



Stakeholder Communication Update

The Department of Health Care Services (DHCS) is pleased to provide this bimonthly update of important events and actions at the department. If you are not currently receiving this update, please sign up on the DHCS [website](#). Please view the [Calendar of Events](#) for specific meetings and events, or review the [Stakeholder Engagement Directory](#) by program. You may also view our [State Plan Amendments](#). For questions, concerns, or suggestions, you may contact us by email at DHCSPress@dhcs.ca.gov. Thank you.

Uncompensated Care Report

DHCS will host a webinar on June 10 that will review a report on uncompensated care at Designated Public Hospitals (DPH) and provide an overview of key findings. As required by the Special Terms and Conditions (STCs) of the Medi-Cal 2020 waiver, the Blue Shield of California Foundation, on behalf of DHCS, contracted with Navigant to produce the first of two reports that review uncompensated care in California. The first report was submitted as required to the Centers for Medicare & Medicaid Services (CMS) on May 15 and focused on the level of uncompensated care at the 21 DPHs in California. The objective of the first report is to support CMS' determination of the appropriate level of uncompensated care pool funding in years two through five of the demonstration for the Global Payment Program (GPP), which they are required to do by July 14. The report is posted on the DHCS [website](#). Additional information about the webinar is also posted on the DHCS [website](#).

Dental Transformation Initiative (DTI)

DHCS will provide an overview of the final Local Dental Pilot Program (LDPP) application during a June 14 webinar. DHCS has convened a small stakeholder workgroup to discuss policy considerations for DTI implementation. This workgroup collaborates with DHCS on planning and rollout efforts necessary to ensure the success of the DTI. Their collaboration and input help to further inform DTI work, and the outcomes are broadly shared with the larger group of interested dental stakeholders and the provider community. In May, DHCS received 25 voluntary LDPP Letters of Intent (LOI). The purpose of the LOI was to assess the level of interest to participate in the LDPPs across the state, obtain preliminary LDPP design information, and provide an opportunity for potential applicants to submit questions. On June 1, DHCS released the final LDPP application. The webinar will offer interested entities the opportunity to review the application process ahead of the August 1 submission deadline. Information and questions posed in the LOIs, feedback from a public comment period, multiple stakeholder meetings, and two webinars informed the final LDPP application document. For more information, please visit the [DTI webpage](#) or e-mail DTI@dhcs.ca.gov.

Independent Access Assessment

The Access Assessment Advisory Committee roster is slated to be announced in late June. The Medi-Cal 2020 waiver requires DHCS to contract with its External Quality Review Organization (EQRO) to conduct an Independent Access Assessment, which will evaluate primary, core specialty, and facility access to care for Medi-Cal managed care beneficiaries, based upon requirements set forth in the Knox-Keene Health Care Service Plan Act of 1975 and DHCS' Medi-Cal managed care health plan contracts. DHCS posted the Access Assessment Advisory Committee Application to its website on April 1, with an application deadline of May 1. DHCS received 87 applications. Additional information about the assessment is posted on the DHCS [website](#).

Whole Person Care (WPC) Pilot Program

Applications for the WPC pilot program are due on July 1. WPC is a five-year program, authorized under the Medi-Cal 2020 waiver, which coordinates physical health, behavioral health, and social services in a patient-centered manner, with the goal of improving a member's health and well-being through more efficient and effective use of resources. WPC pilots will identify high-risk, high-utilizing target populations, share data between systems, and provide comprehensive care coordination, ultimately looking at interventions that reduce inappropriate emergency and inpatient utilization for vulnerable Medi-Cal members. WPC pilots may also choose to expand access to supportive housing options for these high-risk populations. DHCS will notify all applicants of the final decisions on October 24. Lead entities will be required to provide formal acceptance to DHCS by November 3. The WPC application, budget instructions/template, frequently asked questions, and other pertinent information about WPC is posted on the DHCS [website](#).

Public Hospital Redesign and Incentives in Medi-Cal (PRIME)

Fifty-four public health and hospital systems have submitted five-year plans for the PRIME program, a component of the Medi-Cal 2020 waiver. All plans were reviewed by DHCS in advance of the June 3 deadline established by the waiver's STCs. The majority of plans have been approved, and DHCS continues to work with a few public health and hospital systems to optimize their five-year plans. We expect to approve these plans soon. DHCS conducted two stakeholder engagement sessions, on April 11 (webinar) and April 19 (in person), that informed the public of DHCS' five-year plan approval process, and engaged the public for comment. Details on the sessions are posted on the [PRIME webpage](#). For additional questions or comments, please email PRIME@dhcs.ca.gov.

Global Payment Program (GPP)

The GPP establishes a statewide pool of funding for the remaining uninsured by combining federal Disproportionate Share Hospital and uncompensated care funding, where select DPH systems can achieve their "global budget" by meeting a service threshold that incentivizes movement from high-cost, avoidable services to providing higher value, preventive services. DHCS held a webinar on May 26 to discuss the GPP Valuation Protocol. The webinar reviewed in detail the point values of traditional and non-traditional services and their impact on funding available through the GPP for

participating DPH systems. The slides from the webinar are posted on the DHCS [website](#).

Nursing Facility/Acute Hospital (NF/AH) Waiver

DHCS is targeting to release in June a 30-day public comment period on the 1915(c) home- and community-based services NF/AH Transition and Diversion waiver renewal. DHCS held a series of waiver renewal technical expert workgroup meetings in December, February, and April. In July, DHCS will hold five stakeholder meetings in Sacramento, Fresno, Los Angeles, San Diego, and Redding to discuss the proposed waiver renewal. A summary of all public comments received and DHCS' responses will be available in August on the DHCS [website](#).

Managed Care Regulations

CMS in May issued a final rule on Medicaid managed care and the Children's Health Insurance Program (CHIP), which is the first major overhaul of the Medicaid and CHIP managed care regulations since 2002. The final rule has four key goals: (1) support state delivery system reform efforts; (2) strengthen the beneficiary experience and key consumer protections; (3) strengthen program integrity by improving accountability and transparency; and (4) align key rules with those of other health coverage programs. The effective date of the final rule is July 5, although the effective dates of various components will be phased in over the next few years. The final rule has broad implications across the department, with particular impacts on our contracts and oversight of Medi-Cal managed care plans, county mental health plans, dental managed care plans, and county Drug Medi-Cal Organized Delivery Systems. DHCS is currently analyzing the final rule to determine compliance with the requirements and will be developing a communication plan to engage stakeholders. The final rule is published in the [Federal Register](#).

Drug Medi-Cal Organized Delivery System (DMC-ODS) Waiver Update

After receiving approval of the DMC-ODS waiver from CMS on August 13, 2015, DHCS began its implementation efforts. The DMC-ODS provides a continuum of care modeled after the American Society of Addiction Medicine (ASAM) Criteria for Substance Use Disorder (SUD) treatment services. DHCS is currently assisting counties in phases one through three (Bay Area, Southern California, and Central California) and reviewing nine county implementation plans concurrently with CMS. DHCS and CMS have approved San Mateo County's implementation plan. Also, as part of their participation in the DMC-ODS, CMS requires all residential providers to meet the ASAM requirements and obtain a DHCS-issued ASAM designation. As of May 18, DHCS has designated 214 residential alcohol and/or other drug treatment facilities with the appropriate ASAM level of care. Additionally, DHCS hosts two technical assistance conference calls per month for county DMC-ODS leads regarding implementation of the DMC-ODS, as well as periodic stakeholder meetings and webinars for relevant audiences, as needed. DHCS will host the annual SUD Statewide Conference in Garden Grove on August 23 to 25, entitled "Shifting the SUD Paradigm." More information about the DMC-ODS waiver is available on the DHCS [website](#).

Managed Care Organization (MCO) Tax

CMS on May 16 approved a slightly revised version of the MCO provider tax enacted in SBx2 2. The revised MCO provider tax includes a change to expand the definition of excluded plans. This change only affected one health plan, Community Health Group. CMS' approval of the revised tax will support approximately \$3.74 billion in funding for the state's Medi-Cal program over the next three years. The Director's Certification and CMS approval letter are posted on the DHCS [website](#).

Stakeholder Advisory Committee (SAC)

DHCS held its regularly scheduled SAC meeting on May 16. The purpose of the SAC is to provide DHCS with feedback on 1115 waiver implementation efforts as well as other relevant health care policy issues impacting DHCS. SAC members are recognized stakeholders/experts in their fields, including, but not limited to, member advocacy organizations and representatives of various Medi-Cal provider groups. The May 16 meeting provided updates on the Medi-Cal 2020 waiver core elements, including program overviews of the WPC pilots and PRIME. In addition, SAC members received updates on programs authorized in the Medi-Cal 2020 waiver, including the DMC-ODS and program quality improvements to the Coordinated Care Initiative. Additional discussion items included an update on SB 75 implementation, the new rules on managed care issued by CMS, and a discussion by Carrie Graham, Assistant Director of Research at the Health Research for Action center at UC Berkeley, of research on the experiences of Cal MediConnect beneficiaries. To view meeting materials, as well as information from prior meetings, and the schedule for committee meetings in 2016, please visit the DHCS [website](#). The next SAC meeting is scheduled for August 11.

Medi-Cal Children's Health Advisory Panel (MCHAP)

DHCS held the regularly scheduled MCHAP meeting on May 11. DHCS executives gave an update on the progress of implementing SB 75, which expands full-scope Medi-Cal coverage to all otherwise-eligible children, regardless of citizenship documentation. In addition, MCHAP members continued their review and discussion on pediatric dental recommendations. The MCHAP is a 15-member independent statewide advisory body that advises DHCS on matters relevant to children enrolled in Medi-Cal. The panel meets every other month. For meeting information, materials, or historical documents, please visit the DHCS [website](#). The next MCHAP meeting is scheduled for July 12.

Coverage for All Children – Senate Bill (SB) 75

DHCS notified the Department of Finance of all systems readiness and implemented SB 75 on May 16. SB 75 requires DHCS to provide full-scope Medi-Cal benefits to children, under age 19, who do not have satisfactory immigration status or are unable to establish satisfactory immigration status. Full-scope Medi-Cal eligibility has been granted to approximately 70 percent of eligible children in restricted-scope coverage retroactive to May 1, 2016. DHCS is working closely with all business partners to complete the transition expeditiously. In addition, approximately 2,500 new applicants have been approved for full-scope Medi-Cal eligibility under SB 75. Upon establishing full-scope eligibility, [Notice #3](#) with information on managed care enrollment is being mailed to beneficiaries. All notices and documents related to SB 75 are posted to the DHCS SB 75 [website](#). In addition, DHCS will regularly update interested stakeholders

via the bi-weekly DHCS immigration sub-workgroup meetings, created under the larger workgroup efforts of Assembly Bill 1296. Stakeholders interested in participating in the immigration sub-workgroup, or seeking additional information, may [email](#) DHCS.

Provider Application and Validation for Enrollment (PAVE) Update

In May, the PAVE system won the Most Valuable Program award at the Emerging Technology Conference in Sacramento. PAVE was one of 12 entries in this category. Building on that momentum, DHCS is continuing the development of the PAVE system, which will improve the way providers do business with DHCS' Provider Enrollment Division (PED) and simplify and expedite the enrollment experience. The PAVE system will include a provider portal that offers guided preparation, account and affiliations management, real-time status tracking, document storage, e-signatures, and much more. The initial release late this summer of PAVE will include the Provider Portal, Screening, and Enrollment functionality, and supports approximately 80% of PED's fee-for-service (FFS) provider types. The additional FFS provider types will be added about six months later. In addition, on April 20 to 22 and 27 to 29, PED hosted a PAVE Open House for providers to experience the PAVE prototype before we begin provider testing. For more information about the PAVE project and how to get involved, please visit the DHCS [website](#).

Palliative Care (SB 1004)

DHCS is continuing to develop policy to implement SB 1004, which requires DHCS to establish standards and provide technical assistance for Medi-Cal managed care plans for the delivery of palliative care services. DHCS posted online an initial draft Medi-Cal palliative care concept paper and held a webinar in the fall of 2015 to present the proposed eligible conditions and definition of palliative care services. DHCS received a number of stakeholder comments on the paper and posted them on the SB 1004 [website](#). DHCS is revising the concept paper to reflect stakeholder feedback and will send an announcement to the SB 1004 stakeholder list when the new version is posted. Please visit the above website to view the initial concept paper, stakeholder feedback, and materials from previous stakeholder meetings.