

**The American College of Mental Health Administration**  
**The Santa Fe Summit on Behavioral Health: Tracking the Transformation**

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Transformation Project: Implementing a Statewide Outcomes Management  
Initiative for Medicaid Recipients

MBHP is a behavioral health Medicaid carve-out serving over 300,000 individuals, about 100,000 of who access behavioral health service within a year. MBHP has about 250 employees. We manage a provider network of over 250 clinics and hospitals, and over 1,000 individual practitioners. We authorize care, pay claims, credential the network, build network capacity, and partner with other state agencies for capacity development. Our focus is on: integration of primary and behavioral health care; promotion of recovery principles; collaboration with a wide range of stakeholders to build capacity; the use of data to inform decision making; and the promotion of quality and best practices in all aspects of network operations.

In May, 2005, we launched a statewide outcomes management initiative for all network providers and all levels of care. Through a four-part phase-in schedule, providers are expected to: select an MBHP-approved outcomes instrument; use the outcomes instrument for all Medicaid consumers; incorporate the findings of the assessment into treatment planning and provide feedback to the consumer about the assessment; and use aggregated outcomes data to identify areas for quality improvement in clinical practices.

This four-part policy is easy to describe, but it took two years of negotiations with the provider community, consumers and state agencies to finalize and begin implementation of the policy. Of the many objections that were raised, the most critical was the perception that the outcomes initiative was an “unfunded mandate.” Listening to this concern, and with the support of the Massachusetts Executive Office of Health and Human Services, and the Office of Medicaid (MassHealth), MBHP was able to identify savings in its contract to grant providers a 3.2% rate increase to cover the cost of the outcomes initiative.

In addition to the rate increase, we subsidized an MBHP “preferred” outcomes tool, the Treatment Outcome Package (published by Behavioral Health Laboratories), and made the TOP available to providers at no cost (and they kept the rate increase). The condition for the use of the TOP is that providers agree to make their outcomes data available to MBHP. In return, we committed ourselves to providers that the outcomes data would only be used for quality management and identification of best practices. We will not be using the outcomes data for benefits management.

To date, the large majority of the provider network has chosen to use the TOP. On an annual basis, we will be collecting outcomes data for over 50,000 Medicaid members. Since the outcomes data will be collected electronically, MBHP will be able to merge the outcomes data with its claims data to begin exploring the relationship of treatment outcomes to service utilization and service cost. Providers, consumers and state agencies will partner with us in this data analysis effort through participation on a Best Practices Advisory Council, to be convened by MBHP. In other words, this process will be completely transparent (save for the confidentiality protection of both the consumers and the participating providers) for all stakeholders.