

### **Behavioral Health Value-Based Care Outlook:**

Transition to value-based payment models is popular in primary care settings and has been gaining traction amongst specialty groups. Integration and adoption of value-based care, within the behavioral health specialty, is still in the early stages but becoming more prevalent in government and commercial lines of business. Current emerging trends in the state of value-based care in the behavioral health setting are the use of outpatient treatment and integration of behavioral health services into a primary care setting. With more national payers like UnitedHealthcare and Cigna taking interest in value-based care opportunities within the behavioral health space, adoption of value-based care models within the specialty will become increasingly common in the next few years.

In the past few years, UnitedHealthcare has [broadened](#) its behavioral health network by around 25%, to prioritize whole person care in the coming years. Beginning this year, UnitedHealthcare and [Walmart](#) are entering a 10-year long partnership to offer value-based care through their Medicare Advantage plans at 15 locations. Behavioral health is a core aspect of this partnership and will include access to virtual mental health treatment options, through Optum's recently acquired [Refresh Mental Health platform](#).

Cigna has also begun to explore value-based capabilities for behavioral health services through their subsidiary [Evernorth](#). Evernorth is focusing on providing early intervention while also treating comorbidities to reduce the total cost of care. Based on a recent [study](#), Evernorth found that over a 15-27 month period, patients with at least one behavioral health outpatient visit saved between \$915-\$3,321 on medical and pharmacy costs during that time. Since there is a large savings potential within the behavioral health space, due to addressing comorbidities, the average medical and pharmacy savings during periods of mental health treatment can often outweigh the cost of behavioral health treatment.

Along with commercial payers, states like New York, Pennsylvania, Arizona, and Tennessee have current value-based behavioral health programs in place for their Medicaid offerings. [New York's program](#) is currently under its Phase 2 where there is a larger focus on:

1. Implementing value management organizations
2. Addressing social determinants of health
3. Investing in workforce programs
4. Incentivizing network performance, and
5. Expanding focus to more populations like pregnant women, children, and those in long term care for substance use disorders.

In addition to the behavioral health goals outlined above, New York's Medicaid program has also outlined three categories of risk sharing levels that providers can participate in. An in-depth review of the risk levels can be found [here](#).

[Pennsylvania's](#) Medicaid program, [Behavioral HealthChoices](#), also follows a value-based purchasing model structure that focuses on [integrated care](#) and is currently working on both expanding access to mental health services and addressing social determinants of health. [Arizona's](#) Medicaid value-based purchasing program is like Pennsylvania's, as behavioral health is also integrated into primary care. Arizona also offers a variety of different value-based payment options such as:

1. Alternative Payment Models

2. Differential Adjusted Payments
3. Directed Payments, and
4. Performance Based Payments.

A final highlight amongst the states is Tennessee's [HealthLink](#) program, which emphasizes provider and care coordination by offering payment incentives for quality care. The Healthlink program places emphasis on patient care and social determinants of health, as their core offerings include:

1. Comprehensive care management
2. Care coordination
3. Health promotion
4. Transitional care
5. Patient and family support, and
6. Referral to social support.

Overall, with the high potential for savings within the behavioral health specialty, integration or adoption of value-based care can help lower total cost of care and provide potential cost savings.

SCALE Payor Strategy can assist in reviewing current contracts and rates, to develop the best strategy for behavioral health practices interested in transitioning to value-based care.