

# **NORTHCARE NETWORK**

**ANNUAL**

**REPORT FY04 / GOALS FY05**

# NorthCare Network

200 W. SPRING STREET, MARQUETTE, MICHIGAN 49855  
Phone: (906) 225-7254 Toll-Free: (888) 333-8030 Fax: (906) 225-5149 Website: [www.northcare-up.org](http://www.northcare-up.org)

**Dear Colleagues and Friends:**

**During 2004 NorthCare faced many challenges successfully and in the coming year there are new challenges on the horizon.**

**Some of our successes and gained efficiencies this past year have included:**

- **implementing a regional after hours phone crisis response system using Dial Help, Inc.;**
- **meeting the statewide deadline for submitting all encounter data in an 837 transaction format;**
- **implementing three quality improvement projects region wide;**
- **providing useful management data for clinical supervisors via the Data Warehouse;**
- **implementing a regional pre-admission inpatient hospitalization screening form;**
- **making decisions based on strong regional and local consumer participation;**
- **establishing the administrative and clinical teams necessary to begin implementation of three evidence based treatment practices across the region; and,**
- **providing training for the CMHSPs as well as consumers in the areas of Advance Directives and the Balanced Budget Act.**

**These successes could not have been achieved without the ongoing support and hard work of the individual CMHSPs in the Upper Peninsula. The NorthCare Committees have allowed us to reach consensus on most decisions, and to implement significant changes for the region. I would like to personally applaud and thank the individuals that have worked hard to make tough decisions and remain positive during the process. These staff and consumers are the real champions of NorthCare.**

**On the horizon, NorthCare continues to face challenges – including funding issues, federal regulations/changes, waiver renewals, an external quality review, and more and more data demands. We are confident in the region's ability to succeed and grow with these challenges.**

**The Pathways/NorthCare Board of Directors and the NorthCare CEO deserve special thanks for supporting NorthCare during its infancy and helping us to thrive in this fairly new territory. It is a privilege for me to be in this position and to work everyday with people who are committed to serving our unique population.**

**Cyndi Shaffer  
Chief Operating Officer**

## OVERVIEW

NorthCare Network is the Prepaid Inpatient Health Plan responsible for the monitoring and management of services provided to Medicaid beneficiaries with mental illnesses, developmental disabilities, and substance abuse across the 15 counties in the Upper Peninsula of Michigan. NorthCare entered this fiscal year facing the normal budget and regulatory challenges as well as challenges in staffing. NorthCare staff were required to cross train and reprioritize a number of projects due to staff changes in two critical positions during 2004. We have been fully staffed for the past six months and have been able to achieve our primary objectives in 2004.

## STAKEHOLDER INVOLVEMENT

During this past fiscal year several of our committees continued to involve and educate consumers in regard to NorthCare, policies, written materials, progress being made, etc. In addition to consumer representation on the Pathways/NorthCare Board of Directors, we currently have consumer representation on NorthCare's Quality Council, Member Services Committee (more on Member Services below), and on both Performance Improvement Project work teams. We are incorporating representation on various teams from our two Substance Abuse Coordinating Agencies and have representation from our regional Medicaid Health Plan (UPHP) on the Coordination of Care Performance Improvement Project Team. Additionally, there are ongoing collaborative efforts throughout the region with law enforcement agencies, schools, and Family Independence Agencies. NorthCare staff also participate in a Quality Improvement effort with our regional psychiatric facility staff to improve services to our hospitalized consumers. NorthCare has developed an ongoing relationship with NAMI. NorthCare welcomes NAMI and consumer's participation, and they have provided valuable feedback to us.

## QUALITY MANAGEMENT HIGHLIGHTS/GOALS

**CONSUMER SATISFACTION:** During FY 03 and FY04, each of the five CMHSPs and two CAs conducted their own consumer/client satisfaction surveys. Each affiliate was required to incorporate seven core questions to bring some consistency to the process. These seven core questions have been used for both years.

Combined results from the five CMHSPs indicate an overall satisfaction of 91% for FY04. This is down from 96% in FY03; however, we believe this is mainly due to one CMHSP which had a significant drop in ratings from FY03 to FY04. In reviewing their scores and comments we found a significant number of respondents marked all ones (strongly disagree), but wrote very positive comments. It is our opinion that the respondents were viewing a number 1 as favorable.

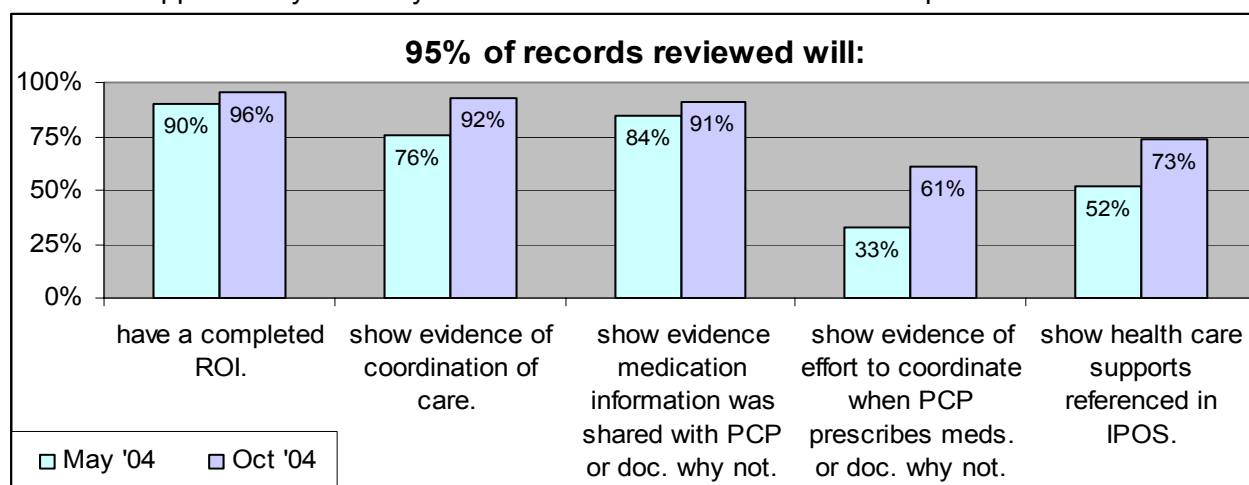
There were differences in processes used by each CMHSP in conducting satisfaction surveys that prevent a direct comparison between the Boards. We do believe, however, that based on consumer interviews conducted during our MDCH site review and ongoing stakeholder feedback that there is a fairly high degree of satisfaction across the region.

### Goals for FY05:

- Develop and implement a consistent process for conducting annual consumer satisfaction surveys across the region.
- Evaluate the feasibility of NorthCare administering this survey to increase reliability in the results.

### PERFORMANCE IMPROVEMENT PROJECTS:

**Coordination of Care Performance Improvement Project:** Work on this project began in November 2003 with the establishment of a project team. This project team includes representation from consumers, the Upper Peninsula Health Plan (UPHP), each CMHSP, substance abuse and NorthCare. Baseline data was collected in May through a review of clinical records across the region. A total of 260 records were reviewed. Ten standards that addressed the five indicators selected by the project team were evaluated. Overall baseline compliance rating for the region was 72%. The project team reviewed and analyzed results and provided recommended interventions. An Intervention Plan was written and is being monitored throughout the project. The second round of data collection was completed in November through a review of 256 clinical records. Overall compliance was 83%; an 11% increase from baseline. NorthCare and the Project Team continue to monitor interventions established by the team. The project team also assisted in updating NorthCare's Coordination of Care Policy, which was approved by Pathways/NorthCare's Board of Directors in September.

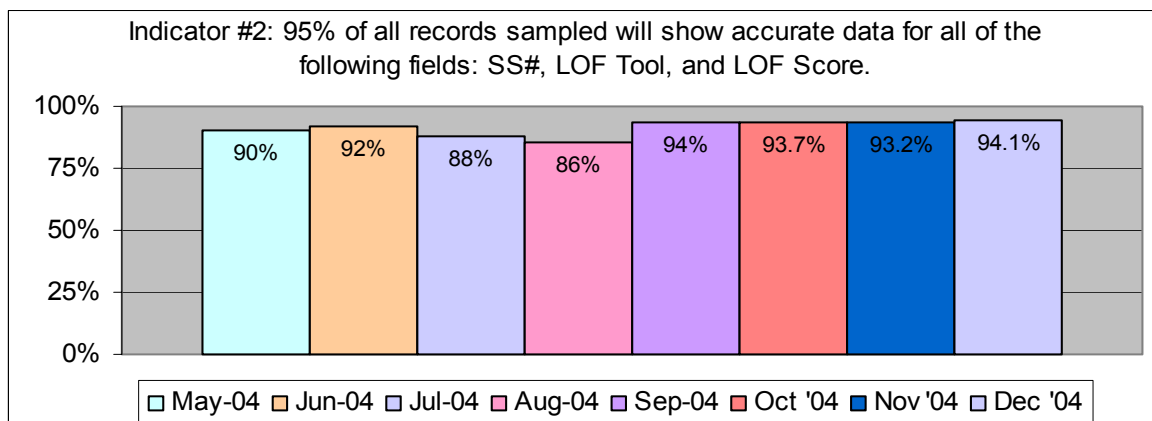
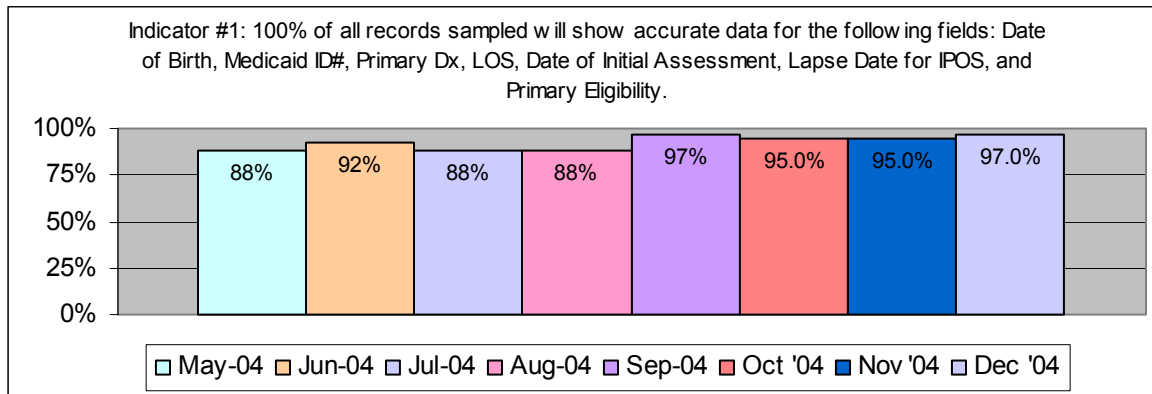


### Goals for FY05:

- Continue Coordination of Care reviews and monitoring.
- A representative from the Substance Abuse service side was added to this project team in October.
- Continue work on the development and implementation of a project plan and processes to address coordination of care performance for substance abuse services. We have begun educating substance abuse providers in regard to this project, what we will be looking for during our record reviews, and when we anticipate conducting the record reviews.

**Data Integrity Performance Improvement Project:** Work on this project began in January 2004 with the Project Team being established in February and has representation from consumers, each CMHSP, and NorthCare. We began by looking at ten fields of data for each consumer and/or each consumer requiring UM data in the Data Warehouse. Baseline data was retrieved from the Data Warehouse on May 3, 2004. Although indicator percentages have

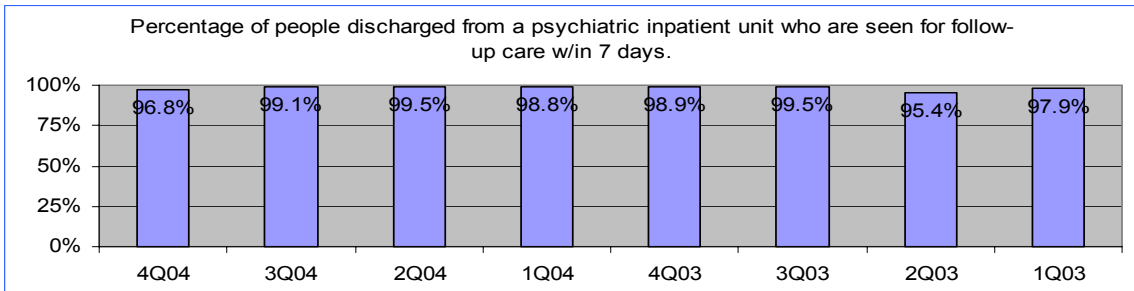
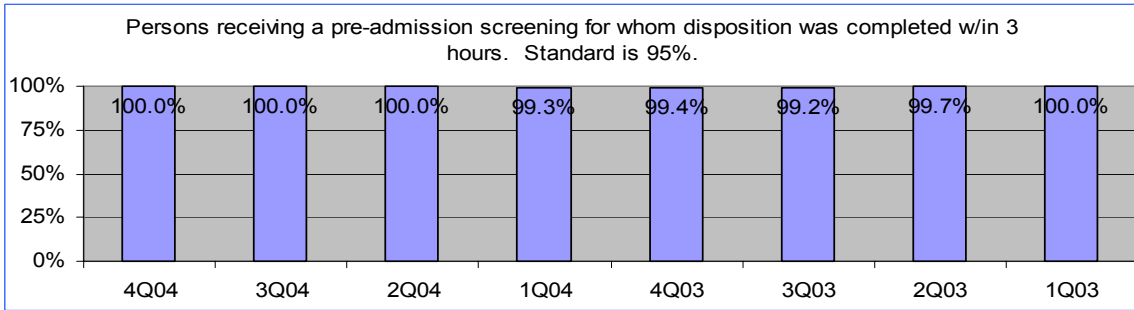
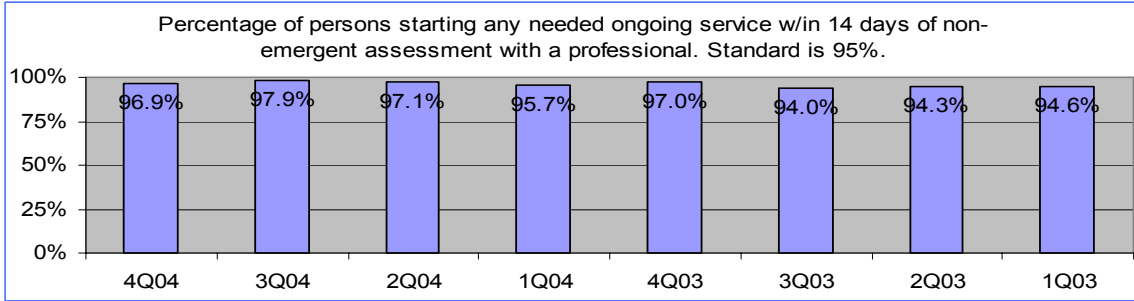
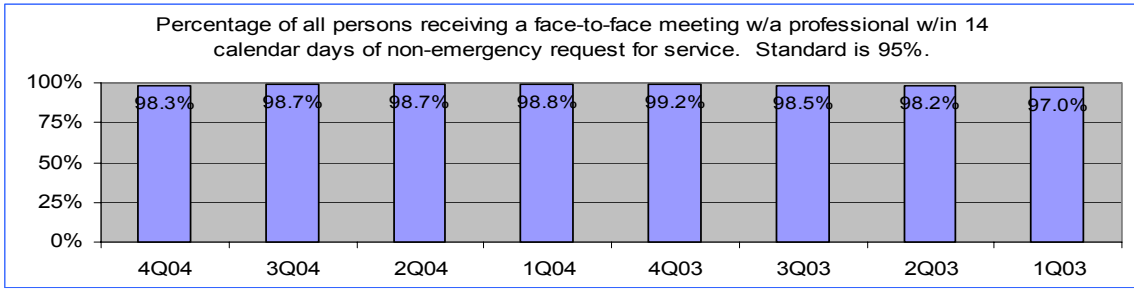
fluctuated month-to-month, overall progress is noted in the ongoing development and refinement of the data and the Data Warehouse. The Project Team continues to review and analyze data for this project on a monthly basis and monitors the intervention plan.



**Goals for FY05:**

- Restructure the primary diagnosis codes to allow us to look at the Primary DSM-IV code for utilization management purposes and the Primary ICD-9 code for encounter/837 purposes.
- Continue to monitor and implement needed interventions.
- Will evaluate the need to include additional data fields to this project.

**PERFORMANCE INDICATOR MONITORING:** The following graphs show some of the key Performance Indicators NorthCare has been monitoring over the past two fiscal years. These indicators represent the entire population served by our CMHSPs as the requirement to report on performance indicators for Medicaid beneficiaries *only* was not in effect during FY03 or FY04. NorthCare is proud to say our CMHSPs have done a good job reaching and maintaining compliance over the past two fiscal years.



**Goals for FY05:**

- NorthCare will establish a process for collecting and compiling data for Medicaid beneficiaries *only* for reporting to MDCH.
- Continue to monitor and implement interventions as needed to maintain compliance for the eight indicators NorthCare is required to monitor and report to MDCH.

**MEDICAID VERIFICATION PROJECT:** A project description was completed in November of 2003 along with the form used to record findings from this audit. It was decided at that time that our review would be of services provided in the second quarter (Jan–Mar 2004) of FY04 and that NorthCare would extract the list of services from the Data Warehouse. Medicaid Verification audits were conducted by representatives from each CMHSP. Deficiencies in

processes used have been identified and will be rectified during FY05. CMHSPs are required to make necessary adjustments as a result of this verification project and report to NorthCare. It appears that, based on data provided, our region is well on its way to reaching our 95% goal.

Total # of Services Reviewed	Medicaid or Alternative? M=Medicaid A=Alternative	Service Identified In IPOS? (Y/N)	Is there Doc. that Srvs. Claimed Were Actually Provided? (Y/N)
<b>% Compliant</b>	<b>100%</b>	<b>93.2%</b>	<b>91.4%</b>

**Goals for FY05:**

- **Revise the Methodology for this project to include substance abuse services.**
- **NorthCare will develop and implement a consistent process to be used by NorthCare staff in conducting Medicaid Verification audits across the region twice a year. This will lessen the burden on CMHSP/CA staff while increasing reliability for this project.**

**MEMBER SERVICES HIGHLIGHTS/GOALS**

NorthCare’s Member Services Committee meets every other month. Membership is comprised of one staff person from each CMHSP/CA, two consumer representatives from each of the five CMHSPs, and one representative from each of the Coordinating Agencies. There is also representation from the regional Superior Alliance for Independent Living and NAMI. The strength of the Member Services Committee is the input from the consumer members. NorthCare policies, plans, brochures and other documents are reviewed and edited by the committee. Consumer representatives then report to their local Consumer Advisory groups.

An Annual NorthCare Educational Program and Picnic was held on August 19<sup>th</sup>, 2004. Consumers from each CMHSP Advisory Committee and Drop-In Centers as well as NAMI and ARC group members from across the region were invited. Over 50 consumers enjoyed a presentation from a JIMHO (Justice In Mental Health Organizations) representative on the topic of recovery.

NorthCare continues its commitment to working with regional support groups such as NAMI. During this past year, NorthCare coordinated a day long meeting for all Upper Peninsula NAMI groups. This provided a means for the various groups across the U.P. to meet, share ideas, and highlight their local efforts. Plans are already underway to host the next meeting in the spring of 2005. NorthCare’s Member Services Specialist has also attended the local, state and National NAMI meetings for the past 2 years.

**INDEPENDENT FACILITATION:** Independent Facilitation is a program that allows consumers of CMHSP services to request a neutral independent third party to facilitate meetings where their individual treatment plan is developed. A total of four Individual Plans of Service have been facilitated across the region to date. Each of the sessions with an Independent Facilitator received excellent evaluations. Trained Independent Facilitators attended an in-service/ luncheon for additional training and a brain storming session on how to improve the process.

**CULTURAL DIVERSITY:** Ensuring that CMHSP staff members are culturally competent is critical in our region. Native American people are the most prevalent ethnic group in the Upper Peninsula other than Caucasians. Therefore, Sally Olson met with attendees at five Tribal Elder Centers in an attempt to learn about issues facing this population in regard to mental health services. At each center, Ms. Olson provided a short educational presentation. Each person in attendance was asked to complete a brief survey to assist NorthCare in identifying additional

needs. Survey results indicated that many Tribal Elders believe their mental health needs are being dealt with effectively through their local Tribal Health Agencies. When there was a need for CMHSP services, it was for the most seriously mentally ill members of the tribe. This coming year, NorthCare will sponsor regional training for staff to work with Native families and consumers who have had to reach outside of their own health care system to obtain assistance.

**NEWSLETTERS:** Two consumer newsletters are produced and distributed each year to all Medicaid consumers in our region. Some of the topics covered in the newsletters this year were: consumer satisfaction surveys, evidence based practices, coordination of care, independent facilitation and crisis and safety planning. An additional newsletter was also produced for CMHSP/CA staff in October explaining evidenced based practices and the external quality review.

#### **Goals for FY05:**

- **Develop and implement a consistent process for documenting and tracking consumer grievances/complaints across the region.**
- **Provide three cultural competency trainings across the region.**

## **UTILIZATION MANAGEMENT HIGHLIGHTS/GOALS**

Over this past fiscal year, the Utilization Management Committees have developed and implemented a benefit plan for services provided to adults with mental illness (MI), children with severe emotional disorders (SED), and adults and children with developmental disabilities (DD). The purpose of the benefit plan is to provide consistency in service authorizations across the region. The plans will be used to evaluate over and under utilization of services. Plans were effective July 1, 2004 and will be reviewed and revised as necessary in January of 2005.

Another project successfully completed by the DD UM Committee was to “unbundle” residential services. Services previously coded as “residential,” which included both Personal Care (PC) and Community Living Support (CLS) services, had to be recoded as PC or CLS per MDCH directive. As our capitation rate for the next contract year will be developed based on the reporting of the PC and CLS services, NorthCare requested that this project be retroactive to October of 2003. In the sub element report summarizing all services in fiscal year 2003 -2004, all services reported to MDCH are properly coded as PC or CLS.

NorthCare’s UM Coordinator and consultant developed and provided regional training on the revised Medicaid Provider Manual as it relates to changes in the definition and reporting of mental health services. As of November of 2004, training for each of the five CMHSPs was completed. The UM coordinator has also provided training to consumers on Advance Directives, EBP and the Balanced Budget Act.

**EVIDENCE BASED PRACTICES:** The Center for Medicare and Medicaid Services (CMS) is requiring providers of Medicaid services to demonstrate that consumers are receiving services based on practice guidelines that are "Evidence Based Practices" (EBP.) MDCH is mandating that we begin this process by focusing on three specific EBPs - Family Psycho Education (also known as Multi Family Groups), Integrated Treatment of Co-Occurring Disorders, and Parent Management Training. MDCH is requiring each PIHP/CMHSP to begin long range planning and implementation of these three EBPs by May of 2005. NorthCare has begun the education process of staff and consumers by distributing written materials and through ongoing committee work. Staff from NorthCare are participating in MDCH’s EBP Steering Committees.

**CRISIS SERVICES COMMITTEE:** This committee was established in FY04 originally as an ad hoc committee to accomplish two main tasks: the development of a standard form for pre-admission screenings; and to develop and conduct the procurement and RFP (Request for Proposal) process for a regional after hours crisis phone service. Both tasks have been successfully accomplished. The pre-admission form was implemented by all CMHSPs and the RFP was awarded to Dial HELP effective October 1, 2003. In the summer of 2004 a three year continuation contract was negotiated and signed with Dial HELP. The committee continues to meet quarterly to address clinical concerns regarding crisis services.

**Goals for FY05:**

- **Implementation of the three required Evidenced Based Practices across the region.**
- **Monitoring the implementation of the EBPs utilizing the nationally developed outcome tools for each EBP.**
- **Utilize the Data Warehouse to its full potential to monitor the array of Medicaid services across the region.**

## **INFORMATION SYSTEMS HIGHLIGHTS/GOALS**

The overwhelming focus of IS this past year has been to ensure that all Medicaid and General Fund activity for the region is accurately loaded to the State's data warehouse in Lansing per federal HIPAA regulation. This effort is an ongoing cross-functional process involving billing and IS staff from each CMHSP working in conjunction with NorthCare. HIPAA regulations require that all health claim and equivalent encounter data be reported MDCH via a standard file format commonly called an "837." The region established a process such that each CMH working independently creates standard "837" encounter files from their own system, and then forwards the files to NorthCare for further processing. Finally NorthCare submits the data to MDCH where it is audited and loaded to a central database for use in capitation planning. All institutional claims are processed internally at NorthCare. While the "837" reporting process is working successfully per se, it is highly manual with significant duplication of effort across the region.

Sparked by the unanticipated resource requirements of the "837" reporting process and in anticipation of the growing information management expectations associated with electronic medical record standards, IT leaders from across the Network began to lay the foundation for a "virtual" regional systems platform. Early analysis resulted in Pathway's and Northpointe joining forces to pursue necessary funding and to develop a request for proposal (RFP), a document outlining requirements for both financial and clinical systems. The other CMHs are supportive and will participate in the vendor selection process. The RFP development is underway.

The regional data warehouse continues to support regional data needs. All five CMHSP's feed daily or weekly data loads into the central data warehouse where their data is put into a standardized multidimensional format and is accessible to end users as authorized. This past year, the event data was formatted into the state required sub-element report for both the Medicaid population and for all the CMHSP's consumers. The UM data set provides the utilization staff with level of care, level of functioning and utilization data. The state required demographic data set is reported to MDCH by a simple extract from the data warehouse. Each CMHSP and NorthCare monitors the quality of data using the error model in this data system. Many other reporting functions are being performed in the region via the data warehouse to support CMHSP and NorthCare operations.

Other projects sponsored by NorthCare this year:

- Regional HIPAA Security -- initiated in response to federal regulation outlining physical and organizational requirements associated with safeguarding electronic protected health information.
- Grievance & Appeals Database -- intended to meet the regional need for a centralized tracking system housing recipient rights, appeals, grievances and complaints data.

**Goals for FY05:**

- **Streamline 837 processing: automate job streams and file transmissions.**
- **Facilitate RFP development, vendor selection and implementation for clinical and financial systems upgrade.**
- **Complete process mapping for NorthCare Utilization Management and implement supporting data warehouse tools.**
- **Facilitate regional HIPAA Security effort.**
- **Design & implement Grievance & Appeals Database.**
- **Data Warehouse - Enhancement of the UM data reporting, Medicaid eligibility data access and continued data quality improvement.**