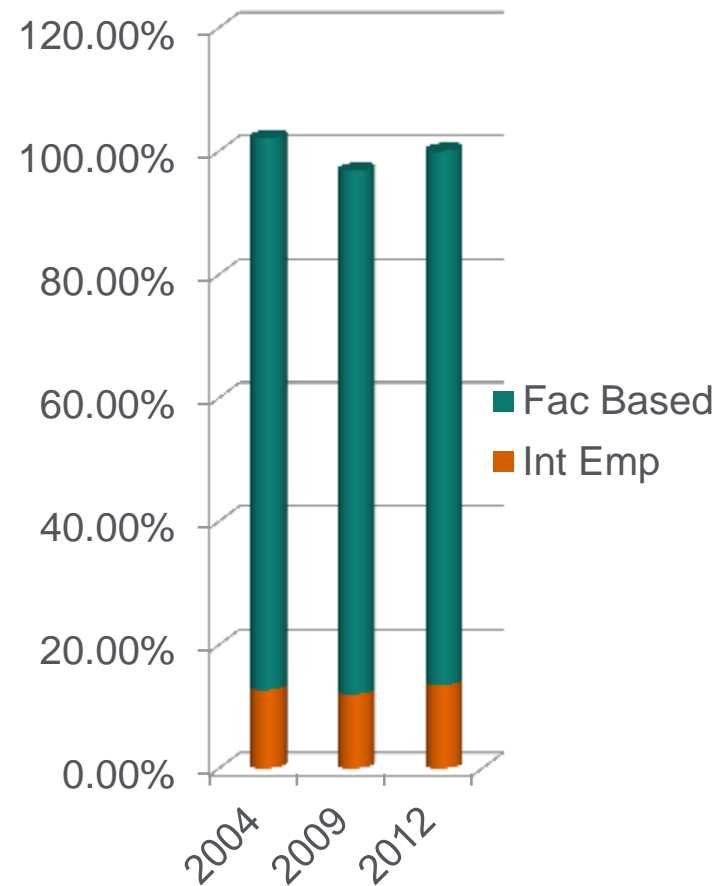
National Employment Data

- The United States Department of Labor surveyed over 470K employers on the topic of 'Employment of People with Disabilities'; the study revealed the following:¹
 - 13% of companies actively recruit people with disabilities
 - 19% of companies employ people with disabilities
 - 9% report having hired someone with a disability in the last year
- The Coleman Institute (at the University of Colorado) reports that one-third of people with I/DD are competitively employed:²
 - Of that one-third, 26% work full time
 - Of that one-third, 53% are employed in community settings
- The National Core Indicators (NCI) project reveals 20% of adults with I/DD are working in in the community .³
 - 28% are working in a facility-based job
 - 20% participate in a non-work activity

1. U. S. Department of Labor. 2. Coleman Institute, University of Colorado . 3. National Core Indicators Annual Summary Findings, 2014-15.

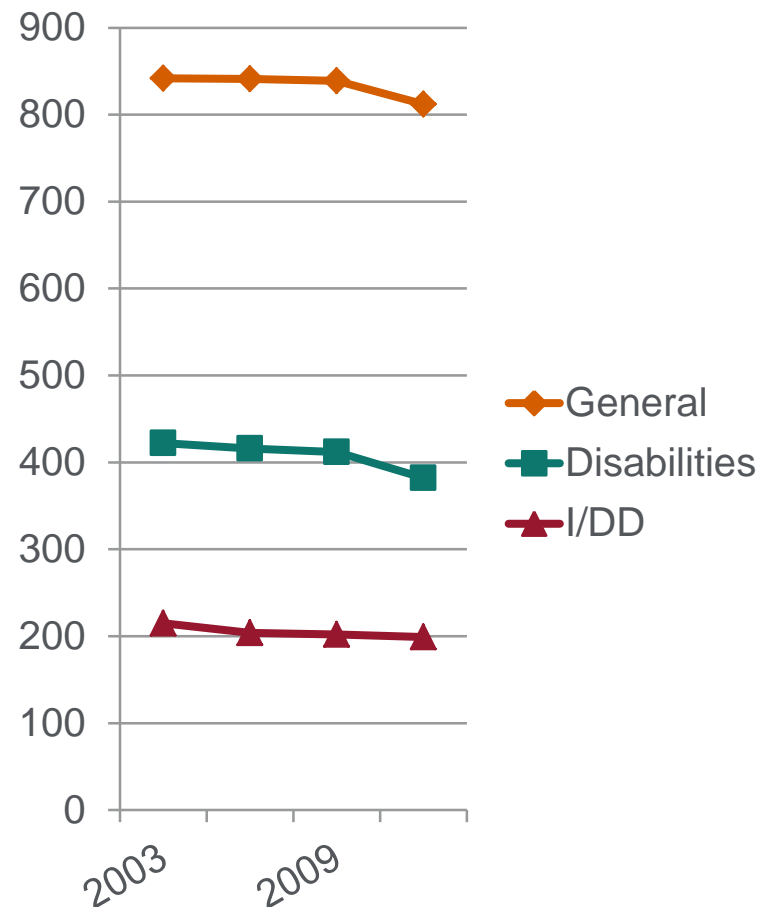
State Resources – National View

- This chart reflects the percentage of total funding allocation by fiscal year as reported by State I/DD agencies for the following services:
 - Integrated Employment
 - Facility-based & non-work day services
- During the past decade, minimal change in state funding toward integrated employment
- Nearly two-thirds of reporting states actually reduced the number of people receiving Integrated Employment services
 - Only a third increased the number
- **Service planning drives where the dollars are spent; or does it?**



Trends in Weekly Wages-Nationwide

- This graph illustrates the average weekly wage over the past decade for three specific groups:
 - General population
 - People with disabilities
 - People with I/DD
- Wages for all categories declined slightly over the past decade
- Adjusted for inflation, wages for people with I/DD competitively employed remained relatively unchanged — **\$8.13 in 2003, up to \$8.25 in 2012**
- While declining over time, people without disabilities clearly had the highest wages over the decade



Source: National Report on Employment Services & Outcomes 2013.

Still work to be done...

- In a Survey of over 2,000 people across the country:
 - 56% indicated they know someone with an Intellectual and/or Developmental Disability
 - 39% believe children with I/DD should not be educated in classrooms with other children their own age
 - 93% believe people with I/DD should be employed
 - Only 20% indicated they would hire a person with I/DD
 - Just over 10% indicated that they think it is okay to call a person with an intellectual disability “retarded”

Source: Harris Poll for Special Olympics International (2015)



Thank you for your time and attention; I will be glad to address any questions you may have.

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