

How this nonprofit will adapt to Medicaid changes in behavioral health benefits for children

In January the state will begin offering therapy and rehabilitation services to Medicaid-eligible children younger than 21 who have mental health or substance-use needs with a benefit called children and family treatment support services. In addition to the new program, Medicaid managed-care plans will take over responsibility of behavioral health benefits for children next year.

As the leader of children's services nonprofit JCCA, Ronald Richter is preparing for this brave, new world. The organization, formerly known as the Jewish Child Care Association, provides foster care, residential care and care-management services to about 17,000 children and families in New York City and Westchester. *Crain's* Jonathan LaMantia spoke with Richter about how the changes could affect nonprofits providing mental health services for children.

What will change for you in 2019?

A lot is going to change, and it's going to affect our different businesses in different ways. What is most significant is that the state is introducing new services for a broader range of Medicaid-eligible children. Foster youth have always had the opportunity if they had very high-end mental health diagnoses. Health Home eligibility is going to be broadened to all Medicaid-eligible children who have particular chronic health or mental health needs.

What are you concerned about with the change?

Right now there's a lot of us trying to figure out how to ensure we have the technology, workforce and infrastructure to ensure our current clients are well taken care of and don't feel the transition.

How will this change the way you bill?

Right now we're billing the state Medicaid office. In 2019 we're going to be moving to billing 14 or 15 managed-care organizations. Insurance companies have various motivations with respect to paying timely. For organizations like JCCA, this is an area where we have to ensure that there is cash flow.

What is JCCA doing to prepare for this?

We have an electronic health record—most agencies do. We're investing in a good deal of adaptations to our EHR to ensure we can do these services while being able to keep up with record-keeping requirements and integrate revenue cycle management. Child and family treatment support services will be mobile. You can actually provide services with a qualified provider anywhere. JCCA is going to have to make investments in order to provide these services by a workforce embedded in a school, a shelter or a courthouse.

The state has [released a draft](#) of potential payment rates. Are they adequate?

The state negotiated that these are critical-enough services that it is requiring MCOs to pay for them, which is extraordinary. That is a big deal. At the same time, to provide services we need a mobile workforce that is trained and capable of going out into the boroughs of New York and billing while they're doing. The state

needs to consider whether there should be support for agencies to develop the technology for these services to be provided in a mobile way.

Do you think the transition will lead to consolidation among agencies?

A lot of people are talking about that. It's probably been too early to say. There have been some partnerships perhaps as a result of this. This is a real challenge for agencies of all sizes. If you're a smaller agency, this is a big cost.