

# Enhancement for community- based behavioral health services

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## Funding extended to fiscal year 2022 (July 2021 to June 2022)

Engrossed Substitute Senate Bill 5092; Section 215(20); Chapter 334; Laws of 2021

December 1, 2022

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## Executive summary

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This report provides the status of community-based behavioral health enhancement funding, per Senate Bill (SB) 5092. According to contract and proviso language, managed care organizations (MCOs) and behavioral health administrative services organizations (BH-ASOs) report the:

- Methodology used to distribute funding to behavioral health providers.
- Estimated impacts to providers in the community.

The Health Care Authority (HCA) submits an annual report each December, summarizing the information provided by the BH-ASOs and MCOs about the distribution of funding. **This report is for fiscal year (FY) 2022, which is July 1, 2021 through June 30, 2022.**

The intent of this funding is to ensure adequate staffing levels for local community-based behavioral health providers. Funding first began in FY 2018 under SB 6032. Initial 2018 legislation appropriated about \$70 million for the enhancement of community behavioral health services. This funding was allocated to behavioral health organizations (BHOs), including MCOs, based on their regional population and/or enrollment.

In 2019, the Washington State Legislature passed proviso language in House Bill (HB) 1109. The current proviso states the funding should directly increase rates for behavioral health services provided by licensed and certified community behavioral health agencies. Twenty percent of the General Fund-State appropriation amounts for each regional service area must be provided to BH-ASOs to increase their non-Medicaid funding. The remaining amount (eighty percent of the General Fund-State appropriation and the entirety of the General Fund-Federal appropriation) must be provided to MCOs to maintain increased Medicaid rates for behavioral health services.

The following funding levels are specified in the proviso:

- General Fund-State appropriation for FY 2022: **\$23,090,000**
  - 20 percent of this amount (**\$4,618,000**) is directed to BH-ASOs.
  - The remainder (**\$18,472,000**) is directed to MCOs via inclusion in Medicaid rates.
- General Fund-Federal appropriation for FY 2022: **\$46,222,000** (one-half of the \$92,444,000 federal appropriation for the 2021-2023 biennium). This entire amount is directed to MCOs via inclusion in Medicaid rates.

HCA requires each BH-ASO and MCO to determine regional needs and plan outcomes with providers to develop disbursement and clear communication plans for the funding. BH-ASOs and MCOs are required to submit quarterly reports that detail their expenditures of enhancement funds to each provider, including descriptions of the funding mechanisms and payment methodology used to deliver the funds. HCA reviews these reports and continues to engage with BH-ASOs and MCOs to address questions and concerns about meeting requirements for both usage and reporting of enhancement funds.

Summary exhibits from the reports provided during FY 2022 are included later in this report. The quarterly reports reflect amounts expended during the reporting period rather than earned or incurred by providers during the reporting period, which can make reconciling expenditures with funding for a given period challenging.

## Key findings and data results

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Below is a sample of FY 2022 enhancement funding activities for BH-ASOs and MCOs (excerpted from reports provided by the BH-ASOs and MCOs):

- Recruit and hire new behavioral health staff
- Retention plans for current staff
- Cultural change
- Premium contracts include the enhancement funds in their (providers') monthly payment.
- Enhancement funding will also be used to partially offset cases where we reimburse providers higher than the WISE case rate we are paid by HCA.
- Regional funds will be dispersed to BHAs (Behavioral Health Agencies) based upon the outpatient and residential utilization for the region.
- Relocation expenses for staff moving to rural locations
- Licensure fees
- Tuition reimbursement
- Posting fees for employment sites
- Paying for independent staff supervision
- Hiring bonuses
- Retention bonuses
- Educational supplies/software
- Regional continuing education and training
- Testing fees for licensure
- Tuition reimbursement
- Expansion of provider facilities and services

## Enhanced funding background

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- **SB 6032 (previous biennium budget) funds FY 2019, from July 1, 2018, through June 2019:** The budget proviso mandates funds to be used for five focus areas related to behavioral health services in which the behavioral health organization (BHO) or community established a plan of funding in most regions.
- **HB 1109 funds the first half of FY 2020, from July 1, 2019, through December 2019:** The budget proviso mandates that MCOs, remaining BHOs, and BH-ASOs distribute the funds the same as in FY 2019.
- **HB 1109 funds the remainder of FY 2020 and the entirety of FY 2021, from January 1, 2020, through June 2021:** The budget proviso mandates that distribution must be part of the MCO rates and includes funding for BH-ASOs.
- **SB 5092 provides continued enhanced funding for FY 2022 and FY 2023 at the same levels as FY 2021** to ensure continuity, consistency, and accountability of legislative enhanced funding for BH-ASOs and MCOs, per their contracts.

**The focus of this report is FY 2022 (July 1, 2021, through June 30, 2022).**

**Note:** Beginning January 2020, MCOs reported using the funds to increase the provider rates. However, the methodology to increase rates continues to be complex for the following reasons:

- Rates are set regionally and there is regional variation.
- Payment arrangements between MCOs/BH-ASOs and providers vary significantly (e.g., fee-for-service, capitated, value-based payment).

## Funding distribution

### BH-ASO funding and expenditures

Enhancement funding for BH-ASOs is calculated and specified as a discrete dollar amount in their contracts with HCA. Funding is calculated and distributed twice per year according to each BH-ASO's proportional share of clients served in each region.

Tables 1 and 2 show aggregated FY 2022 expenditures reported by the BH-ASOs in their quarterly reports, and Appendix A includes a summary of BH-ASO responses to the payment methodology questions.

**Table 1: BH-ASO FY 2022 reported expenditures by funding delivery mechanism**

	Capacity	Cost Reimbursement	Fee Schedules	HCA Non-Medicaid	HCA-6032	HCA-Secure Detox	Lump Sum	Quarterly Installment Payments	Sub-capitated Rates	Other / Unspecified	Grand Total
<b>Great Rivers</b>								<b>\$169,107</b>			<b>\$169,107</b>
Jul-Sep 2021								\$56,042			\$56,042
Oct-Dec 2021								\$27,499			\$27,499
Jan-Mar 2022								\$33,884			\$33,884
Apr-Jun 2022								\$51,682			\$51,682
<b>Greater Columbia</b>									<b>\$452,928</b>		<b>\$452,928</b>
Jul-Sep 2021									\$226,464		\$226,464
Jan-Mar 2022									\$226,464		\$226,464
<b>King</b>				<b>\$43,166</b>	<b>\$463,202</b>	<b>\$235,286</b>					<b>\$741,654</b>
Jul-Sep 2021					\$159,160	\$93,840					\$253,000
Oct-Dec 2021				\$43,166	\$45,043	\$100,157					\$188,366
Jan-Mar 2022					\$135,130	\$27,214					\$162,343
Apr-Jun 2022					\$123,869	\$14,076					\$137,945
<b>North Central</b>	<b>\$144,126</b>										<b>\$144,126</b>
Jul-Sep 2021	\$39,307										\$39,307
Oct-Dec 2021	\$39,307										\$39,307
Jan-Mar 2022	\$39,307										\$39,307
Apr-Jun 2022	\$26,205										\$26,205
<b>North Sound</b>									<b>\$513,439</b>		<b>\$513,439</b>
Jul-Sep 2021									\$144,797		\$144,797
Oct-Dec 2021									\$225,000		\$225,000
Jan-Mar 2022									\$95,000		\$95,000
Apr-Jun 2022									\$48,642		\$48,642
<b>Pierce</b>	<b>\$326,400</b>	<b>\$57,587</b>	<b>\$248,466</b>								<b>\$632,453</b>
Jul-Sep 2021	\$84,900		\$1,896								\$86,796
Oct-Dec 2021	\$81,600		\$22,416								\$104,016
Jan-Mar 2022	\$75,000		\$113,337								\$188,337
Apr-Jun 2022	\$84,900	\$57,587	\$110,817								\$253,304
<b>Salish</b>							<b>\$220,772</b>				<b>\$220,772</b>
Jul-Sep 2021							\$56,102				\$56,102
Oct-Dec 2021							\$57,476				\$57,476
Jan-Mar 2022							\$57,476				\$57,476
Apr-Jun 2022							\$49,718				\$49,718
<b>Southwest</b>		<b>\$262,991</b>									<b>\$262,991</b>
Jul-Sep 2021		\$51,124									\$51,124
Oct-Dec 2021		\$55,968									\$55,968
Jan-Mar 2022		\$58,149									\$58,149
Apr-Jun 2022		\$97,750									\$97,750
<b>Spokane</b>										<b>\$356,347</b>	<b>\$356,347</b>
Jul-Sep 2021									\$44,634		\$44,634
Oct-Dec 2021									\$102,301		\$102,301
Jan-Mar 2022									\$93,503		\$93,503
Apr-Jun 2022									\$115,910		\$115,910
<b>Thurston Mason</b>							<b>\$156,672</b>				<b>\$156,672</b>
Jul-Sep 2021							\$49,000				\$49,000
Oct-Dec 2021							\$25,041				\$25,041
Jan-Mar 2022							\$45,000				\$45,000
Apr-Jun 2022							\$37,630				\$37,630
<b>Grand Total</b>	<b>\$470,526</b>	<b>\$320,578</b>	<b>\$248,466</b>	<b>\$43,166</b>	<b>\$463,202</b>	<b>\$235,286</b>	<b>\$377,444</b>	<b>\$169,107</b>	<b>\$966,367</b>	<b>\$356,347</b>	<b>\$3,650,490</b>

**Table 2: BH-ASO FY 2022 percentages by funding delivery mechanism**

	Capacity	Cost Reimbursement	Fee Schedules	HCA Non-Medicaid	HCA-6032	HCA-Secure Detox	Lump Sum	Quarterly Installment Payments	Sub-capitated Rates	Other / Unspecified	Grand Total
Great Rivers								100.00%			100.00%
Greater Columbia									100.00%		100.00%
King				5.82%	62.46%	31.72%					100.00%
North Central	100.00%										100.00%
North Sound									100.00%		100.00%
Pierce	51.61%	9.11%	39.29%								100.00%
Salish							100.00%				100.00%
Southwest		100.00%									100.00%
Spokane										100.00%	100.00%
Thurston Mason							100.00%				100.00%
<b>Grand Total</b>	<b>12.89%</b>	<b>8.78%</b>	<b>6.81%</b>	<b>1.18%</b>	<b>12.69%</b>	<b>6.45%</b>	<b>10.34%</b>	<b>4.63%</b>	<b>26.47%</b>	<b>9.76%</b>	<b>100.00%</b>

After reviewing the submitted reports, HCA reached out to several of the BH-ASOs requesting additional information and context on their reported expenditures for the fiscal year.

- Beacon-North Central BH-ASO reported that while their FY 2022 enhancement funding was “fully spent”, a small amount of funding was not invoiced or paid out prior to the end of the fiscal year and thus could not be included in their fourth quarter expenditure report.
- Beacon-Southwest BH-ASO reported that their PACT provider did not fully utilize their enhancement funding in FY 2022, but the BH-ASO plans to fully allocate the funds out in FY 2023 to support PACT and other programs.
- King BH-ASO indicated that they are reevaluating their plan and methodology for distributing enhancement funds.
- North Sound BH-ASO noted that some of their providers did not bill against enhanced funding. The BH-ASO is following up with those providers to determine if there were barriers to expending the funds.
- Spokane BH-ASO reported that a few of their agencies did not invoice for their contracted enhanced funding allotments. The BH-ASO is following up to encourage agencies to follow processes for utilizing enhancement funds expeditiously.
- Thurston Mason BH-ASO reported that six providers were past due on providing reports, plans, and/or invoices to comply with requirements to receive enhancement funding by the end of the fiscal year. The BH-ASO reminded those providers of their past due deliverables and gave a due date of October 17; if deliverables are not received by then, the BH-ASO plans to redistribute the enhancement funds to other providers that have completed their deliverables.

## MCO funding and expenditures

Enhancement funding for MCOs was initially allocated to the MCOs (and BHOs prior to integration at the regional level) based on their proportional share of Medicaid enrollees and incorporated in their managed care rates rather than allocated as discrete dollar amounts. Milliman provided an impact analysis to demonstrate the effect of enhancement funding in the managed care rates as of January 2020, summarized in Table 3.

**Table 3: estimated impact on managed care rates from behavioral health enhancement funding as of January 2020**

	Scenario 1: without BH enhancement	Scenario 2: with BH enhancement	Estimated impact of BH enhancement	Percentage difference
<b>Statewide per capita rate</b>	\$49.81	\$53.60	\$3.79	7.6%
<b>Total dollars (in 1,000s)</b>	\$938,063	\$1,009,479	\$71,416	

The annual managed care rate development process accounts for enhancement funding for each MCO, but since the enhancement funds are primarily distributed through increased provider reimbursement rates and embedded within the overall expenditures made by the MCOs, the portion of the premium specifically attributed to enhancement funding is not identifiable beyond what is specifically reported to HCA and the actuaries during each rate development cycle.

Instead, MCOs must estimate their funding level and plan their prospective enhancements to provider payments based on enrollment characteristics and provider contract factors. As more time passes from the original addition of the funding to the pool of revenue included in the MCO rates, it has become increasingly difficult to isolate the funds that were deployed through general provider rate increases since the enrollment, service delivery, and provider networks are constantly changing.

Tables 4 and 5 show aggregated FY 2022 expenditures reported by the MCOs in their quarterly reports, and Appendix B includes a summary of MCO responses to the payment methodology questions.

**Table 4: MCO FY 2022 reported expenditures by funding delivery mechanism**

	Budget Payments	Contracted WISe Amt Over State Case Rate	Cost Reimbursement	Encounter Payment	Enhancement Funds	Expansion Funds	Fee Schedules	Lump Sum Payment	Sub- capitated Rates	Value-based Purchasing	Grand Total
<b>Amerigroup</b>				\$5,499,641					\$306,881		\$5,806,523
Jul-Sep 2021				\$1,413,141					\$71,467		\$1,484,608
Oct-Dec 2021				\$1,343,102					\$82,256		\$1,425,358
Jan-Mar 2022				\$1,360,024					\$82,256		\$1,442,280
Apr-Jun 2022				\$1,383,374					\$70,903		\$1,454,276
<b>CCW</b>		\$1,042,173						\$2,508,796	\$3,407,626		\$6,958,595
Jul-Sep 2021		\$258,448						\$557,850	\$768,060		\$1,584,358
Oct-Dec 2021		\$258,448						\$717,066	\$768,060		\$1,743,574
Jan-Mar 2022		\$262,638						\$616,940	\$935,753		\$1,815,331
Apr-Jun 2022		\$262,638						\$616,940	\$935,753		\$1,815,331
<b>CHPW</b>	\$57,575						\$1,281,013	\$5,846,504			\$7,185,091
Jul-Sep 2021	\$13,629						\$671,980	\$1,314,199			\$1,999,809
Oct-Dec 2021	\$14,446						\$444,532	\$1,377,672			\$1,836,650
Jan-Mar 2022	\$14,750						\$82,250	\$1,305,547			\$1,402,547
Apr-Jun 2022	\$14,750						\$82,250	\$1,849,085			\$1,946,085
<b>Molina</b>			\$158,395		\$14,965,749	\$1,328,555	\$4,870,550		\$3,751,868	\$100,000	\$25,175,117
Jul-Sep 2021			\$44,764		\$3,335,294	\$344,360	\$1,101,411		\$946,203		\$5,772,031
Oct-Dec 2021			\$29,919		\$5,902,906	\$200,380	\$1,240,002		\$981,496	\$100,000	\$8,454,702
Jan-Mar 2022			\$39,707		\$2,708,316	\$401,948	\$1,194,878		\$926,642		\$5,271,491
Apr-Jun 2022			\$44,006		\$3,019,233	\$381,867	\$1,334,259		\$897,528		\$5,676,893
<b>United Healthcare</b>									\$1,686,886		\$1,686,886
Oct-Dec 2021									\$1,686,886		\$1,686,886
<b>Grand Total</b>	\$57,575	\$1,042,173	\$158,395	\$5,499,641	\$14,965,749	\$1,328,555	\$6,151,563	\$8,355,300	\$9,153,261	\$100,000	\$46,812,212



**Table 5: MCO FY 2022 percentages by funding delivery mechanism**

	Budget Payments	Contracted WISE Amt Over State Case Rate	Cost Reimbursement	Encounter Payment	Enhancement Funds	Expansion Funds	Fee Schedules	Lump Sum Payment	Sub-capitated Rates	Value-based Purchasing	Grand Total
Amerigroup				94.71%					5.29%		100.00%
CCW		14.98%						36.05%	48.97%		100.00%
CHPW	0.80%						17.83%	81.37%			100.00%
Molina			0.63%		59.45%	5.28%	19.35%		14.90%	0.40%	100.00%
United Healthcare									100.00%		100.00%
<b>Grand Total</b>	<b>0.12%</b>	<b>2.23%</b>	<b>0.34%</b>	<b>11.75%</b>	<b>31.97%</b>	<b>2.84%</b>	<b>13.14%</b>	<b>17.85%</b>	<b>19.55%</b>	<b>0.21%</b>	<b>100.00%</b>

HCA reached out to United Healthcare regarding their reported expenditures in FY 2022. They responded that they were working to update their methodology and approach for distributing enhancement funding during the first half of calendar year 2022, and their distribution of funds was delayed until August. Since that fund distribution happened after the close of FY 2022, those expenditures will appear in their FY 2023 first quarter report and are not included in this summary.

We are working to clarify estimated enhancement funding levels and expectations for all MCOs, along with developing a communication plan for addressing deficiencies observed in FY 2022.

## Regional plans

In April 2021, HCA, BH-ASOs, and MCOs continued with their calendar year 2021 plans to distribute SB 5092 enhancement funding to providers starting July 1, 2021. Entities were expected to distribute these funds in accordance with their plan.

## Action plans FY 2022 (starting July 2021)

- Operationalize MCO/BH-ASO regional plan to deploy FY 2022 enhancement funds by first week of July 2021.
- MCOs/BHO-ASOs will continue with a clear communication plan with providers in July 2021.
- Notify providers of their rate increases for upcoming 2022 fiscal year.
- Continue to conduct quarterly internal reviews to ensure that funds are being dispersed to providers, as outlined in 2021 communication plan.
- Submit quarterly fiscal templates to HCA per contract schedule (see below).

## Contract reporting requirements

HCA added contract language to BH-ASO and MCO contracts, which requires submission of fiscal expenditures every quarter.

**Table 6: timeframe and due date information**

Quarterly timeframe	Due date
July to September 2021	October 31, 2021
October to December 2021	January 31, 2022
January to March 2022	April 30, 2022
April to June 2022	July 31, 2022

## Conclusion

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This report describes the funding distribution methodology and impacts to behavioral health providers for enhancement of community-based behavioral health services funding. HCA contract language states that MCOs report the methodology used to distribute funding to behavioral health providers and estimated impacts to behavioral health providers in the community. HCA submits an annual report each December of the biennium, summarizing the information provided by the MCOs regarding the distribution of funding provided. The parameters for this funding are described in the executive summary.

After the Legislature first authorized the enhanced funding in FY 2019, regions began to identify critical regional needs for behavioral health services. As funds were distributed from the Legislature, HCA provided the enhanced funding to the BHOs, BH-ASOs, and MCOs who in turn worked to contract with providers to deliver direct behavioral health services to clients.

When the Legislature authorized continuation of funding through FY 2022, BH-ASOs and MCOs worked with providers to ensure that enhancement funds were distributed in an appropriate manner, per their HCA contracts, starting July 1, 2021, through June 30, 2022.

HCA developed metrics for tracking progress for local area projects and provided fiscal templates to all the entities. The data provided by the entities outlined how they used the enhancement funding in specific areas of focus in the behavioral health continuum of care.

The legislative intent was to ensure adequate staffing levels for local community-based behavioral health providers. Staffing challenges have continued to be an issue for community behavioral health providers. The funding provided by this legislation aims to help providers to maintain services by enabling providers to attract and retain qualified behavioral health professionals.

While the multi-year effort of statewide behavioral health integration is now complete on the fiscal side, full integration on the clinical side remains incomplete. Due to the complexity and fragility of our integrated system, any change can be disruptive, even if it is ultimately positive. Although the state has come a long way, there is a long way to go as Washington improves the community behavioral health system. HCA will continue to work with the state's contracted MCOs, BH-ASOs, and providers to help ensure an integrated and robust system.

## Appendix A: Payment mechanism detail for BH-ASOs

**Table 7: FY 2022 payment mechanism details for Beacon (North Central, Pierce, Southwest)**

	Questions	Payment mechanisms identified by BH-ASO:		
		Fee Schedules	Cost Reimbursement	Capacity
1	Basic description of mechanism for increased provider payments (for example "We increased fee schedules by 10% for all behavioral health providers.")	Funding was provided for specific programs.	We provided funding for specific programs in SW and Pierce regions. See item 5 below for description of services funded.	Funding was provided for specific programs.
2	Does the mechanism vary by region, provider type, or contracting arrangement? Please explain.	Some providers in Pierce are paid via fee schedules depending on the program/services.	Providers in Southwest and Pierce regions are paid via cost reimbursement in the same way.	Some providers in North Central and Pierce are paid via capacity depending on the program/services.
3	When was this mechanism implemented?	2019-2022	2018/2019/2020	2019-2022
4	How were providers notified that this change of funding was directly related to state proviso requirements? Approximately what month did this communication occur? Please share any other pertinent details regarding your initial or ongoing communication plan.	Via email, providers are notified annually per HCA requirements.	Via email, providers are notified annually per the HCA requirements.	Via email, providers are notified annually per HCA requirements.
5	What specific types of providers, or what groups of providers received this increase? Please explain.	Telecare/TCAT get funding for diversion from hospitals. Consejo receives funds for uninsured mental health outpatient support. ParkPlace is a	SeaMar receives these funds to implement the Adult Mobile Crisis services for Clark County. SeaMar receives these funds to increase the capacity	Greater Lakes receives these funds to support a Medicaid enrollment specialist. Mary Bridge receives these funds to support the behavioral health navigator

Questions	Payment mechanisms identified by BH-ASO:		
	Fee Schedules	Cost Reimbursement	Capacity
	residential step bed that supports uninsured individuals. Castele Williams is an African American provider supporting uninsured individuals in MH or SUD outpatient services. MDC receives funds for MH OP of uninsured.	of the PACT team in Clark County. In the Pierce region, Castele Williams receives these funds for community outreach.	position and the youth action team. Catholic Charities is the only provider in North Central region to receive these funds to implement the regional jail services program.
6 Are there particular requirements that must be met by providers to receive the new funds? Do any of these requirements permit the recovery of funds? If additional reporting or documentation is required for the funding, please attach a copy of the report.	Regular monthly or quarterly reporting is necessary to meet contract requirements.	SeaMar is required to provide daily crisis logs and monthly summary of services. SeaMar is required to provide monthly service summary and semi-annual report on PACT services.	Regular monthly or quarterly reporting is necessary to meet contract requirements. Catholic Charities is required to report out monthly on jail transition services at the regional Crisis Collaborative meetings.

**Table 8: FY 2022 payment mechanism details for Great Rivers**

Questions	Payment mechanism identified by BH-ASO:	
	Quarterly installment payments	
1 Basic description of mechanism for increased provider payments (for example "We increased fee schedules by 10% for all behavioral health providers.")	We set up a quarterly invoice for each crisis service provider and have them submit quantitative and qualitative information regarding the 6032 funds, such as expenditure type, staff turnover rates, barriers, and success	
2 Does the mechanism vary by region, provider type, or contracting arrangement? Please explain.	No	
3 When was this mechanism implemented?	Due to transition into IMC, adjusting operations due to COVID-19, we plan to implement the mechanism by the end of September 2020. We sent emails to the	

	Questions	Payment mechanism identified by BH-ASO: Quarterly installment payments
		CBHEF recipients early October 2020. As of 4/30/2021, we have all of the crisis providers 6032 fund plan.
4	How were providers notified that this change of funding was directly related to state proviso requirements? Approximately what month did this communication occur? Please share any other pertinent details regarding your initial or ongoing communication plan.	We sent emails to our service providers early October 2020 requesting updated 6032 plans to be submitted by ASAP. Once plan has been approved, we will start issuing the outstanding quarterly installment payments. We started issuing payments in second quarter of state fiscal year 2021.
5	What specific types of providers, or what groups of providers received this increase? Please explain.	Our crisis service providers including our DCRs (designated crisis responders)
6	Are there particular requirements that must be met by providers to receive the new funds? Do any of these requirements permit the recovery of funds? If additional reporting or documentation is required for the funding, please attach a copy of the report.	Please see attached invoice and supporting documentation that we are asking our service providers to submit from our first quarterly deliverable report.

**Table 9: FY 2022 payment mechanism details for Greater Columbia**

	Questions	Payment mechanism identified by BH-ASO: Sub-capitated rates
1	Basic description of mechanism for increased provider payments (for example "We increased fee schedules by 10% for all behavioral health providers.")	GCBH took the semiannual allocated amount and sent a one-time payment out to its contracted providers using the funding allocation for non-Medicaid funding. The funding formula is based on the total population of RSA and each county.
2	Does the mechanism vary by region, provider type, or contracting arrangement? Please explain.	It is the same funding formula used on those contracted network providers that received this funding.
3	When was this mechanism implemented?	Sep-21
4	How were providers notified that this change of funding was directly related to state proviso requirements? Approximately what month did this communication occur? Please	Contracted network providers were involved in the development of the 2021 plan to utilize these funds, as well as the process in which the funding would be dispersed, during our semiannual fiscal meetings. During the fiscal meetings, the semiannual funding

Questions	Payment mechanism identified by BH-ASO: Sub-capitated rates
share any other pertinent details regarding your initial or ongoing communication plan.	disbursement was discussed and an email was sent to our contracted network providers on September 10, 2021, with a copy of the plan and other information regarding this funding usage.
5 What specific types of providers, or what groups of providers received this increase? Please explain.	GCBH provided this additional funding out to our contracted crisis providers to help retain and recruit crisis staff.
6 Are there particular requirements that must be met by providers to receive the new funds? Do any of these requirements permit the recovery of funds? If additional reporting or documentation is required for the funding, please attach a copy of the report.	N/A

**Table 10: FY 2022 payment mechanism details for King**

Questions	Payment mechanisms identified by BH-ASO:		
	HCA – Non-Medicaid	HCA – secure detox	HCA – 6032
1 Basic description of mechanism for increased provider payments (for example "We increased fee schedules by 10% for all behavioral health providers.")	This is the expansion of provider facilities and services.	This is the expansion of provider facilities and services.	This is the expansion of provider facilities and services.
2 Does the mechanism vary by region, provider type, or contracting arrangement? Please explain.	(no response provided)	(no response provided)	(no response provided)
3 When was this mechanism implemented?	(no response provided)	(no response provided)	(no response provided)
4 How were providers notified that this change of funding was directly related to state proviso requirements? Approximately what month did this communication occur? Please share any other pertinent details regarding your initial or ongoing communication plan.	(no response provided)	(no response provided)	(no response provided)
5 What specific types of providers, or what groups of providers received this increase? Please explain.	(no response provided)	(no response provided)	(no response provided)

Questions	Payment mechanisms identified by BH-ASO:		
	HCA – Non-Medicaid	HCA – secure detox	HCA – 6032
6 Are there particular requirements that must be met by providers to receive the new funds? Do any of these requirements permit the recovery of funds? If additional reporting or documentation is required for the funding, please attach a copy of the report.	(no response provided)	(no response provided)	(no response provided)

**Table 11: FY 2022 payment mechanism details for North Sound**

Questions	Payment mechanism identified by BH-ASO: Sub-capitated rates
1 Basic description of mechanism for increased provider payments (for example "We increased fee schedules by 10% for all behavioral health providers.")	Based on the most recent survey of providers, we will be amending contracts to add BHEF for specific recruitment/retention/supervision capacity incentives.
2 Does the mechanism vary by region, provider type, or contracting arrangement? Please explain.	No
3 When was this mechanism implemented?	Jan-22
4 How were providers notified that this change of funding was directly related to state proviso requirements? Approximately what month did this communication occur? Please share any other pertinent details regarding your initial or ongoing communication plan.	We conducted a follow-up survey in September 2021 narrowing the uses of the BHEF. The survey was launched in September 2021, and results were evaluated in October 2021. We continue to fund the areas identified by this survey.
5 What specific types of providers, or what groups of providers received this increase? Please explain.	All three (3) crisis providers and facility crisis stabilization and withdrawal management.
6 Are there particular requirements that must be met by providers to receive the new funds? Do any of these requirements permit the recovery of funds? If additional reporting or documentation is required for the funding, please attach a copy of the report.	The funds are cost reimbursement. The invoices are reviewed for appropriateness and whether the funding is being utilized. If they are not billing for BHEF, the funds will not be expended.

**Table 12: FY 2022 payment mechanism details for Salish**

	Questions	Payment mechanism identified by BH-ASO: Lump monthly sum
1	Basic description of mechanism for increased provider payments (for example "We increased fee schedules by 10% for all behavioral health providers.")	Mental health providers base monthly non-Medicaid compensation was increased via a lump sum monthly payment.
2	Does the mechanism vary by region, provider type, or contracting arrangement? Please explain.	No, the mechanism does not vary by provider type or contracting arrangement.
3	When was this mechanism implemented?	The existing mechanism for non-Medicaid enhancement funds was previously established under the BHO structure in 2018. The mechanism was carried forward when the BH-ASO began operations on January 1, 2020.
4	How were providers notified that this change of funding was directly related to state proviso requirements? Approximately what month did this communication occur? Please share any other pertinent details regarding your initial or ongoing communication plan.	Mental health provider leadership was convened back in 2018 and they contributed to the development of the plan for expending enhancement funds. Mental health providers continue to report the existing plan meets their agency's needs for supporting staff recruitment and retention.
5	What specific types of providers, or what groups of providers received this increase? Please explain.	Only mental health providers within the Salish region have received enhancement funds.
6	Are there particular requirements that must be met by providers to receive the new funds? Do any of these requirements permit the recovery of funds? If additional reporting or documentation is required for the funding, please attach a copy of the report.	Mental health providers must use the funds for improving staff recruitment and retention. Examples of expenses include hiring bonuses, providing additional staff training, providing employees with supplies to enhance the work environment, etc. SBH-ASO just concluded its annual provider reviews in the spring of 2022, which included a fiscal review. Agencies receiving these funds were able to provide documentation to support appropriate expenditure. If a provider fails to provide sufficient documentation to substantiate the appropriate use of enhancement funds, then the funds can be recovered, if necessary.



**Table 13: FY 2022 payment mechanism details for Spokane**

Questions		Payment mechanism identified by BH-ASO: Unspecified
1	Basic description of mechanism for increased provider payments (for example "We increased fee schedules by 10% for all behavioral health providers.")	Each contracted provider receives a portion of non-Medicaid community behavioral health enhancement funds (CBHEF) funds from the SCRBH (ASO). The amounts were determined based on historical amounts under ESSB 6032 for three providers and the remainder equally distributed to the remainder of the contractors.
2	Does the mechanism vary by region, provider type, or contracting arrangement? Please explain.	Enhancement funds were disbursed during the first quarter of 2022 in one-time payments for the first half of 2022 for all but two providers which must submit a monthly invoice because they are funded via cost reimbursement model vs. fee for service model for behavioral health services.
3	When was this mechanism implemented?	Enhancement funds were included within the 2022 contracts with behavioral health providers, which will be disbursed in two one-time payments in the calendar year for most providers but two providers which submit monthly invoices because they are funded via cost reimbursement model vs. fee for service model for behavioral health services. Each contractor's funding exhibited, Exhibit F, in their contract clearly identified in the payment model and the SCRBH (ASO) provided an invoice for reimbursement.
4	How were providers notified that this change of funding was directly related to state proviso requirements? Approximately what month did this communication occur? Please share any other pertinent details regarding your initial or ongoing communication plan.	<p>During the first week of January 2022, enhancement funds were included within the 2022 contracts with behavioral health providers, which will be disbursed in two one-time payments, which are clearly identified in the providers' funding exhibits.</p> <p>Providers were notified when the contracts were delivered to each agency, and funds identified in their funding exhibit.</p>
5	What specific types of providers, or what groups of providers received this increase? Please explain.	Contracted community behavioral health agencies, one of which is also a FQHC (Federally Qualified Health Center). One agency is a recovery-oriented agency that trains recovery coaches, operates the recovery café, and the CCAP.

Questions	Payment mechanism identified by BH-ASO: Unspecified
6 Are there particular requirements that must be met by providers to receive the new funds? Do any of these requirements permit the recovery of funds? If additional reporting or documentation is required for the funding, please attach a copy of the report.	Must be a contracted provider and use funds to support the recruitment and retention of the behavioral health workforce. Must submit an invoice to the BH-ASO. See attached example.

**Table 14: FY 2022 payment mechanism details for Thurston Mason**

Questions	Payment mechanism identified by BH-ASO: Lump sum payment upon approved plan submission
1 Basic description of mechanism for increased provider payments (for example "We increased fee schedules by 10% for all behavioral health providers.")	TM BHASO allocates funds to core contracted BH providers within our region. Allocations are based on a % of total funding available and the % of regular funds contracted and number of providers. Providers are required to submit a plan for how the funds would be used to meet the requirements of the proviso. A lump-sum amount equal to one-half of their allocation is paid upon submission and approval of their plan and upon submission of an approved report. A pool of funds was retained at the ASO level for region-wide training that has been accessed to pay for motivational interviewing. More region-wide trainings will be scheduled as need and opportunity are identified.
2 Does the mechanism vary by region, provider type, or contracting arrangement? Please explain.	There is no variance. All providers were paid using the same mechanism.
3 When was this mechanism implemented?	July 2020 - current
4 How were providers notified that this change of funding was directly related to state proviso requirements? Approximately what month did this communication occur? Please share any other pertinent details regarding your initial or ongoing communication plan.	Providers were notified by email in July of 2020 of their allocations and the regional plan for the proviso funding. Instructions and a plan template were provided for them to fill out and return to TM BHASO for approval and an invoice template was sent for their signature. Ongoing communication includes requests for progress reports and plan templates that need to be submitted and approved prior to payment. Funding is allocated in contract allocations with deliverables outlined in order to draw down the funds.

	Questions	Payment mechanism identified by BH-ASO: Lump sum payment upon approved plan submission
5	What specific types of providers, or what groups of providers received this increase? Please explain.	Core behavioral health providers subcontracted with the ASO in our region are eligible for the funds.
6	Are there particular requirements that must be met by providers to receive the new funds? Do any of these requirements permit the recovery of funds? If additional reporting or documentation is required for the funding, please attach a copy of the report.	Providers are required to submit a plan for the use of the funds and provide some baseline information on workforce issues and employee retention. We did not include requirements to permit the recovery of funds and have encouraged providers to continue to use funding provided for the plan implementation even if not accomplished during the calendar year. Providers are required to submit a progress report using the plan templates and their goals so we can determine what progress has been made. The report includes the agency's workforce retention measurement.

## Appendix B: Payment mechanism detail for MCOs

Table 15: FY 2022 payment mechanism details for Amerigroup WA, Inc. (AMG)

	Questions	Payment mechanism identified by MCO: Encounter payment
1	Basic description of mechanism for increased provider payments (for example "We increased fee schedules by 10% for all behavioral health providers.")	<p>AMG tracks revenue for the behavioral health portion of our premium in order to calculate our Behavioral Health Medical Loss Ratio for each region. During CY2020, AMG created an encounter-based methodology to distribute these funds. To do so, we calculated the difference between the enhanced and non-enhanced member premium received by region; that difference was set aside as the available "total" for each region's Behavioral Health Enhancement Funding (BHEF). That "total" was then calculated into a MH enhanced premium and an SUD enhanced premium; utilizing each region's 2019 encountered services, we divided the total BHEF by total encounters for each region. For regions that went live in 2020, we applied encounters from 2019 regions that had a similar AMG market share to create the enhanced premium. The specific distribution is outlined here:</p> <ul style="list-style-type: none"> <li>• Encounters were tallied by a paid (accepted) claim in each quarter of 2020 with a date of services in 2020; enhanced funding per this methodology is only for services in CY2020 as CY2019 funds have been disbursed.</li> <li>• Only Medicaid IMC claims are tallied (excluded FCS/Non-Medicaid encounters)</li> <li>• If valid claims denied, they would be included in subsequent quarter payouts (when provider rebills or we reprocess) as we pull the data by paid claim date and reconcile each quarter YTD</li> <li>• MH and SUD encounters are determined by DX code submitted with the procedure code             <ul style="list-style-type: none"> <li>o MH encounters receive the MH enhanced rate and SUD encounters receive the SUD enhanced rate; thus following HCA's guidance to build these dollars into the rates.</li> </ul> </li> </ul> <p>In 2021, since we had a year's worth of data for these payments, we automated each BHA's Behavioral Health Enhancement payment. We took their total 2020</p>

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Questions	Payment mechanism identified by MCO: Encounter payment
	allocation and divided that by 12 equal payments which were dispersed monthly in CY2021 (i.e., prior year run rate distribution). AMG also reconciled each BHA's location(s) encounters twice annually to capture under or overpayments of these funds based on received/accepted encounters in 2021. We saw no issues or complaints with this process in 2021 so will be following a similar reconciliation process in 2022 using 2021 amounts. Twice annually in 2022, we will reconcile the paid amounts with encounters submitted by BHA location and with our rate allocation for the 2022 plan year.
2 Does the mechanism vary by region, provider type, or contracting arrangement? Please explain.	No
3 When was this mechanism implemented?	01/01/2020
4 How were providers notified that this change of funding was directly related to state proviso requirements? Approximately what month did this communication occur? Please share any other pertinent details regarding your initial or ongoing communication plan.	<p>Providers were notified via our contracts team. Each provider received an MOU outlining the new methodology and encounter rate per region.</p> <p>Three providers are paid on a sub-capitated basis and this is reflected in the expenditures tab.</p>
5 What specific types of providers, or what groups of providers received this increase? Please explain.	Any AMG contracted BHA
6 Are there particular requirements that must be met by providers to receive the new funds? Do any of these requirements permit the recovery of funds? If additional reporting or documentation is required for the funding, please attach a copy of the report.	N/A

**Table 16: FY 2022 payment mechanism details for Community Health Plan of Washington (CHPW)**

	Questions	Payment mechanisms identified by MCO:		
		Fee schedules	Lump sum payments	Budget payments
1	Basic description of mechanism for increased provider payments (for example "We increased fee schedules by 10% for all behavioral health providers.")	Certain provider agreements outlined payment as a percentage above 100% fee-for-service. King County increased rates by 6% to all behavioral health providers in July 2018.	The majority of payments were made as lump sum payments, based on each provider's historical share of enhancement funds and utilization	Certain provider agreements outlined budget-based arrangements where the budgeted amount was inclusive of enhancement funds.
2	Does the mechanism vary by region, provider type, or contracting arrangement? Please explain.	Yes, the amount paid above 100% fee-for-service could vary by provider.	No, where this mechanism was used, it was used in the same manner across regions, provider types and arrangement.	No.
3	When was this mechanism implemented?	We implemented payment in January 2019	We implemented payment in January 2019	We implemented payment in January 2019
4	How were providers notified that this change of funding was directly related to state proviso requirements? Approximately what month did this communication occur? Please share any other pertinent details regarding your initial or ongoing communication plan.	<p>Providers were sent communications in the beginning of January 2022 which included details on:</p> <ul style="list-style-type: none"> <li>- New payment methodology language for CY2022</li> <li>- Reference to proviso language which directs funds for recruitment and retention</li> <li>- Notification of incoming agreement to be signed</li> </ul>	<p>Providers were sent communications in the beginning of January 2022 which included details on:</p> <ul style="list-style-type: none"> <li>- New payment methodology language for CY2022</li> <li>- Reference to proviso language which directs funds for recruitment and retention</li> <li>- Notification of incoming agreement to be signed</li> </ul>	<p>Providers were sent communications in the beginning of January 2022 which included details on:</p> <ul style="list-style-type: none"> <li>- New payment methodology language for CY2022</li> <li>- Reference to proviso language which directs funds for recruitment and retention</li> <li>- Notification of incoming agreement to be signed</li> </ul>

Questions	Payment mechanisms identified by MCO:		
	Fee schedules	Lump sum payments	Budget payments
5 What specific types of providers, or what groups of providers received this increase? Please explain.	<p>CHPW continued to pay enhancement funds to the legacy providers that were paid by the BHOs through the enhancement plans developed by BHOs (or in SW by ASO and MCOs) in their respective regions. This included behavioral health agencies who provided both outpatient/intensive outpatient, as well as more intensive inpatient and residential services.</p> <p>For 2022 implementation of BH enhancement funds, CHPW analyzed those BHAs receiving these funds and rebased payments based on services in an effort to root payments to a fidelity model that allowed for equity with regards to how the money is to be distributed. Previously, reports reflected payments as outlined in each region's enhancement plan (i.e., BHO plan).</p>	<p>CHPW continued to pay enhancement funds to the legacy providers that were paid by the BHOs in their respective regions. This included behavioral health agencies who provided both outpatient/intensive outpatient, as well as more intensive inpatient and residential services.</p> <p>Since taking over the administration of enhancement funds for all our regions, CHPW has added providers who have requested these funds or have been deemed essential to the network.</p> <p>For 2022 implementation of BH enhancement funds, CHPW analyzed those BHAs receiving these funds and rebased payments based on services in an effort to root payments to a fidelity model that allowed for equity with regards to how the money is to be distributed. Previously, reports reflected payments as outlined in each region's</p>	<p>CHPW continued to pay enhancement funds to the legacy providers that were paid by the BHOs through the enhancement plans developed by BHOs (or in SW by ASO and MCOs) in their respective regions. This included behavioral health agencies who provided both outpatient/intensive outpatient, as well as more intensive inpatient and residential services.</p> <p>For 2022 implementation of BH enhancement funds, CHPW analyzed those BHAs receiving these funds and rebased payments based on services in an effort to root payments to a fidelity model that allowed for equity with regards to how the money is to be distributed. Previously, reports reflected payments as outlined in each region's enhancement plan (i.e., BHO plan).</p>

Questions	Payment mechanisms identified by MCO:		
	Fee schedules	Lump sum payments	Budget payments
		enhancement plan (i.e., BHO plan).	
6 Are there particular requirements that must be met by providers to receive the new funds? Do any of these requirements permit the recovery of funds? If additional reporting or documentation is required for the funding, please attach a copy of the report.	<p>In order to receive funds, CHPW asked providers to sign an agreement detailing the following:</p> <ul style="list-style-type: none"> <li>- The amount of monthly funds to be received</li> <li>- The need to submit data on spending of BH enhancement funds based on future reporting needs directed by HCA</li> </ul> <p>Changes in the estimations and assumptions used to develop provider's enhancement fund payments may trigger payment adjustments, including retroactive adjustments. In the event of a retroactive payment adjustment, CHPW will provide written notice to provider describing the nature of the retroactive payment adjustment.</p>	<p>In order to receive funds, CHPW asked providers to sign an agreement detailing the following:</p> <ul style="list-style-type: none"> <li>- The amount of monthly funds to be received</li> <li>- The need to submit data on spending of BH enhancement funds based on future reporting needs directed by HCA</li> </ul> <p>Changes in the estimations and assumptions used to develop provider's enhancement fund payments may trigger payment adjustments, including retroactive adjustments. In the event of a retroactive payment adjustment, CHPW will provide written notice to provider describing the nature of the retroactive payment adjustment.</p>	<p>In order to receive funds, CHPW asked providers to sign an agreement detailing the following:</p> <ul style="list-style-type: none"> <li>- The amount of monthly funds to be received</li> <li>- The need to submit data on spending of BH enhancement funds based on future reporting needs directed by HCA</li> </ul> <p>Changes in the estimations and assumptions used to develop provider's enhancement fund payments may trigger payment adjustments, including retroactive adjustments. In the event of a retroactive payment adjustment, CHPW will provide written notice to provider describing the nature of the retroactive payment adjustment.</p>



**Table 17: FY 2022 payment mechanism details for Coordinated Care of Washington (CCW)**

	Questions	Payment mechanisms identified by MCO:		
		Sub-capitated rates	Lump sum payment	Contracted WISE amount over state case rate
1	Basic description of mechanism for increased provider payments (for example "We increased fee schedules by 10% for all behavioral health providers.")	% of premium	Funding from rates allocated to provider based on % of OP/residential spend in the associated region	Dollars used to fund providers who are receiving WISE amounts in excess of the case rate premium amount we are paid for the associated members
2	Does the mechanism vary by region, provider type, or contracting arrangement? Please explain.	Just the few providers have % of premium contracts	Same methodology applied for every region; however, certain providers are on % of BH premium contracts so they are getting their enhancement payment as part of their typical monthly payment	Solely based on the individual contracts that pay at the higher rates
3	When was this mechanism implemented?	01/01/2022	MOUs sent to providers starting in 2022Q1	01/01/2022
4	How were providers notified that this change of funding was directly related to state proviso requirements? Approximately what month did this communication occur? Please share any other pertinent details regarding your initial or ongoing communication plan.	N/A	MOUs sent to providers starting in 2022Q1	MOUs sent to providers starting in 2022Q1

	Questions	Payment mechanisms identified by MCO:		
		Sub-capitated rates	Lump sum payment	Contracted WISE amount over state case rate
5	What specific types of providers, or what groups of providers received this increase? Please explain.	Those with % premium arrangements (detail on Expenditures tab)	BH Agencies (those providers who were carved out prior to BH integration) - the accounting is on the Instructions tab	WISE Providers
6	Are there particular requirements that must be met by providers to receive the new funds? Do any of these requirements permit the recovery of funds? If additional reporting or documentation is required for the funding, please attach a copy of the report.	No	No	No

**Table 18a: FY 2022 payment mechanism details for Molina Healthcare of Washington, Inc.**

Response table 1 of 2, reporting three out of their six funding mechanisms

	Questions	Payment mechanisms identified by MCO:		
		Fee schedules	Sub-capitated rates	Value-based purchasing
1	Basic description of mechanism for increased provider payments (for example "We increased fee schedules by 10% for all behavioral health providers.")	<p>1. Molina is continuing to honor the 10% rate increase put in place by the Optum BHO in Pierce region and the 5% rate increase given to some providers in Thurston Mason region.</p> <p>2. Molina had previously disbursed enhancement funds via lump sums in Southwest region. Molina moved to passing through enhancement via</p>	<p>1. In Greater Columbia, North Central, and Salish regions, Molina disburses enhancements through capitated arrangements.</p> <p>2. In King County, Molina passes through all enhancements to King County via a capitated arrangement so King County can honor all enhancement funding put in place in July 2018.</p>	Molina is in process of implementing two VBC arrangements with Family Solutions and Lifeline in the SW region starting 2020.

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	Questions	Payment mechanisms identified by MCO:		
		Fee schedules	Sub-capitated rates	Value-based purchasing
		a fee schedule in 05/01/2020. January-April enhancements expected to be paid in Q4 2020.		
2	Does the mechanism vary by region, provider type, or contracting arrangement? Please explain.	Molina replicated BHO terms and hence enhancement funds and disbursement methods vary by region.	Molina replicated BHO terms and hence enhancement funds and disbursement methods vary by region.	(no response provided)
3	When was this mechanism implemented?	Most mechanisms we implemented in 2018 by BHO. Molina has been passing enhancement funds in lump sums in Southwest but moved to a fee schedule on 05/01/2020	(no response provided)	Implemented in 2020.
4	How were providers notified that this change of funding was directly related to state proviso requirements? Approximately what month did this communication occur? Please share any other pertinent details regarding your initial or ongoing communication plan.	Providers in Southwest region received information regarding the fee schedule change in late 2019 and contracts revised in early 2020. Pierce providers were notified of their enhancements in the 2nd quarter of 2020.	(no response provided)	Providers in Southwest region received information regarding the fee schedule change in late 2019 and contracts revised in early 2020.
5	What specific types of providers, or what groups of providers received this increase? Please explain.	In Pierce and Southwest regions, all providers contracted previously with the BHOs received the increase.	All providers who had capitated arrangements with the BHO in Greater Columbia, North Central, and Salish regions received enhancement funds	All providers contracted with BHOs previously received the rate increase.

	Questions	Payment mechanisms identified by MCO:		
		Fee schedules	Sub-capitated rates	Value-based purchasing
6	Are there particular requirements that must be met by providers to receive the new funds? Do any of these requirements permit the recovery of funds? If additional reporting or documentation is required for the funding, please attach a copy of the report.	Providers need to submit clean claims on a timely basis.	Providers need to submit clean encounters on a timely basis	Providers will need to meet quality measures to receive VBC payouts.

**Table 18b: FY 2022 payment mechanism details for Molina Healthcare of Washington, Inc.**

Response table 2 of 2, reporting three out of their six funding mechanisms

	Questions	Payment mechanisms identified by MCO (4-6 of 6):		
		Enhancement funds	Expansion funds	Paid via cost reimbursement
1	Basic description of mechanism for increased provider payments (for example "We increased fee schedules by 10% for all behavioral health providers.")	<p>1. King County increased rates by 6% to all behavioral health providers in July 2018.</p> <p>2. In Spokane and Thurston Mason, BHOs increased provider budgets and Molina is continued to honor the increased budgets.</p> <p>3. In Great Rivers and North Sound regions, Molina disburses enhancements in lump sums at present and hope to move to rate increases as our experience develops.</p>	<p>1. King County - these funds represent the expansion of programs (adding beds) and new facilities.</p> <p>2. In the North Sound region, the BHO doubled the size of the Skagit PACT team and the geriatric program operated by Sunrise. Further, Molina is utilizing enhancement funds in this region to support a new WISE team.</p> <p>3. Catholic Community Services in Southwest region will continue to receive enhancement funds via lump sums.</p>	In Southwest region, Molina will be disbursing some enhancements to providers on cost reimbursement agreements.

	Questions	Payment mechanisms identified by MCO (4-6 of 6):		
		Enhancement funds	Expansion funds	Paid via cost reimbursement
2	Does the mechanism vary by region, provider type, or contracting arrangement? Please explain.	Molina replicated BHO terms and hence enhancement funds and disbursement methods vary by region.	(no response provided)	(no response provided)
3	When was this mechanism implemented?	(no response provided)	(no response provided)	Implemented in 2020.
4	How were providers notified that this change of funding was directly related to state proviso requirements? Approximately what month did this communication occur? Please share any other pertinent details regarding your initial or ongoing communication plan.	Spokane and Thurston Mason providers had enhancement funding built into budgets by the BHO before integration.	(no response provided)	Providers in Southwest region received information regarding the fee schedule change in late 2019 and contracts revised in early 2020.
5	What specific types of providers, or what groups of providers received this increase? Please explain.	King County - all behavioral health providers.	King County - Valley Cities (E&T, Detox, Secure Detox, SUD Residential), SeaMar (SUD Residential, Youth Psychiatric, Geriatric Facility).	(no response provided)
6	Are there particular requirements that must be met by providers to receive the new funds? Do any of these requirements permit the recovery of funds? If additional reporting or documentation is required for the funding,	Providers need to submit clean invoices on a timely basis.	Providers need to submit clean invoices on a timely basis.	Providers need to submit clean invoices on a timely basis.

Questions	Payment mechanisms identified by MCO (4-6 of 6):		
	Enhancement funds	Expansion funds	Paid via cost reimbursement

please attach a copy of the report.

**Table 19: FY 2022 payment mechanism details for UnitedHealthcare of Washington, Inc.**

Questions	Payment mechanism identified by MCO: Sub-capitated rates
1 Basic description of mechanism for increased provider payments (for example "We increased fee schedules by 10% for all behavioral health providers.")	Enhancement funds were distributed to behavioral health providers based on their proportion of paid claims plus alternative payment arrangements.
2 Does the mechanism vary by region, provider type, or contracting arrangement? Please explain.	No
3 When was this mechanism implemented?	2020, we've utilized the same mechanism as prior years.
4 How were providers notified that this change of funding was directly related to state proviso requirements? Approximately what month did this communication occur? Please share any other pertinent details regarding your initial or ongoing communication plan.	E-mail notifications went out the same day of payment processing. Letter notification followed a day later.
5 What specific types of providers, or what groups of providers received this increase? Please explain.	We limited the distribution of funds to providers in our BH network and those historically contracted with the BHO, excluding medical providers.
6 Are there particular requirements that must be met by providers to receive the new funds? Do any of these requirements permit the recovery of funds? If additional reporting or documentation is required for the funding, please attach a copy of the report.	The requirements were in line with the HCA and State Legislature guidelines. The provider notification letters provided an "opt-out" clause to be submitted in writing, with the acceptance of funds indicating an agreement to the reporting requirements, outlined under separate cover. No report is attached. In keeping with prior practices of not wanting to burden providers with administrative requirements, we will join with other MCOs to create a reporting document that gather information on how they used the enhancement dollars to strengthen their workforce.