

California's Dual Eligibles Demonstration Proposal

Jane Ogle
Deputy Director of Health Care Delivery Systems
April 23, 2012



Federal-State Cooperation

- California is one of 15 states that received a \$1 million contract to design an integrated care demonstration for dual eligibles.
- Collaborative design process
 - Blending payments to health plans
 - Three-way contracts
 - Shared savings
- State Authority(SB 208, 2010):
 - Demonstration in up to four counties
 - One two-plan model county & one county organized health system county



California Context

DUAL ELIGIBLES:

- ▶ 1.1 million dual eligibles
 - ▶ 1/3 live in L.A. County
- ▶ 2/3 are 65 and older
- ▶ Roughly 14% of Medi-Cal population =
- ▶ < 20% enrolled in Medi-Cal managed care
- ▶ \$7.6 billion in state Medi-Cal costs (\$20 billion with Medicare)
- ▶ \$3.2 billion in LTC costs = 75% of Medi-Cal total LTC spending

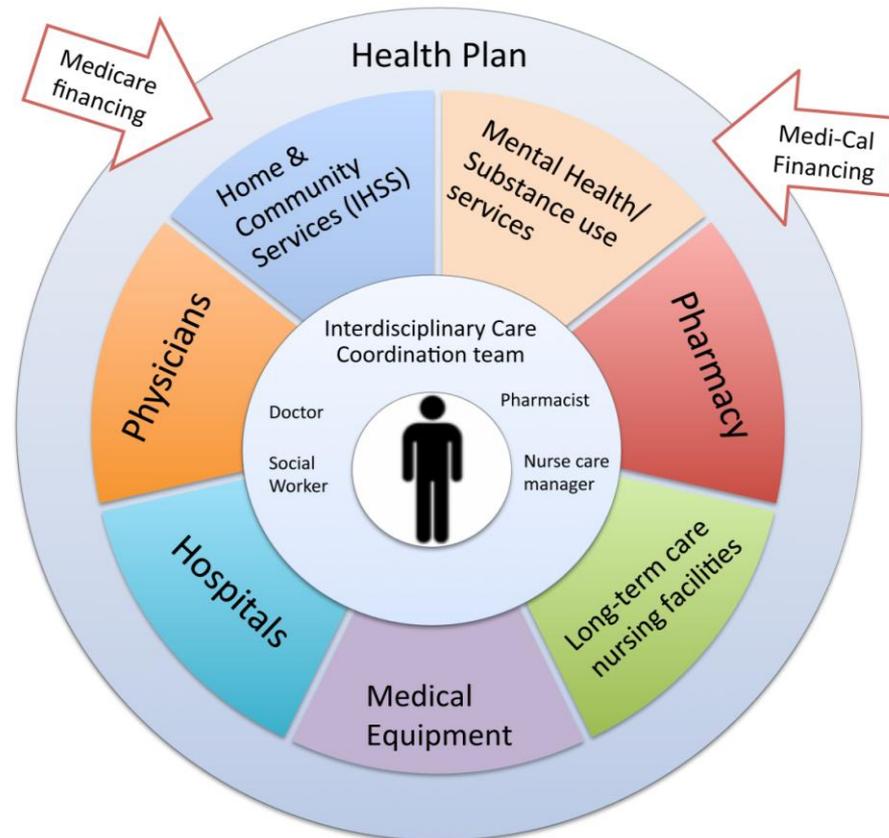
14% Medi-Cal population and 25% of annual Medi-Cal costs

Demonstration Pillars

- Medi-Cal Managed Care Program
 - 4.3 million of 7.6 million Medi-Cal enrollees are in a Medi-Cal Managed Care Plan
- Home- and Community-based Services
 - In-Home Supportive Services (IHSS) Program
 - Nation's largest personal care program serving 440,000 consumers
 - Grounded in independence and consumer self-direction

Vision: Integrated Model of Care

- Initial Health Risk Assessments
- Individualized Care Plans
- Care Coordination Teams
- Health plans responsible for providing seamless access to a full continuum of services
- Strong consumer rights
- Joint state-federal oversight



Demonstration Goals

1. Coordinate state and federal benefits and access to care across care settings, improve continuity of care, and use a person-centered approach.
2. Maximize the ability of dual eligible beneficiaries to remain in their homes and communities with appropriate services and supports in lieu of institutional care.
3. Increase the availability and access to home- and community-based alternatives.
4. Preserve and enhance the ability for consumers to self-direct their care and receive high quality care.
5. Optimize the use of Medicare, Medi-Cal and other State/County resources.

Proposed Demonstration Model

- Population
 - Most full-benefit dual eligibles
 - No children under age 18
 - No PACE, AIDS Health Care Foundation Enrollees
- Enrollment
 - Passive enrollment with a voluntary opt out
 - Phased-in throughout 2013
- Financing
 - Capitated payment models with 3-way contracts between CMS, CA Department of Health Care Services, and health plans

Health Plan Selection

- Criteria:
 - Medi-Cal managed care contractor
 - Experience operating a Dual Eligible Special Needs Plans (D-SNP)
 - Strongly encouraged subcontracting with other D-SNPs and innovative, high quality providers groups to encourage care continuity
 - Strong past performance delivering high quality; gave extra consideration for National Committee for Quality Assurance (NCQA) accreditation
 - Lengthy description of care coordination process and detailed, modified D-SNP model of care
 - Applications were more than 300 pages

Proposed Demonstration Model: Geography

- 10 Counties proposed in 2013
- Current State Authority for Four Counties:
 - **Los Angeles** (370,000)
 - Health Net and LA Care
 - **Orange** (71,000)
 - CalOptima
 - **San Diego** (75,000)
 - Molina, Care 1st, Community Health Group, Health Net
 - **San Mateo** (15,000)
 - Health Plan of San Mateo
- Six Proposed, pending further authority and readiness:
Alameda, Sacramento, Contra Costa, Santa Clara, San Bernardino, Riverside



Demonstration: Covered Benefits

- All Medicare Part C and D Benefits
- All Medi-Cal Services currently required in managed care coverage
- Long-term supports and services
 - Nursing facilities,
 - In-Home Supportive Services (IHSS), and
 - Five home-and community-based waiver services.
- Coordination with mental health and substance use carved-out programs
- **Supplemental Benefits:** Pending rates, health plans intend to offer dental, vision, transportation and possibly some housing alternatives

Long Term Services and Supports (LTSS)

- All Medi-Cal benefits, including LTSS, would be included in the capitated payment to the health plans.
 - In Home Supportive Services (IHSS)
 - Community-Based Adult Services (CBAS)
 - Multi-purpose Senior Services Program (MSSP)
 - Nursing facilities
 - Five home- and community- based services 1915(c) waivers.
- Medi-Cal beneficiaries would need to be enrolled in a Medi-Cal managed care plan to receive any Medi-Cal LTSS

What's Next

- Draft Proposal to CMS out for state 30-day public comment period. All comments are due May 4th.
- Launching public stakeholder workgroups
 - LTSS Integration
 - Behavioral health coordination/integration
 - Beneficiary Notifications, Appeals and Protection
 - Quality and Evaluation Management
 - Fiscal and Rate Setting
 - Provider Outreach
- MOU development between State DHCS & CMS
- Health plan readiness reviews
- Contracts
- Jan. 1 2013 enrollment

More Information

- Website: www.CalDuals.org
- Email: info@CalDuals.org
- Twitter: @CalDuals