

THE AVISA GROUP

PROJECT:	ASSESS THE MARKET FOR BEHAVIORAL HEALTH DISEASE MANAGEMENT FOR MEDICAID ENROLLEES WITH SERIOUS MENTAL ILLNESS OR ADDICTIVE DISORDERS
DATE:	Summer 2003
CLIENT:	A potential disease management service provider
RESULTS:	<ul style="list-style-type: none"> ➤ Avisa provided a comprehensive assessment of the capabilities of current vendors in the market for disease management services who claimed or appeared to have expertise in behavioral health services for SMI/SED and Medicaid. Avisa reviewed the state of current knowledge of the actual and potential economic and clinical outcomes of disease management programs for clients with severe mental illness (SMI). ➤ Avisa concluded that hard evidence of the efficacy and effectiveness of existing public sector disease management programs was quite limited. As of early 2004, several vendors that told Avisa they would roll out capabilities have not done so. ➤ State Medicaid programs have had highly visible but mixed results with managed behavioral health (MBHO) vendors and programs, especially for individuals with serious mental illness. This experience will raise a hurdle for disease management vendors who purport to offer a new solution to a problem that states found difficult to solve by using MBHOs. ➤ Nevertheless, there is currently an interest among State Medicaid officials and other key stakeholders in disease management for the Medicaid SMI and SED populations not enrolled in managed care plans. However, programs will have to overcome skepticism in order for procurement to proceed. ➤ Requirements for program coordination, data, provider capabilities and ability to address recipient concerns are significantly more complex for this population than for other populations that have been provided disease management services. ➤ Current vendor capabilities in this space are immature for this population and its needs. ➤ A successful disease management program for one of the larger state Medicaid SMI populations would require a significant investment and development of a strategic partnership among several of the existing disease management vendors in order to provide a robust solution.
OUTCOME	Client decided to defer entrance to this market until infrastructure and vendor capacity has increased.