Managed Care 101

Training will begin at 1:03PM ET
<table>
<thead>
<tr>
<th></th>
<th>Agenda</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong></td>
<td>Beacon Health Options – Who We Are</td>
</tr>
<tr>
<td><strong>2</strong></td>
<td>Terminology and Definitions</td>
</tr>
<tr>
<td><strong>3</strong></td>
<td>How It Works</td>
</tr>
<tr>
<td><strong>4</strong></td>
<td>Codes For Diagnosis</td>
</tr>
<tr>
<td><strong>5</strong></td>
<td>Billing Beacon</td>
</tr>
<tr>
<td><strong>6</strong></td>
<td>Online Resources &amp; Contact Information</td>
</tr>
</tbody>
</table>
Chapter 01

"We help people live their lives to the fullest potential."

Our Commitment

Who We Are
We help people live their lives to the fullest potential.
Beacon has a 30-year history providing managed behavioral health care services

• Headquartered in Boston; more than 70 US locations
• 4,500+ employees serving 40 million people across the country
• 180 Employer clients; 43 Fortune 500 companies
• Partnerships with 65 health plans

• Programs serving Medicaid recipients in 24 states and the District of Columbia
• Serving 5.4 million military personnel and their families
• Accreditation by both URAC and NCQA
Beacon Health Options serves more than 40 million members across the country

NCQA and URAC accredited

LEADER IN QUALITY

• Clinical Care
• Utilization Management
• Care Management
• Customer Service

KEY OPERATIONAL AREAS

• Information Technology
• Data Analytics
• Reporting
• Administrative Support

LINES OF BUSINESS

• Employer
• Commercial
• Exchange

• Federal
• Medicaid
• Medicare

Copyright 2020, Beacon Health Options
Beacon’s Core Business

• Mental Health and Substance Abuse Services (MHSA)

• We provide members access to a comprehensive array of treatment and support services for mental health and chemical dependency conditions.

• Inpatient and outpatient treatment options, facilities and programs

• Utilization Management and Care Management to manage care and costs more effectively

• Development and maintenance of provider network through contracting and credentialing

• Intensive Case Management for high-risk members
Chapter 02

“We help people live their lives to the fullest potential.”
Our Commitment

Terminology and Definitions
Who is Involved?

• Member / Enrollee / Patient: individual receiving services

• Provider: Hospitals, Clinics, Community Mental Health Centers (CMHCs), Individual Practitioners, etc. with whom Beacon contracts to provide the services the member needs

• Managed Care Plan is a type of health insurance contracted with health care providers to provide care for its members.
What is Behavioral Health (BH)?

• Behavioral health is the connection between our behavior and the health and well-being of the body, mind, and spirit
  • Includes (but is not limited to)
    • eating habits
    • drinking
    • physical activity
• Behavior has an impact to physical or mental health, either immediately or over time
• It can also include broader factors such as having to live in an area with high pollution or experiencing high levels of stress over a long period of time
• Our services relate to mental health and substance use specifically
What is Managed Behavioral Healthcare?

• Emerged in the 1980s in an effort to control the rising cost of behavioral healthcare with the rising need for quality behavioral healthcare

• Provides a system of checks and balances to ensure
  - Quality of care
  - Access to providers
  - Accountability for positive outcomes

• Reduces the unnecessary utilization of services

• Contains costs while maintaining high performance

• Goal to ensure cost-effective behavioral health care
Definition of Managed Care

• Any method of health care delivery designed to reduce unnecessary utilization of services, and provide for cost containment while ensuring that high quality of care or performance is maintained

• Provides Cost Effective Health Care through a Managed Care Organization (MCO)
Chapter

03

“We help people live their lives to the fullest potential.”

Our Commitment

How It Works
Beacon’s Approach

• Beacon’s mission is to help people live life to the fullest potential.
• This is done by partnering with our members’ health plans to integrate their behavioral health and physical health needs and services to ensure the right care at the right time in the right setting.
  • This approach treats the whole person rather than their diagnosis to prevent fragmented care.
Beacon’s Integrated Partner Model Approach

• Our **Integrated Partner Model** is designed to:
  - Promote healthy behavior
  - Effectively manage chronic illness
  - Eliminate barriers to treatment
  - Increase service coordination and provider collaboration
  - Contain health care costs
  - Focus on the physical, behavioral, and psychosocial environment needs of the population, instead of a fragmented “silo” approach
  - Proactively identify, outreach, and assess to intervene as early as possible along the wellness/disease continuum
How it Works

• Client hires Beacon to manage the client’s behavioral health services
  • Services are carved out to Beacon
• Beacon uses their network of contracted providers (where delegated) to perform the services
• Providers call Beacon to receive authorization to provide services
  • Beacon Utilization Management (UM) clinicians and Physician Advisors (PAs) determine the necessity of the services being requested
How it Works

• In those cases in which there is a question regarding the medical necessity of a service that a provider is requesting, clinicians reach out to Physician Advisors (PA) and Medical Directors (MD) for further guidance and a medical determination
  • Often times this will result in a phone call between the PA/MD and the provider called a peer to peer
How it Works

• Providers are paid via several methods. This list is non-exhaustive:
  — **Fee for Service**: through claim submission – processed through the Claims Department
  — **Bundled Rates**: provider is paid for an episode of care, what the expected cost of that service
generally would be
  — **Capitation**: a set amount for each enrolled person assigned to that physician or group of physicians,
whether or not that person seeks care

• The Quality department ensures that we are following required approaches to how we service our members and how our providers
  service our members
Types of Client Partners

• Beacon partners with several types of clients, but primarily with health insurance plans
• These plans may offer one or several different lines of business, including:
  • Commercial insurance
  • Medicaid
  • Medicare
  • Exchange
Commercial Overview

• Also known as “private insurance”
• Member pays in part or in full for the insurance
  o Insurance Premiums: weekly, bi-weekly or monthly payment
• Paying a premium allows access to health services at a lower cost or a co-pay
  o Insurance company pays for a portion of the service
• Employers may be required to offer insurance to their employees
  o Employer pays for a portion of the premium
  o Employee pays the remainder of the premium
Medicare Overview

- Federal government program
- Provides health insurance to individuals
  - aged 65 or older or
  - who are disabled
- Portions of payroll taxes are used to pay for Medicare
- Members of Medicare also pay monthly premiums but at a lower cost (typically) than private/commercial insurance rates.
Medicaid Overview

- Government health insurance program for low-income individuals and families
- Medicaid is considered a social welfare program
- Medicaid members do not pay premiums for the insurance
- Medicaid is funded federally and by state tax programs
Exchange Overview

- Exchanges are organizations that were established under the Affordable Care Act (ACA) to allow for the purchase of health insurance.
- Depending on the state, exchanges are open to individuals, small businesses, or both.
- Health insurers can decide whether or not to participate in exchanges.
- Like Commercial plans, Exchange plans require premiums and/or other cost-sharing to the individual.
Coverage

• Commercial and Exchange:
  o Varies based on plan

• Medicare:
  o Part A: Hospital and post-hospital facility charges, including home healthcare
  o Part B: Doctors fees, lab costs and outpatient care
  o Part C: Medicare Advantage plans
  o Part D: Prescription drugs

• Medicaid:
  o Basic health care costs: doctor visits and hospital stays
  o Each state decides additional coverage
Chapter 04

“We help people live their lives to the fullest potential.”

Our Commitment

Codes For Diagnosis
Codes for Diagnosis

• The **Diagnostic and Statistical Manual of Mental Disorders** (DSM) is the standard reference for clinical practice in the mental health field.
  
  o Published by the American Psychiatric Association (APA).
  
  o Mental Health Professionals use this manual when working with patients in order to better understand their illness and potential treatment and to help 3rd party payers (e.g., insurance) understand the needs of the patient.
  
  o The book is typically considered the source of truth for any professional who makes psychiatric diagnoses in the United States and many other countries.
  
  o Currently using 5th edition (DSM V)
Codes for Diagnosis, continued

• The **International Classification of Diseases** (ICD) is the international standard diagnostic classification system for clinical services.
  
  o This is the HIPAA compliant coding system that is used for billing and electronic transactions between providers and payers.
  
  o Includes both medical and behavioral health codes
  
  o This classification also contains some procedural codes. (procedural codes not used by Beacon)
  
  o Currently using 10th edition (ICD-10)
Chapter 05

“We help people live their lives to the fullest potential.”

Our Commitment

Billing Beacon
Billing Beacon

• A Current Procedural Terminology (CPT) Level I code set is maintained by the American Medical Association (AMA) through the CPT Editorial Panel
  o The CPT code set describes medical, surgical, and diagnostic services
  o It is designed to communicate uniform information about medical services and procedures among physicians, coders, patients, accreditation organizations, and payers for administrative, financial, and analytical purposes
Billing Beacon

- **Healthcare Common Procedure Coding System** (HCPCS) Level II codes are alphanumeric
  - Primarily include non-physician services such as ambulance services and prosthetic devices, and represent items and supplies and non-physician services not covered by CPT codes

- **Revenue Codes** are used to identify specific accommodations, ancillary services and billing calculations as determined by the National Uniform Billing Committee
  - Revenue Codes are mainly used for billing by Inpatient Facilities
Billing Beacon

- **Modifiers**: provide additional information about a procedure such as who conducted service, how many members were in a group etc.

- **Billing Forms**
  - Outpatient/Professional (CMS1500)
  - Inpatient/Institutional (UB04)
Billing Beacon

For individual practitioners, small practices

- eServices
- ProviderConnect

For multiple claims, high volume

- EDI (Electronic Data Interchange): Direct Submission, multiple claims at a time. Requires following 837/997 format file Generator/Translator
- EDI – Billing Agency Submission: provider submits their claims to a billing agency. Billing agency submits claims to Beacon through EDI Gateway
Chapter 06

“We help people live their lives to the fullest potential.”

Our Commitment

Online Resources & Contact Information

Copyright 2020, Beacon Health Options

No part of this training may be reproduced, distributed or transmitted in any form or by any means, including photocopying, recording, or electronic or mechanical methods without prior written permission from Beacon Health Options.
Anthem has completed its acquisition of Beacon Health Options

https://www.beaconhealthoptions.com/

Copyright 2020, Beacon Health Options

No part of this training may be reproduced, distributed or transmitted in any form or by any means, including photocopying, recording, or electronic or mechanical methods without prior written permission from Beacon Health Options.
Beacon Health Options Website

Provider Dashboard

Selected from the options below:

- [Network-Specific Info]
- [Provider Handbook]
- [Provider Portal]
- [Provider Spotlight]
- [Learn More]

Provider Spotlight
Post-webinar Survey

Your opinion matters

Please complete a short simple survey at the end of our webinar.

Your honest responses will help us to improve our training.
# Thank You

## Contact Us

<table>
<thead>
<tr>
<th>Website and EDI</th>
<th>Beacon Health Strategies</th>
<th>Beacon Health Options (formerly ValueOptions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>eServices</strong></td>
<td><strong>EDI Helpdesk</strong></td>
</tr>
<tr>
<td></td>
<td>Phone: 866-206-6120</td>
<td>Monday through Friday,</td>
</tr>
<tr>
<td></td>
<td><a href="mailto:eServices@beaconhealthoptions.com">eServices@beaconhealthoptions.com</a></td>
<td>8 a.m.-6 p.m. ET</td>
</tr>
<tr>
<td></td>
<td><strong>Electronic Data Interchange</strong></td>
<td>Phone: 888-247-9311</td>
</tr>
<tr>
<td></td>
<td>Phone: 888-204-5581</td>
<td><a href="mailto:e-supportservices@beaconhealthoptions.com">e-supportservices@beaconhealthoptions.com</a></td>
</tr>
<tr>
<td></td>
<td><a href="mailto:EDI.Operations@beaconhealthoptions.com">EDI.Operations@beaconhealthoptions.com</a></td>
<td></td>
</tr>
<tr>
<td>PaySpan</td>
<td><strong>PaySpan Registration Provider Support</strong></td>
<td>Unable to locate your registration code?</td>
</tr>
<tr>
<td></td>
<td>Monday through Friday,</td>
<td>Email: <a href="mailto:corporatefinance@beaconhealthoptions.com">corporatefinance@beaconhealthoptions.com</a></td>
</tr>
<tr>
<td></td>
<td>8 a.m. – 8 p.m. ET</td>
<td>Reply will be received within three business days</td>
</tr>
<tr>
<td></td>
<td>Phone: 877-331-7154</td>
<td><a href="mailto:providersupport@payspanhealth.com">providersupport@payspanhealth.com</a></td>
</tr>
<tr>
<td>Provider Relations</td>
<td><strong>National Provider Services Line</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Monday through Friday,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>8 a.m.-8 p.m. ET</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Phone: 800-397-1630</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Regional Provider Relations Team</td>
<td></td>
</tr>
</tbody>
</table>