

# What is NorthSTAR?

NorthSTAR is a public behavioral health insurance project. It provides access to and choice of providers for poor Texans, while improving accountability, interagency cooperation, and stakeholder involvement.

# Pre NorthSTAR

Significant stovepipe funding; indigent limited to a few State designated providers

Medicaid had open provider enrollment but customers had to find on their own

Little motivation for coordination among providers

# NorthSTAR

Insured consumers

Care Management

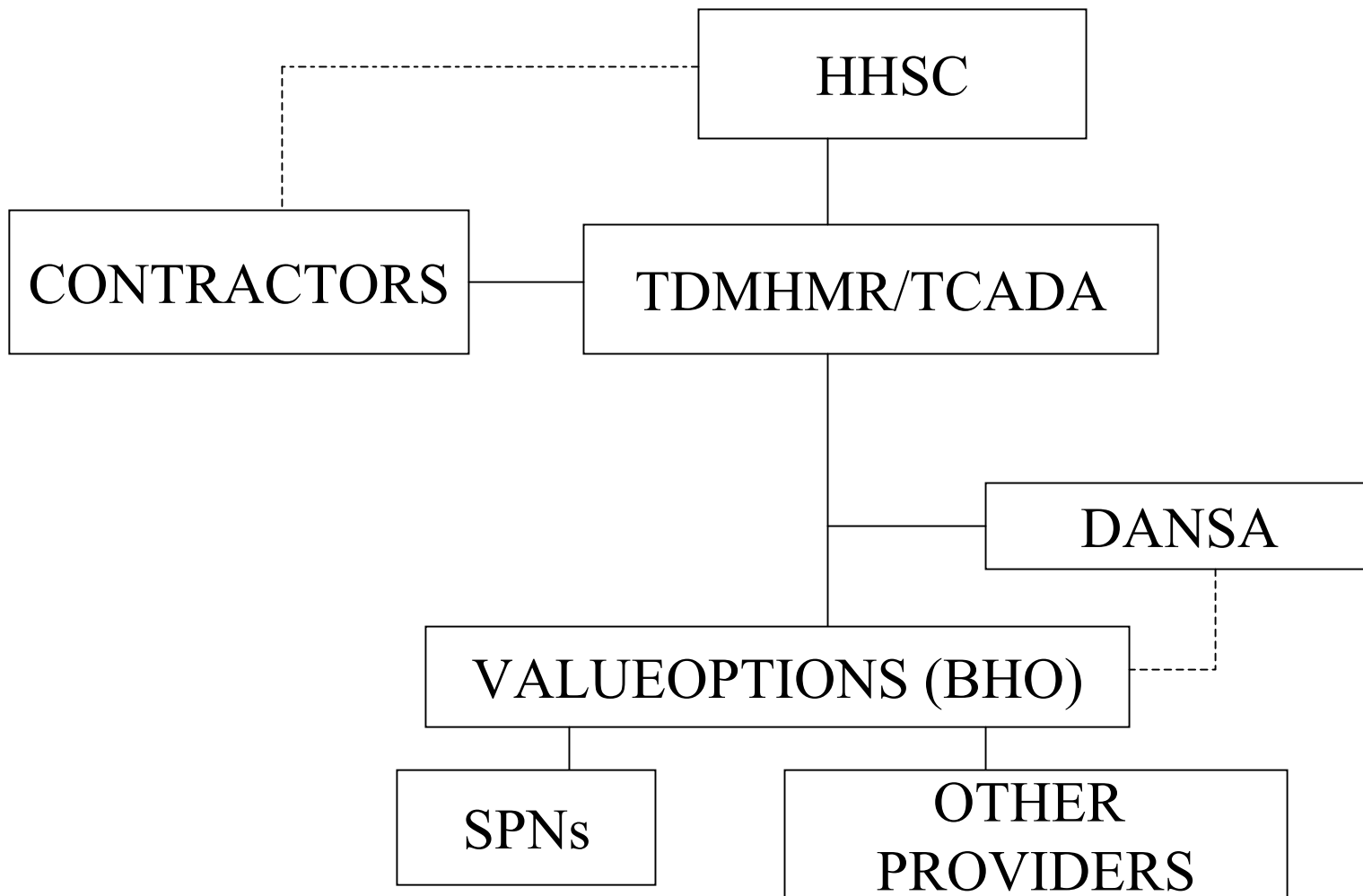
Continuity of Care

Many More Providers

Consolidated data

Public Accountability

# Flow Chart of high level structure



# NorthSTAR Services

## **Specialty Provider Services; No Primary Care Physician Coverage**

Psychiatrist

Medication Services

Psych. Inpatient & Emergency Room

Inpatient and residential detox

Mobile Crisis

CD & MH Outpatient Counseling

Service Coordination

MH Rehabilitation

MH Respite

MH Best Practices

CD & MH Residential

NorthSTAR Providers (April 2002)

| <b>NorthSTAR Facility Sites</b> | Collin   | Dallas     | Ellis    | Hunt      | Kaufmann | Navarro  | Rockwall | Out of Area | Total      |
|---------------------------------|----------|------------|----------|-----------|----------|----------|----------|-------------|------------|
| Inpatient MH                    |          | 11         |          | 1         | 1        |          |          | 1           | 14         |
| Outpatient MH                   | 2        | 38         | 1        | 7         | 1        |          | 1        | 3           | 53         |
| Residential MH                  |          | 8          |          |           |          |          |          | 0           | 8          |
| Inpatient Chemical Dep.         |          | 8          |          |           | 1        |          |          | 1           | 10         |
| Outpatient Chemical Dep.        | 2        | 34         | 1        | 3         |          |          |          | 2           | 42         |
| Specialized Female Services     |          | 6          |          | 1         |          |          |          |             | 7          |
| Res. Chemical Dependency        |          | 5          |          | 1         |          |          |          | 1           | 7          |
| Dual Diagnosis Services         |          | 16         |          | 1         |          |          |          | 1           | 18         |
| Pharmacotherapy                 | 1        | 3          |          |           |          |          |          |             | 4          |
| <b>Total</b>                    | <b>4</b> | <b>129</b> | <b>2</b> | <b>14</b> | <b>3</b> | <b>0</b> | <b>1</b> | <b>13</b>   | <b>163</b> |

| <b>NorthSTAR Individual Providers</b> | Collin    | Dallas     | Ellis    | Hunt      | Kaufmann  | Navarro  | Rockwall  | Out of Area | Total      |
|---------------------------------------|-----------|------------|----------|-----------|-----------|----------|-----------|-------------|------------|
| Psychiatrist                          | 3         | 39         | 0        | 4         | 5         | 0        | 2         | 4           | 57         |
| Psychologist                          | 7         | 66         | 1        | 2         | 2         | 1        | 4         | 10          | 93         |
| LPC, LMSW-ACP, LMFT                   | 22        | 213        | 7        | 10        | 11        | 4        | 6         | 33          | 306        |
| LCDC and Other                        |           | 15         | 1        | 1         | 1         |          |           | 4           | 22         |
| <b>Total</b>                          | <b>32</b> | <b>333</b> | <b>9</b> | <b>17</b> | <b>19</b> | <b>5</b> | <b>12</b> | <b>51</b>   | <b>478</b> |

| <b>Psychiatrists</b>        | Collin    | Dallas    | Ellis    | Hunt     | Kaufmann  | Navarro | Rockwall | Out of Area | Total      |
|-----------------------------|-----------|-----------|----------|----------|-----------|---------|----------|-------------|------------|
| Accept New Referrals        | 7         | 89        | 3        | 5        | 27        |         | 2        | 17          | 150        |
| Accept Outpatient Referrals | 2         | 58        | 3        | 4        | 5         |         | 2        | 3           | 77         |
| Facility Based Only         | 4         | 55        | 3        | 1        | 22        |         |          | 13          | 98         |
| Private Practice Only       |           | 13        |          | 1        | 1         |         |          | 2           | 17         |
| Facility & Private Practice | 3         | 26        |          | 3        | 4         |         | 2        | 2           | 40         |
| <b>Unduplicated Total</b>   | <b>16</b> | <b>97</b> | <b>3</b> | <b>5</b> | <b>28</b> |         | <b>2</b> | <b>17</b>   | <b>168</b> |

| <b>Proportional Distribution</b> | Collin | Dallas | Ellis | Hunt | Kaufmann | Navarro | Rockwall | Population |
|----------------------------------|--------|--------|-------|------|----------|---------|----------|------------|
| Percent of Population            | 14.4%  | 73.7%  | 4.1%  | 2.5% | 2.4%     | 1.5%    | 1.4%     | 2,985,664  |
| Percent of Facility Locations    | 2.4%   | 78.0%  | 1.2%  | 8.3% | 1.8%     | 0.0%    | 0.6%     | 163        |
| Percent of Indiv Providers       | 8.1%   | 69.2%  | 1.8%  | 3.9% | 3.7%     | 1.0%    | 2.4%     | 478        |

# Developing NorthSTAR

## Design

Model project

Involve stakeholders

Local LBHA

Realistic Goals

# Model components

Projected Customers

Identify Available Services

Utilization Patterns

Service Costs

BHO expenses

# Methods of involving Stakeholders

Operate Openly, Inform People

Community Education, Consumer Driven Materials

Provider, Consumer & DANSA Board Member on Contractor  
Selection Committee

Provider and MD On Readiness Review

Designed Ombudsman Function - rapid response

# DANSA (LBHA) development

Identify Authority Functions

Inform Counties

Develop Board

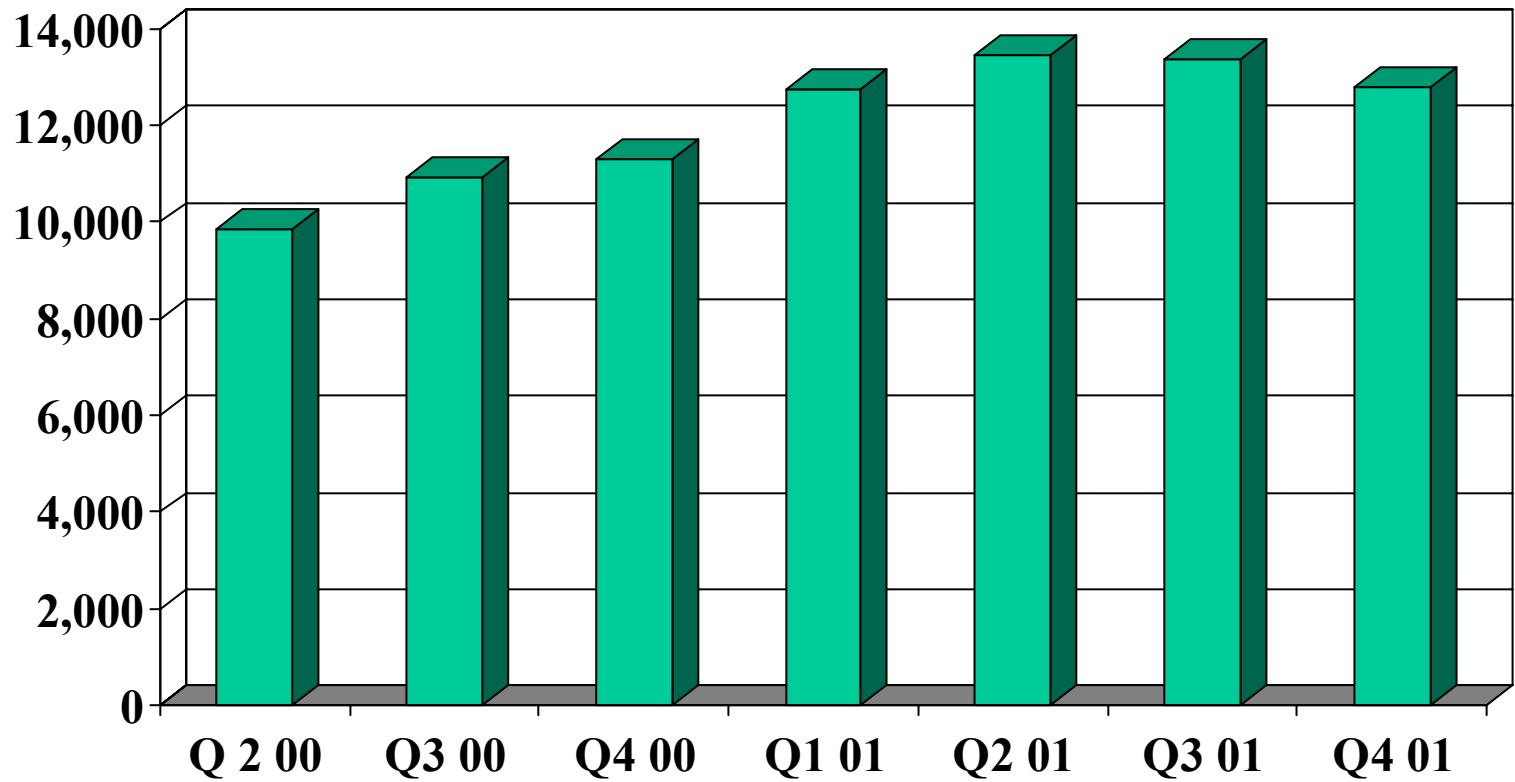
Train Board

Hire Staff

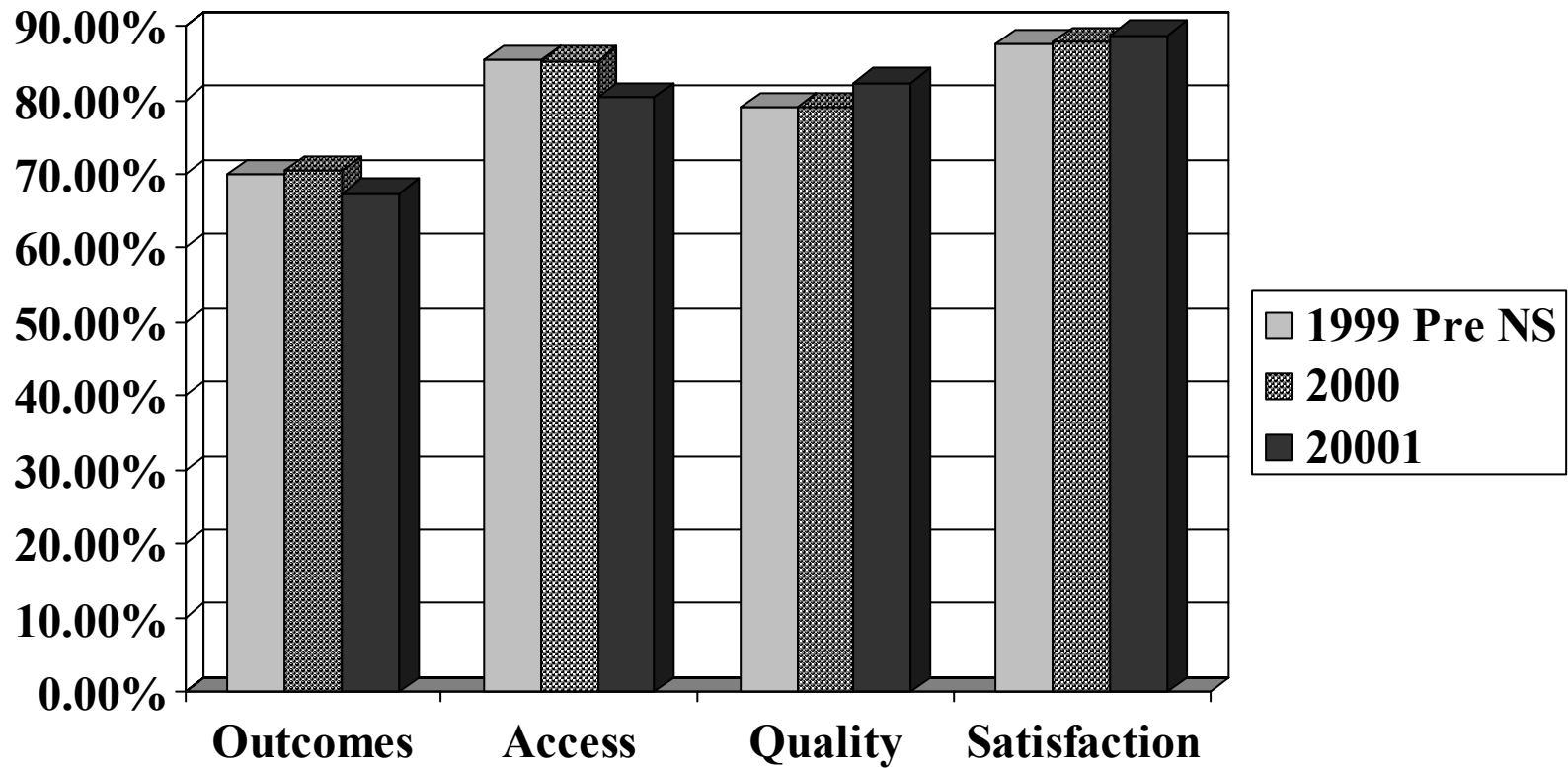
## Realistic Goals

| Year 1            | Year 2                      | Year 3                         |
|-------------------|-----------------------------|--------------------------------|
| Serve people      | Who was served              | Utilization Patterns           |
| Satisfy customers | What was spent              | Increase efficiency            |
| Pay Providers     | Assessment Information      | Evaluate service effectiveness |
| Get Data          | Trend and Activity analyses | Learning Organization          |

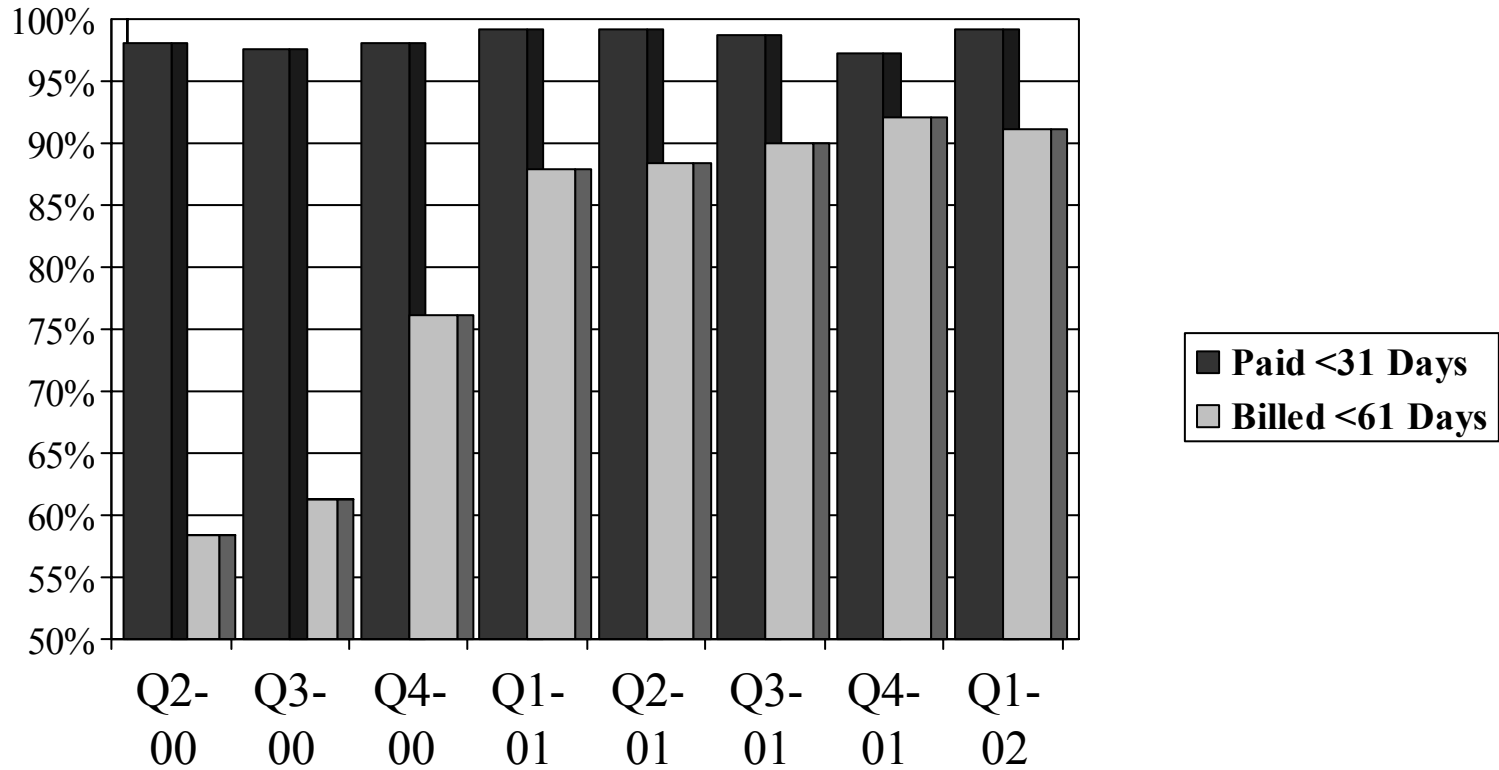
# Number Served Trends from Data book, Dec 99 thru Nov 01



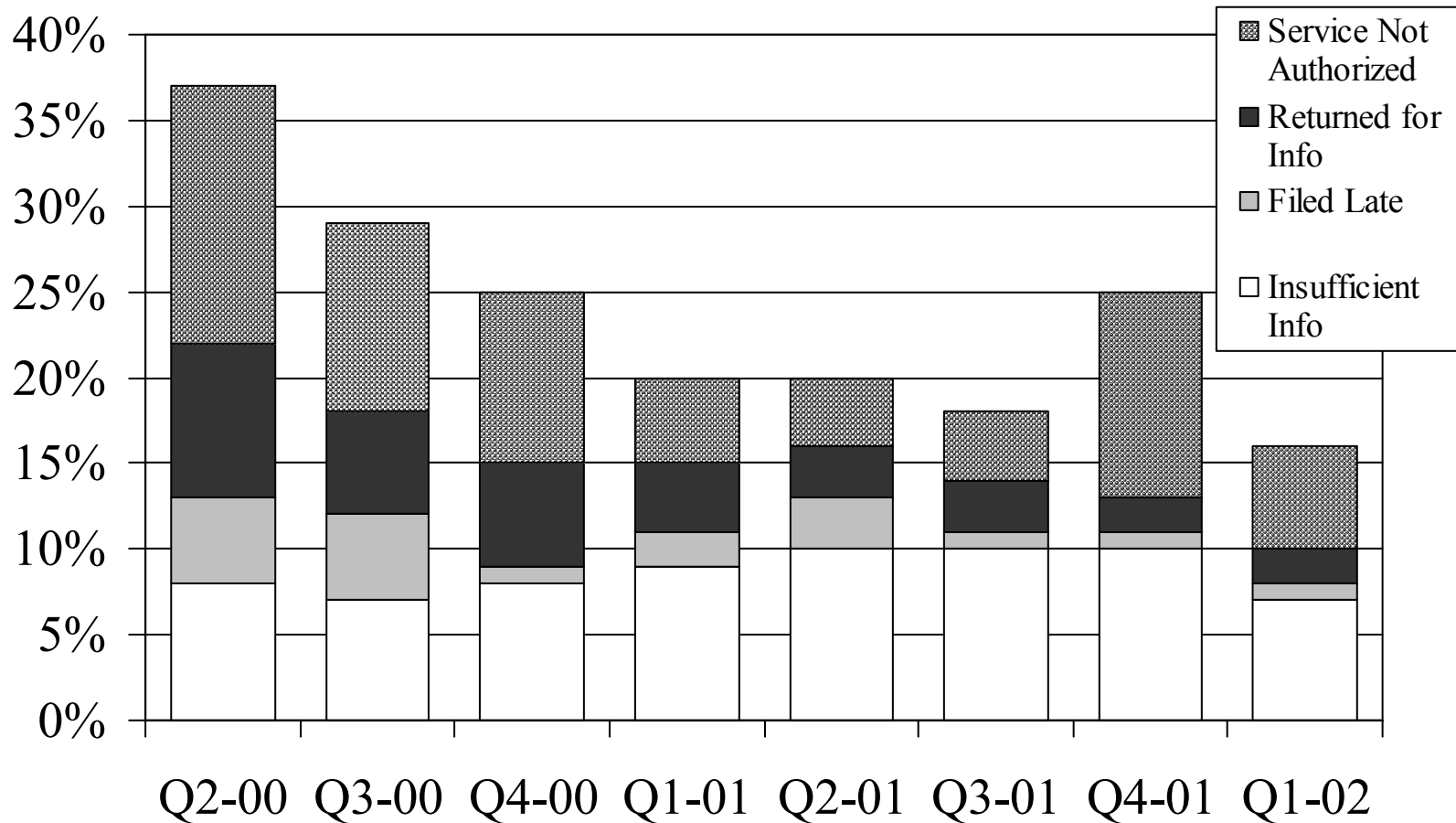
# Satisfaction



# BHO PAYMENT



# Denied Claims as a Percent of Encounters Submitted



# Early Problems

Developing IS support

Community education

Partial Roll-out, IS rules and higher costs

MC readiness for SPNs & core CD providers

Resistance to change (TMA, TPPA, justice)

New procedures and relationships

Bureaucratic intransigence

Historical Core Provider Resistance

# First Year Challenges

Faster than projected growth

Intense Provider Resistance

CCs and Council

CADA providers

TMA, TSPP, local justice

Hospital District

Dirty Data

Data Warehouse not ready

Providers resist Assessment  
Instruments

Rumor control

Uneven Performance across  
BHOs

BHO financial losses

Cost Shifting

Applications for Medicaid

Open Access vs. SPA function

# Some Year 1 Solutions

PBM and preferred medications

Coverage capped at 200% of Poverty

Limits on CD services

Streamline the Assessments (again)

Expansion of SPNs beyond CMHMRCs

Increase rewards and penalties around Data

# Second Year Challenges

Continued BHO financial losses

Unexpected utilization patterns

Continued State Hospital Overcrowding (overhead)

Loss of one BHO, bittersweet

Call for definitive Evaluation

Loss of some providers

Negotiate 2 year contract

DANSA (LBHA) not effective (adversary)

Rumor control (more)

# Some Year 2 solutions

Increased referral for Medicaid

Instituted SPA gate with 23 hr Observation

Restricted 'pass through' authorizations

Tightened up authorization guidelines

Did not re-procure a second BHO

Produced Data Book

DANSA Training and Technical Assistance

Innovations Semi-Finalist

# Lessons Learned

## Easy

DSCT works as a financial control

Readiness Reviews, YES

Partnership with BHO

Hands on Contract Management

Control of Data

# Lessons Learned

## Hard

Community Psychiatry isn't the standard

Data Warehouse is a developing non-standard technology

No matter what, people can criticize (and lie)

People who are losing control may do anything

Managed Care is synonymous with absolute evil

It takes a lot of data to dissuade a little belief

Skunk-works approach cannot manage ongoing project

# Critical Variables

Construction of NS was confluence of circumstances

Without support of advocates and customers the project would have failed

Continued support of advocates and customers based on providing information

Skunk-works environment is critical to all stages of development

TDMHMR and TCADA had to deal with many surprises