

# Behavioral Health Organizations Fact Sheet

## What are Behavioral Health Organizations?

State law created Behavioral Health Organizations (BHOs) to purchase and administer public mental health and substance use disorder services under managed care. BHOs are single, local entities that assume responsibility and financial risk for providing substance use disorder treatment, and the mental health services previously overseen by the counties and Regional Support Networks (RSNs). These include inpatient and outpatient treatment, involuntary treatment and crisis services, jail proviso services, and services funded by the federal block grants.

The state Department of Social and Health Services (DSHS) will begin the contracting process in 2015 for services starting April 2016.

## Where are BHOs located?

BHOs will be located within newly formed Regional Service Areas (RSAs). There will be one BHO per RSA.

## What Are Regional Service Areas and where will they be located?

Regional Service Areas (RSAs) define new geographical boundaries for the state to purchase behavioral and physical health care through managed care contracts. RSAs are geographic regions, not administrative authorities. RSAs were authorized in 2014 legislation and include contiguous counties, contain at least 60,000 people on Medicaid, possess an adequate number of health care providers, and reflect natural physical and behavioral health service referral patterns. DSHS and the state Health Care Authority (HCA) jointly designated RSAs in November 2014 and made a revision in June 2015. HCA will contract with managed care health plans to provide physical healthcare within these regions.



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## What improvements do DSHS and HCA anticipate with BHOs and RSAs?

- Increased access to appropriate and effective services for mental health and substance use disorders for youth and adults who receive Medicaid.
- Behavioral and physical healthcare providers will have help to better meet the needs of the “whole person” and to remove barriers between the disciplines.
- Financial resources will be more effectively managed.

## Are there other ways the state may change how health care is delivered?

Yes. While most RSAs will offer services through BHOs, some may choose to have the state contract with managed care health plans to purchase and administer care for mental health, substance use, and physical health in a combined benefit. These areas are referred to as “Early Adopters.” In these regions there will be no BHO and no RSN. HCA will hold the contracts with the managed care health plans, not DSHS. There is currently one area that has chosen to become an Early Adopter, the Southwest Washington RSA.

## What is the process for the development of BHOs?

On July 1, 2015, DSHS released a “Request for Detailed Plan” as the first step in qualifying regional organizations to become BHOs. As directed in the authorizing legislation, only the current RSNs may respond to this Request for Detailed Plan and the process is not a formal procurement. This is a qualifying process where the RSNs must demonstrate they are ready to assume responsibility for administering and purchasing the behavioral health programs provided by Medicaid, state funds and other federal grants. The responses should reflect regional planning to bring substance use disorder treatment into managed care purchasing with mental health, creating a behavioral health delivery system.

The Detailed Plans are due back to DSHS by October 31, 2015 and will be reviewed by January 8, 2016. Once reviewed, DSHS will publish the review results. BHO contracts will be issued on February 1, 2016 with BHO services commencing April 1, 2016.

## Where can I get more information?

- The DSHS BHO Development web page: <https://www.dshs.wa.gov/bhsia/division-behavioral-health-and-recovery/developing-behavioral-health-organizations>
- The BHO Questions Mailbox: [BHOtransition@dshs.wa.gov](mailto:BHOtransition@dshs.wa.gov)
- The HCA’s Integrated Behavioral and Physical Health Purchasing web page: [http://www.hca.wa.gov/hw/Pages/integrated\\_purchasing.aspx](http://www.hca.wa.gov/hw/Pages/integrated_purchasing.aspx)
- The HCA’s Early Adopter Questions Mailbox: [EarlyAdopterQuestion@hca.wa.gov](mailto:EarlyAdopterQuestion@hca.wa.gov)