Step One: Identifying MH/SUD Third-Party Payers in your Market

Introduction to Third-Party Payers

A **Third-Party Payer** is any *payer* who is not the First Party (Patient) or the Second Party (Provider). Strictly speaking, that includes Medicare, Medicaid, any MCO, HMO, health plan, employer/issuer (ERISA group), TriCare, the VA, and so on.

A **Third-Party Administrator** or **TPA** is a payer who is actually the *Fourth Party* because they perform a function under contract for the Third-Party (the Employer). In the case of the Self-Insured, the employer is in 3rd position and in most cases (though not always) outsources the administration of claims (processing and payment) to a TPA who acts in their stead (hence we refer to them as the 3rd party because they're acting as the legal "agent" of the 3rd party). Of course, many health plans like Aetna, Cigna, United and the Blues offer both lines of business. They are the 3rd party when they fully-insure a plan and they act as a TPA when the employer they're serving is self-insured. Bear in mind, some self-insured employers process/pay their own claims and contract directly with providers while others contract with PPO networks.

Some alliances of self-insured employers unite to contract with providers and networks. Such is the case with the *Pacific Business Group on Health*, for example. Some small employers will unite to purchase health care services in *Trusts* and *Associations.* Some of these trusts process their own claims and contract directly with providers while others outsource everything to a TPA.

Other Definitions

Term/Acronym	***Definition***
PPO	***Preferred Provider Organization.*** *Describes a popular form of health coverage that usually pays more if the member gets care within the network, but they still pay a portion if member goes outside.*
HMO	***Health Maintenance Organization.*** *Another form of insurance popularly known as the original "managed care". Usually only pays for care within the network. A member chooses a primary care doctor who coordinates most of the care. Many HMOs are owned and operated by providers or include partnerships between payers and providers.*
POS	***Point of Service****- plans that let the member choose between an HMO or a PPO each time they need care.*
Out-of-Network	*Used to describe a provider or facility that does not have a contract with the patient's insurance company. Some plans offer out-of-network coverage or benefits while others do not.*

Term/Acronym	*Definition*
Carve –out	*A fourth party agreement wherein the health plan or the self- insured employer develops a contract for unique specialized services including: case management, disease management and utilization management for mental health and substance use disorders. Carve-out agreements are essentially a sub-contract between a payer and a fourth party.*
MCO	*Managed Care Organization*
MBHO	***Managed Behavioral Health Organization****. MBHOs are the fourth parties that are sub-contracted by health plans ("insurers") and self-insured employers or Taft-Hartley (union) plans ("issuers") to manage a carve-out. Some carve-out agreements with MBHOs are risk-bearing in that the MBHO is financially at-risk for all or some of the claims costs while others involve only administrative services.*
URAC	*A popular form of accreditation for MCOs and MBHOs governing such functions as utilization review and health network management.*
NCQA	***National Committee for Quality Assurance****. A non-profit accrediting and certification body, measuring and assuring quality in the health insurance and managed care markets.*
ACO	***Accountable Care Organization.*** *Model of care and business popularized under Health Care Reform in relation to Medicare Shared Savings Programs. Providers and payers align systems and incentives to improve quality, access, patient experience, outcomes and lower costs.*
ACA	***Affordable Care Act.*** *The Health Care Reform Law signed by President Obama.*
MHPAEA	***Mental Health Parity and Addiction Equity Act.*** *The behavioral health benefits/coverage law signed by President Bush in 2008.*

This tool will continue to grow as you add new information and definitions to it over the course of the project. This information is a valuable addition to your internal training efforts.

Step One

Complete for at least one insurance plan in time for the March 22 webinar

Tips for your web search:

- ***State's Department of Insurance/Managed Care**, Bureau of Insurance, Department of Insurance or Insurance Commissioner*
- ***Your organization's health insurance agent/**broker, health plan marketing and sales departments and web sites,*
- ***Your local HR association** (Society for Human Resource Mgmt/SHRM) and Employers' Health Coalition.*

Plan Name URL	Total Membership	Types of Plans Offered	MH/SUD Carve-Out Partner/URL
	Health Plans		
SAMPLE: Blue Plan	*125,000*	*PPO and POS*	*Acme Behavioral Health*
	Managed Care Plans (including Medicaid MCOs as necessary)		
SAMPLE: Managed Medicine, Inc.	*75,000*	*HMO*	*Superior Network, LLC*
	Self-Insured Employers		
SAMPLE: Jack's Stores, Inc.	*10,000*	*PPO*	*Orion BH Network*

Step Two: Plan Profile Tool

Complete this form for at least one of the local plans you identified in your market. *If you had trouble identifying a new insurance plan, fill this form out using information from an existing insurance contract that you have.*

With this second step, you will be learning much more about each major health plan in your state and perhaps even some of the national health plans. Bear in mind that health plans belong to state associations as well as a national association. You can learn more about self-insured health plans by visiting the Self Insurance Institute. Again, most of the information you're looking for is available through your State Department of Insurance and by calling the health plan directly. Many of these answers are also discernible on health plan web sites in *certificates of coverage, plan policies and summary plan descriptions.*

Plan Name	
Plan Type	
Coverage Area (city, county, region, state)	
Total Membership in this Plan	
URL where information was found	
MBHO Carve-Out Vendor Name	
MBHO Coverage Area (city, county, region, state)	
Total MBHO Membership in this Plan	
URL where MBHO information was found	

Behavioral Health Plan Designs in Policy *(Make note of the URL where information is found whenever possible)*					
Service	**Is Service Covered? Y/N**	**Co-pay Amount ($)**	**Deductible Amount ($)**	**In Network Coverage (% or $)**	**Out of Network Coverage (% or $)**
MH IP					
MH OP					
SUD Detox					
SUD Sub-Acute IP (Residential)					
SUD IOP					
SUD OP					

Exclusions and Limitations

Key Contacts			
Department	**Name**	**Tel**	**email**
Provider Relations			
Provider Contracting			
Medical Management			
Behavioral Health			

Claims Processing			
Case Management			

Network Application	
Application online or paper? Paste links	
Describe Network Admission Process	
Credentialing and Accreditation Requirements *(education, experience, licensure, liability insurance, etc.)*	

Provider Tools Indicate whether available online (paste link) or available upon request (telephone number or mailing address	
Provider Manual	
Practice Guidelines	
Level of Care/Medical Necessity Guidelines	

Payer Reputation Turn-around time, accuracy, quality, customer service, etc.	
Network Access and Credentialing	
Utilization Review	
Claims Processing	

Additional Notes