

To: Members of the Joint Medicaid Oversight Committee  
From: Nelson W. Burns, President and CEO, Coleman Professional Services  
Date: September 22, 2016  
Re: Testimony from Provider Panel

I want to thank you for this opportunity to provide testimony to the members of the Joint Medicaid Oversight Committee. Having delivered behavioral health care for 40 years in Ohio, I am as passionate about my servanthood as I was on the very first day I started. I have had the privilege of being the CEO of Coleman Professional Services for the last 31 years. Coleman provides mental health, addiction, employment, residential and rehabilitation services to over 24,000 Ohio citizens in eight (8) counties (Portage, Trumbull, Stark, Jefferson, Summit, Allen, Auglaize and Hardin). In almost every county where we provide services, Coleman has co-located its professional behavioral staff with Primary Care Physicians and Nurse Practitioners. In many hospitals, Coleman staff are imbedded in Emergency Departments helping patients navigate through the system. We work collaboratively with Federally Qualified Health Centers and inpatient hospital programs to more effectively address healthcare issues of persons with severe chronic mental health or addiction disabilities.

As to the Ohio Medicaid Redesign Initiative and to the Ohio Health Transformation Plan, I want to express my understanding of the goals and support the direction of these initiatives. I greatly appreciate the incredible commitment of both the Departments of Medicaid and Mental Health and Addiction Services in this difficult transition. Coleman and many other providers in Ohio have been preparing for this transition and believe we can build a responsible business model with quality services. Coleman has spent considerable time and expense in preparing for the Medicaid Redesign transition. We have hired healthcare consultants to design our financial models, we have used different consultants to train us on E&M code practices that are both in compliance but also cost efficient and, we have hired special "Open Minds" consultants to prepare us for Managed Care contracting. Coleman is committed to support its employees with contemporary training and important resources for change.

I would like; however, to emphasize three (3) key areas of concern with the redesign plan. While both departments have been accessible and flexible in changing the plan, I feel these three (3) points are imperative to our system of care to Ohio Citizens with mental illness and drug addictions. These three (3) points include Data Modeling, Access to Service and Workforce Capacity.

Data Modeling:

Coleman spent the last six months working with data modeling to assess the change in reimbursement, the change in provider credentialing and the change in practice. I want to express my appreciation of how flexible both departments have been in this process on some key issues. The modeling results have improved with these changes. In this model, Coleman uses the estimate of units completed with the proposed rates, the different provider credentialing and their scope of approved practice.

However, in the last reiteration of our model, with all of the updates completed, Coleman estimates it would lose \$1.6 million dollars of reimbursable Medicaid dollars or approximately 11.29%. If this model is accurate, it is not sustainable in our operating plan and would result in changes in our workforce and access of services. Coleman has projected losses in pharmacological management, assessments and crisis services. In particular, Coleman uses a high component of nursing in its pharmacological management service which now has a low nursing rate. Our pharmacological service will have to change both in the caregiver and scope of practice (resulting in lay-offs and further training). As Coleman transitions with its partnerships of healthcare, we are reminded that most behavioral health clients die twenty-five (25) years earlier than others because of not receiving appropriate healthcare services. The loss of nursing as a part of our practice would only compound that issue.

The important point with this data modeling is that Coleman has not been able to compare its modeling with those consultants from the Departments. Our models have been shared with other providers (with similar results) but have not had an interactive discussion with the Departments on the calculations. We would applaud any comparison to help us improve and provide guidance in the modeling calculations. We are cognizant that our business practices will need to change; however, if the models are accurate, the clinical practice will change so radically that it will result in a reduction of the workforce. This workforce reduction will adversely affect access to services to those clients who are most "at risk" suffering from chronic illness and opioid addictions.

Access to Services:

Coleman has continually focused on the ability of providing services to its Ohio citizens when they need it regardless of their ability to pay for this service. Ohio Community Mental Health and Addiction providers have the challenge of providing services quickly and then attempting to find funding; using the many different public and private means of paying for this service. The key issue is that Access cannot be predicated on the client's ability to pay. Coleman business model is to effectively assess and triage each

child and adult to the most cost efficient and clinical best practice. These are children and adults with severe trauma, chronic depression and medically addictive disabilities.

As our data modeling indicates, Coleman will need to transition its clinical practices to align with the new reimbursement models and ultimately affect the number of clients who have access to our services. In effect, this systemic change will take time and cannot be transitioned by one month. Reimbursement dollars will be lost while the organization changes and learns new “best practice” access issues. As access slows, more clients will lose access to services they need.

In one recent week, our Lima clinic assessed twenty (20) new clients with opioid addictions. While this example is just one dramatic week, it does provide insight of what might happen when access of services is affected. In my 31 years of experience, I have never experienced such high need for services with such dramatic consequences of poor or inadequate access to service. Furthermore, access to bed days and specifically state hospital bed days is a significant issue in Northeast Ohio. Last week, there were 22 people waiting for a bed at NorthCoast while two high risk individuals awaited a bed at Coleman. We fear the impact of Redesign will further impede inpatient psychiatric bed availability.

#### Workforce Capacity:

The issue of workforce capacity is omnipresent in any discussion with the Redesign initiative because it is the professional staff that actually provides the important service. It is Coleman’s present experience that the higher credentialed healthcare workforce is at its highest competitive advantage in the past five years. If you can attract these healthcare professionals (Psychiatrist, Nurse Practitioners, Licensed Nurses, Licensed Social Workers and Licensed Psychologists), they can command top salaries and benefits far higher than Coleman can justify with its business model. While the Departments have been considerably flexible with the CPST credentials and experience, I am very concerned about sustaining the quality of our workforce with the cost of delivering this high quality of care. To be clear, if any of the one of us had a child, spouse or grandchild with addiction problems, we would find the best qualified and cost effective practitioner to help. Coleman and other professional providers will not be able to sustain the workforce needed to support these thousands of new clients coming through our doors. The other important factor of workforce capacity will be the loss of employment in our workforce. Employees without the appropriate billable credentials in our new system and others, like nursing, will be laid-off due to the high expense of the pharmaceutical service. As the CEO of Coleman, I am planning for a system in which we are reimbursed one-way before July of 2017, and after July of 2017, we are

reimbursed another way. Coleman's administration must change its business processes, train its staff, change its electronic billable health records and align its credentialed staff to the appropriate billable service. If these items are not changed, the data modeling predicts unacceptable deficits to Coleman's operating year. Without a relief in the transition of systems, Coleman will be forced to lay-off personnel until it weathers the storm of learning the new conditions as indicated. I am expecting this process will take six months to one year. Realizing this system has to change, we accept this change, but is there a better way to make the transition without sacrificing jobs or the quality of care?

Summary:

In summary, while I am both appreciative and supportive of the Medicaid Redesign initiative, I am as equally concerned that this transition needs further adjustments in order to maintain a cost efficient yet clinically responsible service for Ohioans. As the leader of Coleman for the last 31 years, Medicaid Redesign, in its present form, will lead to severe loss of revenue (producing a net annual loss), will impede the ability of behavioral health and addiction organizations to access its new clients who need services immediately, and will lead to lay-offs of healthcare professionals who are presently contributing to life-saving services for our clients.

I would appreciate, first, consideration of the data models in both camps be shared openly to arrive at a consensus of fiscal predictions; second, to provide greater incentives for providers to improve its access models so its ability to process new clients are not deterred from a change in the system; and third, to find an answer to slow down the transition phase of this plan to avoid costly lay-offs and job interruptions. Possibly transitional grant monies might be an effective tool to accommodate the cost of this change.

I appreciate the committee's time and attention to these important issues. Coleman stands ready and willing to provide the best possible mental health and drug addiction services possible for Ohioans.