



Magellan of Virginia
CSA Presentation

April 2015





Introductions

Presented by:

William Phipps, LCSW - General Manager

Varun Choudhary MD, MA - Medical Director

Stacy Gill, LCSW - Clinical Director

Magellan Company Overview



Magellan Health's collective strength and experience can positively impact the overall care of specific populations who have behavioral, pharmacy and specialty healthcare needs. We drive positive outcomes for individuals, health plans and populations using an integrated approach informed by predictive analytics and technology-enabled solutions.

Our experienced clinical professionals, supported by advanced technology and innovative solutions, are our greatest asset. Magellan's depth of experience enables us to build effective care systems to manage population health.

Magellan HEALTHCARE

Helping 1 out of every 10 Americans make the journey to better health.

- Tailored spectrum of behavioral health and Employee Assistance Programs for health plans, employers, and various military and government agencies
- Emphasis on wellness and preventive care
- Unique solutions for special populations
- Behavioral health presence on more than 160 military installations worldwide, behavioral-led health home programs, Medicaid and dual eligible populations, and Medicare Advantage programs
- More than 40 years of experience in delivering quality improvements and cost savings
- Strong network with more than 77,000 credentialed behavioral health providers
- Trusted service for more than 36.1 million individuals, 7 states, 1,000 employers and 25 health plans

NIA Magellan

Reinventing specialty healthcare.

- Broad suite of innovative specialty solutions, including radiology, cardiology and musculoskeletal management
- Sophisticated analytics, customized clinical strategies and advanced technology to optimize healthcare quality and affordability
- Execution excellence and high-touch service approach in collaborating with customers, providers and consumers
- Extensive reach, serving more than 20.3 million individuals and 57 health plans nationally



Magellan Rx MANAGEMENT

A smarter approach to pharmacy benefits.

- Collective scale and experience managing total drug spend, while ensuring a clear focus on the specific needs of each customer
- Empowering you with easy-to-use tools, industry-leading clinical programs and insightful cost savings solutions
- More than 40 years of Medicaid-focused expertise supporting over half the nation's programs
- In-depth knowledge and direct experience managing sensitive populations
- Managing \$15 billion in annual drug spend and processing more than 80 million adjusted claims annually
- Leveraging pharmacy benefits and specialty pharmacy expertise

Magellan COMPLETE CARE

Innovating healthcare for specialty populations.

- Magellan Complete Care of Florida is the nation's first Medicaid plan for individuals living with serious mental illness
- Unique model of care that meets the needs of all types of members
- Expertise with serious mental illness, long-term care and intellectual and developmental disabilities
- Well-coordinated care for the complete person
- Focus on prevention and wellness for the mind and body
- Support and coordinate all stakeholders' participation in care

To learn more about how you can put Magellan's collective strength and expertise to work for you, visit MagellanHealth.com.



Managed Care Overview



The Goals of Managed Care

- Facilitate rapid treatment and promote easy access to care
- Create hope by matching individuals to effective providers
- Optimize resource utilization
- Enhance/facilitate positive treatment outcomes
- Consolidate and sustain treatment gains
- Prevent mental health problems



Management of Clinical & Quality Outcomes

- Managed Behavioral Health Care Organizations (MBHOs) have been credited for effectively using competition among the various behavioral health disciplines in order to improve access, reduce costs, and limit adverse selection challenges faced by purchasers (Cuellar et al., 2009)
- MBHOs have been lauded in meeting best practice performance standards established within the industry regarding convenience and easy geographical access to providers (Cuellar et al., 2009)
- When comparing mental health treatment before the introduction of utilization review and management, psychiatrists acknowledge that its benefits have “reduced harmful practices that were common in the era before managed care, such as unnecessary hospitalization, poor follow-up after discharge and care that was incongruent with practice guidelines”. (Druss et al, 2004)

The Health Employer Data and Information Set (HEDIS)



- Developed by The National Committee for Quality Assurance (NCQA)
- “Report card” for health plan performance using a set of quality indicators for various health conditions
- Over 90% of Americans enrolled in Health Management Organizations (HMOs) are represented in this national data set.
- Collecting and analyzing these data is a requirement for health plans seeking NCQA accreditation.
- HEDIS is lauded as the largest and most credible set of validated proxy measures for quality of treatment provided under systems of utilization review and management. (Druss et al., 2002)

Patient Safety & Risk Management

- The Committee on Quality Health Care in America argued persuasively that overuse, underuse, delay and misuse of clinical resources pose significant safety risks to patients and frequently lead to preventable medical errors. (IOM, 2000; IOM 2001)
- Shortly thereafter, and based on recommendations from the aforementioned Committee on Quality, oversight organizations (i.e., NCQA, JCAHO) created explicit performance requirements for patient safety in their accreditation standards so that health insurers and purchasers of health care could accept their findings and determinations on MBHO capability to monitor patient safety.
- In order to achieve and retain accreditation, MBHOs typically have a safety program that includes at least one system-wide quality improvement project/activity focusing on patient or consumer safety.

The Positive Impact of Managed Care

- Makes coverage possible
- Increases accountability
- Encourages development of alternative treatment settings
- Makes managed care professionals advocates
- Provides higher quality services
- Stimulates research in the field
- Provides a database for outcomes studies, performance measurement and research
- Reduce potential for fraud and exploitation
- Improves access to services

Magellan Values



Magellan's Clinical Treatment Philosophy

- A highly accessible care delivery system
- Collaboration with the greater community
- A network of providers that meet credentialing requirements
- Clinically sound, research-based decision making tools to promote utilization of appropriate behavioral health care resources in an efficient and effective manner.
- Provide the most appropriate least restrictive level of care necessary to provide a safe and effective environment to meet the individual clinical needs of the member
- Consideration of individual member's person-centered clinical needs from a Biopsychosocial perspective



OUR APPROACH:

Building upon individual strengths

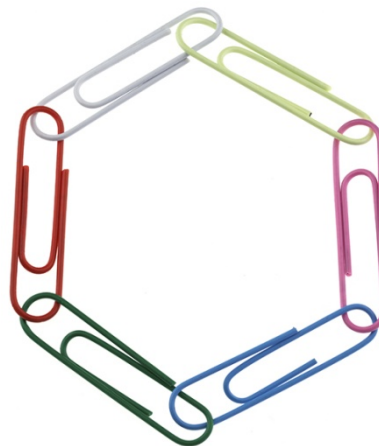
Magellan's unique vision of care, founded on a heritage of empathy and insights, brings a complete-person perspective to the individuals we serve as we deliver enhanced, coordinated care. This is supported by our four core pillars:

- ***Clinical Excellence*** - *Our clinical approaches are founded in evidence-based and nationally recognized best practices.*
- ***Inspired Insights*** - *Challenging convention with fresh thinking is how we move care forward. Employing the insights of children, youth and families is key to developing successful interventions and supports.*
- ***Connecting*** - *Supporting members with a coordinated community of care.*
- ***Personalized Care*** - *We believe that every individual is unique and their care should be as well.*

Magellan Behavioral Health: A Longstanding Commitment to Children and Youth

Magellan Behavioral Health has a solid history of managing a robust array of behavioral health services and supports tailored to advance the strengths and meet the needs of children, youth and their families

Our vision is that children and youth live with families, enjoy natural supports, achieve in school, remain healthy, stay connected with friends, thrive in their communities and achieve a safe and successful journey toward adulthood.



Magellan Programs



Integrated Health Home (IHH) Initiative

- In Iowa, Magellan Health Services established integrated health homes (IHH) for adult Medicaid members who have a serious mental illness and for children living with a serious emotional disturbance.
- IHH is built on the evidence-based best practices of the patient-centered medical home model. This model was developed in the medical primary care community more than twenty years ago and has rapidly spread in its adoption during the past ten years.
- The behavioral health provider is the point of entry for care.
- The behavioral health provider partners with physical health providers and other healthcare professionals to offer comprehensive, integrated care through a care coordination team.
- To ensure the effective delivery of care, community-based providers are given tools and training to help them better manage care for their patients and integrate that care across the entire delivery spectrum.

Integrated Health Home (IHH) Initiative

IHH participants benefit from a “complete-person” approach that Includes:

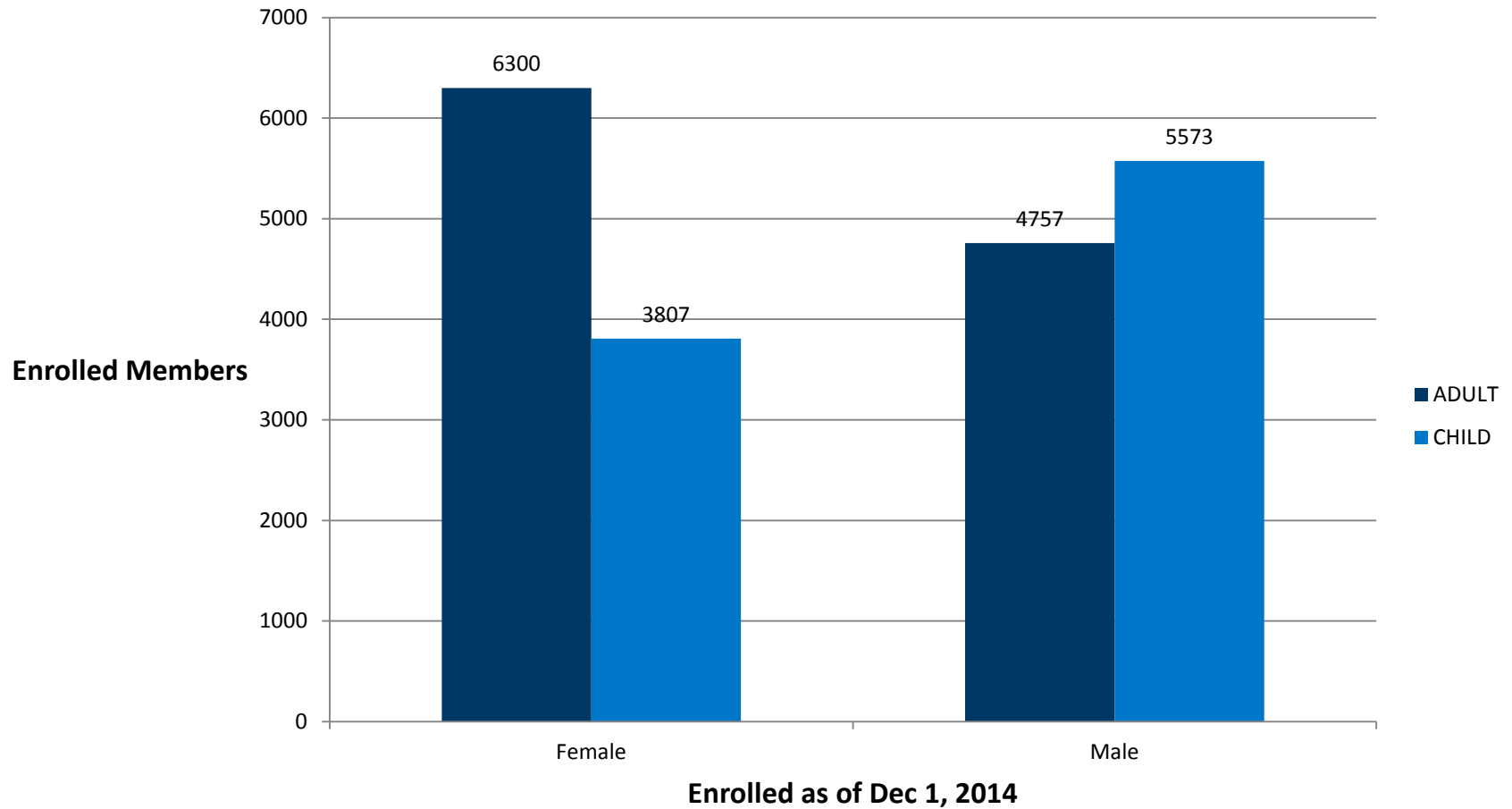
- Health assessments and personalized health, wellness and care coordination plans.
- Coordinated behavioral, primary and specialty care, as well as social services and other supports. Clinical information about the member is shared with all participants in the member’s care.
- Treatment guidelines that address the unique needs of adults living with serious mental illness and children living with a serious emotional disturbance.
- Peer support services for adults, provided by individuals who have personal experience dealing with serious mental illness and/ or chronic health conditions and encourage a commitment to recovery and wellness.
- Referrals to a wide range of community resources and support services to address problems that compromise total health.
- Increased access to care, 24 hours a day.

Integrated Health Home (IHH) Initiative

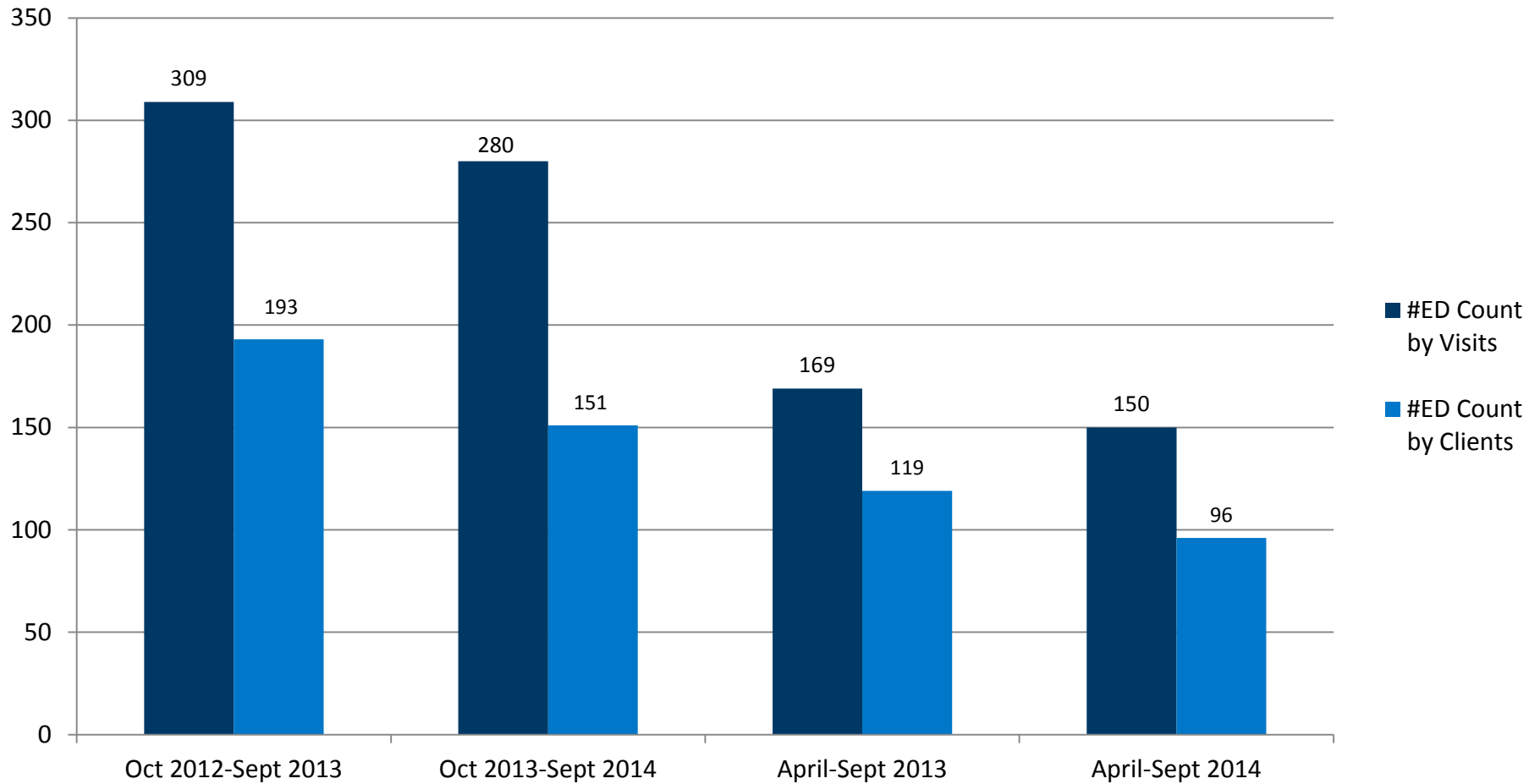
IHH activities are focused in four areas:

- Care coordination and health promotion
- Chronic condition management and population management
- Comprehensive transitional care
- Individual and family support services

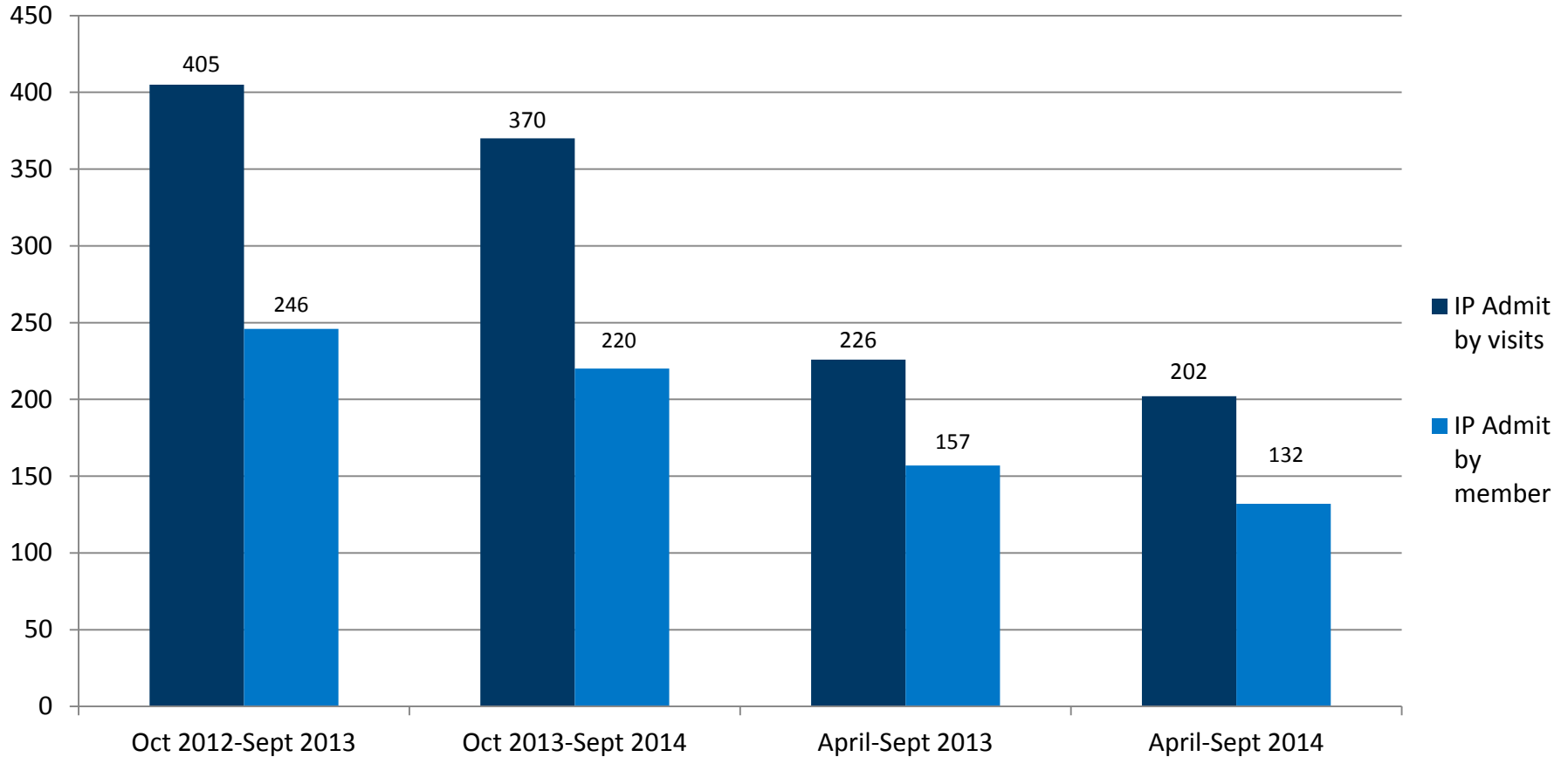
Gender and Age Enrollment Distribution



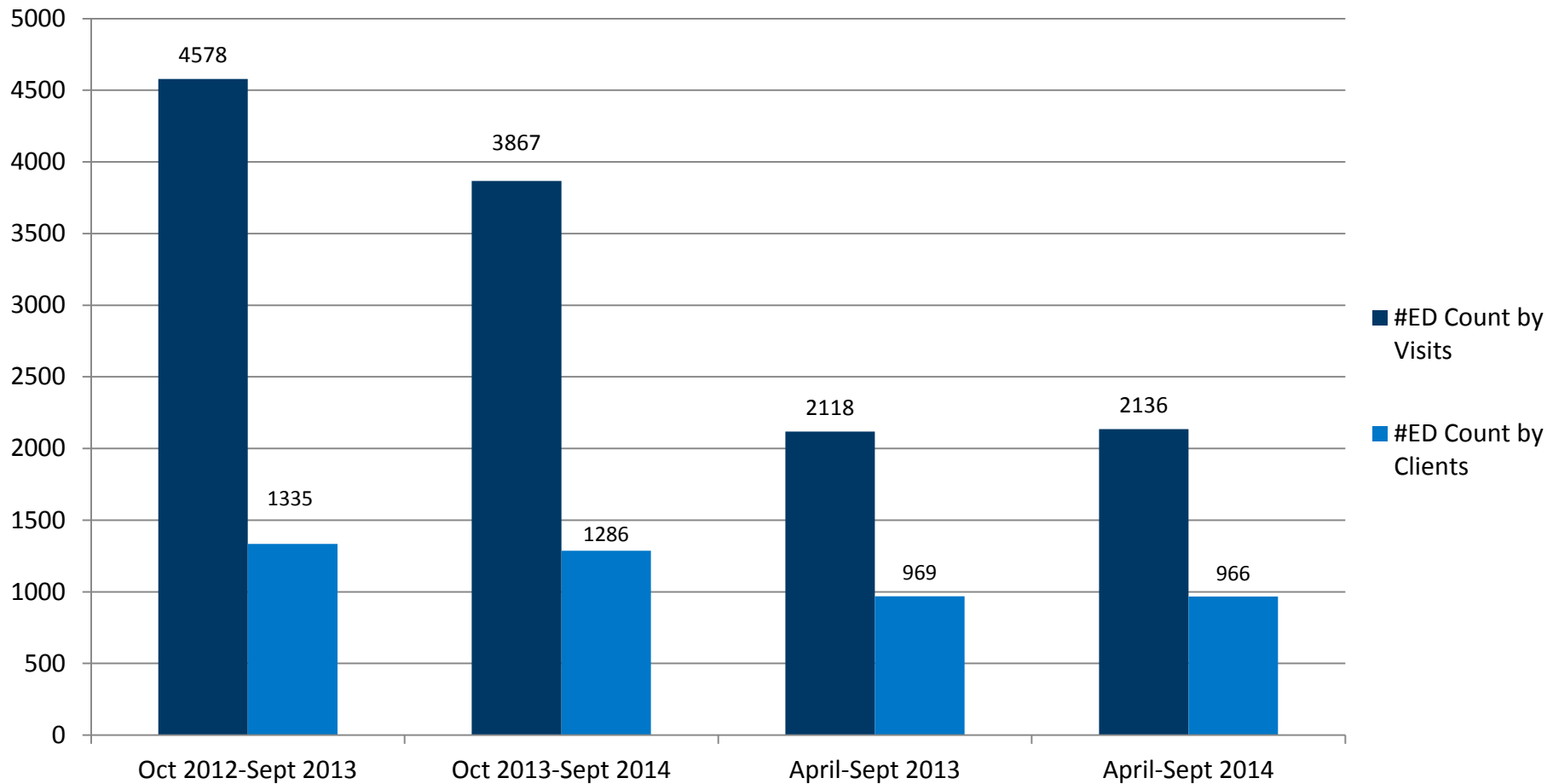
Emergency Department Use Reductions for MH Reasons by IHH Members



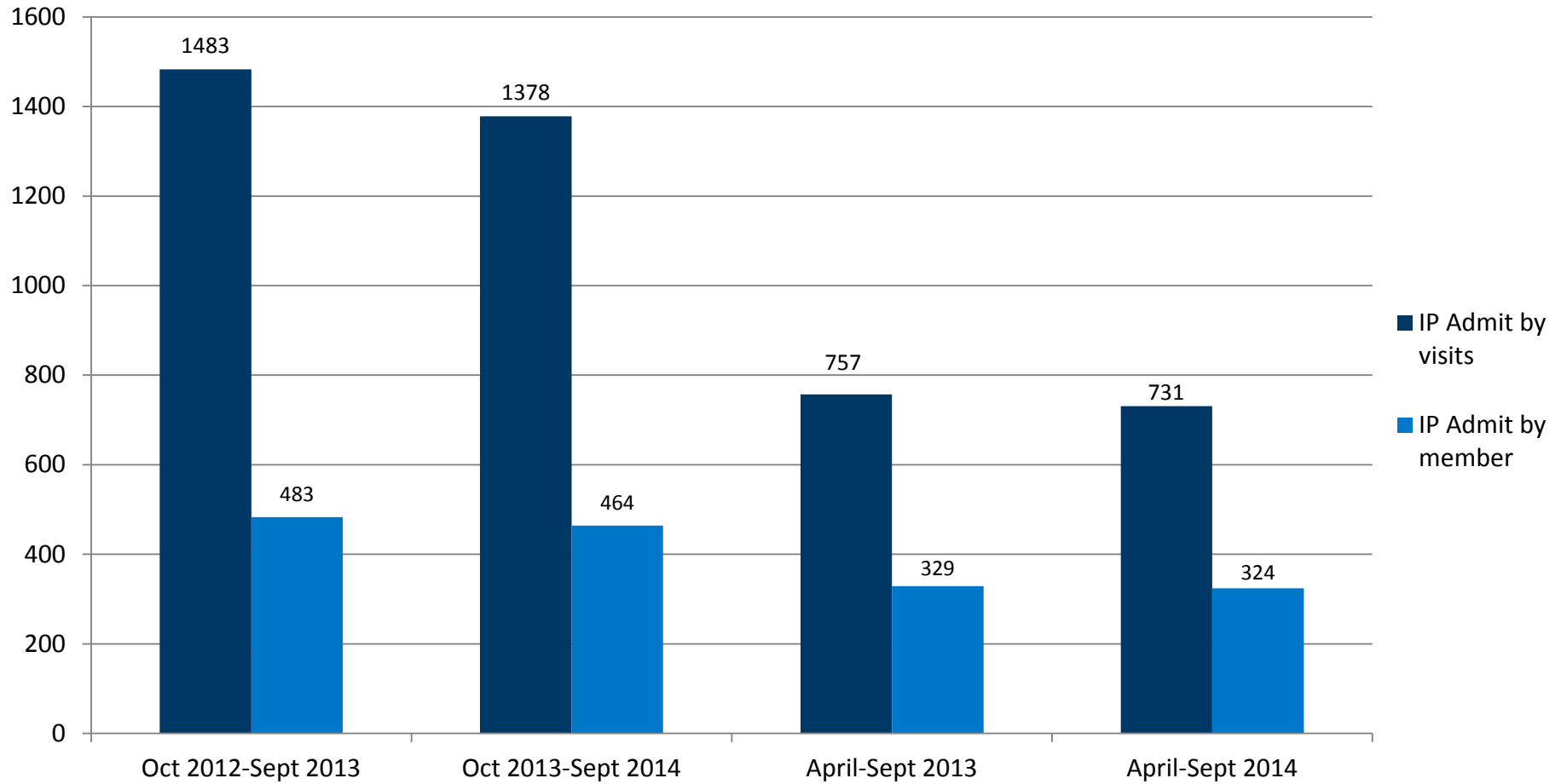
Inpatient Admission Reductions for MH Reasons by IHH Members



Emergency Department Use Reductions for Medical Reasons by IHH Members

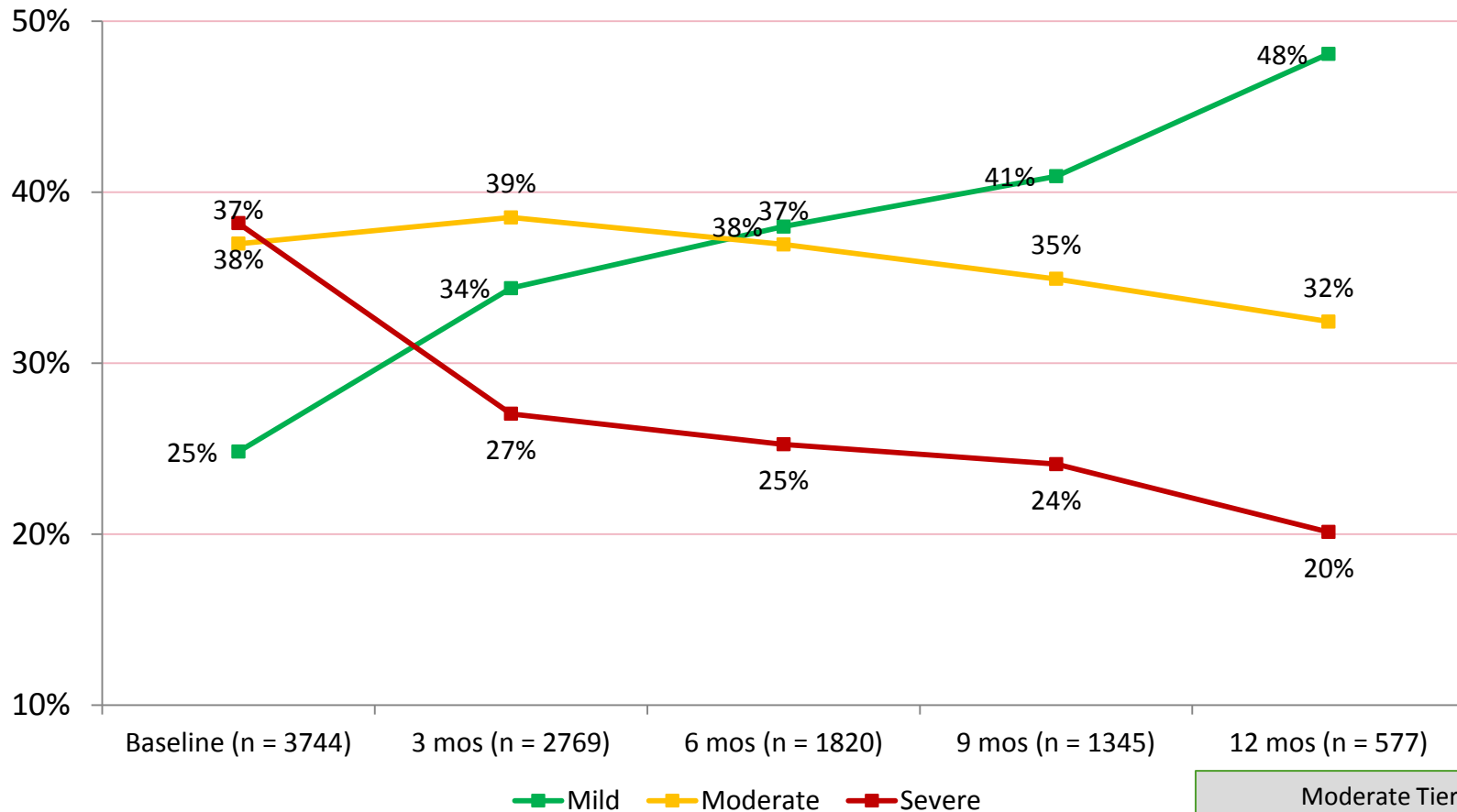


Inpatient Admission Reductions for Medical Reasons by IHH Members



Caregiver Identified Level of Child/Youth Risk Severity over 1 year period

July 1, 2013-September 30, 2014 (n = 3744)*



A generalized linear mixed model analysis was used to determine the probability of each domain flagged and tier level for each child over time from July 1, 2013 through September 30, 2014

Moderate Tier p = 0.258
Mild and Severe
Tiers p < 0.0001

Autism Connections: Providing Innovative & Effective Autism Solutions



- Magellan uses its market-leading clinical expertise and network of providers who specialize in this area to ensure children and their families receive the most appropriate highest quality, cost-effective care.
- To manage autism effectively, Magellan combines clinical expertise with the right care to improve health and lower costs. Families can receive assistance from a trusted resource that can help them navigate the complex health care system, obtain access to quality providers and receive support within their communities.
- Positive Outcomes: Generated a 93.6% rating or higher for providing helpful, individualized services; Achieved high satisfaction scores with 90% of individuals stating they were very satisfied with the program; Generated a 5% improvement in social and behavior domains for a large health plan customer

Autism Connections: Features of the Program



- **Comprehensive benefits management**—We provide consultation to help families optimize services to improve each child’s health. We help to ensure appropriate care is used through prior authorization, concurrent review and outcomes monitoring for all levels of care against diagnostic and medical necessity criteria.
- **Highly specialized provider network**—Magellan’s expert network offers access to licensed providers with years of experience in treating autism. These providers ensure optimal care with the use of evidence-informed guidelines, Applied Behavior Analysis (ABA) techniques and Skills®, our cutting-edge clinical tool.
- **Enhanced outreach and care coordination**—A dedicated Autism Center of Excellence which provides support to the members multi-disciplinary care team of primary care and behavioral health providers as well as to others on the treatment team.
- **Web-based Family Peer Support**—Combines proven peer support, evidence-based clinical principles and social networking to offer encouragement to families in an engaging way. Available 24/7 online or via mobile, families are encouraged to engage in social support and educational activities. Families also receive real-time feedback and encouragement from peer health coaches.
- **Robust resources**—Offers web tools, including educational articles, toolkits, guides and links to community-based support services.

Peer Support Specialists Program

- The use of peer specialists—individuals who are recovering from mental health challenges themselves and are trained to help others with psychiatric disabilities is recognized as an evidence-based practice and a key component of recovery-focused programs.
- Magellan was among the first companies in the behavioral health managed care field to recognize the pivotal and growing role of peer specialists in supporting individuals with psychiatric disabilities.
- Peer Support Whole Health and Wellness Initiative partnership with the Appalachian Consulting Group: Trained more than 500 peer specialists to provide Peer Support Whole Health and Resiliency (PSWHR) services, with a focus on the overall health of individuals with psychiatric disabilities by helping them establish and achieve self-determined whole health goals that move them toward recovery

Medication Assisted Treatment Program

- Based on professional standards, such as those developed by the American Psychiatric Association's Physician Consortium for Performance Improvement®, a taskforce of Magellan clinical leaders created the medication-assisted treatment (MAT) program.
- Our national initiative seeks to increase the use of acamprosate, naltrexone, buprenorphine and new medications as their proven benefits emerge in treatment of substance use disorders where clinically appropriate.
- The program not only focuses on patients who have been discharged from inpatient substance use treatment programs, but also targets individuals receiving outpatient case or disease management services.
- Through MAT measures, Magellan monitors the number of cases in which physicians are prescribing medications and follows member readmission rates.

The appropriate use of psychotropic drugs in children and adolescents

THE CHALLENGE*

17 – 22%

Prevalence of children with mental health disorders

31%

FDA-approved psychotropic medications for children

1 in 5

Number of children receiving services from appropriately trained practitioners

>75%

Prevalence of "off-label" (unapproved) use of prescriptions for children's mental health treatment

WHAT ROLE DO YOU PLAY?



Child's physical & mental health practitioners

+



Parent/caregiver

+



Child

=



The child's treatment team

WHAT CAN YOU DO?

Asking questions is a good way to stay involved in your child's treatment plan.

1. The treatment options

- Are these medications needed?
- Will my child benefit from therapy?
- Did my child get a full evaluation from a behavioral health practitioner?

2. The medication

Has the medication been tested and approved for children? What are the:

- Risks?
- Benefits?
- Side effects?

3. The treatment plan

- How will I know my child is making progress?
- How often will my child be checked after starting the medications? What happens if we don't see progress?
- What warning signs should I look for and when should I call the doctor?
- Will the treatment be noted in my child's health care records?
- Will you talk to my child's other health care providers?
- Do you know of other medications my child is taking and are there risks in combining them?

GOAL: TO GET THE RIGHT TREATMENT FOR EACH CHILD'S NEEDS.



Looking for more resources? Scan this code with your phone.

*Sources: APA Working Group on Psychoactive Medication for Children and Adolescents (2006). Report of the Working Group on Psychoactive Medications for Children and Adolescents. Psychopharmacological, psychosocial, and combined interventions for childhood disorder: Evidence base, contextual factors, and future directions. Washington, DC: American Psychological Association. Solchany J. Psychotropic Medication and Children in Foster Care: Tips for Advocates and Judges. Practice and Policy Brief, American Bar Association Center on Children and the Law. October 2011.



MagellanHealth.com

E-22rev1 (6/14) ©2014 Magellan Health, Inc.

Magellan
HEALTH

Magellan Vision



OUR IMPACT:

Aligned Vision of Service for Families & Children

- 1. Ensure that services and funding are consistent with the Commonwealth's policies of preserving families and providing appropriate services in the least-restrictive environment, while protecting the welfare of children and maintaining the safety of the public*
- Magellan Behavioral Health is dedicated to ensuring that children and young people with behavioral health conditions and their families receive effective care
 - We believe children are most resilient when served through the least-restrictive environment within the community, such as his or her home, and family involvement is a high priority
 - When necessary, residential treatment must incorporate individualized treatment planning, employ methods for intensive family involvement and achieve comprehensive discharge planning

OUR IMPACT:

Aligned Vision of Service for Families & Children

Intensive Residential Treatment Model

- In 2008, Magellan partnered with Pennsylvania's Lehigh and Northampton counties to focus on reducing the reliance on traditional residential treatment.
- The emphasis was on a shift toward a short-term residential treatment philosophy called *Intensive Residential Treatment*.
- The key components of this model included smaller caseloads, family involvement, comprehensive discharge planning and post-discharge follow-up.
- After a two-year period, the results of the study were positive and supported the use of this model of residential treatment over traditional residential treatment methods.

OUR IMPACT:

Aligned Vision of Service for Families & Children

Intensive Residential Treatment Model

Findings from Intensive Residential Treatment Study:

- Family-based services are preferred as an aftercare plan
- When a child is discharge-ready, a 30-day overlap with Intensive Residential Treatment is beneficial
- Short-term treatment can be effective and successful in reuniting families
- Placement was 195 days less than traditional RTF
- In-home therapy provides the opportunity to work with the entire family unit
- Thirty and 60-day re-admission rates were zero
- Natural supports are key to a successful discharge

OUR IMPACT:

Aligned Vision of Service For Families & Children

- 2. Identify and intervene early with young children and their families who are at risk of developing emotional or behavioral problems, or both, due to environmental, physical or psychological stress.*
- The Child and Adolescent Needs and Strengths (CANS) can be used to identify troubled and at-risk youth populations including populations at risk of serious emotional disturbance, residential placement and involvement in the child welfare system.
 - A population can be specifically identified for an at-risk profile.
 - Algorithms can be developed to identify troubled and at-risk youth.
 - Magellan has worked with CANS author Dr. John Lyons and various jurisdictions to operationalize, create, and adjust algorithms to identify at-risk youth.

OUR IMPACT:

Aligned Vision of Service For Families & Children

3. *Design and provide services that are responsive to the unique and diverse strengths and needs of troubled youths and families.*
- Partnering with state and local governments to develop community-specific programs is one of Magellan's strengths
 - The Governance Board program has been implemented in many states to seek input from the community and foster collaboration among stakeholders
 - Magellan worked with the state of Louisiana to design the Coordinated System of Care program, which involves developing a comprehensive care plan for the youth, that includes wraparound services

OUR IMPACT:

Aligned Vision of Service For Families & Children

4. Increase interagency collaboration and family involvement in service delivery and management.

The Kinship Navigator program:

- One of the program's goals is to prevent children and youth from needing to enter foster care.
- The Navigator acted as a guide for caregivers, such as non-resident fathers, grandparents, siblings, aunts, uncles and non-blood related 'fictive kin'.
- These individuals serve as short-term or long-term primary caregivers to children whose parents are unable to do so
- The Navigator helped caregivers understand and navigate the system of care for children in their homes, and to reduce barriers they faced in trying to access services
- Navigators provided linkages to local resources such as education, health care, community events and support groups for caregivers

OUR IMPACT:

Aligned Vision of Service For Families & Children

Kinship Navigator Program

Based on a survey after each interaction:

- 97% percent of the families involved in the program reported that they were either very satisfied or satisfied with the kinship navigation service
- 100% of the caregivers reported a confidence level of seven or above in their ability to be an effective caregiver (score was based on a scale of 1 – 10)
- 100% of the children remained in the care of their relatives or returned home to their parents
- None of the children entered foster care

OUR IMPACT:

Aligned Vision of Service For Families & Children

5. Encourage a public and private partnership in the delivery of services to troubled and at-risk youths and their families.

- Magellan has a long history of working in partnership with both public and private organizations for the delivery of services to at-risk youths and their families.
- Coordinated System of Care (CSoC) concept implemented in the State of Louisiana
- This unique program was developed for the specific needs of the children and families of Louisiana to reduce out-of-home placement
- This program engages all of the state's child-serving agencies to combine various funding sources and develop a comprehensive continuum of care for at-risk youth
- For youth enrolled in the program, institutionalization has been reduced by 50 percent. Inpatient readmission rates have dropped by 18 percent. Participation in outpatient and home or community-based treatment has increased exponentially

OUR IMPACT:

Aligned Vision of Service For Families & Children

6. *Provide communities flexibility in the use of funds and to authorize communities to make decisions and be accountable for providing services in concert with these purposes.*
- In collaboration with state and county partners, Magellan has developed community reinvestment funding for many of the communities it serves
 - An example of this is Magellan's *Self-Directed Care (SDC)Autism Reinvestment Program in Pennsylvania*
 - Families had the opportunity to collaborate with a SDC coach to manage a \$2,500 budget of flexible funds
 - The funds were for the purchase of goods and services not covered by insurance or existing community resources

Magellan is committed to maintaining strong, collaborative partnerships

Magellan works every day to be the partner of choice for our customers, providers and for the individuals we serve.

We provide a supportive management and policy infrastructure founded on the knowledge that collaboration and meaningful partnerships are essential to establishing a strategic and coordinated network of services and support.

Our partnerships with our customers, state and local child-serving agencies, children and their families and the communities in which we work contribute to the positive outcomes we collectively achieve.

We find creative solutions and promising alternatives to help children and families be resilient, build on their personal strengths and participate actively in their own life journey.



Questions?



Confidentiality Statement

This presentation may include material non-public information about Magellan Health, Inc. (“Magellan” or the “Company”). By receipt of this presentation each recipient acknowledges that it is aware that the United States securities laws prohibit any person or entity in possession of material non-public information about a company or its affiliates from purchasing or selling securities of such company or from the communication of such information to any other person under circumstance in which it is reasonably foreseeable that such person may purchase or sell such securities with the benefit of such information.

The information presented in this presentation is confidential and expected to be used for the sole purpose of considering the purchase of Magellan services. By receipt of this presentation, each recipient agrees that the information contained herein will be kept confidential. The attached material shall not be photocopied, reproduced, distributed to or disclosed to others at any time without the prior written consent of the Company.

Thanks

