

# OLDER AMERICANS BEHAVIORAL HEALTH

## Issue Brief 9: Financing and Sustaining Older Adult Behavioral Health and Supportive Services



### Overview

This Issue Brief introduces financing and sustainability strategies for providers of behavioral health and supportive services to older adults. Older adults receive community behavioral health services through a wide variety of providers, including mental health and substance abuse treatment, primary care, and aging service providers.

Many financing sources support older adults living in the community. However, dedicated financing for older adult behavioral health is limited. The Issue Brief identifies:

- Financing sources that support community behavioral health services for older adults;
- Strategies for sustaining community behavioral health services for older adults; and
- Organizational efficiency strategies to enhance service quality and reduce costs.

Behavioral health and physical health are closely connected. Behavioral health issues, such as depression, anxiety, substance abuse and misuse, and suicidal thoughts, can lead to unhealthy lifestyle and care decisions. Physical health issues, such as chronic diseases, can have a negative impact on mental health and reduce an individual's ability to participate in treatment and recovery. Older adults with multiple chronic conditions and functional impairments may have many behavioral health needs.<sup>1</sup> Many older individuals need intensive home-based services in addition to medical care. Historically, such services have been outside the scope of the medical model.<sup>2</sup>

### Introduction

The Substance Abuse and Mental Health Services Administration (SAMHSA) and the Administration for Community Living's (ACL) Administration on Aging (AoA) recognize the value of strong partnerships for addressing behavioral health issues among older adults. This Issue Brief is part of a larger collaboration between SAMHSA and AoA to support the planning and coordination of aging and behavioral health services for older adults in states and communities. Through this collaboration, SAMHSA and AoA are providing Issue Briefs and Webinars, particularly in the areas of suicide, anxiety, depression, and alcohol and prescription drug use and misuse among older adults, and are partnering to get these resources into the hands of aging and behavioral health professionals.

Behavioral health, primary care, and aging providers are key in promoting prevention; screening, brief intervention, and referral to treatment (SBIRT) and providing services that support the health, mental health, and independence of older adults.

Many older adults seek care for their physical and mental health needs from their primary care provider. Primary care providers are essential to integrated care; they provide physical and behavioral health services and link patients to ongoing behavioral health, aging, and supportive services in the community. Behavioral health providers have expertise in delivering mental health and substance abuse treatment services across the lifespan. The aging services network has long been the primary provider of long-term services and supports to older adults in the community. Aging providers offer many supportive services that are critical to keeping vulnerable older adults living in the community. Together, primary care, behavioral health, and aging service providers have broad expertise in serving the complex needs of older adults in the home and community.

A variety of funding sources support older adult behavioral health services, including Titles III-B, III-D, and III-E of the Older Americans Act (OAA); Medicaid and Medicare; Affordable Care Act (ACA) initiatives; and other flexible and targeted funding streams. States are enhancing their systems to identify and provide appropriate services and interventions to older adults, people with disabilities, those at risk for behavioral health problems, and caregivers.<sup>3</sup>

# Financing Sources for Older Adult Behavioral Health Programs

Providers rely on a patchwork of financing to support older adult behavioral health initiatives. Financing options for interventions in anxiety, depression, prescription misuse and abuse, and suicide prevention may include the following:

## AOA

**State and Area Plans on Aging.** Local and state agencies must have multiyear state and area plans on aging that include older adult mental health service delivery and that demonstrate “coordination with state aging and state mental health authorities to increase awareness of mental health disorders, remove barriers to diagnosis and treatment, and coordinate mental health services (including mental health screenings) provided with funds expended by the area agency on aging with mental health services provided by community health centers and by other public agencies and nonprofit private organizations.” OAA Sections 306 & 307.<sup>4</sup>

**OAA Title III.** Some OAA Title III funds can be used to support behavioral health services:

**Title III-B Supportive Services and Senior Centers Program**—Eligible services include behavioral health screening, outreach, education, counseling, and referral to treatment. Screenings and brief interventions can be embedded into traditional case management.

**Title III-D Disease Prevention and Health Promotion Services Program**—Since FY2012, funding has been limited to evidence-based disease prevention and health promotion programs. Approved behavioral health interventions for older adults include Healthy IDEAS, PEARLS, HomeMeds, ElderVention, and BRITE. Information about these programs is available at the [AoA website](#).

**Title III-E National Family Caregiver Support Program**—Funding supports family caregivers and services such as counseling.

## Medicaid and Medicare

**Medicaid.** Benefits vary by state. Medicaid Fee for Service (FFS) and Medicaid Home and Community-Based Service 1915 (HCBS) Waivers may cover behavioral health prevention, screening, and brief interventions and supportive services that Medicare and private insurance do not. For example, the depression care management PEARLS program is a Medicaid Waiver service in Washington State. Benefits in Medicaid FFS or Medicaid HCBS Waivers can include a number of related services such as substance abuse screening and prevention, anxiety/depression screening and management, benefits counseling, caregiver training, case management, counseling, homemaker services, home health care, and service coordination.

**Medicare.** An important financier of integrated behavioral health and primary care services. Medicare has an important role in the prevention and treatment of chronic conditions among older adults. Medicare Part B benefits include inpatient and outpatient services and partial hospitalizations. Out-of-pocket costs for outpatient treatment are decreasing, and by 2014 mental health services will be covered at the same level as medical services. The Medicare annual wellness visit now includes depression screening and behavioral counseling to reduce alcohol misuse.

## SAMHSA

**Block Grants.** The Community Mental Health Services and Substance Abuse Prevention and Treatment Block Grants fund many behavioral health services by providing support through state authorities for mental health and substance abuse and through local and community providers.

**SBIRT Grant Program.** These grants can be used to integrate SBIRT services into general medical, primary care, and community settings. SBIRT cooperative agreements expand and enhance states’ continuum of care. They can be implemented by all care providers—primary care, hospitals, trauma centers, health clinics, community aging services, and nursing homes. SBIRT programs have been successfully sustained after initial grant funding. Staffs attribute this success to improved integration into the host medical facility, buy-in from medical personnel, and increased potential for third-party reimbursement.<sup>5</sup>

MORE INFORMATION ON SBIRT FINANCING IS AVAILABLE IN THE RESOURCES SECTION.

## Behavioral Health, the Aging Network, and Health Care Reform

Long-term services and supports are central to ACA and related community living initiatives. Health care and community providers will continue to be driven toward closer collaboration with implementation of health care reform accountability and quality metrics such as hospital reimbursement tied to care transition and readmission rates, expansion of accountable care and shared savings programs, and the dual eligible Medicaid–Medicare programs. Community mental health, substance abuse, and aging providers have expertise serving these target populations in the home and community and have credibility with older adults.<sup>6</sup> Behavioral health, physical health, and aging providers can

capitalize on new opportunities by positioning themselves as a specialty provider of long-term services and supports.

Hospitals, primary care, and insurers understand that they will have to acquire expertise in community services. They can choose to contract with community providers or develop their own internal capacity. Community providers can greatly improve their chances for sustainability by successfully integrating themselves into new provider collaborations. The onus of community providers will be to convince the lead organization how they can deliver improved outcomes and cost savings for the collaboration better than the lead organization can develop itself.

## Organizational Strategies and Efficiencies

Behavioral health and aging service providers that have, or rapidly acquire, competencies in budget and financial planning, such as business modeling and cost-benefit analysis, can make a convincing argument that their services create value (e.g., for hospitals, post-acute care providers, provider networks, and insurers) that exceeds what potential partners will be asked to pay for services.

Sustainability and expansion of older adult behavioral health services will depend on core competencies that take advantage of the opportunities created by health care reform.<sup>7</sup> In new provider arrangements with shared financial risk, partners will expect aging community behavioral health providers to possess competencies in:

- Outcome measurement;
- Cost-benefit analysis;
- Value-added service; and
- Marketing.

Hospitals, primary care, and behavioral health networks are interested in collaborating with cost-effective providers of many community and care transition services.<sup>8</sup> Behavioral health and aging service providers need to project and justify service expectations and provide cost-benefit analysis before they can join a shared risk partnership.

### Strategic Planning and the Business Case

Strategic and business planning should begin by selecting the outcome measures and the process for collecting data before implementation. **SCAN Foundation's Budget and Financial Planning Workbook** and the **National Council on Aging's (NCOA's) Creating a Business Plan for Evidence-based Health Promotion Programs** provide resources for strategic and business planning. **The Finance Project** develops and disseminates many resources and tools on financing and sustainability of children, family, and community initiatives.

### Service Cost

Community providers must document true costs, sufficient revenues, and outcomes to demonstrate value and cost-effectiveness. Online tools, such as the **Minnesota Financial Stability tool**, can assist community providers in determining true service costs.

### Consumer Engagement Standards

For hard-to-reach populations, employing a consumer engagement specialist may be an effective strategy to engage older adults. Support staff can be trained in the principles of motivational interviewing to maximize consumer engagement and reach those who are hardest to serve. This population is often isolated and at high risk for behavioral health and physical health issues. Potential partners include Aging and Disability Resource Centers, the Department of Veterans Affairs, community mental health centers, Federally Qualified Health Centers, United Way chapters, philanthropic organizations, and state and local governments.



## KEY ACTIONS

### Key Actions for Community Providers

- Pursue a variety of financing sources.
- Explore policy and program opportunities.
- Market your agency as a specialty provider of long-term aging, behavioral health, and older adult behavioral health services and supports.
- Make the business case. Understand and have the ability to document the following:
  - Service cost;
  - Performance-based budgeting; and
  - Consumer engagement standards.
- Identify factors influencing sustainability.
- Maximize organizational strengths and identify areas for improvement.

**How to Become a Medicare Provider. Quick Reference**  
**New Medicare Provider** provides a step-by-step overview for health care professionals, suppliers, and providers interested in becoming Medicare providers. Medicare-authorized mental health providers are limited to psychiatrists/physicians, clinical psychologists, nurse practitioners, clinical nurse specialists, and clinical social workers.

**How to Become a Medicaid Provider.** Information on how to become a Medicaid provider is available at state Medicaid offices.

## \$ SBIRT Financing Resources

- SAMHSA: *Coding for SBIRT Reimbursement*. Information on commercial insurance CPT codes, Medicare G codes, and Medicaid HCPCS codes. <http://www.samhsa.gov/prevention/SBIRT/coding.aspx>
- SAMHSA–AoA: *Issue Brief 3: Screening and Preventive Brief Interventions for Alcohol and Psychoactive Medication Misuse/Abuse*. Strategies to provide screening and brief interventions for older adults who misuse alcohol and/or psychoactive prescription medications. [http://www.aoa.gov/AoARoot/AoA\\_Programs/HPW/Behavioral/index.aspx](http://www.aoa.gov/AoARoot/AoA_Programs/HPW/Behavioral/index.aspx)

### Sustaining Older Adult Community Behavioral Health Services

Lessons learned from early adopters that deliver community-based older adult behavioral health and aging services can inform agencies that are implementing or planning to implement older adult behavioral health interventions.

The SAMHSA–NCOA report **Lessons Learned on Sustainability of Older Adult Community Behavioral Health Services** explores factors for sustaining older adult behavioral health services without grant funding. The study's Sustainability Framework was drawn from the literature and the field and identifies key factors that influence sustainability at the program, organization, and community/state levels.

- **Program factors.** Demonstrated effectiveness, designed for results, fits with mission, readily perceived benefits, financial resources and financing strategy, articulated theory of change, flexibility, and sufficient human resources.
- **Organization factors.** Program champions, leadership by CEO, managerial and systems support, integration in the organization, organization stability and flexibility, and sustainability plan and action.
- **Community/state factors.** Community/state support for program, availability of resources and political legitimacy.

While all factors are recognized as important for sustainability, the most important factors included learning the business side of behavioral health, demonstrating the local impact with measured outcomes, and having passionate program champions and CEO leadership. The full report includes recommendations to other community organizations and to funders.



## Healthcare Resources



- Centers for Medicare & Medicaid Services: **Quick Reference New Medicare Provider**. Information on becoming a Medicare Provider. [http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/Quick\\_Reference\\_New\\_Provider.pdf](http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/Quick_Reference_New_Provider.pdf)
- The Finance Project**. Resources to help leaders make smart investment decisions, develop sound financing strategies, and build solid partnerships that benefit children, families, and communities. <http://www.financeproject.org>
- Minnesota Department of Human Services: **Financial Stability**. An overview of how community providers can determine the true cost of providing services and secure funding and other resources to cover costs. [http://www.dhs.state.mn.us/sustainability/production\\_FS/index.htm](http://www.dhs.state.mn.us/sustainability/production_FS/index.htm)
- NCOA: **Creating a Business Plan for Evidence-based Health Promotion Programs**. Tips on how to write a business plan. <http://www.ncoa.org/improve-health/center-for-healthy-aging/online-training-modules/module-9.html>
- Office of Health Reform: **Affordable Care Act Supports Community Living**. Information on how people with disabilities can get the support they need to stay in their homes. <http://www.healthcare.gov/law/resources/reports/community-living-09112012a.html>
- SAMHSA: **Financing Center of Excellence**. The latest news, reports, and information on financing health care and mental health/substance use services. <http://www.samhsa.gov/Financing/>
- SAMHSA–AoA: **Financing and Sustaining Evidence-Based Interventions**. Part of the Older Americans Behavioral Health Technical Assistance Center webinar series. [http://www.aoa.gov/AoARoot/AoA\\_Programs/HPW/Behavioral/index.aspx](http://www.aoa.gov/AoARoot/AoA_Programs/HPW/Behavioral/index.aspx)
- SAMHSA–Health Resources and Services Administration: **Center for Integrated Health Solutions**. Steps for how to bill sources and obtain credentialing for providers. <http://www.integration.samhsa.gov/financing/medicaid-medicare>
- SAMHSA–NCOA: **Lessons Learned on Sustainability of Older Adult Community Behavioral Health Services**. A guide that includes tips, resources, and more to financially sustain programs. <http://www.ncoa.org/improve-health/center-for-healthy-aging/content-library/lessons-learned-on.html>
- SCAN Foundation: **Budget and Financial Planning Workbook**. Resources to assist community-based organizations in developing project-specific budgets and determining expenses and potential revenues. <http://www.thescanfoundation.org/grant-resources>

## Works Cited

- Lando J, Williams S, Sturgis, et, al. (2006). A logic model for the integration of mental health into chronic disease prevention and health promotion. *Preventing Chronic Disease*, 3(2), A6. Retrieved from <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC1563949/>
- O'Shaughnessy C. (2011, December). *The Aging Services Network: Serving a Vulnerable and Growing Elderly Population in Tough Economic Times*. National Health Policy Forum Background Paper No. 83. Retrieved from [http://www.nhpf.org/library/background-papers/BP83\\_AgingServices\\_12-13-11.pdf](http://www.nhpf.org/library/background-papers/BP83_AgingServices_12-13-11.pdf)
- AoA. (2013). *Disease Prevention and Health Promotion Services (OAA Title III-D)*. Retrieved from [http://www.aoa.gov/AoARoot/AoA\\_Programs/HPW/Title\\_IIID/index.aspx](http://www.aoa.gov/AoARoot/AoA_Programs/HPW/Title_IIID/index.aspx)
- AoA. (2006). *Unofficial Compilation of the Older Americans Act of 1965: As Amended in 2006 (Public Law 109-365)*. Retrieved from [http://www.aoa.gov/AoA\\_programs/OAA/oa\\_full.asp](http://www.aoa.gov/AoA_programs/OAA/oa_full.asp)
- Singh M, Kasten J, et,al. (2011). The integration of mental health and substance abuse SBIRT among SAMHSA grantees. *Addiction Science & Clinical Practice*, 7(Suppl 1), A5. Retrieved from <http://www.ascpjournals.org/content/pdf/1940-0640-7-S1-A5.pdf>
- Konetzka R, Karon S, & Potter D. (2012, June). Users of Medicaid Home and Community-Based Services are especially vulnerable to costly avoidable hospital admissions. *Health Affairs*, 31(6), 1167–1175. Retrieved from <http://content.healthaffairs.org/content/31/6/1167.abstract>
- Tabbush V. (2012, August). *Overview of Preparing Community-Based Organizations for Successful Health Care Partnerships*. The SCAN Foundation. Retrieved from [http://www.thescanfoundation.org/sites/thescanfoundation.org/files/tabbush-cbo\\_healthcare\\_prtnrshps-8-22-12.pdf](http://www.thescanfoundation.org/sites/thescanfoundation.org/files/tabbush-cbo_healthcare_prtnrshps-8-22-12.pdf)
- O'Shaughnessy C. (2012, October). *Breaking Down Silos of Care: Integration of Social Support Services with Health Care Delivery*. National Health Policy Forum. Retrieved from [http://www.nhpf.org/library/forum-sessions/FS\\_10-19-12\\_SocialHealthConn.pdf](http://www.nhpf.org/library/forum-sessions/FS_10-19-12_SocialHealthConn.pdf)



**OLDER AMERICANS**  
Behavioral Health  
Technical Assistance Center

2013



Substance Abuse and Mental Health Services Administration

**SAMHSA**

[www.samhsa.gov](http://www.samhsa.gov) • 1-877-SAMHSA-7 (1-877-726-4727)