



State of New Hampshire

DEPARTMENT OF HEALTH AND HUMAN SERVICES

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NICHOLAS A. TOUMPAS
COMMISSIONER

March 20, 2012

The Honorable Kathleen Sebelius
US Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Sebelius:

I am writing in response to the February 29, 2012, letter from the New Hampshire Community Behavioral Health Association (NHCBHA) regarding community mental health services in New Hampshire and the implementation of Medicaid managed care. As Commissioner of the New Hampshire Department of Health and Human Services, I am concerned about the statements made in NHCBHA's letter to you specific to New Hampshire's ongoing commitment to improve its comprehensive community mental health system of care, and the process in place to implement a Medicaid managed care program for New Hampshire beginning in July 2012.

In September 2008, the State of New Hampshire published the work of a taskforce convened by the Department of Health and Human Services, with representatives from the Community Mental Health Centers, New Hampshire Hospital, and the Bureau of Behavioral Health in a report, "Addressing the Critical Mental Health Needs of New Hampshire's Citizens: A Strategy for Restoration," which later became known as NH's "10-Year Plan." This report outlined a blueprint for not only addressing system needs identified by the taskforce, but is also New Hampshire's Olmstead Plan. We recognized the challenges inherent in identifying areas within the State needing improvement, but without a critical look at where additional resources were needed, we would be unable to articulate a detailed plan and blueprint for our community mental health system for future development, and address the federal mandates under the Olmstead decision.

Contrary to what was noted in NHCBHA's letter, New Hampshire has made, and continues to make significant progress in implementing the recommendations detailed in the 10-Year Plan. NH has shown its commitment to the 10-year plan, despite the most challenging economic times this State, and the nation, have seen in decades. Several of the key initiatives that have been prioritized include the following:

- When the 10-Year Plan was published, we had a total of four Assertive Community Treatment Teams (ACT) in New Hampshire. We currently have eight Teams in place, and we are in the process of contracting for two additional teams beginning this spring, to bring the total up to ten by this summer.
- New Hampshire developed an innovative program called the Housing Bridge Subsidy Program, to provide housing vouchers to individuals who were homeless or at risk for homelessness until they could obtain a federally funded Section 8 voucher, which has a wait period of 7-9 years in the State of NH. The program initially began with 36 vouchers, with over 50% of those directed towards individuals at New Hampshire Hospital, allowing them to leave New Hampshire Hospital with an apartment, supported with community mental health services, at a level of rent they could afford. This year, the program was expanded by 110%, with funds added to increase the number of Bridge Subsidy vouchers by 40.

- New Hampshire is in the process of expanding an internationally recognized model of peer run, crisis respite beds. We currently have one in place on a part-time basis, and are expanding that to a full-time bed this current fiscal year, and are in the process of contracting to add another full time bed next year. These two respite beds will provide a total of 730 respite bed days per year, diverting consumers from hospital admissions and maintaining their tenure in the community.
- New Hampshire is working with a vendor to implement a national best practice model developed by Boston University Medical Center for reducing hospital readmissions called Project RED (Re-engineered Discharges) at the State Hospital. We anticipate this program will demonstrate the same success other states have seen in reducing readmission rates to the hospital and improving community tenure for individuals utilizing services at the State hospital.
- New Hampshire is actively pursuing becoming a pilot site for a state and federal partnership with the United States Department of Housing and Urban Development (HUD) and the National Association of State Mental Health Program Directors (NASMHPD). We are still awaiting the outcome of our application to participate in this project, which will look at new ways of partnering to ensure adequate access to housing for our consumers of mental health services.
- New Hampshire was recently the first state in the nation to be awarded funding under the CMS Balance Incentive Program, to increase the percentage of funds being directed to community-based care versus institutional-level care by developing the necessary infrastructure to support a no wrong door entry point into community-based services, and establish the necessary services and supports to increase an individual's opportunity to remain in the community, and reduce the need for placement in an institutional setting. Federal funding received under this program will be utilized to develop the infrastructure necessary to increase the percentage of funding going to community-based services to the federal standard of 50% or higher.
- New Hampshire has a well established, and recently expanded comprehensive program under "Money Follows the Person" called the New Hampshire Community Passport Program. The goals of this program are to increase the percentage of home and community-based long term care services, allow individual program participants to receive services and supports in settings of their choice, provide for transitional support services such as home modifications, as well as supplemental services such as overnight home visits to allow individuals to remain in their home in the community. The program recently added a behavioral health specialist from the Bureau of Behavioral Health to expand the focus of the program to individuals with mental illness.

Since the time this plan was published, New Hampshire has experienced unprecedented increases in the demand for services across all health and human services programs. We have continued to advance the 10-Year plan, however, and New Hampshire has, and will continue to, comply with the requirements of the Olmstead decision and the American's with Disabilities Act.

New Hampshire is in the final stages of implementing a comprehensive Medicaid managed care program. New Hampshire's largest expenditures and largest investments in the Medicaid program are for medical services, long-term supports and services, and mental health services. While it is understood that a number of providers have expressed the need for more funding, the current model for Medicaid services in New Hampshire is simply unsustainable. Contributing factors, not unique to New Hampshire, include rising costs tied to growth and the aging of our population, the increasing complexity of our citizen's healthcare needs and resource constraints at both the state and federal level. The implementation of a care management model in New Hampshire provides an opportunity to more efficiently and effectively utilize the resources available for a better healthcare model by focusing on a number of key program goals, all of which have been incorporated into New Hampshire's care management plan:

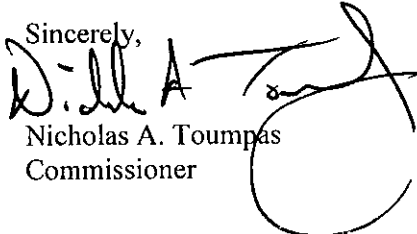
- Improving the overall health of Medicaid beneficiaries.
- Reimbursing for services based on outcomes.
- Enhancing continuity of care across all programs and services.
- Improving access to care for all populations.

- Utilizing a shared decision making model that emphasizes the key role individuals and families have in developing and managing a treatment approach that best meets their needs.
- Implementing both a Medical Home and Health Home model in New Hampshire.
- Preparing for the 2014 Medicaid expansion population.

In designing an approach that will best meet the needs of New Hampshire's citizens, a number of models were carefully considered and deliberated. The experience that other states had in implementing a care management program for Medicaid services was also carefully considered. Throughout the design process, stakeholders were actively involved as was staff within DHHS program areas to provide their expertise in designing a program that would best meet the needs of the diverse populations to be covered under the plan. New Hampshire purposely selected a phased in approach in order to design tailored approaches for each of the diverse groups that will eventually be served under managed care.

Stakeholder input was a critical component throughout this process. One particular area of focus was in the area of behavioral health. Through a separate but parallel process, the State mental health authority, the Bureau of Behavioral Health, was working on a separate managed care model for community mental health services. Over two and one-half years was spent gathering input from hundreds of stakeholders across the State. This work was incorporated in the overall plan design that New Hampshire selected to ensure that the unique needs of individuals in our community mental health system would not only be more effectively addressed, but provide an opportunity to further expand and improve the community mental health system as a whole.

New Hampshire's focus has been on the individuals and the families we are responsible for serving, and improving services for the Medicaid population as a whole. The design of the care management model selected for New Hampshire has many protections for consumers and families built into the overall program design. We will continue our close work with CMS, the provider groups in New Hampshire, other stakeholders and, most importantly, the individuals and families affected by these changes to ensure a successful transition. We understand that any change brings a level of anxiety to everyone involved. We will continue to ensure as open and transparent a process as possible, and provide assistance to the provider community in considering what changes they will need to make in response to the implementation of this program in New Hampshire.

Sincerely,

Nicholas A. Toumpas
Commissioner

cc: His Excellency, Governor John H. Lynch
The Honorable Kelly Ayotte
The Honorable Jeanne Shaheen
The Honorable Frank Guinta
The Honorable Charlie Bass
United States Attorney John P. Kacavas
Marilyn Tavenner, Acting Administrator, CMS
Attorney General Michael Delaney
Nancy Rollins, Associate Commissioner
Erik G. Riera, Bureau Administrator
Roland Lamy, Executive Director, NHCBA
Jay Couture, Chair, NHCBA

