4sight Health Roundup Podcast Transcript
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A Big Test for Behavioral Health Integration

David Burda:
Welcome to the 4sight Health Roundup podcast, 4sight Health's podcast series for healthcare revolutionaries, outcomes matter customers count and value rules. Hello again, everyone. This is Dave Burda, news editor at 4sight Health. It is Thursday, February 1st. Tomorrow is Groundhog's Day. If Puxatawny Phil lived here, we'd have an early spring every year. Why bother coming out of your hole? Just sleep in. Now, I don't have seasonal affective disorder. I'm just cranky by nature, but I do know a lot of people who do. In fact, I know a lot of people with mental health conditions of various types and degrees. Fortunately for them, they have access to behavioral health services as well as physical health services. As we all know, physical health and behavioral health are two sides of the same coin. It's just health. And that's what we're gonna talk about on today's show, the integration of behavioral and physical health. Thanks to a new value-based care demo from CMS to tell us how big a step in the right direction this is. Or Dave Johnson, founder and CEO 4sight Health. And Julie Murchinson, partner at Transformation Capital. Hi Dave. Hi, Julie. How are you guys doing this morning, Dave?

David W. Johnson:
Oh, I am enjoying life in Phoenix at the HFMA board meetings. Love the desert this time of year. Who wouldn't?

Burda:
Right? Good for you. Nice and dry and cool at night, right?

Johnson:
That's right, that's right. Very cool. At night, actually. <Laugh>.

Burda:
Thanks Dave. Julie, how are you?

Julie Murchinson:
I'm well. I'm back in cloudy Seattle and perhaps happy to not be in the atmospheric river of California. But, you know, busy week. Yeah. Things just keep rolling along.

Burda:
Very cool. Thank you. Now before we talk about this new behavioral health demo, let's talk about Groundhogs Day. Dave, what's your prediction? Shadow or no shadow?

Johnson:
Well, since it's gonna be pushing 50 degrees in Western Pennsylvania this week maybe it doesn't even matter whether it's shadow or no shadow. <Laugh>, you know, is global warming,

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pushing Puxatawny Phil into the dustbins of history. You'll probably come out wearing sunglasses. <Laugh>. That's my prediction. <Laugh>

Burda:
The unemployment line. That's great. Julie, how about you? Shadow or no shadow?

Murchinson:
Well, Dave, Bellingham, Washington. That's about an hour and a half or two. North of Seattle was 68 degrees earlier this week. <Laugh>, I mean, that's like freaky. So I'm with you on the warm thing, but I would just say that this year feels like a very ominous year for so many reasons, international and domestic, that I think he's gonna see a shadow.

Burda:
All right. <Laugh>. We'll see. We'll see.

Johnson:
Dark, dark shadows. He's gonna be seeing dark shadows.

Burda:
Yeah. Well, I'm definitely going no shadow. I wanna a early spring so I can get out and garden, because gardening takes the edge off my natural crankiness, right? <Laugh> every, everyone wins. <Laugh>. Now let's talk about this new CMS demo. It's called the Innovation in Behavioral Health model, or IBH. It's open to community-based behavioral health organizations in up to eight states. It's for Medicare and Medicaid patients who have mental health conditions or substance abuse disorders, CMS will pay organizations to set up care teams of both behavioral health and physical health providers to care for those patients. The quote glide path from fee for service, the value-based payment will include one infrastructure funding to get set up, two integration support payments, which are prospective risk adjusted per member per month payments for initial and ongoing screening assessments and coordination of behavioral and physical health conditions. And three performance-based payments to incentivize quality outcomes. The eight year program will start this fall. Dave, what's your initial reaction to this new demo and what, from a payment policy perspective, do you think of the payment structure? Will it work?

Johnson:
Well, Dave, I like the model enormously. As I've been saying almost endlessly on these podcasts, I've been working up to my eyeballs on finishing the manuscript for the book. Paul Sero and I are writing together gradually and then suddenly 10 macro and market force is revolutionizing US healthcare and macro force number five is pro-market, pro-consumer

reforms. And this new program by CMMI falls directly into the type of program Paul and I are thinking about and can actually move the needle in terms of revolutionizing US healthcare. So what is this program? It's replicating in many ways CMMI's model for trying to get more of the Maryland all payer model out into different states. So in that case, same number of states, eight, number of years is a little bit shorter. Eight versus 10. They'll have to compete to get the, get the grants. But in the same way that CMMI wants to use federal reform and federal payment to stimulate pro-market, pro-consumer behavior with the head program and all payer structure within a global budget. They're doing the same type of thing here with behavioral health. I mean, the program is designed to improve the quality of care and health outcomes for people with moderate to severe behavioral health conditions. Who, who doesn't agree. We need to do a much better job of doing that. You know, we separate out physical health from behavioral health and often, particularly people who lack access and means end up getting their behavioral health care either in the emergency room or in extreme cases in jail. Tom Dart, the sheriff for Cook County says he is running the largest behavioral health facility, the Cook County Jail in the entire state of Illinois. People literally commit crimes to get their drugs. Can you think of a more expensive, less effective way to organize and deliver behavioral health services? You know, I can't, so that's what C-M-M-I is doing. It's using the states as laboratory. We'll have community-based networks coming together to put programs together in a way that payment makes sense and outcomes. And they'll measure outcomes. So it's outcomes based logical payment. They'll have eight models to review and learn from, and then hopefully replicate and expand the program when the results come in and they have a better idea of what's really working best. So, do I like the program? Absolutely. Is it the type of payment reform that I think we should be doing a lot more of? Absolutely, yes. Again, perfect.

Burda:
Yep. Big step in the right direction. Thanks Dave. Julie, any questions for Dave?

Murchinson:
Dave. Love it. Eight years. Why. Eight years just to build and study. Eight years?

Johnson:
Yeah. Well you think that's too long? Obviously, what we saw was kind of a throw a, a rolling three year period of time to get into the program. And I think the demonstration project can end at any time within that eight years. So if you don't get in for three years, you've got another five years to, to generate data. My guess is if they discover a nugget of gold in different types of programs, so they'll move to continue funding it probably at, at, at greater levels within whatever states are doing the demonstration and then start making it more broadly available. I mean, if I'm in CMMI shoes and I've got something that works once I'm certain it works and they're trying to prove it out, I think they believe it is going to work. They can pull the trigger

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whenever they want to, to expand the program. Julie, I understand where you you're coming from, but let's think more about demonstrating success and then immediately amplifying.

Burda:
Got it. Dave, thank you. Julie, what is your initial take on this new program, Ian, from a market perspective what tools or technologies do these organizations need to make it work?

Murchinson:
Well, I mean, I am with Dave. I love this direction. You know, we already see advanced primary care models like this in the market today. That's what they're called in the private sector. And, you know, in full disclosure, we're partnered with one of them a pre which works with employers and health plans to deliver value-based care in this kind of integrated model, primary behavioral you know, broad whole person blue Cross Blue Shield of Arizona launched their members only persona clinic group. And it's an offering that they sell as an additional benefit to their employers. So you're starting to see these models sprout up in the private sector, and frankly, most, mostly commercially focused. So I'm thrilled to see CMS initiate the work, and I hope it's the beginning of, you know broader creation and operation of these kinds of innovative models, you know, that are out there pioneering this work. I also hope it doesn't take eight years for outcomes. I mean, it seems extreme given what's already out there in the market, but it's also kind of understandable when you think about the populations, obviously that they're targeting. So you know, good and bad with me. I love the phrase, by the way, no wrong door, but it feels a little odd to me at the same time. I know if you've caught that, Dave and I, I know it's an effort to de-stigmatize but it feels a little bit off in a weird way. So that was a funny thing to me, <laugh> and I'll say to your exact question, Burda I don't know what tools and technologies don't you need to make this work? I mean, it's not rocket science, but it's also the, the tools and technologies that are used today, for instance, for the two examples I just gave are not those that are typically used by our largest healthcare organizations, but it's things like everything in the cloud to scale and optimize care coordination across the whole, you know, unit of people involved. It's data-driven personalization that helps, you know, navigate a patient through the care process, guidance around benefits as those are applicable care options that simplify the experience for the person and remove barriers to care. It's care management that enables all that personalized outreach and making sure that everyone's getting the care that they need. And it's frankly, a common architecture and robust information technology system that collects and analyzes claims with clinical outcomes and provider costs and quality data and, you know, is very outcomes focused in its analytics and reporting. And, above all, like a team-based culture is what this takes. You need multiple levels of clinicians and coaches that provide a leverage model and wrap around that kind of whole person approach. So, I don't know. No big thing.

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Burda:
Yeah, maybe more culture than technology needed that. That's great. Thanks Julie. Dave, any questions for Julie?

Johnson:
By the way, I loved your comment about no, wrongdoer, it kind of reminds me of the saying, you know, no bad questions. We both know that's not true, right? <Laugh>, there are, there are bad questions.

Burda:
I made the career out of asking bad questions, <laugh>.

Johnson:
Yeah, there you go. But anyway you know, I believe every bit as enthusiastically as you do that real customer engagement requires easy use apps that cover the map. Any companies out there that are getting closer to having a user interface that effectively integrates mental health services with physical health services?

Murchinson:
Yeah, so it's a great question. And I would say that the two examples of Opry and BCBS, Arizona's Ano clinics that I mentioned. You know, those are member only experiences, right? So what they may be creating for those members is quite proprietary to their model. And not that that's a bad thing, but I use that to say there's not actually really like a, an available app that's doing that, that's wrapped around their service, right? <affirmative>, I will take the opportunity to mention that, you know, there are others in the market that are trying to develop platforms to streamline all the communications that come from all these point solutions so that a, a health system or a health plan, for instance, can have a more common communication and information management architecture that sits on top of all those sort systems. So you're starting to see that direction of development. But I mean when it comes to this advanced primary care, you know, primary plus behavioral or just care plus behavioral kind of model, there aren't enough customers for someone like that today.

Burda:
I think starting with behavioral health and then integrating physical health is the new wrinkle here and the key to success, I think going the other direction just hasn't worked as well. We'll see. Now let's talk about other big news that happened this past week. Julie, what else happened that we should be talking about?

Murchinson:

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Well, we've seen an IPO announcement from a company called Bright Springing, which is a home health company. So, you know, this combined with Waystar, still looking at whether the public markets are warming back up. We'll see.

Burda:
Something to watch. Dave, what other healthcare news grab your attention this week?

Johnson:
Well, as I mentioned at the top of the show, I'm at the HFMA conference or board meeting. And we are in the process of kicking off the Healthy Futures Task Force, which I'm chairing that could lead to a NewCo within HFMA that will be looking at payment models that really do drive healthy futures. A little like the one we're discussing today, I'm very excited about that. No one that we've asked to be an advisor has, has said no, and we've got a pretty distinguished list very, very broad cross section of people representing different perspectives. And, you know if we're gonna solve this, [00:41:00] it's gonna take a village and it's gonna take a lot of different perspectives. So I, I just can't wait to kick off the work and get going. And by the way, Julie, you're one of our advisors, so thank you.

Murchinson:
I know! Thank you,

Burda:
<Laugh>.

Murchinson:
I'm excited.

Burda:
Is it because you didn't show up to a meeting? That stuff happens,

Murchinson:
<Laugh>. That's so true.

Burda:
Thanks Dave, and thanks, Julie. That is all the time we have for today. If you'd like to learn more about the topics we discussed on today's show, please visit our website at 4sighthealth.com. And don't forget to tell a friend about the 4sight Health Roundup podcast. Subscribe now and don't miss another segment of the best 20 minutes in healthcare. Thanks for listening. I'm Dave Burda for 4sight Health.