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HEALTH PLAN PERSPECTIVES: EVOLVING TO THE NEXT GENERATION OF BEHAVIORAL HEALTH SOLUTIONS

The demand for services to address behavioral health conditions – inclusive of Mental Health and Substance Use Disorders – has never been greater given changes in cultural acceptance, evolving regulation, increasing attention to integrated care, and most recently, the acute impact of the COVID-19 pandemic. Despite this growth in demand, the ability and capacity of the clinical delivery system (i.e., the supply side) to address it remains challenged. Given the significant implications on member outcomes, satisfaction, and clinical cost management, health plans are faced with a major challenge: how should plans evolve from traditional models and implement new behavioral health strategies that can more effectively address the growing, diverse and unmet needs of members and providers.

THE DEMAND FOR BEHAVIORAL HEALTH SERVICES IS REAL AND GROWING

The National Institute of Mental Health estimates that approximately one in five American adults live with a mental illness, and the demand for behavioral health services has never been greater. Several key factors are continually driving increased demand, including:

1. **Changing Demographics & Cultural Acceptance**
2. **Increased Condition Prevalence**
3. **A More Favorable Regulatory Environment**
4. **Rise in Consumerism**

1. Changing Demographics & Cultural Acceptance

Societal and personal stigmas associated with a behavioral health diagnosis act as a significant barrier for those seeking treatment. In fact, it is estimated that two-thirds of individuals with a behavioral health condition will never seek treatment due to perceived stigma. The consequences of delaying or avoiding care are especially visible through an economic lens: the National Alliance on Mental Illness estimates that untreated mental illness costs the U.S. economy approximately $200 billion in lost earnings per year. Despite this systemic challenge, data suggests that a shift in perspective is occurring. Not only are younger generations more attuned to behavioral health conditions and treatment in principle, they are seeking care at unprecedented rates in comparison to other demographic cohorts. A recent study found that college counseling center utilization increased by 5 to 6 times the rate of institutional utilization over the five year period measured. While a shift in acceptance is driving increased demand for behavioral health services amongst younger cohorts, the prevalence of costly physical and behavioral health comorbidities in senior populations is also contributing to this growing trend.

2. Increased Condition Prevalence

Various cultural and other societal factors are contributing to a rise in mental health and substance use disorders that transcend geographies and demographics. The rate of opioid overdose death has increased fivefold from 1999 to 2018, claiming the lives of more than 100 Americans each day. Not only has the opioid epidemic increased demand for behavioral health services, it has provided a national impetus to more broadly acknowledge and address mental health and substance use challenges.

Additionally, there is a strong correlation between Millennial and Gen Z behavioral health challenges and the continued use of social media. A related study demonstrated significant association between depression and social media use – those who were categorized as "heavy" social media users were almost 3x as likely to be depressed as their peers who were categorized as "occasional" users.

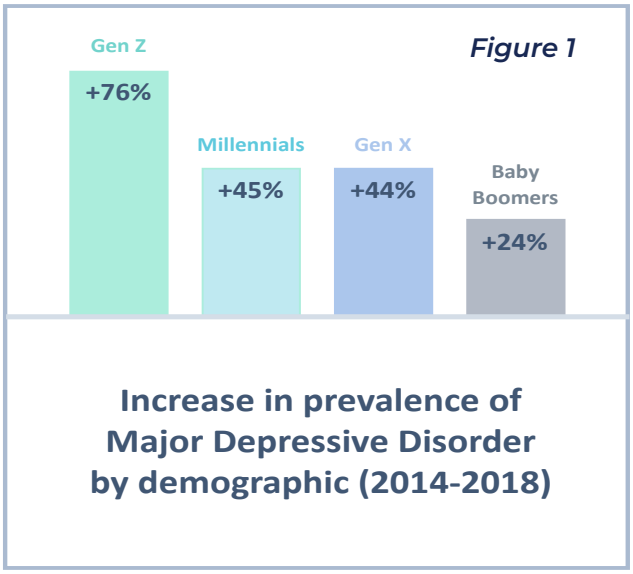


Figure 1

Increase in prevalence of Major Depressive Disorder by demographic (2014-2018)

3. A More Favorable Regulatory Environment

Building on mental health parity laws that were introduced in 1996 and expanded in 2008, federal and state governments continue to update guidance and regulation related to behavioral health care delivery. For example, telehealth regulation continues to be dynamic, with most states providing some form of reimbursement for live video within their Medicaid programs, but with key differences on specific coverage aspects (e.g., origination location).

4. Rise in Consumerism

Health plan members - consumers of physical and behavioral health services - increasingly expect intuitive navigation and a consumer-grade experience from their health plans. Similar pressures from employer groups are driving increased investment in accessible mental health tools and programs (e.g., expanded EAP and employee resiliency tools).

In the behavioral health space specifically, clinical tools made available via mobile phone or web-based applications allow for relative anonymity in accessing care, likely reducing stigma-induced barriers to care. This advantage has been recognized by those seeking behavioral health treatment virtually - 45% of Americans surveyed indicated an openness to trying tele-behavioral health services. However, a significant opportunity remains in translating that awareness and openness to telehealth adoption – only 7% of those surveyed indicated having received treatment via this care delivery channel.

The market forces outlined above serve as a catalyst for health plans to diverge from the status quo. Demographic shifts driving increased acceptance and utilization of behavioral health services – coupled with rapidly changing consumer expectations – yield an environment in which health plans can capitalize on opportunities to improve access to personalized care.

COVID-19 Implications

The novel coronavirus has also created spikes in demand as a result of coronavirus-related worries or stressors, with notable impacts to frontline workers, those experiencing job loss or income insecurity, and parents with newly expanded childcare responsibilities. In fact, a June 2020 study found that 36.5% of U.S. adults report symptoms of anxiety or depressive disorder, a more than 300% increase from 2019.

Facing an unprecedented demand for behavioral health services, federal regulatory bodies have notably relaxed and/or amended standing regulations to increase access for previously non-engaged members. These changes may provoke future discussion around a continued balancing of regulation with accessibility and affordability, likely creating a path for broader adoption and acceptance of virtual care.

Notes: Figure 1, sourced from BlueCross BlueShield

CURRENT CHALLENGES IN EFFECTIVELY ADDRESSING GROWING DEMAND

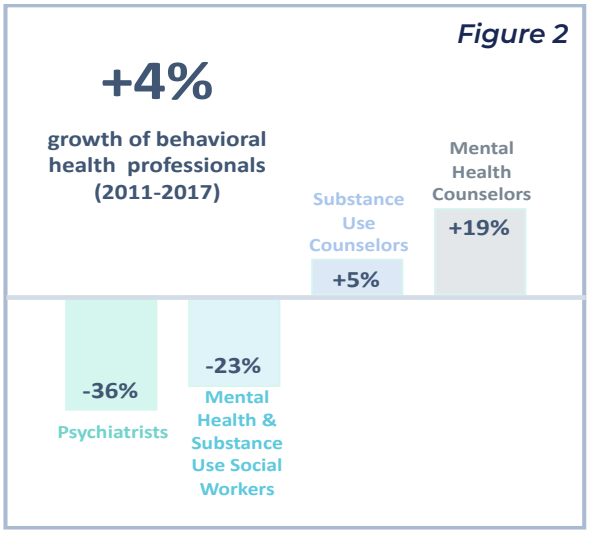
Cultural, environmental and regulatory forces are increasing demand for behavioral health services and concurrently, an expectation to ease access to these services. Health plans must consider the systemic and acute challenges that plague their behavioral health delivery systems, and consequently, their membership. Acknowledging the root causes and implications of these challenges represent a promising first step for health plans seeking to effect appropriate change within their respective markets. Below, we've outlined several of these challenges faced by health plans and their members:

1. **A Shortage of Appropriate Clinicians**
2. **Fragmentation in Current Care Delivery**
3. **Suboptimal Member Education & Navigation**

1. A Shortage of Appropriate Clinicians

Challenges in access to behavioral health clinicians are multi-faceted, involving both significant gaps in geographic coverage of mental health resources as well as a supply of clinicians being outpaced by demand for services. In addition to an overarching shortage of behavioral health professionals, there is long-standing concern with accessibility to behavioral health services for members living in rural or otherwise economically burdened geographies. In April 2019, The Health Resources & Services Administration, a unit within U.S. Department of Health and Human Services (HHS), estimated that over 120 million Americans live in a mental health professional shortage area, indicating a lack of professionals and facilities within a given geography.

Figure 2



2. Fragmentation in Current Care Delivery

Primary care providers are often the first point of clinical contact for members, both for acute incidents and for traditional "check-in" visits. For this reason - coupled with challenges in reaching behavioral health clinicians - the primary care setting has become the "de facto" mental health treatment system in the United States.

Despite this opportunity for primary care physicians (PCPs) to potentially address gaps in holistic physical and behavioral health care, the historical structural chasm between physical and behavioral care delivery - educationally, clinically, financially, and administratively - has prevented PCPs from effectively diagnosing and treating behavioral health conditions. This chasm has been partially driven by the historical independence of behavioral health providers and the orientation of primary care, the latter of which often lacks the training and/or resources needed to effectively treat behavioral comorbidities. Notably, it is estimated that only 50% of patients with latent behavioral health conditions who are seen in a primary care setting are accurately diagnosed. As a result, clinicians are challenged to coordinate the appropriate pharmaceutical, social, and other clinical interventions (such as cognitive behavioral therapy).

3. Suboptimal Member Education & Navigation

Independent of access and capacity issues, health plan members are often not adequately equipped with effective resources to navigate care options. A common - and often costly - outcome of this gap is the utilization of out-of-network services when receiving behavioral health treatment.

Notes: Figure 2, sourced from PsychCentral

A recent actuarial study on network use suggests that patients are 5.2x more likely to use out-of-network inpatient care for behavioral health care than for medical or surgical care. While the reasons underlying out-of-network utilization are myriad - and for behavioral health, often personal - improved member understanding of available, local options could significantly encourage movement towards in-network care options.

Faced with a scarcity of appropriate resources and difficulty in locating accessible resources, consumers often seek ineffective and often costly solutions for both the member and plan. As such, it is the health plan's responsibility to develop and connect members to solutions that are both clinically effective and cost-efficient, and to promote change within their organization that addresses deeper issues of fragmentation between physical and behavioral health care delivery.

WHAT CAN HEALTH PLANS DO TO ADDRESS THESE CHALLENGES?

Given the increasing demand for services and multitude of challenges within the healthcare ecosystem, the opportunity for health plans to address the ongoing operational, clinical, network, and financial challenges associated with behavioral health has never been greater. Health plans are positioned to play an important integrator role, bridging gaps across the many stakeholders – members, providers, employers, government plan sponsors, and other insurers – to effectuate change, improve clinical quality, and capture value associated with integrated physical and behavioral health care.

Further, the potential return to a health plan in improved cost and outcomes for members with physical and behavioral health comorbidities warrants the investment. According to a recent actuarial analysis of cost and utilization data, medical expenditures associated with chronically ill members with a behavioral health comorbidity are two to three times higher than those without such a comorbidity. To manage these costs and improve outcomes for comorbid, high acuity members, as well as to meet the growing demand for behavioral health services across all acuity levels, health plans can consider a variety of approaches and emerging models, which are not mutually exclusive.

In the section below, we will explore a few of the impactful ways health plans have invested in behavioral health through advancements in their **(1) behavioral health operating model**, **(2) clinical and network partnerships,** and **(3) expanded advocacy and community health engagement**.

Spectrum of Solutions to Address the Behavioral Health Ecosystem

Reimagine the Traditional Operating Model

- Vision, Leadership, and Management
- Building Insourced Capabilities
- The Evolving Role of MBHOs
- Other Enabling Partners
- Overall Program Integration

Integrate Clinical Programs and Network Partnerships

- Worried Well and Resiliency
- Substance Use Disorder Programs
- Collaborative Care Models and Integrated Networks
- Virtual Providers

Engage in Advocacy and Community Health

- Community Partnership
- Legislative Advocacy
- Philanthropic Investment

REIMAGINE THE TRADITIONAL OPERATING MODEL

Many health plans are focused on inventorying, redesigning, and re-investing in their internal operating models in order to build a more centralized structure and accountability for behavioral health programs. Critical success factors for any operating model design focused on behavioral health include:

1. **Vision, Leadership, and Management**
2. **Building Insourced Capabilities**
3. **The Evolving Role of MBHOs**
4. **Other Enabling Partners**
5. **Overall Program Integration**

1. Vision, Leadership, and Management

Behavioral health leadership roles are often subsumed as a part of broader health plan roles, resulting in gaps in accountability and a lack of focus on improving the plan's behavioral health programs. Behavioral health leadership - through proper governance and oversight - can serve the role of coordination and alignment with the health plan's enterprise operational processes, platforms, and analytics strategies. This includes integrating with the health plan's broader care management initiatives, provider network strategies, and customer-centric (e.g., employer group) programs. Beyond dedicated program leadership, behavioral health teams require an advanced level of expertise, experience, and credentials to appropriately manage the nuances of behavioral health. For example, call center staff need proper training and experience to educate members on their mental health and substance use benefits while simultaneously being able to detect a potential crisis for appropriate clinical intervention. Similarly, behavioral health case managers and physical health case managers need to partner together to support comorbid members in their complex care navigation needs.

2. Building Insourced Capabilities

Health plans continue to evaluate whether insourcing or outsourcing management of behavioral health services is appropriate given standing relationships with vendors, available enterprise resources and capital, and the desire for an integrated operating model. There are significant benefits to insourcing behavioral health management, particularly related to network management, care management, and customer service, given the universal objective to better integrate physical and behavioral health. Because of these potential benefits, many have made the decision to move away from a legacy outsourced model. For example, 23 of 36 Blues plans now manage behavioral health services internally, representing nearly 80% of Blues membership. Despite this trend, insourcing capabilities remain a complex decision because of the significant enterprise impact and high switching costs. As a result, health plans should critically evaluate the decision to insource in light of other competing enterprise initiatives, available funding and resources, and risk tolerance.

"Horizon recognizes the need to treat people holistically – both mind and body – so that they may achieve their best health and best quality of life. The success of our proactive integrated care strategy has been a result of substantial investments in tools and partnerships, delivering solutions for all members across the continuum of need."

Suzanne Kunis,
VP of Behavioral Health at
Horizon Blue Cross Blue Shield of New Jersey

3. The Evolving Role of MBHOs

Though many health plans are choosing to insource behavioral health functions to enable integration, there remains an important and evolving role for traditional Managed Behavioral Health Organizations (MBHOs) to play. Health plans are finding innovative ways to partner with MBHOs through bespoke delegation models to round out their behavioral health programmatic offerings.

Additionally, MBHOs are beginning to partner with other enabling vendors in health plans' behavioral health ecosystems to further support overall physical and behavioral health integration. For example, MBHOs are evolving their capability sets to address targeted population cohorts (e.g. highly complex), lines of business (e.g., Medicaid), and / or growing demand areas (e.g., BH pharmacy management), and health plans are evaluating partnership models that are more akin to targeted point solutions arrangements rather than full outsourcing of all services.

4. Other Enabling Partners

Increasingly, health plans are realizing the potential dividends of partnering with enabling vendors. The market has recognized the power of these point solutions to disrupt broken care delivery models as mental health startups reached record highs in funding in Q1 2020, surpassing $575 million in equity investment for the quarter alone. Tech-enabled point solutions are entering the market with innovative solutions to address member needs across the clinical acuity spectrum and through the appropriate partner for support in filling health plan capability gaps can be a challenge in and of itself. Health plans should first identify the process / solution gap that they are looking to close, then determine the targeted cohort(s) of membership to serve with the solution, and finally, evaluate vendor features to ensure alignment and integration with the overall behavioral health program.

5. Overall Program Integration

A final piece of reimagining the traditional behavioral health operating model is to bring all the pieces together – across internal functions and enabling partners – into a cohesive, integrated solution. On the surface, this may seem like an obvious necessity for program success, but many health plans are challenged with aligning clinical, operational, and network programs across multiple parties in an optimal and efficient manner. For example, a health plan may select multiple enabling partners with the goal of serving all acuity levels of their membership base. The challenges in ensuring coordination in member outreach, care management, and – not to mention – financial reconciliation to ensure appropriate rewards, are trying and complex. Health plans aim to monitor program effectiveness and return on investment in order to support future programmatic strategy, but this can be particularly problematic when multiple parties are involved. A thoughtful and organized approach to vendor management and program oversight through dedicated leadership is a first step in ensuring behavioral health program integration and effectiveness.

INTEGRATE CLINICAL PROGRAMS AND NETWORK PARTNERSHIPS

By establishing strategies across the spectrum of behavioral and physical health acuity levels – from low risk members seeking Employee Assistance Programs (EAP) services to high and acute risk members relying on intensive case management – health plans are seeking to address the mental health and substance use needs of all members. Fortunately, new and innovative models have emerged to support health plans through this evolving landscape.

1. **Worried Well and Resiliency**
2. **Collaborative Care Models and Integrated Networks**
3. **Substance Use Disorder Programs**
4. **Virtual Providers**

1. Worried Well and Resiliency

As previously mentioned, today's consumer is seeking a member centric experience in accessing care especially for managing ongoing mental health. These member needs can be fulfilled through improved availability of online content (e.g., Cigna's forward facing Behavioral Health landing page) or through access to tech-enabled, mobile-friendly tools supporting on-demand mental health services. Coaching and resiliency tools such as Ginger, Joyable, and TalkSpace, afford members with real-time, on-demand access to lower levels of care through personalized approaches that meet the expectations of today's consumer. These solutions bring mental health support to a significant portion of membership who may not otherwise engage for their mental health needs.

2. Collaborative Care Models and Integrated Networks

Collaboration between behavioral and physical healthcare providers has improved member experience and outcomes and reduced cost of care. Many health plans focused on integration have implemented programs to improve PCP diagnosis and treatment of mental health conditions as well as to enable coordination between physical health and behavioral health providers. Depending on in-house capabilities and support available within network provider offices, it may be prudent to evaluate technology partner solutions designed to support greater PCP diagnosis and treatment of mild-to-moderate mental health conditions. For example, companies including Quartet Health and Express Scripts through the InMynd Behavioral Health Care program are partnering with health plans to promote the identification and treatment of mental health issues in PCP offices through advanced analytics and individualized care planning. Finally, although value-based reimbursement models are less mature in the behavioral health arena, there is an opportunity for health plans to consider pay-for-performance models within the context of integrated care networks. Through this approach, providers are rewarded for care coordination supporting improved outcomes and overall decrease in total cost of care.

> "The Coronavirus has only highlighted what we have long known: mental health is health. In recent years, and increasingly today, we are seeing leaders across the industry focus on building a mental health care system that treats it as such, rather than as a silo outside of traditional health care. An aggregator of high-quality mental health services and solutions, both virtual and face-to-face, Quartet helps people with mental health conditions easily and efficiently get the best care for their specific needs, and link it back to their overall healthcare experience - physical and mental."
>
> David Wennberg, MD, MPH
> CEO of Quartet

3. Substance Use Disorder Programs

The growing pervasiveness of substance use disorders – particularly related to opioid use – is well-documented. Health plans have deployed various programs to address SUD, ranging from Medication Assistance Treatment (MAT) programs which combine behavioral therapy and medications to treat substance use holistically to incentivizing physicians to use advanced Prescription Drug Monitoring Programs (PDMP) which can identify abnormal patient behavior to effectively prevent the misuse of prescription drugs. Additionally, tech-enabled tools such as WorkIt Health, which enables addiction treatment through telemedicine, are playing network-extender roles for health plans seeking to provide increased access to SUD care. Regardless of programs deployed, a health plan's SUD solution should address the important interconnectedness of mental health and the substance use condition in order to comprehensively address the member's needs.

4. Virtual Providers

Given market challenges around accessibility to appropriate in-network behavioral health providers, many health plans are considering augmenting their brick-and-mortar network through collaboration with telehealth providers. These vendors can act as either network extenders – making new, non-local providers available to members via telehealth solutions – or as network enhancers – implementing telehealth solutions for existing network behavioral health providers. Such solutions are necessary to meet demand for increased virtual care: since summer 2019, virtual behavioral health care appointments have increased by 160%, with half of that growth gained since the start of the COVID-19 pandemic. Lastly, oftentimes virtual providers support access gap closure while providing the dual benefit of remote therapy for members seeking anonymity.

> "There has been a clear shift in consumer and health plan consciousness around mental health over the last five years. Virtual, technology driven solutions in mental healthcare have come a long way in responding to that growing awareness and need by broadening access and augmenting the supply required to meet the increased consumer demand. This is the first frontier for virtual mental healthcare. The second frontier, arguably as critical and a requisite to the first, is using that technology to force evidence based and high-quality treatment, thereby ensuring that the right outcomes are achieved for both the patient and the health plans."
>
> Trip Hofer,
> CEO of AbleTo, Inc.

ENGAGE IN ADVOCACY AND COMMUNITY HEALTH

Attention to the broader community - beyond the efforts through plan-sponsored programs catering to specific members - is an important aspect to an impactful behavioral health strategy. Engagement in advocacy and community health requires both financial investment and organizational focus on community behavioral health, with the objective of addressing the following external factors:

1. **Community Partnership**
2. **Legislative Advocacy**
3. **Philanthropic Investment**

1. Community Partnership

Recognition of the role that social determinants play in the development and, consequently, treatment of behavioral health conditions is a crucial component of a health plan's overall behavioral health strategy. Health plans can serve as amplifiers of local, trusted community partners (e.g., schools, social organizations, park districts) through financial, awareness, and navigation campaigns.

Choosing to partner with local organizations can address questions of accessibility - as members likely live in proximity - and of stigma - as members are more likely to frequent and trust these organizations. In addition to supporting existing programs and community partners, health plans can create and share original content through destigmatization and awareness campaigns to highlight the importance of mental health and share details about available resources for both members and for the broader community.

2. Legislative Advocacy

While community-based efforts to address barriers to quality behavioral health care are crucial, broader legislative advocacy has the ability to effect change at a broader level for both current and prospective health plan members. Health policies which improve communication and collaboration between government and health plan stakeholders could cultivate an environment that better addresses behavioral health needs for members across all lines of business.

3. Philanthropic Investment

Finally, health plans can utilize philanthropic investment to support local, state, and federal efforts around behavioral health awareness and treatment (e.g., suicide prevention efforts). Health plans also can invest capital in provider-led programs intended to improve the behavioral health status of their patient populations.

Community Health in California

A notable example of health plan commitment to improving behavioral health outcomes at a local level can be seen through Blue Shield of California's recent launch of the BlueSky initiative, a multi-year, statewide campaign to improve awareness of and access to mental health resources for middle and high school students in California. The initiative commits to providing Youth Mental Health First Aid for teachers and staff, additional one-on-one counseling resources and peer support groups for at-risk students, and online resources and tools for all students.

HOW CAN PLANS BEGIN TO EVALUATE THEIR BEHAVIORIAL HEALTH PROGRAMS?

The above approaches represent concrete steps that health plans are taking to invest in their behavioral health solutions to drive clinical integration, improve cost and quality management, streamline operational performance, and enhance member experience. Recognizing that there is no one-size-fits-all approach, organizations must determine the combination of solutions that work best for their business and local market dynamics. Given the significant impact that a focused, integrated behavioral health strategy can have on member experience, outcomes, and costs, we believe that reevaluating a plan's existing organizational approach and programs can have significant returns for all stakeholders.

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HEALTHSCAPE CAN HELP.

HealthScape has worked with health plans throughout the country to design and launch next generation behavioral health solutions across all market segments. Our expertise and execution-focused approach helps clients develop and implement innovative and pragmatic strategies, new operating models, integrated care programs and emerging vendor offerings. As the challenges and opportunities in behavioral health continue to evolve, HealthScape is well positioned to serve as your advisor during this journey.

Contact Dan and Jeremy for more information.