

# New Journeys: Coordinated specialty care for first episode psychosis

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## Final progress report on early identification and intervention for psychosis statewide implementation

Second Substitute Senate Bill 5903; Section 6; Chapter 360; Laws of 2019

Chapter 74.09 RCW

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## Executive summary

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Each year 2,000 youth and young adults experience first episode psychosis in Washington, but recent data indicates that this is a low estimate. Psychosis affects youth and young adults in the prime of their lives who make up a population that is most likely to be disengaged from healthcare services. Research indicates that early identification and treatment of psychosis results in decreased long term financial burden to the healthcare system and offers hope and real help to young people and their families during one of the most vulnerable times of their life.

Delaying treatment of first episode psychosis can result in loss of family and social supports, disruption of employment, increased substance use, and hospitalizations, and reduced prospects for long-term recovery. In 2014, the United States Congress directed that set-aside funding from the federal Mental Health Block Grant be used to help states develop first episode psychosis treatment programs. In 2015, early intervention was prioritized by the Children, Youth, and Family Behavioral Health Workgroup (CYFBWG) who advocated for [Second Substitute Senate Bill \(2SSB\) 5903 \(2019\)](#):

A new section is added to chapter 74.09 RCW to read as follows: (1) Subject to the availability of amounts appropriated for this specific purpose, the authority shall collaborate with the University of Washington and a professional association of licensed community behavioral health agencies to develop a statewide plan to implement evidence-based coordinated specialty care programs that provide early identification and intervention for psychosis in licensed and certified community behavioral health agencies. The authority must submit the statewide plan to the governor and the legislature by March 1, 2020. The statewide plan must include: (a) Analysis of existing benefit packages, payment rates, and resource gaps, including needs for non-Medicaid resources; (b) Development of a discrete benefit package and case rate for coordinated specialty care; (c) Identification of costs for statewide start-up, training, and community outreach; (d) Determination of the number of coordinated specialty care teams needed in each regional service area; and (e) A timeline for statewide implementation. (2) The authority shall ensure that: (a) At least one coordinated specialty care team is starting up or in operation in each regional service area by October 1, 2020; and (b) Each regional service area has an adequate number of coordinated specialty care teams based on incidence and population across the state by December 31, 2023.<sup>13</sup> (3) This section expires June 30, 2024.

This brief report summarizes progress implementing the key points of this legislation:

- Submit a statewide plan for implementation and sustainability of New Journeys
- Develop a comprehensive Medicaid funding structure
- Establish at least one New Journeys team in each regional service area by October 1, 2020
- Establish an adequate number of New Journeys teams statewide based on incidence and population by December 31, 2023

## Background

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Coordinated Specialty Care is recognized as the best evidence-based practice for the treatment of first episode psychosis worldwide. The Health Care Authority (HCA) partnered with the University of Washington (UW) and Washington State University (WSU) to develop [New Journeys](#), a Coordinated Specialty Care model curated to meet the needs of young people in Washington.

New Journeys provides hope and a new way of thinking about serious mental illness, providing early intervention to youth and young adults when they first experience symptoms, rather than waiting for symptoms to develop into something more severe or chronic. New Journeys offers a coordinated and specialized approach that targets an individual's unique needs and provides more intensive supports when compared to regular outpatient treatment. New Journeys offers a multidisciplinary team providing community-based psychotherapy, medication management, family education, peer support, case management, employment and education services for youth and young adults after a first diagnosis of psychosis.

## Completed action steps

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### Submit a statewide plan for implementation and sustainability of New Journeys

The 2021 Health Care Authority (HCA) report [New Journeys: Coordinated Specialty Care for First Episode Psychosis](#) included the [Statewide Implementation Plan of Coordinated Specialty Care For Early Psychosis](#) prepared by the Washington Council for Behavioral Health (WCBH). This plan outlines the steps for strategic statewide implementation and strategies for funding of evidence-based recovery services for first episode psychosis (FEP).

#### Statewide implementation plan summary of recommendations

1. Adopt a Medicaid Case Rate for Coordinated Specialty Care
2. Continue to Expand New Journeys Teams to Meet Population Health Needs Statewide
3. Implement a Commercial Parity Requirement to Cover Coordinated Specialty Care
4. Include the Clinical High-Risk Population as Eligible for Treatment
5. Maintain Continuity of Care through Step-Down Services

The statewide plan provides a road map for sustainable financing and expansion to ensure evidence-based recovery intervention are available to those in need.

#### Develop a comprehensive Medicaid funding structure

HCA partnered with stakeholders, as directed by legislation, to develop and implement a Team Based Rate (TBR) for Medicaid. The implementation became effective July 1, 2022. The term TBR is used interchangeably with terms like case rate, bundled payment or service-based enhancement (SBE). In integrated care, the New Journeys TBR is a Medicaid funded SBE that is reimbursed monthly in addition to the per member per month (PM/PM) capitated payment. The TBR is a non-directed team-based model with split funding. It includes an array of Medicaid allowable services with enhancements for some non-Medicaid activities paid for with state funds. Like other Medicaid services, the TBR is determined by an actuary process and was based upon service utilization data from the New Journeys teams in Washington. Several of the service components that are included in the New Journeys service are difficult to cover using conventional Medicaid or commercial insurance. Non-Medicaid funded activities include community education and outreach needed for engagement and screening, multidisciplinary team meetings, vocational and educational support, travel time and expenses for community-based appointments and care coordination to name a few. Currently, these gaps in reimbursement are covered by either state general funds or federal block grant funds.

New Journeys is cost effective and can redirect a lifelong trajectory of accumulating disability, dependence, and negative health outcomes. Support of this model is aligned with value-based care delivery, redirecting usage of costly inpatient care to lower-cost outpatient clinical and supportive services.

Findings from the most recent 2022 New Journeys evaluation suggest individuals served by New Journeys experienced significant improvements in symptoms of psychosis, depression, and anxiety across a 24-month treatment period. Those served experienced a significant decrease in psychiatric hospitalizations.

## Establish one New Journeys team in each regional service area by October 1, 2020

In collaboration with UW and WSU, 17 New Journeys teams across nine regional service areas have been launched by DBHR to date. As of October 2022, eleven of these sites are fully operational, while six are in the startup phase. Please refer to map and table below:

**Image 1: Map of regional New Journeys teams service areas**



**Table 1: List of New Journeys team sites in regional service areas**

Regional service area	Sites
<b>Great Rivers</b>	Behavioral Health Resources in Hoquiam serving Grays Harbor County Cascade Community Healthcare serving Lewis & Cowlitz Counties
<b>Thurston-Mason</b>	Behavioral Health Resources serving Thurston & Mason Counties
<b>Pierce County</b>	Future development
<b>King County</b>	Harborview serving King County Ryther serving King County Valley Cities Behavioral Health Care serving King County
<b>Southwest Washington</b>	Sea Mar Community Health Centers serving Clark County
<b>North Central</b>	Catholic Charities serving Chelan County
<b>Greater Columbia</b>	Comprehensive Healthcare serving Franklin, Yakima, Benton & Walla Walla Counties
<b>Spokane</b>	Frontier Behavioral Health serving Spokane 2 <sup>nd</sup> Frontier Behavioral Health serving Spokane
<b>Salish</b>	Kitsap Mental Health serving Kitsap County Peninsula Behavioral Health serving Port Angeles
<b>North Sound</b>	Sea Mar Community Health Centers serving Snohomish County Lummi Nation Tribal health clinic

Thanks to the persistent hard work of New Journeys providers, the work outlined in this legislation succeeded against the backdrop of the dual crises of the pandemic and behavioral healthcare workforce shortage. These challenges have extended the timeline to meet the ask for statewide access. Recruitment and hiring for clinical teams have been prolonged leading to extended start up times. Partners in community based behavioral healthcare are cautious to take on new projects in the current climate. This most notably has resulted in a delay of expansion in the North Sound and Pierce regional service areas.

HCA has partnered with regional stakeholders to address barriers and offer additional support and funding to providers. The most recent notable progress are the two new teams in the North Sound region. This is largely due to people in our state who champion this work and believe in the difference it makes in the lives of our youth and their families. Some New Journeys providers report that first episode work assisted with staff recruitment because job seekers are interested in being employed with an agency sponsoring new, innovative, and evidence-based work.

Outreach within the New Journeys network identified areas of focus to address barriers to statewide expansion:

1. Ongoing public education about the value of early intervention and what is psychosis.
2. Adaptation of the evidence-based practice to meet the unique needs of Washington’s various regional service areas and communities. This includes cultural differences and geographical challenges due to remote access.
3. Address financing issues identified during the implementation phase of the TBR. This includes more actuarial work to address financing gaps and a requirement for parity for commercial insurance so that they do not have a limit on payors.

## Establish an adequate number of New Journeys teams statewide based on incidence of first and population, December 31, 2023

The table below summarizes high and low estimates for the total number of New Journeys teams needed statewide by regional service areas. The detail of this work can be found in the 2SSB 5903 (2019): **Statewide Implementation Plan of Coordinated Specialty Care for Early Psychosis** authored by the WCBH.

### Image 2: Estimated number of New Journeys teams needed per service area

**Estimated Number of Teams Needed per Area**

<u>Regional Service Area</u>	<u>Low Estimate</u>	<u>Medium Estimate #1</u>	<u>Medium Estimate #2</u>	<u>High Estimate</u>	<u>Existing/2020 Planned Teams</u>	<u>Gap to Estimated Need - Low</u>	<u>Gap to Estimated Need - High</u>
<b>Statewide</b>	<b>11.94</b>	<b>14.93</b>	<b>23.86</b>	<b>44.78</b>	<b>9.00</b>	<b>6.00</b>	<b>36.50</b>
Salish	0.54	0.67	1.08	2.02	-	0.5	2.0
Thurston-Mason	0.52	0.65	1.04	1.95	1.0	-	1.0
Great Rivers	0.38	0.48	0.76	1.43	1.0	-	0.5
Pierce	1.44	1.80	2.88	5.40	1.0	0.5	4.5
King	3.82	4.77	7.63	14.32	2.0	2.0	12.5
North Sound	1.96	2.45	3.91	7.34	-	2.0	7.5
North Central	0.38	0.47	0.75	1.41	1.0	-	0.5
Spokane	0.93	1.16	1.86	3.49	-	1.0	3.5
Southwest	0.75	0.94	1.51	2.83	1.0	-	2.0
Greater Columbia	1.22	1.53	2.44	4.58	2.0	-	2.5

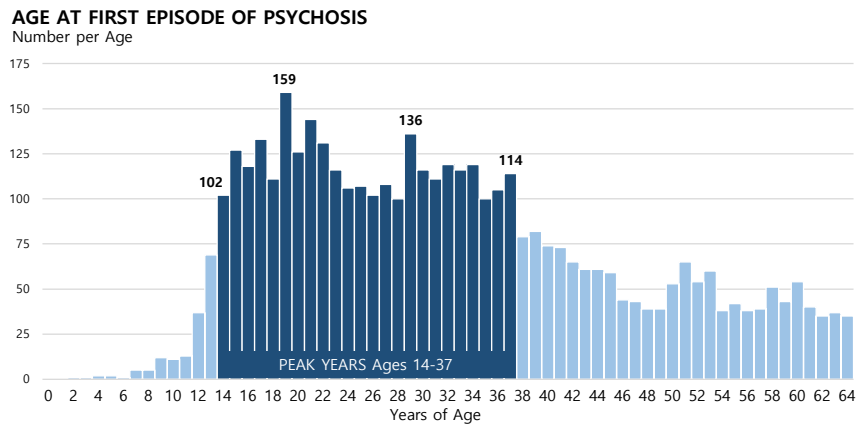
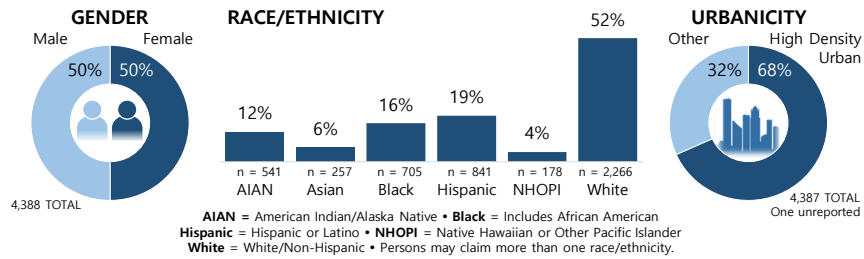
Although the tables above are based on 2020 data, it provides an estimate of service need from high to low across the state. Current priority is identified in North Sound, Pierce, King, and Southwest regional service areas.

National trends indicate that expansion will slow down but still require ongoing community education and stakeholdering to encourage late adopters of early intervention work. Future New Journeys expansion will aim to align with the most recent report on incidence and population of first episode psychosis published in the September 2022 by DSHS Research and Data Analysis Division (RDA) report **Washington First episode Psychosis Estimating Annual Incidence Using Administrative Data**.

The figure below presents the demographic characteristics of individuals enrolled in Medicaid who received their first psychotic disorder diagnoses in SFY 2021. Most individuals experiencing first episode psychosis were between the ages of 14 and 37. Approximately half of the individuals were female. Black, indigenous, and people of color accounted for almost 50 percent of the group. More than one in ten (12.3 percent) individuals with first episode psychosis were American Indian or Alaska Native. About two thirds (68.3 percent) of the group lived in high density urban counties.

### Image 3: Demographic characteristics of Medicaid enrollees with first episode psychosis

FIGURE



SFY 2021, Ages 0-64

Data note: By Grace Hong, PhD, Yaoqi Lin, PhD, Barbara Lucenko, PhD, Barbara E.M. Felver, MES, MPA



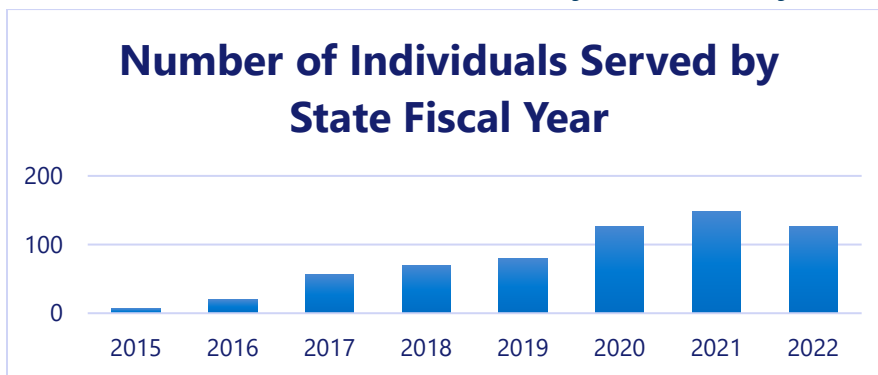
# Outcomes

## Annual New Journeys evaluation and outcomes

The Elson S. Floyd College of Medicine at WSU conducts the statewide New Journeys evaluation, with a focus on its impact on clinical and functional outcomes. The evaluation informs improvements to the model based on Washington data.

Since 2015, more than 600 unique individuals have been served by New Journeys teams across the state! During SFY 2022, 158 individuals were enrolled with and had services from a New Journeys team.

**Figure 2: Number of individuals served by New Journeys teams by state fiscal year**



2022 New Journeys evaluation findings suggest that individuals who participated in New Journeys reported:

- Fewer experiences of psychosis
- A significant decrease in reports of depression
- A significant decrease in reports of anxiety
- Decrease in reported psychiatric hospitalizations
- Improvements in quality of life
- A rise in school enrollment from baseline at 17% to 44% after receiving services.
- Attendance or procurement of at least part-time work or volunteering increased from 20% reported at enrollment to 55% post-enrollment.
- A decrease in drug use since enrollment

## Future action steps

### Diversity equity and inclusion

The United States Congress directed in 2021 that 10% of funding be set-aside from the federal Mental Health Block Grant Covid Relief Funds to help states develop first episode psychosis treatment programs and these funds are being used to embark on Nationally leading work! These projects will address barriers to statewide equitable access to New Journeys by adapting the model to meet the needs of geographically and culturally diverse communities.

To accomplish this HCA is sponsoring work:

- To adapt and pilot the New Journeys model within an American Indian community

- To adapt and pilot the New Journeys model to meet the needs of rural and frontier communities

## Financing

Washington is a national leader in implementing a payment strategy for Coordinated Specialty Care in an integrated healthcare system and continues to participate in the Psychosis-Risk and Early Psychosis Program Network (PEPPNET) National Financing Workgroup supported by the Substance Abuse and Mental Health Services Administration (SAMHSA), and the National Institute of Mental Health (NIMH). PEPPNET acts as a forum to share information nationally about ongoing early psychosis initiatives.

The most recent national work indicates an alternative approach to reimbursement for New Journeys that aligns with national Coordinated Specialty Care reimbursement models. To facilitate this work, HCA will partner with Mercer actuarial group to utilize industry specialists to support further rate development. The updated financing will help inform Medicaid funding in answer to stakeholder feedback expand.

If these programs are to become sustainable, and their long-term promise of reducing disability for persons with psychosis are to be achieved, a commercial parity requirement is critical to cover Coordinated Specialty Care so that those insured with commercial payers have access to this vital service.

## Conclusion

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Recovery from psychosis is possible! Successful remission is dependent on early identification and treatment. Washington State is a leader in providing innovative medical and behavioral health treatment, making numerous strides to decrease the stigma and discrimination that can result in a lack of access to services by creating sustainable programming like New Journeys for those who are experiencing first episode psychosis. The recommendations of the [Statewide Implementation Plan of Coordinated Specialty Care For Early Psychosis](#) called for the following future action:

- Continue current expansion to increase equitable access
- Implement a Commercial Parity Requirement to Cover Coordinated Specialty Care
- Include the Clinical High-Risk Population as Eligible for Treatment
- Maintain Continuity of Care through Step-Down Services

**“New Journeys helped me to live independently without the trials of mental illness.**

**To be strong in the face of adversity.”**

**– New Journeys graduate**

