

## A New Compact for Behavioral Health Care



Optum is using the insight and power of data to help its network facilities improve their care and improve outcomes for individuals with mental health and substance use disorders.

## Improving behavioral health care by rating providers' quality and efficiency

Optum and its network behavioral health providers have reached an inflection point in their relationship — and that holds promise for improving care for individuals with mental health and substance use disorders.

Optum, the nation's largest managed behavioral health care organization, is going beyond its traditional functions — such as utilization review, and claims processing and payment — and turning its trove of health care data into powerful insights to help these providers offer cost-effective care.

The hospitals and treatment facilities, in turn, are evolving into risk-bearing organizations, responsible for clinical outcomes and managing costs. And they understand that Optum can help them do that more consistently and reliably.

**Achievements in Clinical Excellence** (ACE) is Optum's data-driven program that promotes high-quality, efficient care by rating behavioral health facilities based on their clinical outcomes and costs of treatment, adjusted for their mix of cases. Optum ACE teams meet monthly with providers to review their results and discuss opportunities for improving outcomes and, as a result, their ratings.

Preliminary data suggests that ACE is having a significant impact on patient outcomes and reducing unnecessary costs. Over the next two years, ACE will be expanded nationally to all eligible Optum network facilities, and its effect on service systems will be evaluated annually.

"We're shifting the conversation between managed care companies and providers to one based on data," explains Irvin "Pete" Brock, MD, senior vice president of affordability for Optum Behavioral Solutions. "Unwarranted variance in medical practice is a major cost driver. Our data help identify and correct those variations."

## Evolution of quality measurement

ACE is the latest innovation in an evolution of facility measurement and tiering initiatives developed by Optum. Started as a pilot in the fall of 2013, ACE is designed to:

- Identify facilities providing the most effective and efficient care for individuals
- Help consumers make informed choices by highlighting the names of top performers in online provider directories
- Use a data-driven approach to improve facility performance
- Monitor metrics for continuous improvement
- Recognize and reward top-performing facilities
- Increase referrals to the top facilities

The program provides incentives and benefits to everyone involved in the triangle of care: the health plan paying the claims, the facility providing treatment, and, most important, the patient receiving care.

"In a small state like Rhode Island, we are all competing for the same patients, so you really have to prove yourself with quality care," says Lynn Leahey, RN, director of patient care services at Roger Williams Medical Center in Providence, R.I.

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### At a Glance: Achievements in Clinical Excellence

- Provides unbiased, risk-adjusted data to behavioral health facilities that are quantified against regionally adjusted benchmarks
  - Pinpoints and reduces unwarranted variations in practice patterns that drive increased costs and suboptimal clinical outcomes
  - Assigns tier designations to facilities and rewards those with superior performance
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## How ACE works

To qualify for the ACE program, a facility must be in the Optum network and have at least 50 inpatient admissions in a calendar year, to ensure that the data collected is statistically valid. These facilities, all of which provide acute inpatient care, include freestanding psychiatric facilities and behavioral treatment units within larger medical/surgical centers.

Optum initially selected 100 facilities for the pilot and is rapidly expanding the number of facilities in the program. By the end of 2013, approximately 630 of 1,400 facilities in the Optum network nationwide qualified.

### Following facility selection, Optum’s next steps are:



The scorecards display performance against five quality and two cost-efficiency metrics compared with regional benchmarks — both for facilities and practitioners — so that the facility's leadership can identify and mitigate unwarranted clinical variation. Not to be overlooked, however, is that the program also helps facility managers see how they compare to their competitors.

Monthly reviews underscore areas needing improvement and serve as the basis for the next annual tier designation.

“There’s nothing adversarial about the ACE program,” says Tom Loats, director of behavioral health services at St. Joseph Hospital in Orange, Calif., an ACE participating facility. “It’s so much better, too, for our patients to be out of the hospital as soon as appropriate and to ensure there’s a follow-up plan in place.”

## Measuring quality and cost efficiency

ACE encourages clinical excellence by rewarding facilities that provide cost-effective care as measured by seven key performance indicators. Five are grouped under “Effectiveness” (for quality of care), and two are grouped under “Efficiency” (for cost-efficiency). (See: “What’s on the ACE score card,” this page.)

Several of these measurements are based on widely accepted, industry standards. For example, the readmission rate metric was developed using the Centers for Medicare and Medicaid (CMS) methodology for hospital-wide readmissions.

The follow-up standard is built upon NCQA’s HEDIS® (Healthcare Effectiveness Data and Information Set) methodology. And the “behavioral health spend per inpatient episode” metric was adopted from the CMS methodology for Medicare spend per beneficiary.

“What I really like about ACE is that it gives us data that we would otherwise have a very difficult time tracking,” says Loats.

## What’s on the ACE score card

### “Effectiveness” metrics

- 30-day readmission rate: readmission rate to a facility within 30 days of discharge
- 90-day readmission rate: readmission rate to a facility within 90 days of discharge
- Seven-day follow-up rate: rate of follow-up with patient by a mental health practitioner within seven days after hospitalization
- 30-day follow-up rate: rate of follow-up with patient by a mental health practitioner within 30 days after hospitalization
- Peer review rate: percentage of acute inpatient admissions in which one or more peer reviews occurs

### “Efficiency” metrics

- Behavioral health spend per inpatient episode: expenditures from three days prior to admission to 30 days after discharge
- Residual length of stay: the difference between the facility's raw average length of stay (ALOS) and the regional benchmark for case-mix-adjusted ALOS

### Adjusting for risk in a facility’s case mix

Optum uses a case-mix methodology to adjust for severity of the patient population — in other words, the data used to evaluate and tier a facility reflect the actual types of cases it handles. This is critical because it provides statistical validity to the measurements and enables comparisons among facilities.

So, for example, if a psychiatric hospital with a large adolescent population has longer lengths-of-stay than a hospital with adult-only beds — which generally is to be expected — that variable would be taken into consideration.

For the “behavioral health spend per inpatient episode” metric, case-mix adjustment is applied in order to account for various patient characteristics, including age, gender, behavioral health diagnosis, and insurance type (Medicare, Medicaid or commercial). These factors are also part of the case-mix adjustment for residual length of stay.

For readmission rates, factors include age, prior year and current admission behavioral health diagnoses, disability status, and insurance type.

### Facility tiering emphasizes quality first, then efficiency

To become part of the Optum provider network, hospitals and behavioral health facilities must pass a rigorous credentialing process. Once a facility is selected for the ACE program, it is assigned to one of five tiers, based on how well it performs against the five effectiveness (or quality) and two efficiency (or cost) criteria. “Platinum” is the highest standard a facility can meet, followed by “Gold.” (See “Five ACE tiers,” this page.)

Passing the effectiveness threshold requires meeting or exceeding one readmission rate (30 days or 90 days), one follow-up rate (seven days or 30 days), and the peer review rate measurement. Passing the efficiency threshold requires meeting or exceeding either the “behavioral health spend per inpatient episode” or “residual length of stay” metric.

“We look at both quality and costs because they go hand in hand,” said Optum’s Dr. Brock. “Cost is not a bad word. Hospitals with above average readmissions probably have poorer outcomes and higher costs.”

Leahey, of Roger Williams Medical Center, says the objectiveness of the measurements supports the program’s credibility.

“Patients want to know where they can get the best care,” says Leahey. “They are more likely to accept the ACE rankings as a measure of quality than relying on TV or magazine ads.”

### Platinum status has its rewards

The goal of the ACE program is to help all facilities reach “Platinum” status so they can take advantage of its many benefits:

**Streamlined clinical review** — Of all the Platinum-tier benefits, facilities most appreciate the elimination of routine concurrent reviews with Optum. Allowing facilities to manage cases between initial admittance authorization and discharge means spending less time on the phone with Optum, freeing up facility staff to focus on patient care.

**More referrals** — Historically, psychologists and other mental health professionals refer patients for hospitalization based on soft criteria such as reputation. The ACE program changes that dynamic by injecting quality and cost metrics into referral decisions.

#### Five ACE tiers

<p><b>Platinum</b> Meets/exceeds the effectiveness metrics and the efficiency criteria</p>
<p><b>Gold</b> Meets/exceeds effectiveness metrics only</p>
<p><b>Silver</b> Meets/exceeds efficiency criteria and peer review, but does not meet other effectiveness metrics</p>
<p><b>Bronze</b> Meets/exceeds efficiency criteria, but not peer review (even if facility meets other effectiveness metrics)</p>
<p><b>Criteria Not Met</b> Does not meet effectiveness metrics or efficiency criteria</p>

**Increased recognition** — Top-performing facilities are indexed higher in Optum’s online provider directory accessible to members at liveandworkwell.com.\* When searching for a provider online or calling Optum, members will be referred to the nearest “Platinum” provider first, and “Gold” providers next.

**Marketing support** — “Platinum” facilities enjoy additional marketing supporting aimed at increasing referrals:

- Optum-sponsored email campaigns directed to network providers within a 60-mile radius of the “Platinum” facility
- Marketing tool kit with digital and print-ready graphics, press releases, flyers, business development presentations, and special post cards
- Opportunities for joint marketing initiatives

**Designated contacts** — “Platinum” providers are assigned an Optum regional medical director for immediate resolution of any issues, plus contacts for claims assistance and resolution.



\* When someone seeking treatment searches the online provider directory, “Platinum” facilities (with two stars next to their names) will be listed first, followed by “Gold” facilities (with one star), because these facilities have passed the effectiveness metrics for quality. Only “Platinum” facilities, however, receive marketing support and the other benefits listed above.



## CASE STUDY

### Medical Center Welcomes Rigor of ACE

Lynn Leahey, RN, director of patient care services at Roger Williams Medical Center in Providence, R.I., heard about the Optum ACE program from colleagues at Roger Williams’s sister hospital, and she immediately asked to participate.

Leahey realized that the 39-bed behavioral health unit at Roger Williams, a community hospital and part of the CharterCARE Health Partners system, could benefit from the rigor of the ACE program and the continual feedback on the unit’s performance.

In 2013, Roger Williams joined ACE and was placed in the “Silver” tier. At the time, the hospital met the ACE efficiency and peer review metrics but fell short in 30-day follow-up post-hospitalization and readmission rates metrics.

In response, the hospital took action by:

- **Adopting Optum’s “bridge-on-discharge” program** — A discharge nurse or social worker briefly meets with patients as they leave the behavioral health unit to make sure they have a clear understanding of their discharge plans and to answer any questions.

- **Developing a follow-up program** — The social worker requests permission from patients being discharged for access to their medical records with their other providers. So if the patient is readmitted at some later date, Roger Williams can review those records to assess what caused the readmission and whether its discharge plan was appropriate.
- **Getting patient buy-in** — Patients are included in daily treatment rounds by the medical staff. Including patients in those discussions, seeking their opinions, and having them accept and sign the plan documents foster greater patient engagement in their treatment plans.

These initiatives are paying off. The hospital’s seven-day and 30-day follow-up rates, as well as the 90-day readmission rate, have dramatically improved. For example, the 90-day readmission rate declined from 19.9 percent in May 2014 to 18.8 percent in October 2014, a full percentage point below the ACE benchmark for the region.

These results indicate that Roger Williams is on track to jump from “Silver” to “Platinum” status when Optum assigns new tiers in April 2015.

### More than ratings — support for improving care

Optum offers assistance and consultation to behavioral health facilities to help them improve their rankings. That may include:

**Sharing best practices** — The monthly review calls give Optum insight into how particular facilities achieved 100 percent follow-up rates, low readmission rates, or other outstanding performance measurements. Optum then suggests to other facilities that they consider implementing these best practices to improve their ACE scores.

**Bridge-on-discharge program** — Once a patient is discharged from an acute inpatient unit, but before actually leaving the facility’s premises, he or she can have an immediate follow-up session with facility-based clinical staff. This session, for which facilities are paid, is intended to serve as a “bridge” for those recently discharged from an inpatient level of care directly to outpatient treatment.

During the session, discharge instructions, medications, and the importance of keeping a scheduled follow-up appointment are discussed. Bridge-on-discharge sessions count as a follow-up visit, which is important for facilities that are seeking to satisfy the follow-up metric.

**Peer bridgers** — These are individuals (not clinicians) with mental health diagnoses who are in recovery and trained as “peers.” A peer bridger, who may be affiliated with a mental health non-profit service organization, is matched with a patient in a psychiatric facility or someone at risk for readmission.

The peer bridger works with the individual to support adherence to his or her recovery plan and, so, helps keep individuals in their communities and out of facilities.

**Appointment reminder program** — Optum offers facilities at no charge a tool that allows them to send email, voice, or text-based appointment reminders to recently discharged patients about their follow-up appointments within seven days of discharge. The reminder application is set up on the provider’s premises, so patients can choose to opt in or out of receiving reminders.

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— Irvin “Pete” Brock, MD  
Optum

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### A foundation for improving care

Optum continues to explore new ways of applying the ACE program to help behavioral health facilities deliver high-quality, cost-efficient care. For example, ACE lays the groundwork for the initiation of a pay-for-performance reimbursement model that rewards providers appropriately for their performance.

ACE methodology can inject an objective, data-driven framework around performance-based contracting strategies. And, as ACE eventually enables near real-time performance tracking, the program could empower Optum to help facilities meet year-end performance targets on an ongoing basis.

The ACE program stimulates productive discussions and collaboration between Optum and behavioral health providers in its network — all for the benefit of people with mental health or substance use disorders. The improvements that behavioral health facilities make can benefit all their patients — not just those for whom Optum is their managed care company — and helps make communities healthier.

For more stories about Platinum facilities, visit [ace.providerexpress.com](http://ace.providerexpress.com).



## CASE STUDY

### **ACE Sparked Programs that Help Patients Recover**

“Simply put, we view Optum as our partner in making health care better,” is how Tom Loats describes his hospital’s relationship with Optum.

Loats, the director of behavioral health services at St. Joseph Hospital in Orange, Calif., notes that the hospital is in a competitive market driven by managed care. “The data Optum provides about our patients is very helpful because it enables us to track our performance.”

In the fall of 2013, St. Joseph, a community hospital with a 36-adult bed behavioral health unit, joined ACE as a Platinum-tier facility. Since then, its track record has been remarkable, consistently exceeding benchmarks for all seven criteria every month since joining the program.

Consider just a few numbers. Between September 2013 and August 2014, St. Joseph achieved a rating of 63 percent on following up with patients within seven days of discharge, easily surpassing Optum’s benchmark of 50 percent. For 30-day follow up, the hospital scored 84 percent against a benchmark of 70 percent.

The reason for this success, according to Loats, is that “we are making a huge investment in directing patients to lower levels of care when appropriate.” Loats credits the ACE program for being a key driver behind the hospital’s initiatives to minimize readmissions.

For example, St. Joseph’s partial hospital program offers treatment and group therapy for individuals with a psychiatric diagnosis or co-occurring psychiatric and chemical dependence problems on an outpatient basis. Individuals in this program attend six hours daily, Monday through Friday, for approximately four weeks.

Recently, St. Joseph rolled out a new outpatient clinic embedded in its partial hospital program. If the hospital is unable to make an appointment for a patient to visit a community-based psychiatrist within seven days of discharge, the patient gets an interim appointment with the hospital’s psychiatrist at the clinic. The doctor reviews the patient’s medications and discusses how the discharge plan is working or if the patient wants to talk with a case manager or social worker.

“This new clinic will definitely help our seven- and 30-day follow-up rates,” says Loats.

Another quality initiative involves a psychiatric nurse from the inpatient unit who makes daily rounds at the emergency department to meet with psychiatric patients. The nurse assesses the appropriate next step, including seeing a psychiatrist, admitting as an inpatient, transferring to another hospital or sending the patient home.

“The data provided by the ACE program has helped us move in the direction of providing programs like these to help our patients recover,” Loats says.

## AUTHORS

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Irvin “Pete” Brock III, MD, is responsible for Optum initiatives to improve affordability of behavioral health care for employers and commercial and government health plans, including Medicare Advantage and Medicaid plans. He is board certified in adult and geriatric psychiatry, and he has nearly 40 years of experience in health care, including 20 years while serving in the U.S. Air Force. He is a recipient of the Bronze Star and is a combat veteran of Operation Iraqi Freedom. Dr. Brock received his medical training at the Uniformed Services University of the Health Sciences, Bethesda, Md., with fellowship training in the dementias of aging at Johns Hopkins University. He joined Optum in 2008.

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Deb Adler is responsible for coordinating all recruitment, credentialing, and contracting for a network of more than 130,000 providers, assuring members have access to quality providers and a broad continuum of care. Deb leads a staff that has facilitated innovative network programs, including implementing tele-psychiatry programs to address member access needs and developing credentialing and operational requirements to incorporate peer- and family-run organizations as part of the array of network services. Before joining Optum in 2008, Deb worked in a variety of capacities including network executive, quality management executive and chief operating officer. She has a master’s degree in educational psychology and evaluation from Catholic University of America and is a Certified Professional in Health Care Quality (CPHQ).

