

In Pennsylvania, Primary Contractors in the HealthChoices program, including those behavioral health managed care organizations (BH-MCOs) under direct contract with the Department of Human Services (DHS), are allowed to retain Capitation revenues and investment income that was not expended during the Agreement period to reinvest in programs and services in their County. These funds, called Reinvestment Funds, must be spent in accordance with a Department of Human Services (DHS), Office of Mental Health and Substance Abuse Services (OMHSAS) approved reinvestment plan. Reinvestment Funds provide a unique opportunity for a financial incentive to reward sound financial management practices and allow the creative use of funds to fill identified gaps in the service system, test new innovative treatment approaches, and develop cost-effective alternatives to traditional services that may create cost offsets for State Plan Services. Reinvestment is one mechanism used to achieve the Commonwealth's expectation for the continuous quality improvement of a comprehensive treatment system that not only supports recovery for persons with mental health issues, including drug and/or alcohol treatment needs, but for the family support structure as well. Payments are based on meeting a Benchmark/Goal and an incremental improvement calculated from the previous HEDIS/PAPM 2021/MY of 2020 to the HEDIS/PAPM 2022/MY 2021.

Pennsylvania also has the third-highest rate of drug overdose deaths in the country in 2017, according to Centers for Disease Control and Prevention (CDC). Pennsylvania established the Centers of Excellence (COE) as one solution to the growing overdose crisis within the state, as well as a solution to the barrier of engaging and retaining clients with OUD in treatment. The Pennsylvania Department of Human Services (DHS) selected 45 centers including primary care practices, hospitals, Federally Qualified Health Centers, substance use disorder (SUD) treatment providers, and single county authorities. The COEs were designed to engage the community to identify all persons with OUD and make sure every person with OUD achieves optimal health. This means COEs take care of the whole person, including OUD treatment, physical health treatment such as diabetes management, and mental health treatment such as anxiety or depression treatment. It also means that COEs provide hand-in-hand support to every person with OUD, including providing every person with OUD a peer who helps the person process all steps in the recovery process and providing every person with a community-based care management team who helps the person identify, organize, obtain, and sustain treatment/non-treatment resources. The COEs across the commonwealth have also created community-based care management teams to assist with care coordination and recovery support for their clients. The community-based care management teams consist of a diverse group of providers, including Licensed Clinical Social Workers, counselors, Certified Recovery Specialists, nurses, peer navigators, care managers, and physicians. The care management teams work together to ensure that clients' care is coordinated across all domains and that all treatment and non-treatment needs are addressed, either through on-site services or through referrals. The individual also engages with recovery support personnel who walk side-by-side with clients through their recovery journey. Recovery support personnel are integral members of the care management team and often provide support for clients during off hours and weekends.

Value-based Purchasing (VBP) is DHS' initiative to transition Providers from volume to value payment models for the delivery of behavioral health services. VBP Payment Strategies and VBP Models are critical for improving quality of care, efficiency of services and reducing costs. The Department has developed an aligned VBP framework that consists of both VBP Payment Strategies and VBP Models. VBP Payment Strategies define the mechanism by which the Providers are paid by the BH-MCO. VBP Payment Strategies are tiered by three levels of risk: low, medium, and high. VBP Models define a way to organize and deliver care and may incorporate one or more VBP Payment Strategies as ways to pay Providers. The Department is categorizing VBP Models into recommended models and required models. PH-MCOs, Primary Contractors and their BH-MCOs, CHC-MCOs, and CHIP-MCOs can form integrated VBP Models. Primary Contractors and BH-MCOs should work towards integrating VBP Models because addressing behavioral health needs can improve physical health outcomes, and vice versa. Additionally, Primary Contractors are required to incorporate Community-Based Organizations within VBP agreements to help address the Social Determinants of Health (SDOH). The Primary Contractor and its BH-MCO must