

## **Payer's Business Case for Behavioral Health Detection and Treatment**

**Dr. Betsey Tilson**

October 2017

**Matthew E. Hanis**  
Executive Producer & Host

**Amy Lamb**  
Management Intern



Highlights: 4:19

Full Interview: 21:06

### **Brief Description**

*Dr. Betsey Cuervo Tilson, both a practicing pediatrician and the Chief Medical Officer for the State of North Carolina, makes the case for integrating behavioral health into primary care, simplifying how behavioral health services are paid, and helping behavioral health providers become more efficient. Published evidence demonstrates this approach, by improving self-care among individuals with both chronic medical and behavioral conditions, reduces overall healthcare spending.*

*Hosted by Matthew Hanis, this Business of Healthcare interview was underwritten by VPAC.*

View: Highlights (4:19) Full Interview (21:06)

### **Insights**

- NC DHHS serves North Carolina's 10 million residents including 1.6 million Medicaid and 700,000 Children's Health Insurance Program (CHIP) beneficiaries.
- 50% adults suffer one or more BHCs in lifetime with Medicaid beneficiaries slightly higher rate, 30% BHC/Chronic physical co-morbidity e.g. depression & diabetes
- Better BHC detection & treatment reduces medical spending by removing unnecessary medical cost, hidden productivity costs: absenteeism, work-related injury
- BHC billing policies separate from physical care creates BHC detection, treatment barrier
- Extensive evidence total medical spending reduced when physical and behavioral medical care payment, services fully integrated thru Primary Care
- Medicaid payment integration requires stakeholder support starting with state legislature; improves Medicaid financial solvency and overall state population health
- Digital health techniques increase BHC detection, diagnosis, treatment rates through improved mental health provider productivity & access

## Guest Lower Thirds

<p><b>Betsey Cuervo Tilson, MD, MPH</b> State Health Director &amp; Chief Medical Officer Department of Health and Human Services State of North Carolina</p> <ul style="list-style-type: none"><li>● NC public health policy; Medicaid, Children’s Health Insurance Plan (CHIP) oversight</li><li>● Practicing pediatrician, Wake County Child Health Clinic</li><li>● Board certified in Pediatrics and Preventive Medicine</li><li>● BA, Biology (Dartmouth College)</li><li>● Medical Degree (Johns Hopkins University School of Medicine)</li><li>● Master of Public Health (UNC – Chapel Hill)</li><li>● Pediatric (Johns Hopkins Hospital) and General Preventive Medicine/Public Health Residency (UNC–Chapel Hill)</li></ul>	<p>Matthew Hanis Host &amp; Executive Producer Business of Healthcare</p> <ul style="list-style-type: none"><li>● 25-year healthcare industry veteran</li><li>● Held leadership roles in health systems, payers, and commercial enterprise</li><li>● Day job leading Hanisworks LLC, virtual health business consultancy</li></ul> <p>Business of Healthcare</p> <ul style="list-style-type: none"><li>● Serves healthcare executives across all major industry segments</li><li>● Audience of over 10,000 stakeholders including 4,700 decision makers</li><li>● Editorially independent focused on meeting Mission and Margin goals</li></ul>
---	---

## Transcript

Speaker	Transcript
<b>Hanis</b>	and I would imagine that if I've got a chronic condition like asthma or back pain also having a behavioral health condition could exacerbate the situation
<b>Tilson</b>	right it really is kind of a vicious cycle right so if you have a behavioral health condition that can then affect your ability to manage your physical health condition right so if you have depression you're three times less likely to be able to really be adherent to your physical health medications so having the behavioral health condition can really hamper your ability to manage and treat your physical health condition and then having a physical health condition also then can lead to worsening of your behavior health condition so you have chronic pain back pain that can then lead and worsen your depression so the two really work synergistically in the in the wrong and the wrong way
<b>Tilson</b>	our new secretary Secretary Cohen really has this vision of holistic health and integrated health and so really wants to set the department up to be able to respond and to facilitate that holistic care on the ground
<b>Hanis</b>	So imagine I'm the C.F.O. of a health plan tell me how to think about that exacerbation of the physical condition with the behavioral health condition.
<b>Tilson</b>	Well first I would have you recognize that you're already paying for it. Right? these physical health or behavioral health conditions are already co-existing So you're already paying for it and probably you're paying a whole lot more for it already by not addressing both conditions holistically. So we know that if you have a physical health condition and either a mental health or substance abuse condition the cost of care about doubles and if you have a mental health condition and then a physical health condition and also mental health and a substance use condition then the cost of care almost triples. You're paying for it but right now it's mostly allocated on the medical side and a lot of those costs are again increased emergency department or hospitalization for the physical health side because we aren't effectively addressing the behavioral health side so first as CFO I'd say you're already paying for it you're paying for it a lot and you're probably paying for it in the wrong place.
<b>Hanis</b>	I as the CFO or plan administrator may not a necessarily have a really really clear sense of the cost because the physical cost is not clearly linked to the behavioral health cost
<b>Tilson</b>	Correct correct and that is even just the direct cost that that the CFO is paying in terms of medical care the other big pieces are the more indirect costs that especially as an employer is really important so thinking about disability thinking about workman's comp and then even more indirectly thinking about lost productivity or absenteeism so they're paying for it in a lot of different parts of their bucket but they may not be recognizing it because it look like it's coming through just in those medical cost

<b>Hanis</b>	Do you feel like on the Medicaid side that there's a similar implication as the state government looks at their Medicaid spending
<b>Tilson</b>	Absolutely we know those patients with both physical health and behavioral health co-morbidities are patients that. Have sometimes some of the worst health outcomes and also some of the highest costs and so to really improve the health of that patients and decrease the cost integrating care not just integrating care at the site of care or integrating care management or system navigation but also integrating the payment structures for those patients is the way we will be able to improve health and ultimately sustainably decrease costs for the state
<b>Hanis</b>	and is there a method to or is there an efficiency opportunity to use digital health in the diagnostic process
<b>Tilson</b>	there is it can allow us to gather more information that we need in terms of the diagnoses and the diagnostic criteria I don't think that the digital app will take the place of the health care providers that actually need to do the true diagnosis but it does allow a more efficient method of collecting those diagnostic criteria that helps to aid in the efficient diagnosis and then of course evaluation and treatment and follow up of that patient if we have the tools that then can monitor those ongoing symptoms it helps to also monitor the the success of the treatment
	[End of Highlight Section]
<b>Hanis</b>	prior to this work what were you doing before that
<b>Tilson</b>	so I am a board certified pediatrician in preventive medicine so my career has really been one foot in clinical care direct patient care and I still practice direct primary care at one of our local health departments in North Carolina the other half has been one foot in more population health and public health so for the past fourteen years prior to coming to the department I was part of an organization called Community Care for North Carolina which is a population health management program primarily for Medicaid and Health Choice patients and really a piece of it is thinking about linking a patient to a primary care and then linking all of the supports in the systems are around that dyad. So linking public health and social services and primary care at that local level so that's where I was for fourteen years at the local level and now I get to bring that perspective that multi-sector collaboration perspective that I was in the middle of on the ground to the department and help to facilitate that state wide
<b>Hanis</b>	Tell me about the prevalence of diagnosing undiagnosed behavioral health conditions
<b>Tilson</b>	so you're right behavioral health plays a huge role in health and it really is a component of health. on estimate probably at least fifty percent of adults at some point in their life will have a behavioral health condition for some folks it's a very persistent lifelong mental illness for others it might be a more transient mild or moderate behavioral condition which then gets treated or or gets better

<b>Tilson</b>	But there's a little bit more of a prevalence of behavioral health conditions within the Medicaid population especially if we think about patients with high costs and high utilization the prevalence of behavioral health conditions overlapping with physical health conditions is very high
<b>Tilson</b>	on average about thirty percent of patients are people that have a physical health condition also have an overlapping behavioral health condition and on the flip side about seventy percent of folks with a behavioral health condition also have a physical health condition so these co-morbidities work run together all the time and it's very they're very prevalent
<b>Hanis</b>	and I would imagine that if I've got a chronic condition like asthma or back pain also having a behavioral health condition could exacerbate the situation
<b>Tilson</b>	right it really is kind of a vicious cycle right so if you have a behavioral health condition that can then affect your ability to manage your physical health condition right so if you have depression you're three times less likely to be able to really be adherent to your physical health medications so having the behavioral health condition can really hamper your ability to manage and treat your physical health condition and then having a physical health condition also then can lead to worsening of your behavior health condition so you have chronic pain back pain that can then lead and worsen your depression so the two really work synergistically in the in the wrong and the wrong way
<b>Hanis</b>	OK So give me a concrete example of how a chronic condition and a physical medical condition might exacerbate each other.
<b>Tilson</b>	right so I'll draw from a personal example one of my own personal patients that's a child who has autism and as much and pretty severe asthma so we really need to be sure that he's taking his daily and his preventive medicines for his asthma but it as he's gotten older and a little bit more of the reliance on him managing gets a little bit older harder as he gets older and so even that what kind of devices can he tolerate. Can he tolerate inhaler with the face mask verses machine or pills or even figuring out what the right medicine that he can tolerate to help manage his asthma and so we have then the behavioral health team working on with being able to tolerate different devices and then the physical health team figuring out one of those medicines that we can put into place for him so the two teams working together so that he can manage as his underlying asthma with his autism and some of the challenges that brings
<b>Hanis</b>	so I can imagine you it gets complicated because you have multiple specialists involved in making care decisions and if things go awry, that patient has a higher risk of ending up in the emergency room
<b>Tilson</b>	right and we know that with with the folks that have overlapping physical health and behavioral health one of the reasons that the cost can be driven up high is that it's difficult to continue with those every day chronic medications so if you don't take your chronic medications then you get into trouble then you end up in the emergency room and then you end up in the in the hospital or being readmitted because of adherence to that those chronic therapies so really helping those those patients and addressing that underlying behavioral health issue which then allows them to be more adherent with their chronic medications that then can improve that health decrease the utilization of the hospital based services and then ultimately decrease costs.

<b>Hanis</b>	how does the way providers get paid impact our ability to detect manage and treat behavioral health conditions?
<b>Tilson</b>	I will say at my site we have an integrated behavioral health specialists I use her every time I'm in with patients I use her all the time however because of the way the payment structure is set up we actually can't reimburse for any of the services that she gives to our patients we just absorb it as part of our practice and I don't know how I would be able to practice well and holistically and really care for my patients without being able to have that support in a behavioral health provider onsite
<b>Hanis</b>	The carve out of behavioral health as a separate bucket of money and a separate compensation vehicle what other implications does that have
<b>Tilson</b>	so it really disrupts care for patients by having them in these different buckets when we know it's the same patient and it's the same health having to navigate two different systems to address that holistic health it really breaks down in fragments the that holistic care of the patient
<b>Hanis</b>	it's almost like having your car maintenance done but you have to take your car to one place to change the wiper blades in a different place to change the oil
<b>Tilson</b>	that's a great analogy yes
<b>Hanis</b>	if you came to me and said as the C.F.O. of a large employer, Matt, you should increase or provide better access to behavioral health care in your plan design my first reaction might be well if I do that I'm going to open up the floodgates I'm going to incur an incredible increase in cost of my plan and costs are already rising How would you help him think about that
<b>Tilson</b>	right and I would say Right you're already paying for it yeah you're paying for behavioral health but you're paying for it on the medical side because what you're not covering in your behavior health is showing up is increased cost on your medical side so you're already paying for it and you're probably paying a lot more for it then you should be so instead what you want to do is recognize and treat the behavioral health side not just to improve the behavior health conditions but also to lower the costs that show up on the medical side so you're paying for it you're just paying for an inefficient way and a very costly Well and again that's just the direct cost the other thing to think about as a C.F.O. not just where it was coming from your cost but thinking about what are those costs that you're not seeing in terms of your productivity absenteeism your healthy workforce piece so the C.F.O. thinking about the economic viability of the company as a whole you got to understand all the little all the buckets that undiagnosed and untreated behavioral health conditions are showing up in your bottom line.
<b>Hanis</b>	what do you envision for North Carolina State Medicaid what's what's your vision there
<b>Tilson</b>	We do have the opportunity we're very excited about transforming our Medicaid program. North Carolina is already has had a long tradition of our Medicaid program actually being quite innovative one of the models for that for the country but we have an opportunity to make an even more innovative and even a better program

	and one element that we really would love to move into as we're transferring Medicaid is truly an integrated system we definitely have some integrated systems at the at the practice level, we have some integration in terms of our care management, but where our systems are still fragmented fragmented is in the payer side so being able to align the payment structure so that and then can facilitate that integrated care management and care at the local level that's a big opportunity that we're trying to take advantage of in the state
<b>Hanis</b>	is that is that changing C.P.T. codes so that the primary care physician who has an integrated behavioral health specialist can bill for that behavioral specialist or is it something different.
<b>Tilson</b>	Well it's it's a big system change that then will trickle down to some of the specifics of who can bill for what and what is eligible provider So right now our physical health claims are paid directly from the state through division of medicaid assistance and our behavior health claims are paid through our systems we call local management entities managed care organizations so that claims are paid by two different entities that have two different accountabilities.
<b>Hanis</b>	Tell me about the implications within a Medicaid plan.
<b>Tilson</b>	So we've talked about implication for the C.F.O. that we want you to spend your money as a C.F.O. in the best way to improve health and decrease costs for your employees from the state we want to do the same thing we want to be really good stewards of our state resources we want to be buying health and what we know is health is that integrated behavioral health and physical health and the smart way to improve health or decrease costs is to think about care in that integrated fashion so as we move through Medicaid transformation what we really want to get to is more of an integrated system so not just at the practice just level and not just at the local system level but also at the financing level so we have aligned incentives to be diagnosing and treating and coordinating physical health and behavioral health
<b>Hanis</b>	If I'm billing for a primary care practice what does that look like
<b>Tilson</b>	Currently if you Bill your physical health services up through the state through division of medical assistance for your behavioral health services you have to have your behavioral health provider be credentialed with another system are what we call our local management entities managed care organizations and the billing for that those services go through that other entity.
<b>Hanis</b>	And so. You have to send two bills but but how does that get in the way of making behavioral health integrated into primary care
<b>Tilson</b>	Well there's different rules and restrictions that each of the systems have and so it makes not only billing complicated but also you might not get the same level of reimbursement or consistent reimbursement for those services it just makes it very complicated and fragmented and sometimes not reimbursable to the level that you need to make it sustainable
<b>Hanis</b>	so would your vision be create a new CPT code which enables a primary care physician to bill for both

<b>Tilson</b>	or make it easier for that behavioral health provider who's integrated into the physical health system to be able to bill
<b>Hanis</b>	in order to make this transformation in North Carolina Medicaid Tell me about what what how to do that what's ahead.
<b>Tilson</b>	Well we have been working really closely with a lot of our key stakeholders certainly working closely with our providers with our patients what we want to be sure is that the great Medicaid system that we already have in place we keep what's good we keep and build on our successes and making sure that we're always coming from the standpoint of the patient of the person how can we align the system so that it serves the person the best place making sure that we're working with our providers to keep them engaged we have a very high percentage of providers who are participating in Medicaid we want to make sure we preserve that that's how we preserve access to care and access to care in the right place so working with our key stakeholders our patients and our providers also working with our health systems and our other systems of care our mental health and social services working with our general assembly of course and then also working with the federal government for us to be able to make a major change within our Medicaid program this is a shared state and federal program so working very closely as well with the Centers for Medicare and Medicaid at the federal level to ensure what we're thinking about North Carolina they're in support of the new making sure that we can do this in a way that will be successful.
<b>Hanis</b>	tell me a little bit about how digital health can improve the detection and diagnosis of behavioral health conditions.
<b>Tilson</b>	Depending on what we're using for digital health but having screening tools that the person can access and do in the privacy of their own home and the security of their home sometimes people are more willing to reveal some information when they're in a private more secure setting. Second it we can do it in a more consistent manner if we know that patients that are before are coming in and they have this consistent set of screening tools that we can be sure routinely detecting and screening for behavioral health conditions as well as other conditions
<b>Hanis</b>	is there a is there a difference between screening for something and using an instrument to diagnose a condition.
<b>Tilson</b>	screening tools are really meant to be screening tools to highlight which of those patients that maybe have a higher risk or some more red flags and we need to then drill down into to actually do the diagnosis and evaluation and the treatment
<b>Hanis</b>	and is there a method to or is there an efficiency opportunity to use digital health in the diagnostic process
<b>Tilson</b>	there is it can allow us to gather more information that we need in terms of the diagnoses and the diagnostic criteria I don't think that the digital app will take the place of the health care providers that actually need to do the true diagnosis but it does allow a more efficient method of collecting those diagnostic criteria that helps to aid in the efficient diagnosis and then of course evaluation and treatment and follow up of that patient if we

	have the tools that then can monitor those ongoing symptoms it helps to also monitor the the success of the treatment
<b>Hanis</b>	So what you're saying is using digital health you might be able to reduce the minutes of that very scarce behavioral health clinician in asking the questions necessary to gather the information to diagnose
<b>Tilson</b>	so let's use a concrete example so the patient health questionnaire nine the PHQ9 which is a validated nine question tool for the detection of depression right so we can use that as a front end screen to see to identify patients who might be suffering with depression then we can get them with a behavioral health provider we can get them on their regimen but then we can use that PHQ9 at follow ups to monitor the progression or that patient and so another person of the care team can be giving that PHQ9 to the patient they can be looking at the. Score they can be following that score so a lot of the monitoring can be done without the very expensive behavioral health provider but the monitoring by another part of the care team and then if there's a red flag or something seems to be going not the right way then the behavioral health provider can be brought back in and think about what else do we need to do or if something's not going as planned so it's a way to really preserve the scarce resource of a behavioral health provider and a way to allow other parts of the care team to come in and the care that patient
<b>Hanis</b>	when you think about the implications of digital health are there other digital health implications for Behavioral
<b>Tilson</b>	I think another great application that we really hope to dive into in North Carolina is the use of telemedicine North Carolina is a big state it's a rural state there are a lot of parts of our state that have very little if no behavioral health providers so access to behavioral health care for many of our people out in those rural areas it just doesn't exist so telemedicine is a great potential strategy of getting that care out to where the patients are and increasing that care or the access to care for those patients
<b>Hanis</b>	When I speak with providers many of them are very consciously aware of behavioral health integration and the challenges that represents in the compensation barriers what would you say to them
<b>Tilson</b>	I would say I hear you and I think that universally people understand the importance of integrating care and again it is just health and people get it that this is health and it has been frustrating and I've been a provider on the ground of having this fragmented system of not being able to get the health and the care of what I know my patient needs so I would say to providers we get it and we're really working on it and that's where we're trying to get to is making it easier for you to really address the needs of your patients in a holistic way and how can we align the systems the care systems as well as the financing systems behind that to allow you to do what you know is the right thing to do for your patients
<b>Hanis</b>	well it's really exciting to hear your vision for North Carolina I appreciate you spending the time with us thank you for joining the business of health care today
<b>Tilson</b>	Thank you for having me