

**Preparing to Use the Affordable Care Act
To Fund Your Mentally Ill Offender Strategy**


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**The COCHS Approach:
Public Safety and Community Health**


- Public safety and public health systems are intertwined.
- Similarly, the health of the justice-involved population is intertwined with the health of the general population.
- Connecting health care in the criminal justice system to health care in the greater community preserves the investments jurisdictions make in their vulnerable justice-involved populations.



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Health Reform


The Affordable Care Act (ACA) expands health coverage to millions of previously uninsured Americans, creating access to needed services for many for the first time. Many of the newly eligible will be justice-involved, and the dramatic increase in treatment resources could have a major impact on the criminal justice system.



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Health Reform


Many of the services utilized by Collaborative Courts could be financed through the California’s ACA coverage expansions. By harnessing the opportunities presented by the ACA, Collaborative Court professionals could reduce costs for jurisdictions while simultaneously expanding their efforts to reduce crime and help people lead drug-free lives.



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Mutualistic Relationships

The health system gains proven, effective access to individuals with high needs, and specialty courts gain means of creating sustainable funding and connection to broader health care resources.




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**Washington State and “The Mancuso Effect”:
Reduced Crime, Improved Health & Safety**

When chemical dependency treatment was offered to very low income adults—a population that included many individuals with histories of justice-involvement—research found:

- Reduced crime and recidivism, and correlated savings to crime victims and criminal justice systems.
- Improved physical and mental health, and significant cost savings in health care.




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Washington State: Criminal Justice System Benefits

Decline in arrests relative to untreated comparison group	33%
Cost savings to criminal justice system per dollar of cost	\$1.16
Cost savings to crime victims and criminal justice system per dollar of cost	\$2.83

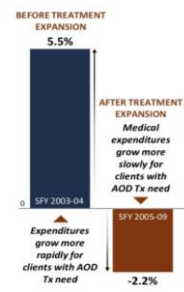
Source: Mancuso D, Felver B. Providing chemical dependency treatment to low-income adults results in significant public safety benefits. Washington State DSHS Research and Data Analysis Division, Report 11.130 (Feb 2009).



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Washington State: Medical Costs Decrease with Treatment

Growth in medical costs relative to coverage group:



BEFORE TREATMENT EXPANSION
5.5%


AFTER TREATMENT EXPANSION
Medical expenditures grow more slowly for clients with ADD Tx need

SFY 2003-04

SFY 2005-09

Expenditures grow more rapidly for clients with ADD Tx need
-2.2%


Source: Mancuso D, Felver B. Bending the Health Care Cost Curve by Expanding Alcohol/Drug Treatment, Washington State DSHS Research and Data Analysis Division, RDA Report 4.81 (Sept 2010).



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The Economics of Treating the Justice-Involved Population


- Without access to care, many justice-involved individuals are “frequent flyers” of emergency room services, inpatient psychiatric services in the community, and jail health services.
- From a financial perspective, it is in the interest of state and local jurisdictions to offer effective behavioral health treatment to justice-involved individuals.



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Goals

- Understanding issues of eligibility and enrollment;
- Understanding how to connect with services already in the community; and
- Understanding how to finance connections with Medi-Cal covered services.




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Medi-Cal Eligibility

- Medi-Cal is newly available to non-elderly adults with income up to 138% FPL, regardless of health status, gender, or parental status.
- Justice-involved individuals residing in the community (e.g., re-entering the community from jail, on probation/parole, etc.) can be eligible for Medi-Cal and can receive coverage (i.e., services provided can be paid for by Medi-Cal).
- Medi-Cal coverage is not available for individuals in prison or jail (i.e., services provided cannot be paid for by Medi-Cal), but individuals who are otherwise eligible retain their eligibility while in prison or jail and can enroll.


— 42 U.S.C. § 1396d(a)(2)(A); 42 CFR § 435.1010



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Qualified Health Plan Eligibility and Coverage

- Qualified individuals with income from 138% - 400% FPL will be able to purchase Qualified Health Plans (QHPs) with federal premium subsidies through the exchanges.
- Justice-involved individuals residing in the community, (e.g., re-entering the community from prison, on probation/parole, etc.) can be eligible for federally subsidized QHPs and can receive coverage.



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QHP Coverage for Justice-Involved

- Regarding QHPs available through health insurance exchanges, the ACA specifies that: “[a]n individual shall not be treated as a qualified individual if, at the time of enrollment, the individual is incarcerated, other than incarceration pending the disposition of charges.”
- This means that, subject to the requirements of health plans, individuals may be able to newly enroll or maintain existing coverage through a QHP while *incarcerated while pending disposition of charges*.
- Services provided while the individual is pending disposition can potentially be paid for by the QHP.



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Various Models for Enrolling Justice-Involved Populations

- Authority for state or county to act as authorized representative.
- Eligibility workers stationed in correctional settings.
- Community-based organization assists with application at jail intake.
- Sheriff’s deputies assist with enrollment, being developed in Alameda, California.



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Alameda County Model (Never Implemented)

Planning process for enrollment at jail booking:

- Existing data from jail management system (JMS)
- Data bridge from JMS to online application on iPad
- Sheriff designated as authorized representative
- Maintenance of community policing philosophy
- Process can be supported with Medi-Cal Administrative Activities funds



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2. Connecting with Services in the Community

- Understanding County Managed Care
- Understanding the Drug Medi-Cal Organized Delivery System



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Federated Counties

- Each of California’s counties has a set of complicated relationships that each collaborative court will need to wade through



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Managed Care Plans

- County health care plans can come in several different flavors:
 - County Organized Health System (22 Counties)
 - Two-Plan Model (14 Counties)
 - Geographic Managed Care (2 Counties)
 - Regional
 - Imperial
 - San Benito
- Managed care plans receive money every month to take care of your clients. Don’t pay for the same things twice!



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Medi-Cal Specialty Mental Health Services

- In addition to these plans, there are several services that are carved out for Medi-Cal beneficiaries with severe mental illness.
 - Hospital Services
 - Outpatient mental health treatment
 - Crisis intervention
 - Case management
- Individuals with “mild to moderate” mental health needs can be paid for through their Medi-Cal managed care plan



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The Organized Delivery System

- Adding to the complexity is the organized delivery system (DMC-ODS).
 - Based on the ASAM criteria, counties that opt into the ODS must provide:
 - ❖ **Early Intervention** (coordination with FFS / MCPs)
 - ❖ **Outpatient Services** (includes IOT and naltrexone)
 - ❖ **Residential** (not limited to perinatal or restricted by IMD exclusion)
 - ❖ **Narcotic Treatment Program**
 - ❖ **Withdrawal Management** (at least one level)
 - ❖ **Recovery Services**
 - ❖ **Case Management**
 - ❖ **Physician Consultation**



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Linking to these Services

- Connect with the array of managed care plans and your county to ensure that one of these payers receives the bill for the provided services.
- Since your court deals with individuals with higher levels of need, many managed care organizations would appreciate the services you provide to your clients and their families.



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3. Filling in the Gaps

- Besides the services that you can provide for Medicaid, there are funds available to pay for many of the services that you currently provide.
 - MAA
 - TCM



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Medi-Cal Administrative Activities (MAA)

- Through Medi-Cal Administrative Activities (MAA), states and counties can receive federal reimbursement for activities that are necessary for the proper and efficient administration of the state Medi-Cal plan.
- Among other activities, Medi-Cal outreach, application assistance, and non-emergency transportation are potentially eligible.
- Public safety personnel are potentially eligible for MAA.
- Most activities can be eligible for 50% federal match.



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Targeted Case Management

- Optional Medicaid program
- 48 states: offer as covered benefit
- Funded by federal and state/local funds
- Local Governmental Agencies: subcontract with non-governmental entities to provide services
- Case Management = services which assist eligible individuals gain access to needed medical, social, educational and other services



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Collaborative Courts

Potentially maximize resources using ACA-funded treatment:

- Coordinate between the judiciary, court staff and administrators, Medi-Cal agencies, insurance plans, and treatment providers to determine covered services and appropriate treatment
- Medical necessity determines what Medi-Cal and private insurance will pay for
- **WARNING!!!** Benefit exclusions for court-ordered services
- Clinicians must be appropriately licensed and certified



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Re-entry

More resources for individuals returning to the community:

- Coordination between re-entry specialists, health care professionals (in corrections and community-based), and probation/parole
- Continuity of care and “warm hand-offs”
- Bridge medications
- HIT can help facilitate
- According to the federal government, Medicaid coverage is available for individuals on probation; parole; home release; and individuals living voluntarily in a detention center, jail, or other penal facility



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Key Considerations

Criminal justice stakeholders looking to capitalize on new opportunities created by the ACA should consider key issues related to reimbursement from third-party payers such as Medi-Cal and private insurance plans:

- Benefit exclusions for court-ordered services
 - Provider licensure and certification
- Moreover, all new opportunities depend on enrollment



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Questions?

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