Private sector innovations in behavioral health that can benefit veterans

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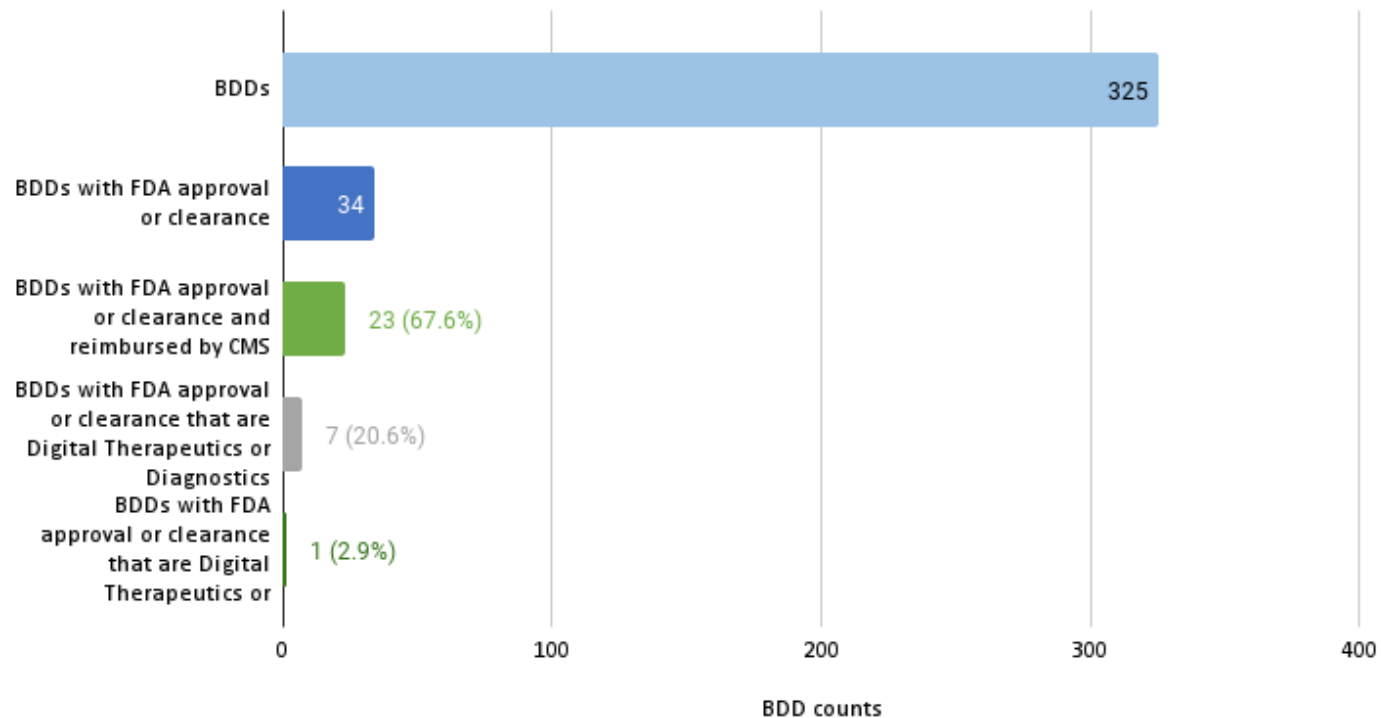
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Disclosures

- I have a financial interest in the following companies: https://www.socialinnovationventures.co/

Capital raised by top 10 Medicare Advantage (MA) and Medicaid focused startups

Medicare Advantage		**Medicaid**	
Name	Capital Raised ($M)	Name	Capital Raised ($M)
VillageMD	6,550	Cityblock	868
Bright	3,430	Unite Us	245
Oscar	3,360	Nuna	116
Devoted Health	1,970	Ready	110
Clover	1,620	Findhelp	50
Agilon Health	1,130	Circulo	50
Cano Health	1,050	mPulse Mobile	47
Alignment Healthcare	911	Waymark	45
Oak Street Health	652	SameSky Health	31
Iora Health	382	Healthify	25
Total Raised	21,055	**Total Raised**	1,587

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CMS prioritizing somatic health over brain health

FDA Breakthrough Designated Device (BDD) Pipeline

- BDDs: 325
- BDDs with FDA approval or clearance: 34
- BDDs with FDA approval or clearance and reimbursed by CMS: 23 (67.6%)
- BDDs with FDA approval or clearance that are Digital Therapeutics or Diagnostics: 7 (20.6%)
- BDDs with FDA approval or clearance that are Digital Therapeutics or: 1 (2.9%)

BDD counts

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CMS prioritizing somatic health over brain health

BDDs with FDA Approval or Clearance by Specialty

- BDDs
- BDDs Reimbursed by CMS
- BDDs that are Digital Therapeutics or Diagnostics
- BDDs that are Digital Therapeutics or Diagnostics Reimbursed by CMS

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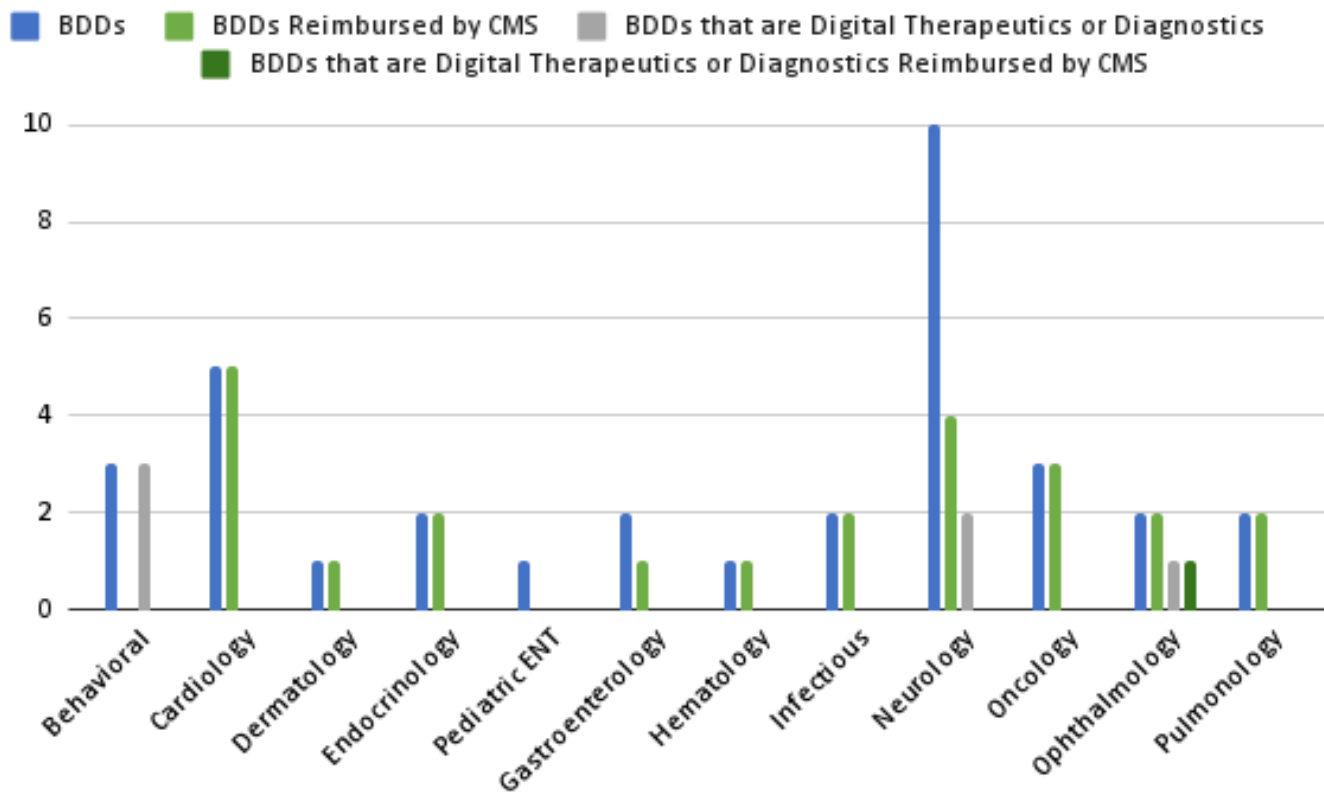
Characteristics of optimal technology benefit coverage determination processes

1. Engage a broad array of stakeholders

2. Shift away from the state Medicaid agency solely bearing the burden of proof

3. Make coverage determinations transparent, systematic, and evidence-based

4. Ensure diverse makeup of committee making coverage determinations

5. Move toward digitized online submissions

6. Include a conflict of interest disclosure in the online submission

7. Standardize and make transparent evidence ratings

8. Ensure equity is a highly ranked variable

9. Make scores and thresholds for coverage transparent

10. Make easily available information on how state agency leaders implement decisions

11. Release clinical data on the impact of coverage decisions

HealthAffairs

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Benefit category choices for digital therapeutics

HealthAffairs

Benefit Category	Special Considerations	Candidate Digital Therapeutic
Pharmacy Benefit	Use of UDI code to adjudicate as a pharmacy benefit. Would need to be FDA cleared and require approval from CMCS to benefit the state from the Sect 1927k Medicaid Drug Rebate Program (MDRP). Incorporate into digital or standard pharmacy formulary with pharmacy benefit managers (PBMs).	Bluestar (Welldoc)
Pharmacy Benefit as "Other related item" for a drug	Use of a UDI code or HCPCS Level II code. 14 states have added continuous glucose monitors* to prescription drug lists (PDL). Submission to CMS should be as "other related charges" pharmacy dollars. Digital therapeutics put on PDL this way can get the rebate from the MDRP.	Propeller Health (ResMed)
Device, DME, or Testing	Use of a HCPCS Level II code. Major software updates should be covered as supplies. Routine updates should be considered normal/routine servicing of digital health technologies.	EaseVRx (AppliedVR)
Other Mandatory or Optional Medicaid Benefit Service	Use of CPT codes associated with provider services that are mandatory benefits like 96111 for Early and Periodic Screening, Diagnostic, and Treatment Services (EPSDT) whereby a digital therapeutic supports a physician in their services.	Cognoa Diagnostic (Cognoa)

Source: https://www.healthaffairs.org/do/10.1377/hblog20201029.537211/full/

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AppliedVR: Sustained effect size for virtual reality treating pain (FDA cleared, HCPCS E1905)

An 8-Week Self-Administered At-Home Behavioral Skills-Based Virtual Reality Program for Chronic Low Back Pain: Double-Blind, Randomized, Placebo-Controlled Trial Conducted During COVID-19

JMIR Publications

Self-Administered Skills-Based Virtual Reality Intervention for Chronic Pain: A Randomized Controlled Pilot Study

JMIR Publications

Virtual Reality for Management of Pain in Hospitalized Patients: A Randomized Comparative Effectiveness Trial

Cedars Sinai

Virtual Reality for Management of Pain in Hospitalized Patients: Results of a Controlled Trial.

Cedars Sinai

Virtual Reality—Based Biofeedback and Guided Meditation in Rheumatology: A Pilot Study

ATTUNE HEALTH

Virtual Reality–Assisted Pain, Anxiety, and Anger Management in the Emergency Department.

THE GEORGE WASHINGTON UNIVERSITY HOSPITAL

Is Virtual Reality Ready for Prime Time in the Medical Space? A Randomized Control Trial of Pediatric Virtual Reality for Acute Procedural Pain Management

Children's Hospital LOS ANGELES

Feasibility of an Immersive Virtual Reality Intervention for Hospitalized Patients: An Observational Cohort Study

Cedars Sinai

Virtual Reality Reduces Pain in Laboring Women: A Randomized Controlled Trial

Cedars Sinai

CPT 93 Modifier for Audio-only Telehealth

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Single front door for vets to access all their digital health

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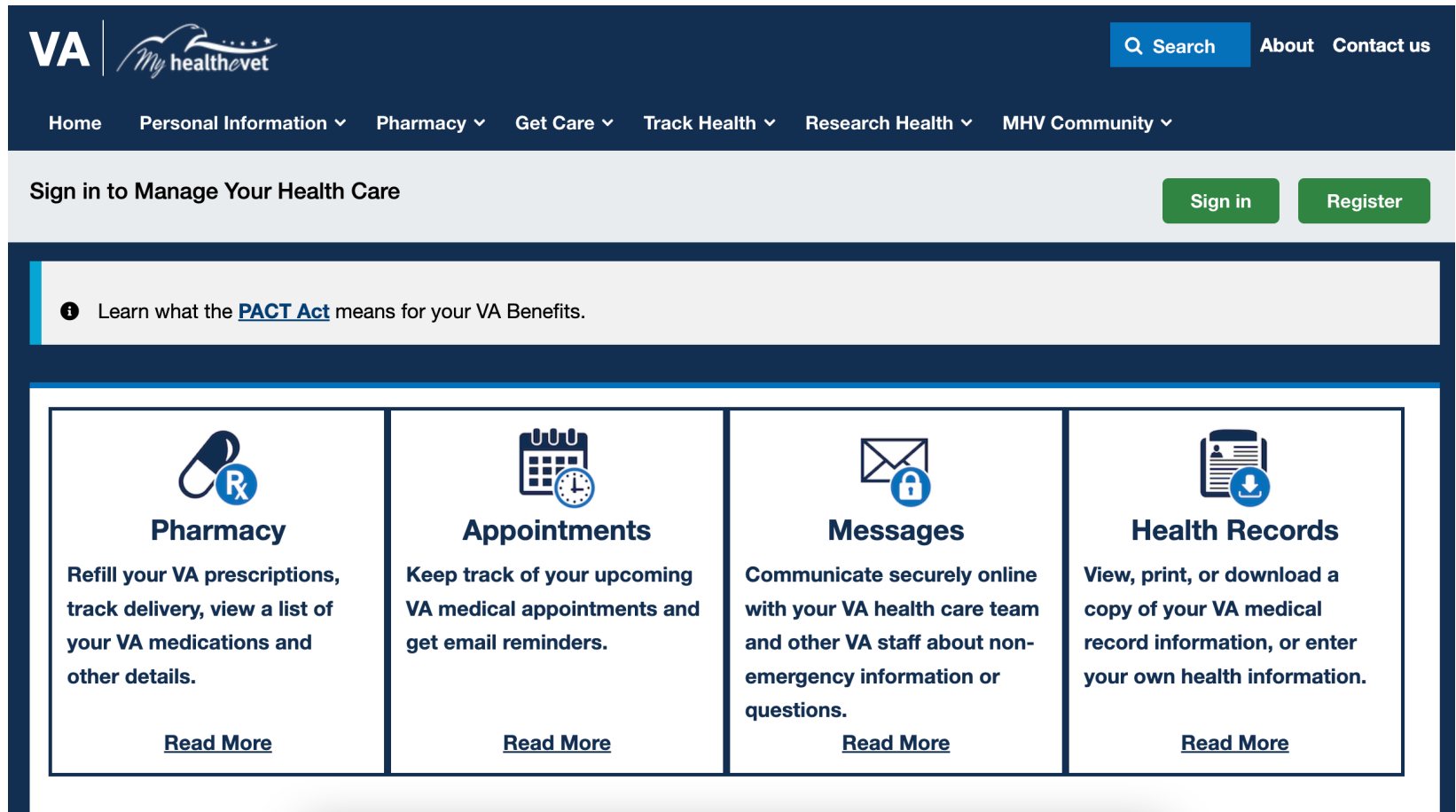
Contract vehicle to bring in digital solutions already exists

VA awards $247M VA Customer Experience, DevOps, and Agile Releases (CEDAR) IDIQ

MARCH 30, 2021

AWARDS

Out of a pool of 86 bidders, awardees are starting to be notified for this 5-year VA-wide IDIQ contract vehicle requirement for Agile, DevOps, User Centered Design, and other modern software development methodologies in support of VA's on-going transformation efforts and VA's digital modernization strategy.

Source: https://www.myhealth.va.gov/mhv-portal-web/home

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Delivery innovation, not just tech, can drive big value

Most communities: ED → IP

AZ Model: MC → SA → IP

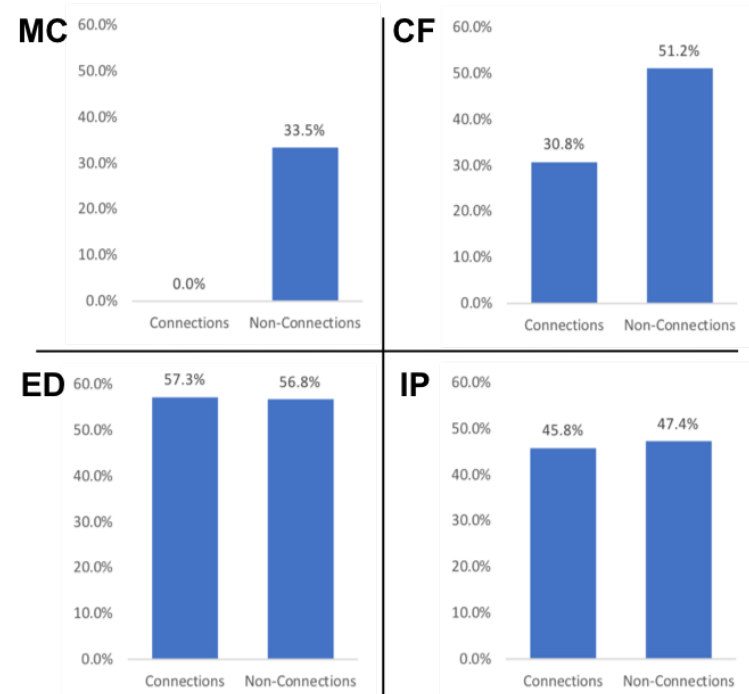**Least Restrictive / Least Costly**

Start points in crisis levels of care can prevent ED utilization by providing a more community-based alternative to the ED.
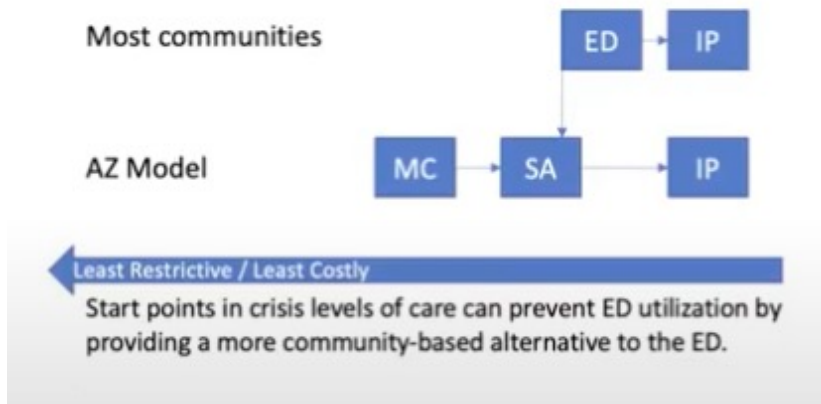
Reutilization by End Point (Pima County)

MC
- Connections: 0.0%
- Non-Connections: 33.5%

CF
- Connections: 30.8%
- Non-Connections: 51.2%

ED
- Connections: 57.3%
- Non-Connections: 56.8%

IP
- Connections: 45.8%
- Non-Connections: 47.4%

Source: Connections Health Solutions

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Payment innovation also important for VA

* Note we are seeing this phenomenon in ZCTAs with demographics that are less homogenous instead of census tracts with homogenous demographics.

Source: Chen W, Zemelman C, Ostrovsky A, et al. In review.

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Psychedelic-based treatment holds enormous potential for addressing refractory mental illness

Psychedelic Medicine's Future Depends on Proactive Development of a Robust Medical Billing and Coding Strategy

Brian S. Barnett 🆔 ✉ and Andrey Ostrovsky

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Abstract

Background: Although still investigational, psychedelic therapies appear poised to begin securing regulatory approval as medical treatments in the United States within the next 2 years. If approved, one of the most daunting barriers to equitable patient access to these novel treatments is their incorporation into the medical billing and coding system. Since specific billing codes for psychedelic therapy delivery do not exist, modification of existing codes or development of *de novo* codes will be necessary. This reality has created uncertainty about reimbursement and the financial future of psychedelic

Source: https://www.liebertpub.com/doi/10.1089/psymed.2022.0005

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Thank you!

Questions: @andreyostrovsky