

Health Plan Performance Series

Identifying the Value of Medicaid Managed Care

November 2008 Topic No. 1

Innovative behavioral health management program reduces inpatient hospital days for children by 25 percent from 2006 to 2007

Neighborhood's overall children's behavioral health spending reduced by \$5.24 million

Neighborhood Health Plan of Rhode Island's analysis of behavioral health care trends indicates that a collaborative effort to develop home and community-based services is significantly shifting where and how children and adolescents are getting care. Rather than receiving treatment in the traditional inpatient hospital setting, these youth are utilizing a newly developed "continuum of community-based care" that meets the child's needs in a more appropriate, less institutional and less costly setting. From 2006 to 2007, this movement to new community-based care settings generated a 25 percent drop in the number of inpatient hospital days among Neighborhood's child and adolescent population contributing to an overall children and adolescent's behavioral health spending reduction of \$5.24 million.

Until the past few years, local psychiatric hospitals and emergency rooms were nearly the only options for parents with children with significant behavioral health care needs. Children were placed in care 24 hours per day, seven days a week, regardless of the severity of their situation. Many of these children remained in these sites for months due to a lack of alternative placements.

Neighborhood worked with Beacon Health Strategies (its partner for managing behavioral health care), Gateway Healthcare, St. Mary's Home for Children, The Providence Center, Rhode Island Community Mental Health Centers, Rhode Island Department of Human Services (DHS), and Rhode Island Department of Children Youth and Families (DCYF) to remedy the situation. They collaboratively developed six new service options to address different patient severity levels, treatment duration and location needs. These options apply "step down" and "wrap around" approaches to services and care, matching patient needs and facilitating the children's return to typical, safe and well supported home and community-based situations.

This approach is in accord with current best practices and the Institute of Medicine's "Crossing the Quality Chasm" rules for redesigning health care including: anticipating and customizing services based on patient needs, decreasing waste and improving cooperation among clinicians.¹

1. Crossing the Quality Chasm: Adaptation to Mental Health and Addictive Disorders - <http://www.iom.edu/CMS/3809/19405.aspx>

2008 Update

Through the first quarter of 2008, inpatient hospital days for most Neighborhood member children and adolescents continued to decline. The exception is children in substitute care placements who have had a slight increase in inpatient hospital days, though still less than 2006 levels. This movement is a reminder for us all to stay vigilant in adapting to emerging needs.



