# THE PATH FORWARD

DATA-INFORMED RECOMMENDATIONS FOR BEHAVIORAL HEALTH IN NM

FALLING COLORS

# Introduction & Overview

# About Us

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# Overview

## What does Falling Colors bring to this table?

As the ASO for New Mexico behavioral health since 2017, Falling Colors has delivered hundreds of millions of dollars worth of services, administered hundreds of programs and special services, built a network of nearly eight hundred healthcare providers, and served over a dozen agencies and special projects.

Along the way, we have:

- Successfully implemented a behavioral healthcare infrastructure that empowers state lawmakers, leadership, and program managers to understand and manage the state's complex behavioral healthcare needs.
- Built data collection and financial processing systems that effectively enable stakeholders to develop, implement, and understand the efficacy of new and ongoing programs – so that resources can be allocated where they're most needed and most effective.
- Enabled state partners at all levels to access and share data across regions, time, and agencies – making volumes of data actionable and making programs and state staff more effective.

**Falling Colors appreciates the opportunity to share the benefit of our experience through the following specific recommendations.**

# Overview

## Why is the ASO Model So Successful?

The ASO model is fundamentally different than the MCO model in crucial ways that contribute to its success.

As the ASO, Falling Colors **does not**:

- Depend on the efficacy of the Behavioral Health Collaborative as an entity to provide ASO services to individual agencies involved in delivery of behavioral healthcare services.
- Make policy decisions regarding which programs should be implemented, continued, or abandoned.
- Make decisions regarding approval or denial of services for individuals or approval of provider invoices.
- Retain any funds that are not expended on program costs or paid out to providers for delivered services.

**Falling Colors leaves decisions regarding expenditure of public funds where they belong – in the hands of public employees, program managers, and lawmakers.**

# Overview

## Why is the ASO Model So Successful?

The ASO model is fundamentally different than the MCO model in crucial ways that contribute to its success.

As the ASO, Falling Colors **does**:

- Work with individual agencies providing behavioral healthcare services to bring efficiency and transparency to public funding.
- Deliver efficient tools to program managers facilitating their ability to review and approve or deny provider invoices or reimbursement requests; or to require changes or additional information regarding specific invoices.
- Deliver clear, accessible, and actionable data regarding program utilization; needs/gaps across regions; fund and program burn rates allowing reversion projections and reallocation to ensure best
- Aid program managers with recouping any provider payments determined to have been Medicaid-eligible at no cost to the state. Through this process the ASO has helped the state recover millions of dollars in public funds, making those funds available to support other programs or services.

**Falling Colors ensures that State decision-makers have the tools, processes, and data they need to make efficient, effective, and informed decisions.**

Recommendation #1:

# Establish Flexible Systems & Processes

# A Constantly Changing System

1. New Mexico's government has had to navigate massive challenges in recent years: Covid-19, an unsteady economy, political upheaval, mass turnover, and unprecedented rates of addiction and mental health crises.
   - As a result of these and future challenges, the information needs of the behavioral health system are by necessity constantly in flux.
   - There is no out-of-the box, one-size-fits-all solution that will work for New Mexico's behavioral health system long-term.
2. Mid-program reconfiguration is common and requires specific technical knowledge to do it right.
   - The nature of pilot programs, as well as programs undergoing significant growth and expansion efforts, is that they often need to get started and get paid before they have all their information needs figured out.
   - Changing data collection processes in a live program without ongoing conversations around a cohesive data strategy is a recipe for failure.
3. Frequent turnover creates additional challenges as institutional knowledge gets lost.
   - When processes are brittle, undocumented, too specific, or too embedded in institutional history, turnover can result in severe disruption of behavioral health services and provider payment.

How much has behavioral health care changed in the past 7 years?

# Changes in BH

Since assuming the role of the ASO in 2017, we've seen…

- +703% in custom service data collection
- +317% in provider network expansion
- +273% in custom project expansion

*These estimates are lower limits, not counting deprecated data collection forms or concluded projects.*

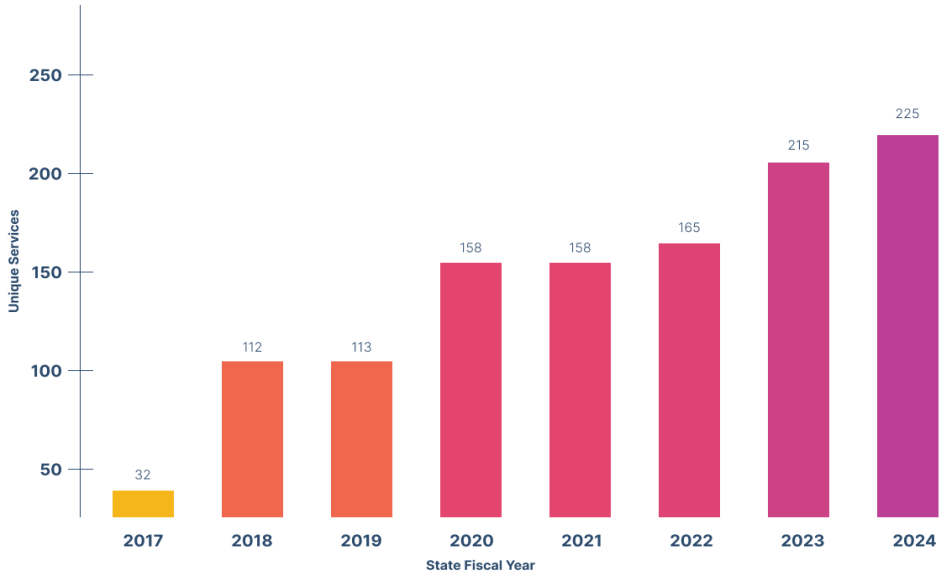
Of the services we manage and collect data on, 75% have no Medicaid equivalent or Federal standard.

- These services account for over 89% of the non-Medicaid dollars spent by the State

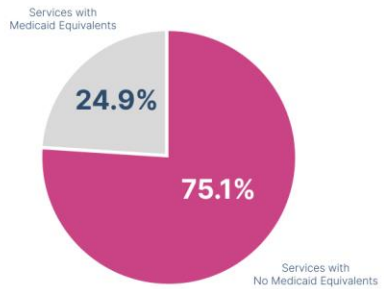
Despite rapid growth and expansion, we maintain:

- Average time-to-payment of 6 days
- Average claim rejection rate of 7% (less than half the National average when compared to MCOs)
- Average time to launch a new program 1 month from contract signing
- Average turnaround time for data requests is less than 2 days

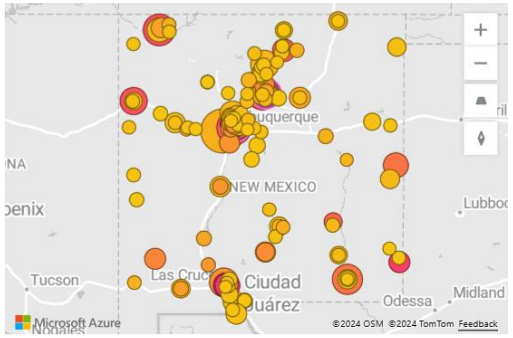
**Increase in Custom Services Over Time**




**% of Services w/o Medicaid Equivalent**




**Current BH Provider Network**



# Recommendation #1

**The Big Idea:** New Mexico's behavioral health system needs resilient and flexible data and financial management systems that can effectively adapt to and scale with the State's shifting information needs.

In practice, this means…

1. The State should ensure that access to funding, administrative support, and data tools are not tied to a single entity or initiative
   - Centralization will ebb and flow – processes for provider contracting, payment, rate setting, data collection, and impact analysis should transcend specific administrations, governing bodies, or tools.
   - All projects and agencies involved in behavioral health should have administrative support and access to excellent data tools for individual initiatives
   - Agencies should have means of collaborating and sharing knowledge regardless of the current cross-agency body
   - Agencies, programs, and projects should have core, shared data standards and processes
2. Scalable and customizable data collection: the State should have a flexible system that can accommodate global and specific data needs
   - For example, services should have some common data fields to allow cross-program comparison, while also allowing for key program-specific data collection for program operations and analysis
3. Create processes that live outside single individuals and entities
   - Maintaining a standardized approach to integrating, structuring, and presenting data while allowing for flexible, adaptive data collection and service management is the best approach to preparing for turnover and preventing resulting knowledge loss
   - Ensuring processes are logical and well documented improves onboarding and adherence

Recommendation #2:

# Make Data Empowering

# Recommendation #2

**The Big Idea:** State leadership needs to be empowered when it comes to making decisions about financing public health and clinical care interventions.

In practice, this means…

1. Healthcare reimbursement and funding decisions should be made by the state agencies and program managers entrusted with public funds – not by private contractors who stand to profit from denying care.
    - Program managers and state leadership are entrusted with public funds for specific programs. Decisions about how to spend those funds should never be delegated to private companies, as such delegation creates complex pressures and incentives where profit margins are tied to or implicated in treatment denial/approval decisions.
    - Reimbursement policies that rely on broad generalizations about medically necessary care actively ignore provider expertise and disproportionately impact the care and health outcomes of marginalized populations.
    - Data about what programs exist, and their efficacy, should be easily available across agencies – so that program managers can ensure programs are additive or complementary rather than redundant and to avoid repetition of mistakes or duplication of effort.
2. The State needs transparent, real-time data to make decisions about budget allocation and utilization.
    - Lack of real-time or near-real time data creates sub-optimal utilization patterns resulting in a “death spiral” for under-resourced programs, services, and communities.
    - Real-time data is especially crucial for pilot and crisis response programs where leadership needs to act quickly and be able to pivot based on actual results or changing circumstances.
3. Impact needs to be collected, measured, and reported to leadership alongside financial data.
    - Actual costs of administration should be completely transparent, as should data regarding services cost and delivery.
    - The goals and expectations of value-based care and purchasing should not be restricted to Medicaid programs.

# Case Study

## Falling Colors 'Stuck Dollars' Analysis and Awareness Campaign

**Goals:**

- Highlight gaps in non-Medicaid spending: where do dollars get "stuck", resulting in underspend and reversion? Where could unallocated dollars be spent with impact?
- Facilitate provider and program manager engagement with budget utilization data.
- Design Budget Utilization Impact Reports
  - Budget Underutilization
  - Unexpected demand (e.g. Crisis Services)
  - Unallocated Budgets

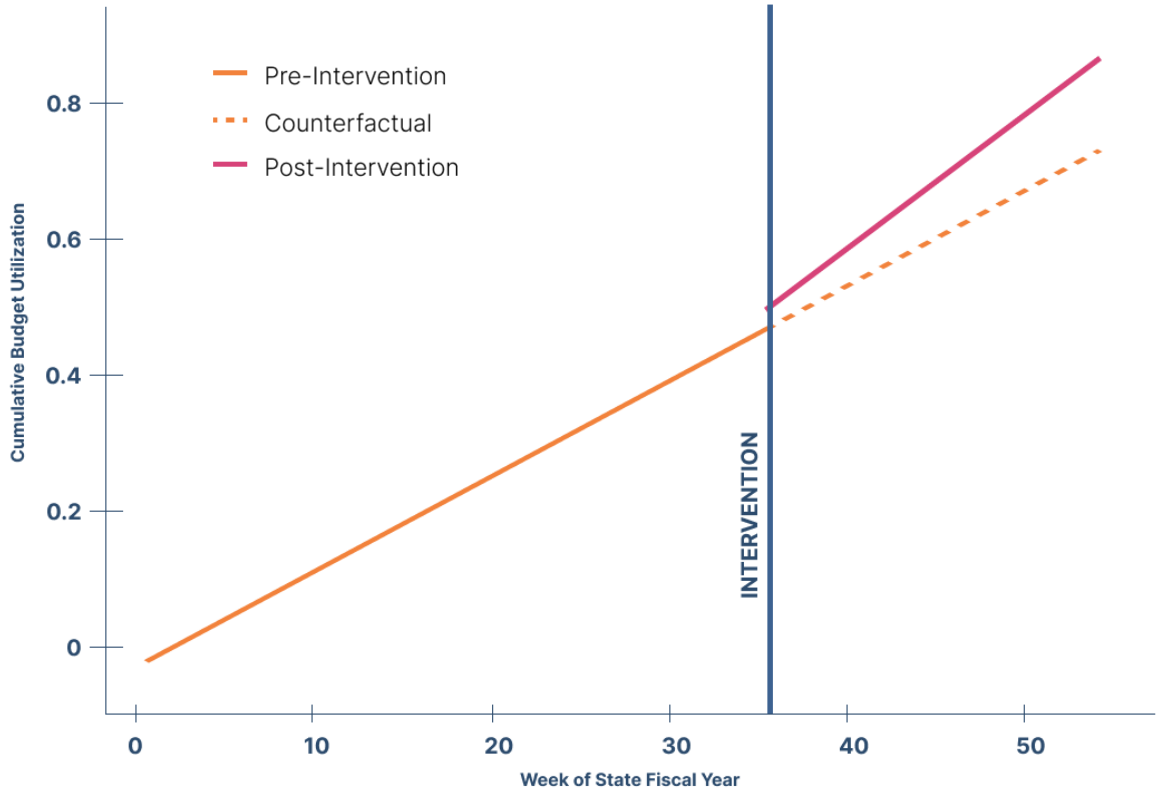
**Analysis:** Interrupted Time-Series Analysis

**Results:**

- Prior-Intervention: 74.2% - 79.6% utilization
- Post Intervention: 86.7%
- Impacts:
  - + $15.9M – $27.6M Total
  - + $1.5M – $2 .6M for Client Services
  - + 1055 – 1827 New Clients Served

**Discussion**:

- Leadership engagement is key!
- Transparency and interpretability matters
- These tools are available – but not used




**Conclusion:** *Data-empowered leadership at the State results in better spending patterns for maximizing program goals and objectives.*

Recommendation #3:

# Address Data Anxieties

# Recommendation #3

**The Big Idea:** Participatory data design is needed to help thoughtfully reframe data as a collaborative opportunity as opposed to an adversarial risk.

In practice, this means…

1) We need to address the elephant in the room – *data anxiety*.
   - There is broad consensus that there needs to be more comprehensive data - and significant pressure to provide it.
   - There are also common concerns around how to go about requesting, sharing, and explaining that data to others.
   - The effect is a lot of anxiety, urgency, defensiveness, confusion, and unnecessarily adversarial conversations around data.
2) We need to challenge some core, unhelpful beliefs and analytic biases:
   - Fundamental Attribution Error - *"If you're not providing me the data I need, you're hiding something/being difficult."*
   - Threat Salience - *"If data is being requested, its for punitive purposes."*
   - Loss Aversion - *"If the data can be negatively misunderstood/misinterpreted, its better that we don't share it."*
   - All-or-Nothing Thinking - *"If the data is imperfect, the entire analysis/conclusion should be dismissed."*
   - Anchoring - *"If the results don't match my worldview, they must be wrong."*
   - Just-World Theory - *"If the results are negative, someone needs to be held accountable for it."*
3) We also need to empower leaders to think critically about the future. (e.g. AI)
   - AI can be an extremely powerful tool when used right, but if not managed thoughtfully, it carries significant environmental, social, and legal/ethical risks.

What does participatory data education look like?

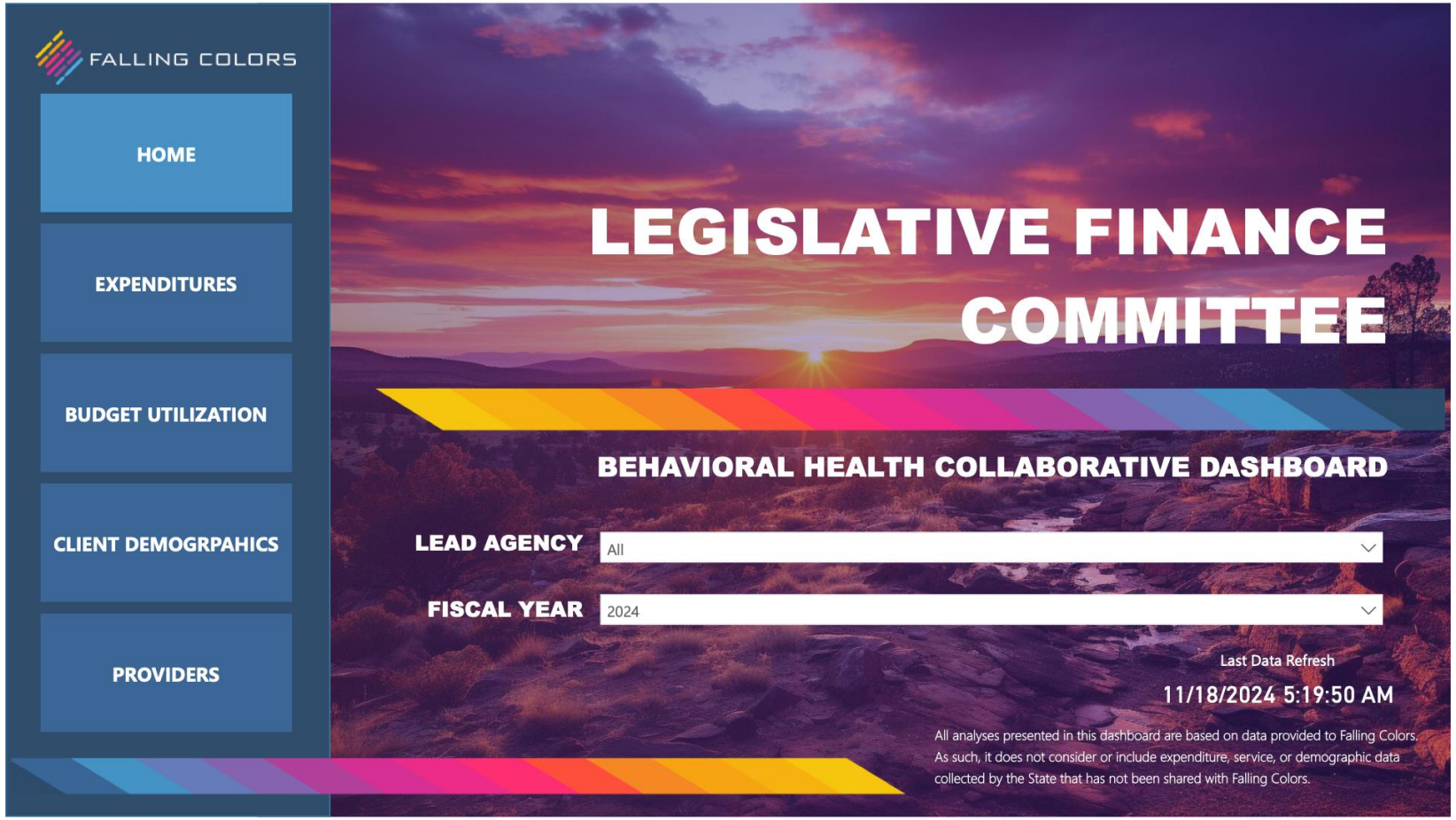
# Participatory Design

Participatory Data Design in 5 steps

- Step 1: Exploring **information** needs
- Step 2: Review available data and analytic opportunities
- Step 3: Design data strategies and solutions:
  - Common collection tools and technical language
  - Analytic approaches
  - Reports and visualizations
  - Data sharing and communication practices
- Step 4: Implement **together**
- Step 5: Continue learning and evaluating **together**

What do the results of these efforts look like?

# Cross-Agency Dashboard



Additional Thoughts:

# Next Steps on the Path Forward

# We Can Help

**Next Steps:** The following concrete proposals are designed as opportunities to test some of the recommendations above through low-cost, easily implemented steps that will demonstrate efficacy.

1. Identify a pilot Medicaid project to be administered through the ASO rather than the MCOs.
   - Identifying an established program and testing delivery through an alternative method would enable state leadership and program managers to compare program efficacy, cost, and delivered data as between the MCO model and the ASO model.
2. Pilot a Comprehensive Behavioral Health Report and Dashboard.
   - Give Falling Colors access to 2023 Medicaid data.
   - While Falling Colors can deliver robust and actionable data about all programs administered through the ASO, the absence of Medicaid-funded programs reduces ability for State leadership to the see the full picture of BH spending.
   - Granting access to complete data from a prior year will enable Falling Colors to provide a no-cost demonstration to state lawmakers and leadership of the potential for more comprehensive data tools, delivering a complete picture of behavioral health programs through all state funding sources.
3. Add outcome and impact analysis using existing tools.
   - There are numerous tools available for impact data gathering (such as GPRA, TEDS, CAN/CATS, and others) that are underutilized and would enable program managers and state leadership to better evaluate efficacy, trends, and needs across New Mexico.
   - Falling Colors has tools to assist – for example, we aid programs in Massachusetts with collecting and submitting GPRAs – but New Mexico hasn't taken advantage of those tools.
   - Pilot pre/post impact analysis to key programs to assess usefulness and overhead

# Question/Comments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