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DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIVISION OF HEALTH CARE FINANCING AND POLICY

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Transforming Care Delivery for Children with Serious Behavioral Health Conditions

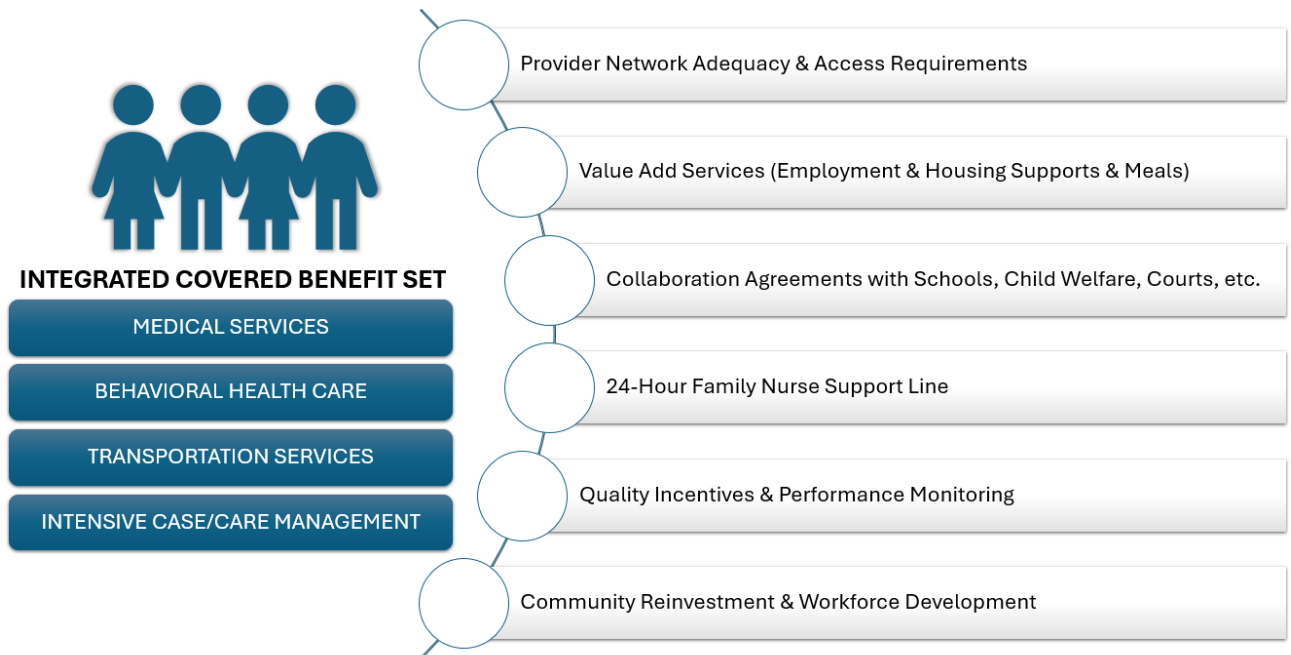
To improve the delivery of covered services to children with serious behavioral health conditions, Nevada Medicaid seeks to contract with a new specialized managed care plan in support of its efforts to add coverage of home and community-based services (Behavioral Health HCBS) in Medicaid for children with serious behavioral health needs and children in the foster care system. The new HCBS benefits include respite care for caregivers, wraparound services (intensive care coordination), family and youth peer support services, intensive in-home support services, among others.

Through a specialized managed care plan, Nevada Medicaid can scale and focus limited state resources in support of the delivery of care (including new Behavioral Health HCBS), statewide, to this child population. Today, children in foster care and many children with serious behavioral health needs are covered through the state's Medicaid fee-for-service system. The fee-for-service delivery model can often lead to fragmented care because there is no clear accountable entity for coordinating care, developing an adequate provider network, or ensuring quality services.

The Role & Benefits of a Specialized Managed Care Plan

Specialized managed care plans have been successful in filling the void in capacity at the state and local levels for adequately managing the delivery of care for children with behavioral health needs and children in foster care. For example, in Arizona, Washington, and Ohio, specialized managed care plans have helped states expand the use of standardized screenings, implement wraparound facilitation services, maximize service availability, and measure and track outcomes.ⁱ Specialized managed care plans can also help bolster local resources for supporting the delivery of services, including care coordination and case management services, for children in the foster care system.ⁱⁱ

Figure 1: Specialized Managed Care Plan for Foster Care & Behavioral Health Child Population



A specialized managed care plan would allow for greater oversight of, and transparency into, the delivery of services for this child population through Medicaid. Additionally, Nevada Medicaid can require the new plan to reinvest a percentage of its profits back into community resources and the health care workforce available to support the needs of children and their families and caregivers. This includes requiring plans to have on staff appropriate clinical staff to support the state's workforce needs for this population.

The benefit set covered by the new plan would include behavioral health care, medical services, pharmacy, transportation services and case management. Unlike fee for service, managed care plans can cover services not typically covered by Medicaid. These services could include housing supports, meal services, and employment services.

As illustrated in figure 1, in addition to covering an integrated benefit set, a specialized managed plan would be required to comply with all federal managed care requirements including but not limited to quality standards, accountability metrics, and network adequacy and access standards that would be tailored to meet the unique needs of this child population. Consistent with best practices, Nevada Medicaid intends to require the new plan to establish formal "Care Coordination and Collaboration Agreements" with state and local child welfare agencies and juvenile court system for all enrolled foster care children to ensure the new plan has procedures in place for adequate coordination with these entities that have legal custody of this population.

Next Steps

Establishing a new specialized managed care program for children in foster care and children with behavioral health challenges requires thoughtful planning with stakeholders and families. Utilizing new resources made available through the provider tax funding under state law, Nevada Medicaid intends to contract with a vendor to support the development of a formal Request for Information and a stakeholder engagement plan for soliciting public feedback. This includes the establishment of a Community Partner Advisory Group made up of representatives from county and state child welfare agencies, judiciary branch, providers, child advocacy groups, and behavioral health organizations.

After public engagement is completed, the Division intends to develop a formal Request for Proposals and conduct a formal procurement process with the support of its expert vendor. Currently, the Division is aiming to begin the procurement in early 2026 with a contract start date of January 1, 2027. However, these timelines are subject to change pending the Division's planning activities with the expert vendor over the coming months and any federal timelines that must be navigated during this process.

ⁱ Health Management Associates. Issue Brief: The role of the specialized managed care plan in addressing the intersection of child welfare reform and behavioral health transformation, 2023.

ⁱⁱ *Id.* Also see NASPH. State Strategies to Serve Children in Foster Care Through Specialized Medicaid Managed Care Programs, 2021.