

Contracting with Behavioral Health DSWs: Key Considerations for Health Plans

Behavioral health long-term services and supports (LTSS), such as health navigation, peer support, and developmental therapy, help members maintain independence by coordinating resources and care, serving as mentors and personal models of recovery, and integrating appropriate developmental supports. As states expand managed LTSS for Medicaid enrollees to include those with behavioral health needs, you may need to incorporate behavioral health LTSS providers, such as direct service workers (DSW), into your network. This will require your health plan, which may have considerable experience contracting for acute medical services, to negotiate agreements for behavioral health LTSS.

Key Considerations

- **Identify provider organizations and the behavioral health LTSS they offer.** Consider that behavioral health LTSS may be offered by a variety of providers, including community mental health centers (CMHCs), inpatient facilities, health systems, substance abuse treatment centers, home health agencies, and community organizations. Understanding the providers active in your local market and the services they offer will help you establish a network that includes the range of providers and services that your members need.
 - Start by connecting with the state behavioral health provider association to assess the availability of relevant providers and services in your market. See the National Council for Community Behavioral Healthcare’s link to a [directory of state-based behavioral health provider associations](#).
 - You may wish to reach out to your local area agency on aging (AAA) to determine if it delivers behavioral health LTSS or knows of relevant providers of behavioral health LTSS in your market. You can find your local AAA through the [National Association of Area Agencies on Aging](#).
 - As you contract with home health agencies and other providers of in-home LTSS, determine if they offer behavioral health LTSS or if they have trained their staff to address behavioral health needs.
 - State or county mental health agencies may be helpful in identifying provider organizations. Often, they have trained or hired behavioral health supports and directly paid for behavioral health care.
- **Recognize the managed care contracting experience of various providers.** Some providers of behavioral health LTSS, such as CMHCs and health systems, may already be in your commercial or Medicare networks. They may also be generally familiar with health plan contracting processes and therefore prepared to negotiate terms, rates, and risk. Conversely, home health agencies or

Behavioral Health LTSS

Behavioral health LTSS incorporate peer supports, health navigation, and developmental therapy. Members with chronic mental and behavioral health conditions or developmental disability diagnoses may need these services.

independent providers of developmental therapy and peer supports may have no experience with managed care and therefore require additional support to transition contracting with a health plan.

- Consider training at least one member of your contracting team to help small and independent provider organizations comply with contracting requirements.
- You may choose to offer transitional provisions allowing provider organizations the opportunity to meet contract requirements over time. For example achieving required staff training or establishing a service provision model that operates 24 hours a day, 7 days per week may take time for providers to complete.
- Recognize that small and independent providers may not be familiar with risk-based or shared-savings reimbursement arrangements. If you plan to employ these types of payment methodologies, consider working with providers to help them make the transition.
- **Work with the state and other health plans to streamline processes.** It may be particularly difficult for small providers to meet the contracting conditions and requirements of multiple health plans. Your health plan may identify requirements (e.g., billing, contracting, and training and credentialing requirements) that could be standardized across health plans.
- **Understand the scope of practice laws and licensure requirements in your state and market.** Your health plan is likely experienced with ensuring provider contracts are consistent with the scope of practice and licensure requirements for traditional behavioral and physical health services. Similarly, you will want your contracts with providers of behavioral health LTSS to incorporate any applicable state requirements around licensure and scope of practice. For example:
 - Be aware that staff providing clinic-based or in-home developmental therapy and supports may be subject to scope of practice laws and licensing requirements. The state board that regulates counselor licensing and certification is a place to begin investigating the scope of practice and licensure requirements for developmental therapy. Find your state board from the [American Mental Health Counselors Association](#).
 - Ensure that services do not infringe upon the scope of practice and licensing requirements set forth by the Nurse Practice Act in your state and markets (e.g., peer supports administering medications). Find applicable requirements by connecting with your [state Board of Nursing](#).
 - As with other LTSS providers, recognize that behavioral health peer support specialists and health navigators may not be subject to formal licensure requirements. Rather, they may only need to meet other non-standard requirements established by the state.

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