

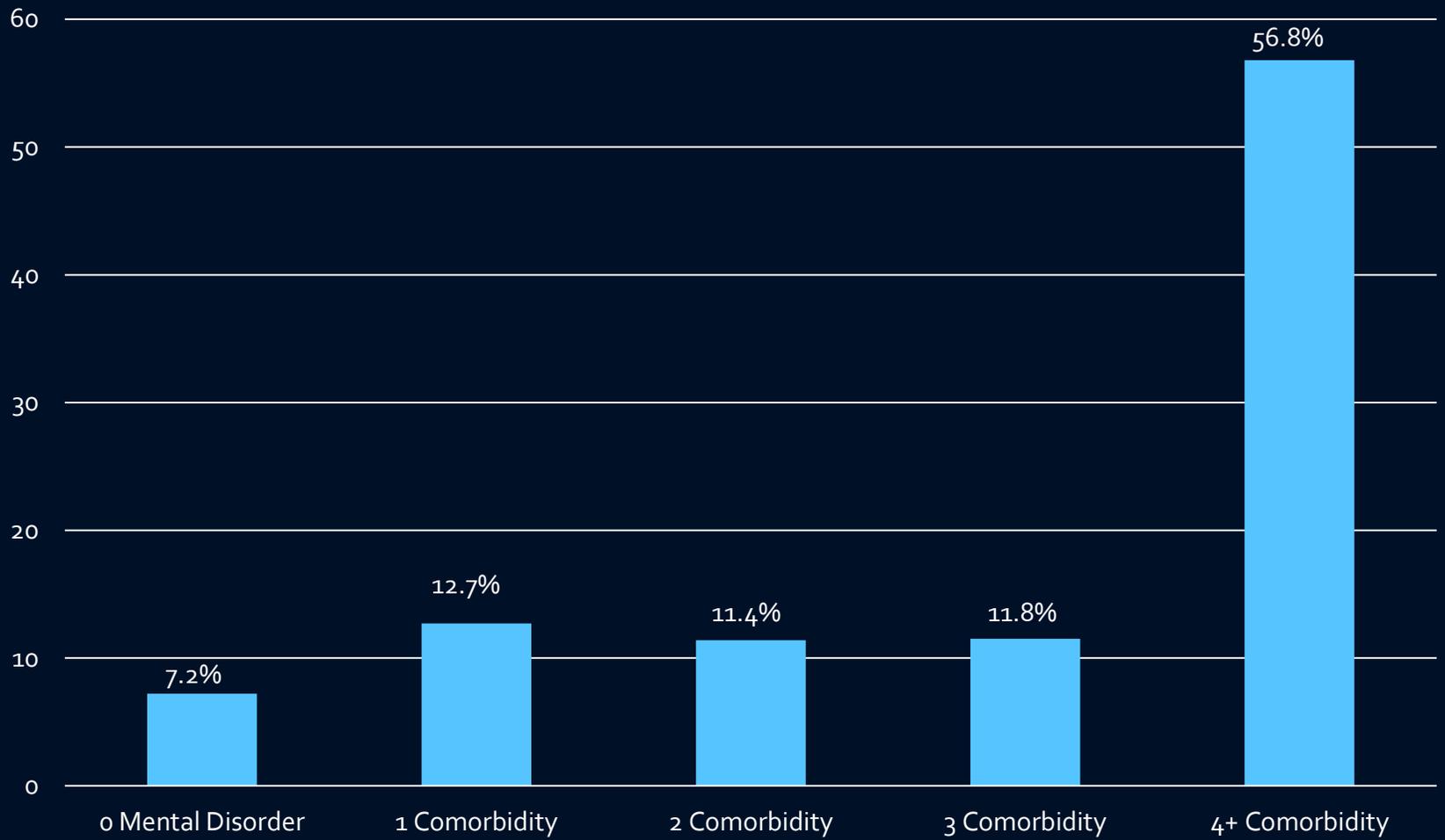
# Behavioral and Physical Health Integration: The Need for Delivery System and Payment Reform

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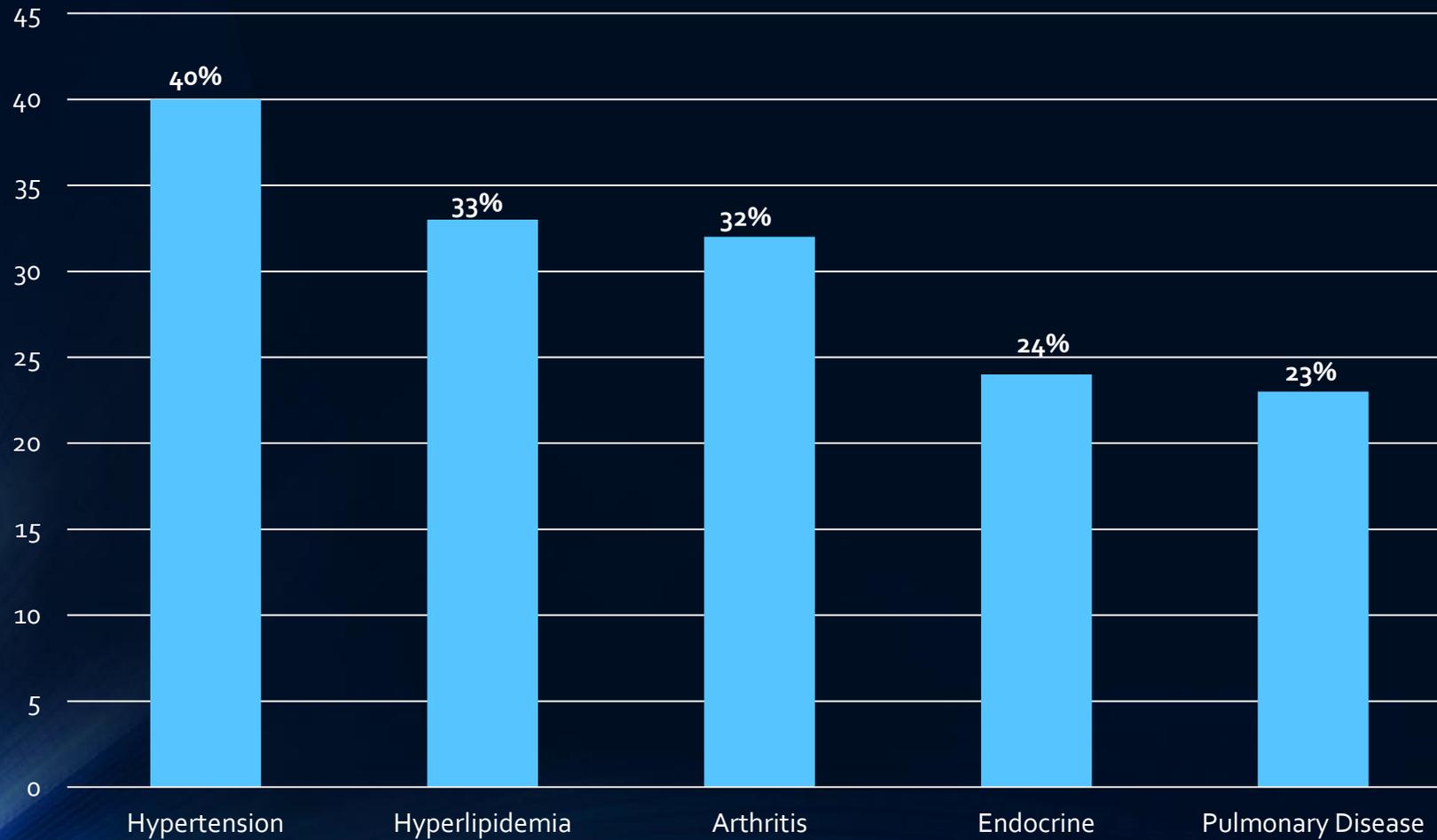
# Issues Forcing Payment and Delivery System Reforms

- Chronic disease accounts for rising share of healthcare spending. Accounts for 86% today compared to 67% in 1987. About 90% of the growth in Medicare spending since 1990 due to rising chronic disease prevalence
- Largest increase is among patients with multiple chronic conditions
- Total health care spending among patients with a mental disorder account for 44% of Medicaid and 31% of Medicare spending

# Approximately 16 Percent of Adults have a Diagnosed Mental Disorder – Most with a Comorbidity



# Most Common Comorbid Conditions Among Those with a Medical Disorder



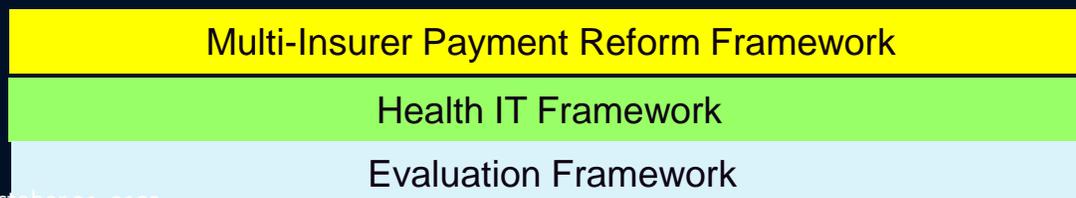
# Needed Reforms

- The growth, diversity and complexity of patients with multiple chronic conditions requires interdisciplinary care teams for coordinating care. These teams need to be developed (though the personnel exists). Medicare can help accelerate the development of these teams.
- Need for collaborate care and community health teams
- Silo based fee for service payments continue to focus on single patient conditions rather than the whole person. Alternative payment models can promote care across treatment silos and integrate team based care coordination into the care process

# The Connector—Interdisciplinary Community Health Teams



- The Connector teams would provide the links between population and community health interventions and more traditional medical care treatment. Any provider or health plan could use the teams to serve this connector function.
- An RTI evaluation found that the community health teams generated approximately a 4:1 ROI for Medicare



- Based on Vermont Blueprint for Health

# How Do We Get There?

- Need both payment returns and organization of the multi-specialty teams.
- Move away from silo-based payments into “aggregated” and population-based payment
- CMS can build team based care coordination into traditional Medicare by redirecting existing CPT coordination codes and contract directly (through competitive bidding) with salaried care teams