Coordinated Care Initiative

EVALUATION OUTCOME REPORT

January 2017

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Executive Summary

Welfare and Institutions Code Section 14132.275(m) requires the Department of Health Care Services (DHCS) to conduct an evaluation, in partnership with the Centers for Medicare and Medicaid Services (CMS), to assess outcomes and the experience of enrollees eligible for Medicare and Medicaid (Duals) enrolled in the Duals Demonstration Project known as Cal MediConnect. DHCS is required to provide a written report to the Legislature after the first full year of demonstration operation, and annually thereafter, and must consult with stakeholders regarding the scope and structure of the evaluation.

In order to accommodate the delayed and staggered implementation of the Coordinated Care Initiative (CCI), of which Cal MediConnect is one component, DHCS modified the due date for this report. DHCS informed the Legislature of the adjusted timeline in June of 2015.

This is the second annual Evaluation Outcome Report. Updates to the prior report are italicized for ease of review.

Background

The Financial Alignment Initiative – Partnerships to Provide Better Care

In July 2011, CMS announced the opportunity for states and CMS to better coordinate care for Duals under the Financial Alignment Initiative through two different demonstration models:

1. **Managed fee-for-service** in which a state and CMS enter into an agreement by which the state would be eligible to benefit from savings resulting from initiatives designed to improve quality and reduce costs for both Medicare and Medicaid.

2. **Capitated model** in which a state and CMS contract with health plans (three-way contract) that receive a prospective, blended payment to provide enrolled Duals with coordinated care.

The Financial Alignment Initiative is designed to better align the financial incentives of Medicare and Medicaid to provide Duals with a better health care experience. All state demonstrations under the Financial Alignment Initiative are evaluated to assess their impact on beneficiary care experience, quality, coordination and costs. California is testing the capitated model.

Coordinated Care Initiative

In January 2012, Governor Brown announced the CCI with the goals of enhancing health outcomes and beneficiary satisfaction for low-income seniors and persons with disabilities (SPDs), including Duals, while achieving substantial savings from

rebalancing service delivery away from institutional care and into the home and community. Working in partnership with the Legislature and stakeholders, the administration enacted the CCI though Senate Bill (SB) 1008 (Committee on Budget and Fiscal Review, Chapter 33, Statutes of 2012), SB 1036 (Committee on Budget and Fiscal Review, Chapter 45, Statutes of 2012), and SB 94 (Committee on Budget and Fiscal Review, Chapter 37, Statutes of 2013).

The three major components of the CCI are:

1. A three-year Duals Demonstration Project (Cal MediConnect - California's Financial Alignment Demonstration) for Duals that combines the full continuum of acute, primary, institutional, behavioral health, and home and community-based services (HCBS) into a single benefit package, delivered through an organized service delivery system comprised of Medicare-Medicaid Plans (MMPs).

2. Mandatory Medi-Cal managed care enrollment for Duals; and

3. The inclusion of the Long Term Services and Supports (LTSS) as a Medi-Cal managed care benefit for SPD beneficiaries who are eligible for Medi-Cal only, and for SPD beneficiaries who are Duals.

Enrollment in the CCI began on April 1, 2014, in accordance with the implementation schedule titled, "CCI Enrollment Timeline by Population and County," which can be found at the following link: http://www.calduals.org/wp-content/uploads/2014/11/CCI-enrollment-by-County-11.20.14.pdf.

Cal MediConnect

Through Cal MediConnect, Duals have access to better, more coordinated care, in addition to dental, vision, and non-emergency transportation services. DHCS and CMS contract with MMPs that oversee and are accountable for the delivery of covered Medicare and Medicaid services for Duals in seven counties: Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo, and Santa Clara.

MMPs are responsible for providing a comprehensive assessment of Duals' medical and behavioral health, LTSS, and functional and social needs. Duals and their caregivers work with an interdisciplinary care team (ICT) to develop person-centered, individualized care plans (ICPs). Cal MediConnect is designed to offer opportunities for Duals to self-direct services, be involved in care planning, and live independently in the community.

Cal MediConnect includes beneficiary protections that ensure high-quality care is delivered. CMS and DHCS have established a number of quality measures relating to beneficiary overall experience, care coordination, and fostering and supporting community living, among many others.

Memorandum of Understanding and the Three-Way Contract

DHCS executed a Memorandum of Understanding (MOU) with CMS on March 27, 2013. The MOU provides federal authority and outlines the parameters for implementing Cal MediConnect.

Specific requirements are outlined in the three-way contracts between the state, CMS, and the MMPs in each CCI county. These three-way contracts require MMPs to offer quality, accessible care and to improve care coordination among medical care, behavioral health, and LTSS for eligible Duals. DHCS and CMS developed a three-way contract for each participating MMP, including a contracting process that ensures a coordinated program operation, enforcement, monitoring, and oversight. The three-way contract includes provisions for CMS and DHCS to evaluate the performance of the primary-contracted MMPs and their sub-contracted plans. MMPs are held accountable for ensuring that sub-contracted plans meet all applicable laws and requirements.

The three-way contract and MOU can be found at: http://www.calduals.org/implementation/cci-documents/cci-fact-sheets/contracts-mous/.

Evaluation Activities of Cal MediConnect

Annual Evaluation Report

CMS contracted with Research Triangle Institute (RTI) International to monitor the implementation of demonstrations under the Financial Alignment Initiative and to evaluate their impact on beneficiary experience, quality, utilization, and cost. The evaluation includes an aggregate evaluation and state-specific evaluations. RTI International's Annual Evaluation Report describes the state-specific evaluation plan for California's demonstration as of July 9, 2014. This report can be accessed at the following link: https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/FinancialAlignmentInitiative/Downloads/CAEvalPlan.pdf.

The goals of the evaluation are to monitor demonstration implementation, evaluate the impact of the demonstration on beneficiary experience, monitor unintended consequences, and monitor and evaluate the demonstration's impact on a range of outcomes for the eligible population as a whole and for subpopulations (e.g. people with mental health and/or substance use disorders, LTSS recipients, etc.). To achieve these goals, RTI International has been collecting, and will continue to collect throughout the demonstration, qualitative and quantitative data from DHCS each quarter; analyze Medicare and Medi-Cal enrollment and claims data; conduct site visits, beneficiary focus groups, and key informant interviews; and incorporate relevant findings from any beneficiary surveys conducted by other entities.

Implementation and Ongoing Monitoring

CMS' contractor, the National Opinion Research Center (NORC) at the University of Chicago, receives data on behalf of CMS from all MMPs. NORC is responsible for ensuring that the data received from MMPs is submitted in accordance with federal and state-specific reporting requirements. NORC checks the data submitted based on edits and validation checks that were developed for each core and state-specific MMP measure. *In early 2016, DHCS published the Cal MediConnect Performance Dashboard (http://www.calduals.org/wp-content/uploads/2016/03/CMC-Performance-Dashboard-March-2016-Release.pdf) that reports the data from several of these measures.*

Dual Eligible Plan Choice Report

CMS *undertook* several initiatives to more effectively integrate Medicare and Medicaid coverage and improve the experience for Duals. *To this aim,* CMS contracted with L&M Policy Research (L&M) to conduct research to gain insight into beneficiaries' understanding of, and reactions to, MMPs and passive enrollment. The first round of research was conducted in Los Angeles and Long Beach in May 2014. It explored how Duals understood and used Cal MediConnect notices, the plan choice guidebook, and enrollment forms to make health plan decisions. L&M interviewed a total of 40 Duals, caregivers, and information intermediaries. While most beneficiary participants understood that the way they were receiving their health care was changing, few were clear about what was changing and how they would be affected by the changes. Participants found the concepts of passive enrollment and assignment to an MMP as well as associated deadlines and required actions confusing.

When weighing their options, nearly all Dual participants said they would determine which options and associated MMPs were accepted by their doctors before making a decision. They also wanted to know more about specific benefits that each MMP offered. Some wanted to know how much each MMP would cost.

In the fall of 2014, L&M conducted research in Illinois and Virginia, and after receiving the findings from this research, CMS requested that a similar study be conducted in Los Angeles County in February 2015 for beneficiaries who opted out of Cal MediConnect about one month after their scheduled January 1, 2015 enrollment date. The full findings of this research can be found in Attachment A titled, "Dual Eligible Plan Choice Research, Final Topline Report," by L&M.

The SCAN Foundation Funded Evaluations

The SCAN Foundation (TSF) funded two evaluations of the Cal MediConnect program: a Rapid Cycle Polling Project and a longer-term University of California Evaluation of Cal MediConnect, as described below. While TSF funded these evaluations, DHCS is working collaboratively with TSF and stakeholders to develop the content of both evaluations.

Rapid Cycle Polling Project

TSF contracted with Field Research Corporation (FRC) to conduct a Rapid Cycle Polling Project, which is a series of rapid cycle polls to quantify the impact of Cal MediConnect on California's Dual population in as close to real time as possible. To date, FRC has completed *three* waves of the project.

The study compares the levels of confidence and satisfaction of Cal MediConnect enrollees to that of Duals who are eligible for Cal MediConnect but are not participating or who live in a non-Cal MediConnect county within California. The *first two* waves *of the survey were* conducted by telephone with approximately 2,500 Duals or their proxies across five California counties participating in Cal MediConnect – Los Angeles, Riverside, San Bernardino, San Diego, and Santa Clara – and two non-Cal MediConnect counties, Alameda and San Francisco. *The third wave was expanded to include Cal MediConnect enrollees and opt-outs in San Mateo and Orange Counties, which means that the evaluation has surveyed beneficiaries in all seven Cal MediConnect counties.*

All three waves of the project identified that large majorities of Cal MediConnect enrollees express satisfaction and confidence with their health care services and those Cal MediConnect enrollees are no more likely than other Duals to report problems with their health care services. In terms of the population that has chosen to opt-out of the program, the main reasons given for not participating in Cal MediConnect relate to beneficiaries' resistance to change.

The complete content of the most recent survey findings can be found at: http://www.thescanfoundation.org/sites/default/files/2_dicamillo_presentation_waves1-3rapidcyclepolling_final.pdf.

University of California Evaluation of Cal MediConnect

In 2014, an evaluation team comprised of researchers from the University of San Francisco Institute for Health and Aging and the University of California, Berkeley School of Public Health, designed a three-year evaluation of the CCI. The evaluation team engaged stakeholder input and built upon the national evaluation, and developed, pilot tested, finalized data collection instruments, and obtained approval from California's Committee for the Protection of Human Subjects.

This California-specific evaluation focuses on the coordination of three types of health care: medical, behavioral, and LTSS. Data collection includes:

1. Interviews and/or focus groups with beneficiaries representing several subgroups of interest;
2. Interviews with key stakeholders in each county including plans, providers, and community-based organizations that serve Duals; and
3. A representative telephone survey of beneficiaries to assess the prevalence of experiences with the transition and access to care, and the quality of services in their new plan.

While this evaluation is still underway, the report of the first year findings was presented at TSF's LTSS Summit on October 27, 2015. This report discussed the results from 14 focus groups (plus interviews) with beneficiaries and 10 interviews with seven Cal MediConnect MMPs.

The focus groups revealed that many problems beneficiaries experienced in the beginning of the program have been solved over time; there is a very high satisfaction rate with care coordinators; there is better communication among providers and between the plans and beneficiaries; and more streamlined services. However, there were also discussions regarding problems with referrals and lack of understanding about the opt-out process.

Interviews with the MMPs acknowledged challenges with:

- Beneficiary outreach and notification;
- Working with long term care facilities for the first time;
- Data sharing across HCBS agencies;
- Reporting requirements;
- Accessible and affordable housing;
- Steep learning curve for HCBS services and social care;
- Uncertain financial risk for taking on LTSS;
- Pressure between showing cost savings and making more investments; and
- Provider and beneficiary trust.

Although MMPs revealed these challenges, they also explained innovative practices they developed during the first year of Cal MediConnect to help address these challenges, such as:

- Satellite offices to make care coordination more local;
- One "prime contact" vs. team approach;
- Transitional care programs: hospital or skilled nursing facility to community;
- Dementia training for care managers;
- Durable medical equipment providers who do home assessments during drop off;
- Non-credentialed care coordinators as an "extender" of a nurse or social worker, and who are often bilingual;
- Impromptu or virtual ICTs; and
- Specialized care coordinators.

The MMPs also described the following care plan options that they provide:

- Cleaning and organizing apartments;
- Preparing meals;
- Interim personal care services;
- Home improvement-grab bars, ramps, widened doorways, appliances; and
- Respite for caregivers.

The full content of *the report presented in October 2015*, titled, "The University of California Evaluation of Cal MediConnect, the SCAN Foundation LTSS Summit," can be accessed at the following link: http://www.thescanfoundation.org/sites/default/files/uc_evaluation_of_cal_mediconnect_carrie_graham_10-27-15.pdf.

Subsequently, the Phase One findings from this evaluation were presented at TSF's LTSS Summit on September 13, 2016. This report included the Health System Response Study, which was comprised of 36 key informant interviews and a telephone survey of 2,139 beneficiaries that were interviewed between January and March 2016.

The longitudinal telephone survey was comprised of three groups of beneficiaries:

- *744 who were enrolled in Cal MediConnect between 6-19 months;*
- *659 who opted-out of Cal MediConnect (but enrolled in a Medi-Cal Managed Care Plan for their LTSS needs); and*
- *736 who were enrolled in non-demonstration counties (some had Medicare Fee-for-Service coverage, some had Medicare Advantage, and some were in Medi-Cal managed care health plans).*

The key informant interviews described the key successes and progress being made on:

- *Integrating of care coordination and how the LTSS has impacted the workforce and "culture of care" at the health plans;*
- *Encouraging collaboration across the health system, especially In-Home Supportive Services; and*
- *Encouraging innovative programs for care coordination, HCBS referrals, transitional care, and housing.*

Along with these key successes, there were also noted challenges and room for improvement such as:

- *Difficulty in reaching some populations, particularly the homeless;*
- *Competing challenges for health plans to both invest in the program while curbing costs;*
- *Conducting health risk and other assessments;*
- *Improvement with access and referrals to HCBS; and*
- *Improvement of education and outreach.*

The telephone survey found that beneficiaries with disabilities were more likely to have negative experiences such as disruptions in care, services, or suppliers. However, beneficiaries were most satisfied with their benefits when they kept the same primary care provider, specialists, mental health care, or prescription medications, as nearly half of the beneficiaries who opted-out said that they did to keep their providers. Additionally, 68 percent of the Cal MediConnect beneficiaries surveyed felt they had increased access to care coordination through Cal MediConnect, which increased their awareness of Cal MediConnect benefits such as transportation.

The full content of this evaluation, titled, "Evaluation of Cal MediConnect: Key Findings from Phase One," can be accessed at the following link: http://www.thescanfoundation.org/sites/default/files/3_graham_presentation_evalcmckeyfindings_final.pdf.