Impacts on people with mental health needs OKPOLICY Oklahoma Policy Institute **MANAGED CARE IN OKLAHOMA:**



Oklahomans need comprehensive mental health care

Twenty-one percent of Oklahomans have a mental illness, and 11 percent struggle with a substance abuse disorder. In 2018, only 192,000 of the estimated 700,000 individuals who needed mental health treatment could access those services. 92,000 of those Oklahomans could access treatment when Medicaid expansion is implemented,² and expanding this access could reduce rates of homelessness and incarceration. In other states, expansion has facilitated better access to mental health and substance abuse treatment.³

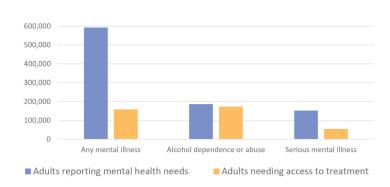
Privatization jeopardizes this progress

Since the overhead cost of Oklahoma's Medicaid program is already so low, privatized MCOs could make a profit by limiting access to care or cutting provider rates. MCOs have struggled to improve outcomes for individuals with complex needs, such as those with a serious mental illness, 4 so moving this population to a privatized managed care model could be detrimental.

After Kansas privatized its Medicaid program, individuals with mental illnesses reported:

- issues staying in touch with their care coordinators;
- problems understanding their coverage and network requirements;
- an inability to access certain medical equipment or supplies; and
- issues accessing speciality care.4

Oklahomans need an effective Medicaid expansion



Source: Data from Kaiser Family Foundation, 2018

While care coordination could benefit individuals with serious mental illnesses, MCOs don't have the best track record here. Network inadequacy, geographic limitations, and a lack of understanding of evidence-based care⁵ could hamstring the gains made by expansion. The OHCA already provides care coordination for Medicaid patients, and with sufficient resources, could likely improve outcomes without outsourcing.

Behavioral health providers could also be harmed by administrative and funding concerns. More stringent authorization, record keeping, and billing requirements, as well as an increased need to justify health care pose threats. Providers could struggle to comply with new requirements and billing processes imposed by MCOs, and could even be subject to lower reimbursement rates. Making this fundamental change right after 200,000 Oklahomans become newly eligible for Medicaid will place an even heavier burden on these providers.

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¹ Dept. of Mental Health, "Mental Health and Substance Abuse Prevalence for Oklahoma"

² Mental Health America, "Adult Data 2021"

³ NAMI, "The Issue: Medicaid Expansion"

⁴ Hall, J., LaPierre, T. and Kurth, N. "Medicaid Managed Care: Issues for Enrollees with Serious Mental Illness," AJMC (2019)

⁵ Healthy Minds Policy Initiative, comment in response to the RFI (2020)

⁶ Social Work Today, "Managed Care Trends and Mental Health Practice" (2010)

⁷ Healthy Minds Policy Initiative, comment in response to the RFI (2020)