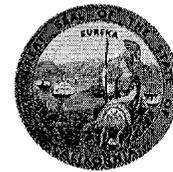




DAVID MAXWELL-JOLLY
Director

State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
Governor

DATE: January 5, 2011

MMCD Policy Letter 11-001

TO: ALL TWO-PLAN AND GEOGRAPHIC MANAGED CARE MODEL
MEDI-CAL MANAGED CARE PLANS

SUBJECT: REQUIREMENTS FOR HEALTH RISK ASSESSMENT OF MEDI-CAL
SENIORS AND PERSONS WITH DISABILITIES

PURPOSE:

The purpose of this Policy Letter is to provide Medi-Cal managed care plans (Plans) with the requirements to implement the health risk assessment of Medi-Cal-only Seniors and Persons with Disabilities (SPDs) and to develop the risk stratification and risk assessment survey tools that must be submitted to the Department of Health Care Services (DHCS) for approval as required by Welfare and Institutions Code section 14182 (Chapter 714 Statutes of 2010).

BACKGROUND:

Welfare and Institutions Code (W&I) section 14182 permits the DHCS to enroll Medi-Cal only SPDs in Plans on a mandatory basis. In addition, the Centers for Medicare and Medicaid Services (CMS) approved the California Section 1115 Medicaid Demonstration Waiver entitled "Bridge to Reform" (1115 Waiver) which included the federal approval to enroll SPD beneficiaries on a mandatory basis into Plans. DHCS will, effective June 1, 2011, implement mandatory enrollment of the Medi-Cal-only SPD population into Plans in counties where their enrollment is now voluntary. Mandatory enrollment of this population will be phased in over a twelve-month period. Upon mandatory enrollment of each Medi-Cal-only SPD into a Plan (whether by member choice of a Plan or default assignment to a Plan), Plans must apply a health risk stratification mechanism or algorithm and perform a health risk assessment survey within statutorily required timeframes.

DISCUSSION:

W&I section 14182 requires Plans to develop and submit for DHCS review and approval, a risk stratification mechanism or algorithm and a risk assessment survey. The risk stratification mechanism or algorithm will be applied by Plans at the time of member enrollment using the member-specific data supplied by DHCS to identify those members with higher risk and more complex healthcare needs. The risk assessment survey shall be used to assess a SPD member's current health risk. The risk assessment survey must be conducted within 45 days for those identified by the risk stratification method or algorithm as higher risk and within 105 days for those identified at lower risk for the purpose of developing individualized care management plans for the higher risk SPDs.

The 1115 Waiver Special Terms and Conditions require DHCS to provide the CMS with detailed information about the health risk assessment process and ensure minimum assessment components are included in a Plan's assessment to enable comparability and standardization of elements among all Plans. Additionally, DHCS is required to monitor and report Plan activities and to develop Plan performance measures specific to the SPD population. Plans are required to report specific information and statistics related to the health risk assessments for these purposes.

Plan contract language will be added to include these new Plan requirements. This Policy Letter will be referenced in the Plan contracts and serves to provide the detail necessary to implement and comply with these new requirements.

POLICY:

In order to comply with W&I section 14182 and the 1115 Waiver Special Terms and Conditions, Plans shall develop and submit the following by March 1, 2011, and DHCS will review within one month of submission:

- A. A **risk stratification** mechanism or algorithm designed for the purpose of identifying newly enrolled SPD members who have higher risk and more complex health needs, and those who are at lower risk, within 44 calendar days of enrollment. The submission must include:
 - 1. A process for incorporating stakeholder and consumer input into development of the mechanism or algorithm.
 - 2. A process for use of member-specific information including their historical Medi-Cal fee-for-service utilization data provided by DHCS electronically at the time of enrollment. This data may include, but is not limited to,

outpatient, inpatient, emergency department, pharmacy, and ancillary services data for up to the most recent 12 months.

3. A process for use of the information obtained from the completed MET, a member self-assessment of health that will be provided to Plans by DHCS electronically at the time of enrollment.
4. A process that tests the stratification mechanism or algorithm by using Plan utilization data to stratify current voluntarily enrolled SPD members into higher and lower risk groups.

B. A **risk assessment survey tool** that shall be used to comprehensively assess a member's current health risk within 45 calendar days of enrollment for those identified by the risk stratification mechanism or algorithm as higher risk and within 105 calendar days of enrollment for those identified at lower risk for the purpose of developing individualized care management plans for those SPDs identified as higher risk. The submission must include:

1. A process for incorporating stakeholder and consumer input into development of the tool or process.
2. A process for contacting members within the required assessment timeframes that will include repeated efforts (letter followed by at least two phone calls) to contact each member.
3. A process for stratifying members into at least two groups, those needing basic and those needing complex care management.
4. A process describing how the Plan will identify medical care needs, including primary care, specialty care, durable medical equipment, medications, and other needs and develop an individual care management and care coordination plan as needed.
5. A process for identification of referrals needed to appropriate community resources and other agencies for services outside the scope of responsibility of the managed care health plan, including but not limited to mental health and behavioral health, personal care, housing, home-delivered meals, energy assistance programs, and services for individuals with intellectual and developmental disabilities.
6. A process to identify the need for including appropriate involvement of caregivers.
7. A process to identify the need for facilitating timely access to primary care, specialty care, durable medical equipment, medications, and other health services needed by the enrollee, including the need for referrals to resolve any physical or cognitive barriers to access.

8. A process to identify the need for facilitating communication among the member's health care providers, including mental health and substance abuse providers when appropriate.
9. A process to identify the need for providing other activities or services needed to assist members in optimizing their health status, including assisting with self-management skills or techniques, health education, and other modalities to improve health status.
10. A process to identify the need for coordination of care across all settings including those outside the provider network and to ensure that discharge planning is provided to members who are admitted to a hospital or institution.
11. A process for determining timeframes for re-contact or reassessment at least annually and, if necessary, the circumstances or conditions that require redetermination of risk level.

C. Plan Reporting Requirements

Beginning **October 1, 2011**, and quarterly thereafter, Plans shall report to MMCD, at a minimum:

1. The number of newly enrolled SPD members during the previous quarter who have been determined to be at higher risk and lower risk by means of the risk stratification mechanism or algorithm.
2. The number of newly enrolled SPD members during the previous quarter in each risk category who were successfully contacted (Plan received phone or mailed response) during the previous quarter and by what method.
3. The number of newly enrolled SPD members during the previous quarter who were successfully contacted and who completed the risk assessment survey (answered all questions) and the number who declined the risk assessment survey.
4. The number of newly enrolled SPD members during the previous quarter who completed the risk assessment survey and who were then determined to be in a different risk category (higher or lower) than was established for those members by the plan during the risk stratification process.

If you have any questions regarding the requirements of this Policy Letter, please contact your MMCD contract manager.

Sincerely,



Tanya Homman, Chief
Medi-Cal Managed Care Division