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. Sign up to receive this update 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.

Welcome from DHCS Director Jennifer Kent

It is great to be back at the Department of Health Care Services (DHCS). There are so many positive things happening here at DHCS, and one of them is the continued progress on improving our communication and coordination with stakeholders. As many of you know, I have worked at DHCS as well as been a stakeholder. I have an appreciation for both sides and am committed to improving our interaction with the counties, providers, health plans, legislative policy makers, community-based organizations, and advocates that are equally dedicated to the success of Medi-Cal and its service to more than 12 million Californians. It is not only important that we have a clear stakeholder process, but that we are also committed to improving our feedback and providing an explanation for how the stakeholder suggestions either modified or changed the policy under deliberation. I will be reaching out to many of you over the coming months for suggestions and feedback on ways we can improve our stakeholder communications. One of the highest priorities for DHCS this year will be the renewal of our Section 1115 waiver, and we have already seen the value of the stakeholder input in the various policy areas, including housing, provider incentives, delivery system reform, workforce, and safety net financing. This will be a critical initiative for California's safety net. We know that your support will be an important component as we work with our federal partners to secure a waiver that will continue our progress in delivering health care in the right setting and right time. I look forward to working with you in the coming months and years.

Passing of Peter Harbage

We recently lost Peter Harbage, our health policy partner, at the young age of 43. As head of Harbage Consulting, he helped to coordinate the extensive stakeholder outreach effort for DHCS' rollout of Cal MediConnect. Peter has improved the lives of countless people through his generosity as a friend, advisor, and policymaker. He was intelligent and passionate about our work to improve and expand health care to Californians in need, and we are grateful that he shared his time and knowledge with us. We will continue the good work that he helped move forward at DHCS with the help of Hilary Haycock and the Harbage Consulting team. All of us owe a debt of gratitude to Peter, and we will work to continue his legacy.

Departure of John Shen

John Shen, Chief of DHCS' Long-Term Care Division, will depart DHCS effective March 31. John joined DHCS in 2011 to participate in the department's effort to integrate long-term services and support, behavioral health, and medical services into the Medi-Cal managed care system. This and other work by John and his team were critical in the implementation of the Coordinated Care Initiative (CCI). During his tenure, John and his team worked closely with colleagues at the California Department of Social Services and California Department of Aging to support the transition of Adult Day Health Care into a benefit under managed care; increase the coordination of care between In-Home Supportive Services, the Multipurpose Senior Services Program, and Medi-Cal health plans; and lay the foundation for further integration of other home- and community-based services programs. John's hallmark qualities are his passion and commitment to continuously improving health care delivery systems. We thank John for his service and wish him well in the next chapter of his career.

Cal MediConnect

Outreach and enrollment activities continue for Cal MediConnect, which began enrollment in April 2014. As of February 1, 2015, there are 123,079 Cal MediConnect enrollees, including 10,157 in San Mateo, 15,058 in Riverside, 14,875 in San Bernardino, 19,942 in San Diego, and 54,758 in Los Angeles. Please log on to the Cal MediConnect dashboard for additional enrollment data. The dashboard combines both opt outs and disenrollments for beneficiaries. DHCS continues to analyze this data in partnership with the Centers for Medicare & Medicaid Services (CMS) and the Cal MediConnect plans to identify trends and data points that will be useful in better understanding enrollment in Cal MediConnect. One example is that overall disenrollment rates are relatively low (12%), meaning that most people are staying in Cal MediConnect once they've enrolled. The next challenge for the Cal MediConnect plans will be conducting Health Risk Assessments (HRA) for all of these new members. The HRA is used as a basis to develop a beneficiary's individual care plan and to ensure they are connected to the care and services they need. The HRA is the beginning of care coordination as a beneficiary enrolls. DHCS continues to work with CMS to allow plans to use their DSNP HRAs to inform the Cal MediConnect HRAs in order to support this transition. DHCS and CMS have been working with the Cal MediConnect plans to track HRA completion rates, and DHCS has released the HRA dashboard to show these completion rates. The dashboard will be released quarterly. Additionally, DHCS continues extensive stakeholder, physician, and beneficiary outreach in CCI counties to educate beneficiaries and stakeholders about the new program, including through monthly tele town hall meetings. DHCS' priorities continue to be educating members and stakeholders and ensuring Cal MediConnect is delivering on the promise of integrating care to help improve quality of life for California's dually eligible beneficiaries.

Palliative Care (SB 1004) Stakeholder Efforts

SB 1004 (Hernandez, 2014) requires DHCS to establish standards and provide technical assistance for Medi-Cal managed care plans to ensure delivery of palliative care services. SB 1004 will be implemented in consultation with a wide range of stakeholders and partners, and will promote person-centered and choice-focused policies to increase the availability of palliative care services for Medi-Cal members. Implementation of SB 1004 will be informed by related efforts under the CCI, Delivery System Reform Incentive Payments program, and the Section 2703 Health Home Initiative. In addition, DHCS established a Pediatric Palliative Care Waiver Program that was approved in April 2009. A stakeholder meeting is scheduled for February 23 to discuss palliative care models and options for implementing SB 1004. Please visit the DHCS website for more information and to register for the upcoming stakeholder webinar.

Every Woman Counts (EWC)

DHCS' Benefits Division will convene a meeting on February 25 of EWC program stakeholders at 2 pm at 1501 Capitol Avenue Room 71.1203 (Pine Room). Attendees can participate in person or via conference call. Agenda items include a report of the EWC 2014 November Estimates; EWC quarterly reports of expenditures and caseload to date; the California Pink Plate authorized by AB 49 (Buchanan); EWC regulations; the federal National Breast and Cervical Cancer Early Detection Program grant policy changes, including the elimination of required 60 percent screening and 40 percent non-screening funding split, payor of last resort policy clarification, and new patient navigation (case management) requirements; and English/Spanish iPhone and Android versions of the EWC Check Me App.

Section 1115 "Bridge to Reform" Waiver

California's current section 1115 "Bridge to Reform" Medicaid waiver expires at the end of October. Over the last several months, DHCS has undergone a stakeholder process to develop concepts for inclusion in the application to CMS to renew waiver authority for another five-year term. DHCS is seeking approval of the waiver by November 1. The new waiver will deliver quality, whole-person care to our members and contain rising health care costs that pave a path for sustainability of the Medi-Cal program. The new waiver will bring together federal, state, and local government along with health plans, providers, and safety net programs to share accountability for members' health outcomes. DHCS intends to seek a waiver totaling between $15 billion to $20 billion to accomplish various system transformation initiatives. The new waiver design has three core components: 1) shared waiver savings with the federal government to be reinvested into Medi-Cal; 2) a redesign of Disproportionate Share Hospital (DSH) and Safety Net Care Pool funding under a global payment model to provide care to the remaining uninsured; and 3) a set of delivery system transformation and alignment incentives that lead to the achievement of waiver goals. This set of delivery system transformation and alignment incentives includes incentives that foster partnerships and quality improvements between managed care plans, behavioral health systems, and providers; fee-for-service quality improvement incentives; a successor Delivery System Reform Incentive Payments (DSRIP) "2.0" at California's public hospital systems;

workforce development strategies; and incentives to promote access to housing and supportive services. DHCS also plans to offer an opportunity for counties and associated Medi-Cal plans to partner in local pilots that include the aforementioned approaches across the spectrum of delivery system alignment and transformation. Additional information on the waiver renewal, including specific strategies under consideration along with stakeholder input, is available on the waiver renewal website. A formal application for waiver renewal is anticipated to be submitted in late March to CMS. A draft application will be shared with the public for stakeholder input before submission, and DHCS will host a webinar to review the draft. DHCS has begun to engage CMS on the waiver design and to work toward agreement on terms and conditions of the five-year waiver.

1915b Mental Health Waiver Renewal

DHCS is preparing the 1915(b) Specialty Mental Health Services waiver renewal application that must be submitted to CMS by March 31. The existing waiver expires on June 30. As part of the waiver renewal development process, DHCS is convening a stakeholder webinar on March 2 from 9 a.m. to Noon at the 1500 Capitol Avenue Auditorium in Sacramento. The purpose of the meeting is to provide stakeholders with an update on the current status of the waiver application and to provide information on the areas of focus being considered. Stakeholders will have an opportunity to provide comments/feedback at the meeting. The current 1915(b) waiver is available on the DHCS website. Please click here to view the agenda for this webinar. Any other materials will be provided prior to the webinar. No RSVP is required.

Medi-Cal Tribal and Indian Health Program Designee Annual Meeting

DHCS will host the Medi-Cal Tribal and Indian Health Program Designee annual meeting on March 3 in Sacramento. This year's annual meeting will provide tribes and designees of Indian health program a unique opportunity to meet new DHCS Director Jennifer Kent and for the director to meet with key Indian health stakeholders. The meeting will also provide important updates on: 1) the Governor's proposed fiscal year 2015-2016 state budget; 2) ongoing DHCS initiatives, including Medi-Cal managed care, behavioral health, and substance use disorder services; 3) proposed changes to the Medi-Cal program, including State Plan Amendments, waivers, and demonstration projects; and 4) the California Health and Human Services Agency's Tribal Consultation Policy. The meeting invitation and registration information is posted on DHCS' Indian Health Program website.

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

The MCHAP is an independent advisory body comprised of 15 panel members who advise DHCS on matters relevant to children enrolled in Medi-Cal. DHCS has successfully recruited for all member vacancies for the advisory panel. DHCS continues to meet with the panel to discuss goals and areas of focus for the MCHAP. The next meeting for MCHAP is scheduled for March 18 in Sacramento. For meeting information, materials, or historical documents, please visit the DHCS website.

Behavioral Health Treatment (BHT)

The next BHT stakeholder meeting will be held on March 19 at DHCS. The state of California is in the process of establishing BHT services as a covered Medi–Cal benefit for individuals under 21 years of age with autism spectrum disorder to the extent required by the federal government. DHCS is working with stakeholders to define eligibility criteria, provider participation criteria, utilization controls, reimbursement criteria, and the delivery system for BHT services. DHCS is also working with the federal government to obtain all necessary federal approvals to secure federal funds for the provision of BHT in Medi-Cal. There are now more than 630 members accessing BHT services through Medi-Cal managed care plans, and phone inquiries to the health plans have increased significantly. More than 842 members have been referred for comprehensive diagnostic evaluations, and another 504 have completed evaluations. Also, about 936 members have been referred for behavioral assessments, and 467 have completed assessments. More information on BHT and stakeholder meetings is posted on the DHCS website.

California Children's Services (CCS) Redesign

DHCS, in its continued efforts to improve health care and to emphasize quality and coordination for children and youth with special health care needs (CYSHCN), has assembled the CCS Redesign Stakeholder Advisory Board (RSAB), comprised of individuals from various organizations and backgrounds with expertise in both the CCS program and care for CYSHCN, to participate in this process. In addition to the RSAB meetings, a series of topic-specific technical workgroups will be conducted. These workgroups will include experts in issues identified by the RSAB as being of greatest importance to CYSHCN and the CCS redesign process. The next stakeholder meeting is scheduled for March 20. Please visit the DHCS website for more information.

Health Home Project

DHCS is actively working on the Health Home project. This work is currently focused on program design and policy development, and includes activities related to stakeholder engagement, health plan engagement, and technical assistance for providers. DHCS is preparing to release the Health Home Program Concept Paper 2.0, an expanded, more detailed concept paper, for stakeholder review in March. The design and policy development areas include eligibility criteria, geographic phasing, services, network infrastructure, lead entity definitions, community-based care management entity definitions, quality measures and evaluation, payment methodology and rates. In addition, DHCS continues to work internally and with stakeholders to ensure that all program areas are fully engaged in the Health Home project, including Behavioral Health and California Children's Services. We have been meeting with stakeholders on specific areas of Health Homes for the last several months and are incorporating this information into our Concept Paper 2.0. We will continue with stakeholder events throughout the year. We have initiated preliminary discussions with CMS and are planning for a State Plan Amendment submission to CMS in August. Additional information, including the initial concept paper, is available on the DHCS website. If you wish to be added to the Health Home stakeholder listserv, please email a request to HHP@dhcs.ca.gov.

Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Performance Outcomes System

Since the release of the first System Plan in November 2013 and the initial System Implementation Plan in January 2014, DHCS has made significant progress on the Performance Outcomes System (POS) project in the areas of staffing, data quality improvement, development of performance measures, design of reports, and producing updates to the mandated legislative reports. DHCS focused initial efforts on improving county data submissions to the Client and Services Information (CSI) System in a timely manner. Next, DHCS focused on ways to improve data quality for the CSI System through the introduction of CSI Error reports. Additionally, DHCS started to develop and refine the access measures that were first conceptualized in a matrix-format by the Subject Matter Expert (SME) Workgroup. Through close collaboration with the Measures Task Force (MTF) and review and input by the SMEs, a series of initial performance measures in the domain of access were prioritized, defined, and operationalized for use in the first round of reporting scheduled to occur in late February. DHCS plans to release three levels of reports on the initial performance measures – statewide, regional, and county. The reports will be posted publicly on the EPSDT POS website and will conform to the appropriate privacy and reporting guidelines in place at DHCS. It is anticipated that the statewide and regional reports will be released at the end of February, and the county-level reports will be posted online on a rolling-basis shortly thereafter. Finally, an update to the System Plan was due to the Legislature in October 2014, but is still in the process of being reviewed and will be released shortly. As a result, an update to the System Implementation Plan that was due in January 2015 is also delayed. DHCS expects to complete both reports by this April.

AB x 1-1 Report Update

DHCS, in conjunction with Covered California, has prepared a legislative report, entitled "California Eligibility and Enrollment Report: Insurance Affordability Programs" in fulfillment of requirements contained in AB x1-1 (Pérez, 2013). The report presents eligibility and enrollment data covering October 1, 2013, through September 30, 2014, to provide an overview of activity since the start of the initial Covered California open enrollment period. A grant from the California Healthcare Foundation provided funding for Mathematica, Inc. to be brought in for consulting and design services on the report. The legislation set out a list of metrics for both agencies to report on, including applications, plan enrollment, demographic information, and results of appeals. AB x 1-1 required the reports to be issued quarterly beginning in April 2014, but various challenges have prevented the reports from being released on that schedule. The final draft of the report was subject to input from stakeholders and various control agencies over the last month, and many of their comments and suggestions were incorporated. DHCS is currently working to finalize the report. DHCS and Covered California plan to share the final report with stakeholders and post the report on their websites. The next report is expected to be published this April and will cover activity from October 2014 through December 2014.

Drug Medi-Cal Organized Delivery System Waiver

In November 2014, DHCS submitted an amendment to the 1115 "Bridge to Reform" demonstration waiver for Substance Use Disorder (SUD) services. CMS has 120 days to issue a decision on the waiver. DHCS is working closely with CMS regarding the provisions outlined in the waiver submission. DHCS convened a Drug Medi-Cal Organized Delivery System (DMC-ODS) waiver advisory group meeting on February 13. DHCS presented the draft state/county contract for counties that opt-in to the waiver. DHCS also discussed the DHCS state implementation plan for waiver activities. DMC-ODS waiver documents are available on the DHCS website.

AB 1296 Workgroup

The AB 1296 Workgroup continues to meet regularly to discuss policies and operational issues related to eligibility, enrollment, and retention in subsidized health coverage programs. DHCS works in collaboration with Covered California, legislative staff, consumer advocates, health plans, and counties to stay informed and address eligibility and enrollment issues. The most recent AB 1296 workgroup meeting was held at Covered California on February 12, where the major discussion points included the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS) Notices Functionality, updates on upcoming system changes, and the ongoing transition process of consumer eligibility between Medi-Cal and Covered California health coverage. For meeting information, materials, or historical documents, please visit the DHCS website.

Stakeholder Advisory Committee (SAC)

The purpose of the SAC is to provide DHCS with feedback on 1115 "Bridge to Reform" 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. DHCS held its most recent SAC meeting on February 11. To view meeting materials, as well as materials from prior meetings and the schedule for meetings in 2015, please visit the DHCS website. The next SAC meeting is scheduled for May 20.

Covered California to Medi-Cal Transitions

Covered California completed its annual renewal process at the end of December 2014. More than 100,000 individuals eligible to receive an Advanced Premium Tax Credit (APTC) were identified as Medi-Cal-eligible due to either a decrease in income or a change in household size. In January, DHCS, through coordinated efforts with Covered California, implemented a transition process for Covered California subscribers transitioning to Medi-Cal. The goal of the transition process is to maintain health coverage, minimize coverage gaps, and, to the extent possible, match individuals to the same managed care health plan they received coverage through while enrolled in Covered California. The first group of individuals transitioned to Medi-Cal was either assigned to a permanent aid code at the county level or was assigned a temporary aid code by DHCS. This aid code is designed to provide members with health benefits without a break in coverage until the county human services agency can complete a

final eligibility determination and provide notices to members. DHCS provided Medi-Cal welcome packets to all transitioned individuals. Beneficiary Identification Cards (BICs) were sent to individuals if they did not have one previously. To the extent possible, transitioning individuals were given the same health plan they were enrolled in under Covered California. Otherwise, DHCS used a plan assignment algorithm to enroll them into a new health plan. The transition process will continue to take place on a monthly basis until an automated process can be programmed to effectuate a seamless transition for this population.

Hospital Presumptive Eligibility

DHCS implemented the Hospital Presumptive Eligibility (HPE) Program in January 2014. As of February 1, 276 hospitals have successfully become HPE providers and enrolled approximately 210,000 individuals into HPE coverage. HPE provides up to two months of immediate Medi-Cal coverage while the applicant submits a full Single Streamlined Application to see if they qualify for one of the state's insurance affordability programs. DHCS maintains a list of HPE providers, as well as a list of hospitals whose HPE applications have been submitted, but are in pending status. Both lists are posted on the DHCS website and updated weekly.

Express Lane Enrollment to Medi-Cal Project

The Express Lane Enrollment Project is based upon federal guidance designed to help streamline Medi-Cal enrollment for CalFresh recipients. The initial targeted population was approximately 600,000 adults and 150,000 children currently enrolled in CalFresh, but not enrolled in Medi-Cal. This population was mailed a notice informing them of their Express Lane eligibility in February 2014. The Express Lane Enrollment Project concluded 2014 with its second mass mailing to CalFresh beneficiaries. The mailings began in October 2014 with Alameda, Los Angeles, and San Diego counties and finished in November with the remaining 55 counties. In total, 306,836 notices were mailed out to Express Lane eligible individuals. This mailing was comprised of newly eligible CalFresh members and non-responders from the original Express Lane mailing in February 2014. As of February 6, 208,202 beneficiaries have been enrolled into Medi-Cal through the Express Lane Enrollment Project.

Affordability and Benefit Program for Low-Income Pregnant Women and Newly Qualified Immigrants (NQIs)

DHCS is required by law to consult with the Exchange, health plans, stakeholders, and consumer advocates to discuss the various opportunities available to inform pregnant women about their Medi-Cal and Covered California eligibility options, including full-scope coverage, and NQIs about payment assistance for their premiums and cost sharing. At previous meetings, DHCS and stakeholders have focused their efforts on implementing full-scope coverage for pregnant women with incomes between 0 and 138 percent of the federal poverty level (FPL). DHCS expects to receive federal approval to expand FPL coverage for pregnant women within the next few months. At the February 20 meeting, DHCS will provide stakeholders with a status update of the federal approvals and the status of system implementation and notification efforts to inform pregnant women. For more information, log on to the DHCS website.

California. Medicaid Management Information System (CA-MMIS) Replacement System

DHCS' partnership with the Medi-Cal stakeholder community ensures accessible and affordable quality health care services for Californians. To further this effort, development and implementation of a CA-MMIS replacement system, referred to as CA-MMIS Health Enterprise (HE), is underway. This will result in the transition to a more streamlined and integrated system. The robust HE technology is only one piece of the project's success. DHCS will also focus on helping stakeholders transition to the new system by working together to support people and processes. The new technology and processes will provide business value and improvements to customers (end-users, providers, and members), while enabling new levels of Medicaid Information Technology Architecture (MITA) business maturity. The multi-year HE transition takes advantage of similar systems used in other states. The existing CA-MMIS system will be gradually replaced over several major releases. DHCS designed the releases to adhere to federal MITA technology standards, which will allow the state to maximize federal funding opportunities. HE's business operation will transition gradually, providing additional capabilities, and finally supporting all the various Medi-Cal programs. Watch for updates and news about the HE system in future Stakeholder Communication Updates.

Full Scope Expansion for Pregnant Women

DHCS is seeking federal approval to expand the income eligibility level for full scope Medi-Cal benefits for pregnant women. The current income ceiling for full scope coverage of pregnant women is at 60% of the FPL. The expansion will raise the ceiling up to 138% FPL. DHCS has submitted a State Plan Amendment to increase the income level up to 109% of FPL and an 1115 Waiver Amendment to increase the income level up to 138% of FPL for federal approval of the expansion. It is anticipated that CMS will approve the full scope expansion for pregnant women later this month. DHCS is working collaboratively with Covered California, the County Welfare Directors Association, counties, CalHEERS, and the Statewide Automated Welfare Systems (SAWS) teams in joint application design sessions to implement the necessary system changes and noticing for pregnant women. The exact implementation date is still to be determined based upon the final design sessions, but it is DHCS' goal to implement as quickly as the system changes can be made.

County-Specific Dental Performance Measures and Benchmarks

DHCS has developed a new methodology to establish the Dental Managed Care (DMC) benchmarks on an annual basis using county-specific Denti-Cal fee-for-service (FFS) utilization data as opposed to the original methodology that used statewide Denti-Cal FFS utilization data. This county-specific methodology is more appropriate as DMC currently operates only in Sacramento and Los Angeles counties. Under this new methodology, DHCS will utilize Fresno County FFS utilization data to set DMC benchmarks for Sacramento County and Los Angeles County FFS utilization data to set DMC benchmarks for Los Angeles County. DHCS anticipates that this new approach will assist the DMC plans in successfully attaining the benchmarks for each contract

year and work toward surpassing DHCS expectations. This new methodology will also afford DHCS the opportunity to evaluate the health and needs of each individual DMC program as well as DHCS goals for the program on an annual basis, thereby preserving and continually striving to improve access to care and utilization of services for Medi-Cal DMC members.

Hospital Dentistry Update

DHCS is in the process of establishing streamlined departmental policies and procedures for dental services provided under general anesthesia. These policies and procedures are currently in the internal review phase. Clarifying documentation describing the updated policies and procedures will be released upon the completion of the internal and external review processes. Additionally, DHCS will continue to engage stakeholders to proactively ensure that all members who are in need of hospital dentistry services will have timely access to care, and that the provider and stakeholder communities are educated in the updated policies and procedures upon implementation.

DHCS Office of Family Planning Stakeholder Meeting

For calendar year 2015, DHCS will convene quarterly family planning stakeholder meetings. These meetings are held to discuss operational and policy issues related to reproductive health care policies within the Medi-Cal delivery systems. The meeting announcements are posted on the DHCS Calendar of Events.