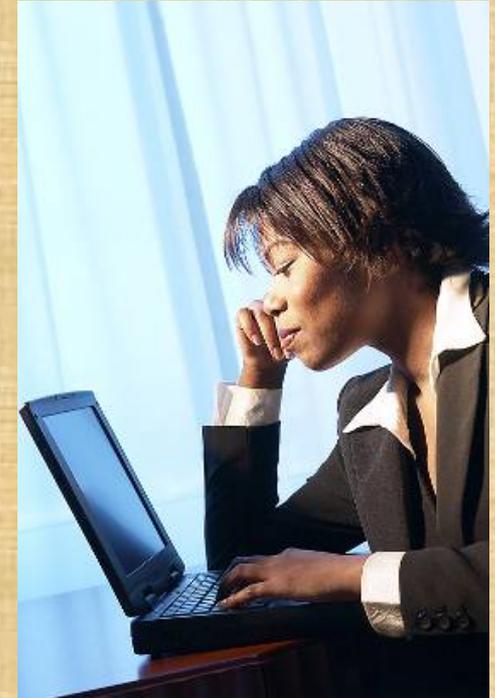


# Module 301

# Course 5A

**Welcome to Care Management! More On the Professional & Clinical Issues In Managed Care . . . How MCOs Make Those Treatment Decisions, and How To Deal With It.**



*\* This entire course 5A contains Modules 101, 201 and 301, earning 3 separate certificates.*



**Part A of Lesson One  
- Module 301, Course 5A**

**New Business Arrangements –  
Partners, Collaborators, Staffing,  
and Funding Shifts**



It's a new day in health care planning, service delivery, and funding! And this means changes in the workplace as well as in the treatment records.



**MANAGED CARE is not your 'same old' health care system. Or your 'same old' practitioner or health care employee! Not your 'same old' program environment, either. Whether in private practice or program operation, providers must find ways to work 'Managed Care' and 'Care Management' into their operations.**

**And they must also gain some LEVERAGE within a managed care environment. Some shifts may need to occur in who provides services, who directs services, who sits on Boards of Directors, and with whom we partner. Some will seek out new partners to fill in the gaps in services, and some providers may choose to leave the scene entirely.**

**And so before we move on to HOW those MCOs make their CARE MANAGEMENT treatment decisions, and how to deal with it, lets look at how we can better fit into a system like this.**



As we have said in previous material in this FlexiCourse, providers, States, *and* the HMOs must alter how they usually operate and think.

- **For anyone involved in healthcare: Productivity, outcomes, and cost effectiveness are the new watchwords – ‘doing good’ is no longer enough.**
- **For all providers: We must not ignore the potential impact of the shift to managed healthcare. ‘Resting on our traditional laurels’ – in terms of how we deliver services and how we obtain our funding – places agencies and private practices in an extremely vulnerable situation.**



## **The shifts include new-style financial arrangements – which can be challenging.**

- **What is different about FUNDING DECISIONS, i.e., who gets the contract and how is it funded?**

↪ **It's competitive – NEW PLAYERS – and ultimately, the Provider Contracts may be bid out or awarded to those with BETTER OUTCOMES**



↪ **And NEW CONTRACT FORMATS, too (bye-bye General Revenue and Block Grant, hello Fee-For-Service), prompting the need to seek and integrate new funding streams into your budget**

And therefore  
providers must  
move 'out of the  
box' to survive.  
There is opportunity  
knocking here, for  
willing providers!



***Many providers have been doing this type of service for a long time – but maybe not for an HMO or other type of managed care company. If not, it's time to expand! And sometimes it is easier to expand and adapt if you coordinate with others who are in the same boat.***

## Networks are important!



**Of great importance is this fact:  
There is no need to swim in  
these unfamiliar waters alone.  
There is comfort and safety in  
coming out of isolation,  
collaborating with other  
behavioral health providers in  
ways that were unheard of 5  
years ago, in order to 'survive  
managed care' in style!**

## Provider Networks and Strategic Partnerships – A Winner Under Managed Care!

- **PROVIDER NETWORKS:** Providers *working together* – a workable ‘ticket’ to surviving the shifts in the Behavioral Health industry. A way to gain ‘collective leverage’ and facilitate productive Provider Agreements with managed care companies. A way to cope with the managed care phenomenon with less pain and more gain. [Some call it ‘safety in numbers’! Others call it ‘rising to the occasion’!]



## Network Coordination and Collaboration Has Many Advantages – Such As Leverage and Stability!



- Enables *coordinated* negotiation and discussion with the managed care company about problematic aspects of Provider Agreements. Although no joint fee-setting talks are allowed, there CAN be joint discussion of such things as problematic contract language and unrealistic outcomes expectations.
  - Collaborative discussion with the HMO may also result in higher rates for specialized services due to the bargaining power of a group of diverse specialty providers. Leverage, leverage, leverage!

## Leverage, Stability AND Special Roles!

**Multiple network agencies and individual practitioners working together as a 'provider consortium' or 'provider advisory council' can also lead to designation of the network participants by the HMO as 'Core Providers' – or 'Specialty Providers' – for Seriously Emotionally Disturbed (SED) children or Severely Mentally Ill (SMI) adults, or for Chemically Dependent adults or adolescents. May also lead to improved rates for specialty providers, for specialized services!**



# **Network Collaboration Advantages . . . More Business Options!**



**Network collaboration – and strategic coordination among competent practitioners – undeniably brings in new visibility and new business within the community, for all concerned. Why? Because there is a fresh perception of network participants, a change-up of the way that the community views you, and thus improved referral relationships. Also, working outside of an isolated box tends to bring about enhanced professionalism for all – because we tend to sweep the cobwebs out of the corners when we become more visible!**

## And Other Advantages As Well . . .

***Specialization.*** Interagency collaboration and creative partnerships may also make it possible to consolidate or centralize the provision of some specialized services within the network – making use of the *unique talents* of the individual agencies or practitioners within the network. Examples: A medication clinic may be offered by *one* agency or practice for the clients of *several* agencies; specialty services for dual diagnosis MH/CD clients may be offered by one or two network providers for the entire network; a walk-in urgent care clinic may be offered at one or two strategic locations instead of at all agency locations; IOP for MH and CD/SA adults and adolescents may be offered by a couple of network providers for the entire network ; detox may be offered by one specialty provider, eating disorder treatment by another, etc.

## Advantages . . .

***Retention of clients:*** Making good use of the unique talents of individual agencies in a network also makes it possible for practitioners and agencies to retain difficult clients when a higher level of care is *temporarily* needed . . . rather than to lose them outright to another provider when the client requires 'something more' than what you provide. How does this work? With responsible coordination agreements in place, clients may be referred to 'step-up' services within the network during a crisis, to a provider who offers short-term step-up services – things like detox, 23 hour observation, short term residential units, and rehabilitative day treatment. When the crisis is past, the client returns 'home' to your practice or agency.



## Advantages . . .



*Optimizing Resources.* With strategic alliances and agreements in place between providers, we may also be able to consider certain program shifts or expansions that seemed impossible before, without the support of a collaborative partner. You can **OPTIMIZE** your own resources and efforts. Like, you might off-load or downsize certain low-volume services by referring that piece to a network partner, so that you can focus on starting that Intensive Outpatient Program (IOP) that you have been wanting to start.

## Advantages . . .

- ***Efficiency and Cost Management.***  
***Everyone*** does not have to do ***everything!*** Explore centralized and coordinated performance of some crucial clinical services – such as centralized 24/7 telephone triage which can be ‘purchased’ by several network agencies or practitioners, from one network agency or practitioner who can more easily perform this after-hours task. This makes impossible tasks do-able . . . collectively.



## Advantages . . .

**Alliances also are a ready-made source of referrals of clients who need our specialized care – network partners refer among themselves.**





***So is this  
'partnership' stuff  
a bed of roses?***

**Well . . . no.  
There are  
some  
challenges.**



**So let's move on to some of the potential barriers and challenges, in Part B of Lesson 1. To reach the link for this lesson, simply close this page. You will see your list of Study Guides and Quizzes displayed in the previously opened window. Just click where you want to go!**

