



Building strong alliances that ensure quality behavioral health services, including substance use & mental health services, are accessible to everyone in our state.

Testimony for the Appropriations Committee on LR 178

October 5, 2021

Topher Hansen, JD representing NABHO and other organizations listed below

Senator Stinner, members of the Appropriations Committee, my name is Topher Hansen. I am the President/CEO of CenterPointe. I serve on the executive committee of the Nebraska Association of Behavioral Health Organizations (NABHO) as Treasurer. I am here today representing 9 healthcare organizations in Nebraska, listed below, who are working toward a Medicaid program that is beneficial to the members participating, the providers offering the services, the interests of the State of Nebraska in the good health of its citizens, and the Managed Care Organizations (MCO's) which are contracted to manage a portion of the system.

Maximizing the good health of all Nebraskans is the common interest of all who are involved in Medicaid. To do this, the plan must be good, the contract must be tight, and the supervision of the contract must be vigilant. We are here to request \$400,000 of the ARPA funds to hire a consultant to help us develop a model plan that can be used by the State in the request for proposals (RFP) when the next MCO contract period arises for the Heritage Health Plan.

This has happened before in Nebraska. Prior to the Behavioral Health carve out plan in 2012, the Nebraska Association of Behavioral Health Organizations (NABHO) worked with Nebraska Medicaid on how to collaborate on a plan that would serve all interests. Nebraska Medicaid decided that issuing a request for information (RFI) could help develop ideas on how best to operate the system. NABHO raised money to hire Dr. Andrew Keller, PhD and his firm, TriWest, to identify the best elements of the behavioral health plans across the country. With the best elements identified in a matrix of plans, Dr. Keller and his team assisted NABHO in crafting a response to the RFI.

The document developed by NABHO was used to develop the Request For Proposals and much of the contract that was negotiated with the successful bidder, Magellan. This proposed plan identified what programming would be part of the plan, the allowable costs, incentives for meeting quality indicators, penalties for failure to achieve stated goals, and mandatory reinvestment of revenues in excess of maximum profit margins.

Concurrent with the plan being developed, a legislative bill was proposed and passed that identified the financial structure of operating a managed care company in Nebraska. The legislation was consistent with the plan and established a structure that allowed companies to do business, make a profit, and reinvest in the system if excess revenues were realized. This legislation has since been amended to broaden the community reinvestment language, among other things.

From the standpoint of a provider of mental health and substance use services, the implementation of the Heritage Health Plan has been problematic since the first day. The list of problems is long and touches on authorizations, reauthorizations, payments, MCO's not understanding Nebraska mental health and substance programs, MCO staff turnover, and much more. Any provider I am representing today is able to give a long list of problems they have experienced under the Heritage Health Plan. The consistent lack of timely payments has required that CenterPointe obtain a line of credit to manage cash flow. It's the first time since 1989 that the organization has needed a line of credit. This is not how it has to be. We can do better.

Allowing our broad coalition of healthcare providers to work with top national experts to develop a state-of-the-art plan that serves all our interests is possible. The best plan we have experienced in the mental health and substance field was the one in 2012 where we collaborated with others to develop the plan. The current plan and the next plan are more complex because they involve physical health, mental health/substance use, and pharmacy. The experts we have discussed this with understand this and know how to work with a large group to get the result we are looking for.

The good health of a state is foundational to its quality. Establishing a quality program plan and a contract that directs the result we seek are two important steps in establishing a great healthcare plan.

We respectfully request these funds be designated for the development of a collaborative MCO RFP that will serve to improve the quality of healthcare delivery in the Nebraska Medicaid program.

Respectfully submitted,

Topher Hansen, JD

Organizations represented: AARP, Nebraska Association of Behavioral Health Organizations, Nebraska Occupational Therapy Association, NE Home Health Care and Hospice Association, Physical Therapy Association, NE Psychological Association, NE Medical Association, One Health, NE Academy of Family Physicians, HCAN (FQHC's)