



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.

Section 1115 Waiver Renewal

DHCS and the Centers for Medicare & Medicaid Services (CMS) are continuing discussions on the design, financing, and terms of the proposed Section 1115 “Bridge to Reform” Medicaid waiver. California’s current waiver expires at the end of October. Over the last several months, DHCS has engaged stakeholders to develop the concepts for inclusion in the application to CMS to renew waiver authority for another five-year term. Our goal is to receive approval by November 1. Information on the waiver renewal, including specific strategies under consideration along with stakeholder input, is available on the waiver renewal [website](#). CMS is currently accepting public comments on California’s waiver renewal submission on its [website](#) through May 10. DHCS invites stakeholders to also submit comments and letters of support directly to CMS.

Superior Systems Waiver (SSW) Renewal

On May 15, the draft SSW renewal application will be posted on the SSW [webpage](#) for additional stakeholder review, and by June 30, DHCS will submit the two-year SSW renewal application to CMS. The SSW describes the utilization review process used by hospitals that serve Medi-Cal patients. The current SSW expires on September 30. DHCS has worked with stakeholders through webinars to outline the content of the renewal application, answer questions, and solicit input. The renewal will describe how DHCS plans to transition the 40 non-designated public hospitals and approximately 350 private hospitals from the use of treatment authorization requests (TARs) for most hospital stays to the use of their own utilization management systems using nationally recognized, evidence-based medical criteria. In this approach, DHCS will conduct post-payment clinical and administrative monitoring and oversight. This utilization management method is described in the current SSW and is already being used by the state’s designated public hospitals, which have transitioned from the TAR process.

Stakeholder Advisory Committee (SAC)

The next SAC meeting will be held on May 20. 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 the department. 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. To view meeting materials, as well as materials from prior meetings, and the schedule for committee meetings in 2015, please visit the DHCS [website](#).

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

The next regularly scheduled MCHAP meeting is set for May 22 in Sacramento. DHCS hosted an interim MCHAP meeting on April 28 to discuss network adequacy standards in Medi-Cal managed care health plans. 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](#).

California Children’s Services (CCS) Redesign

The next CCS redesign stakeholder meeting is scheduled for May 29. 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) to inform DHCS’ efforts to develop new models for the CCS program. The RSAB is comprised of individuals from various organizations and backgrounds with expertise in both the CCS program and care for CYSHCN. In addition to the RSAB meetings, a series of topic-specific technical workgroups will be conducted with experts in issues identified by the RSAB as being of greatest importance to CYSHCN and the CCS redesign process. Please visit the DHCS [website](#) for more information.

Medi-Cal Dental Measurements Stakeholder Engagement Efforts

As a result of California State Auditor (CSA) findings and recommendations for the Medi-Cal dental program, DHCS in May will issue beneficiary utilization and provider participation measurements in the Medi-Cal dental fee-for-service delivery system. These measurements will be used to support targeted mitigation strategies and outreach plans in counties that perform below the proposed benchmarks, with the primary goal of increasing access to dental care for Medi-Cal beneficiaries. Information related to the development of these measurements can be found on the Medi-Cal dental stakeholder [website](#).

Palliative Care (SB 1004) Stakeholder Efforts

A stakeholder meeting is scheduled for June 5 to further discuss palliative care models and options for implementing SB 1004 (Hernandez, 2014). SB 1004 requires DHCS to establish standards and provide technical assistance for Medi-Cal managed care plans to ensure the 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 consumers. Implementation of SB 1004 will be informed by related efforts under the Coordinated Care Initiative (CCI) and Delivery System Reform Incentive Payments (DSRIP) program. Please visit the DHCS [website](#) for more information and to view materials from previous stakeholder meetings.

Medi-Cal Managed Care Advisory Group (MCAG) Meeting

The next MCAG meeting will be held on June 11. The purpose of the MCAG is to facilitate active communication between the managed care program and all interested parties and stakeholders. Members include stakeholders and advocates, legislative staff, health plan representatives, medical associations, and providers. The last MCAG meeting was held on March 12 and included discussion/updates on the 1115 waiver renewal application, managed care performance dashboard, network adequacy project, managed care organization tax bill, mobile vision services program, and managed care operations. To view meeting materials, materials from prior meetings, and the 2015 schedule for meetings, please log on to the DHCS [website](#).

Every Woman Counts (EWC)

On June 11, EWC will convene a meeting of the Breast and Cervical Cancer Advisory Council (BCCAC) and other program stakeholders. The meeting agenda will include a guided discussion of EWC program priorities, recent federal policy changes involving funding requirements, and patient navigation issues. Later that day, more than 150 invited participants, health educators, nurse consultants, patient advocates, policy makers, and other stakeholders will gather in Sacramento to kick off the 2015 EWC Breast and Cervical Cancer Symposium (June 11-12). The first session of the symposium will be devoted to business meetings tailored specifically to EWC regional contractors and staff. The second day has a broader focus and will include all stakeholders concerned with the early detection and diagnosis of breast and cervical cancer. EWC provides free breast and cervical cancer screening and diagnostic testing for California's underserved women. For more information, please visit the DHCS [website](#).

California Hospice and Palliative Care Association (CHAPCA)

DHCS will hold its quarterly CHAPCA meeting on June 17. The quarterly CHAPCA meetings provide an opportunity to discuss and resolve managed care and fee-for-service Medi-Cal claims, reimbursement rates, system edits, and policy issues that impact California hospice providers.

1915b Mental Health Waiver Renewal

DHCS has not yet received feedback from CMS regarding the waiver renewal application. The existing waiver expires on June 30. As part of the waiver renewal development process, DHCS convened a stakeholder webinar in March. Stakeholders can still provide comment and/or feedback via the DHCS [website](#).

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

Release 2.0 of the CA-MMIS replacement system is scheduled for June 2015 and will allow impacted providers who participate in member enrollment for the Child Health Disability Prevention Program, Breast and Cervical Cancer Treatment Program, and

Hospital Presumptive Eligibility to submit beneficiary enrollment via the Health Enterprise (HE) portal. The existing CA-MMIS system will gradually be replaced over several major releases that are designed to ensure a smooth transition, minimize risk, and maximize program and stakeholder engagement. CA-MMIS HE Release 1 was deployed in December 2014, establishing the infrastructure and initial platform for the system design and establishing a web-based online portal as HE's primary access point. Release 2.3 is planned for September 2015 and will implement the initial functionality for end-to-end claims processing, which is HE's primary purpose.

Clinical Laboratory and Laboratory Services Rate Methodology

DHCS is targeting a July 1 effective date to implement the new clinical laboratory and laboratory services rate methodology. Assembly Bill (AB) 1494 requires DHCS to develop a new rate setting methodology for clinical laboratories and laboratory services that is based on the average of the lowest prices other third-party payers are paying for similar services. The bill also implements a 10 percent payment reduction, excluding services under the Family Planning, Access, Care, and Treatment (FPACT) program, effective July 1, 2012, for clinical laboratory and laboratory services until a new rate setting methodology is approved. This payment reduction is in addition to the current AB 97 10 percent payment reduction. DHCS has submitted a State Plan Amendment (SPA) detailing the new methodology for approval by CMS. DHCS engaged in extensive data collection efforts with stakeholders to develop the new methodology.

California Clinical Laboratory Association (CCLA)

DHCS will hold the next CCLA meeting on July 15. The quarterly CCLA meetings provide an opportunity for DHCS and laboratory providers and stakeholders to discuss Medi-Cal claims, reimbursement rates, system edits, and policy issues that impact Medi-Cal laboratory providers.

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

DHCS held a DMC Organized Delivery System (DMC-ODS) waiver advisory group meeting in March to discuss stakeholder input regarding the draft state/county contract. DHCS is working closely with CMS on securing waiver approval. The next waiver advisory group meeting will be scheduled after the implementation of Phase 1 and before Phase 2 of the waiver. Also, DHCS is hosting a conference in Garden Grove on October 26-27 entitled "Organizing California's SUD Delivery System." The DMC-ODS provides a continuum of care modeled after the American Society of Addiction Medicine criteria for SUD treatment services, enables more local control and accountability, provides greater administrative oversight, creates utilization controls to improve care and efficient use of resources, implements evidenced-based practices in substance abuse treatment, and coordinates with other systems of care. For more information, please visit the DHCS [website](#).

Cal MediConnect

As of April 1, 2015, the one-year anniversary of the launch of the program, there are 122,520 beneficiaries enrolled in Cal MediConnect, including 10,113 in San Mateo, 14,989 in Riverside, 14,724 in San Bernardino, 19,242 in San Diego, and 56,216

in Los Angeles. Passive enrollment will conclude in San Mateo, Riverside, San Bernardino, and San Diego at the end of April, and in Los Angeles at the end of June. Passive enrollment in Santa Clara began in January and will begin in Orange in August. Enrollment data is available on the Cal MediConnect [dashboard](#). DHCS in March released [Duals Plan Letters](#) (DPL) clarifying primary care provider (PCP) assignments and continuity of care requirements for plans with delegated provider entities. In partnership with health plans, providers, beneficiaries, and other stakeholders, DHCS continues to explore ways to improve the program and to ensure that it is delivering on its promise of integrating and improving the quality of care for California's dually eligible beneficiaries. For more information, please visit the DHCS [website](#).

Psychotropic Medications

DHCS and the California Department of Social Services (CDSS) released in April "California Guidelines for the Use of Psychotropic Medication with Children and Youth in Foster Care." This inter-departmental effort produced a guide to best practices for the treatment of mental health conditions affecting children and youth in out-of-home care. The guidelines have been developed for use in conjunction with existing mandatory state regulations related to the provision of Medi-Cal-funded mental health services and community care licensing regulations related to foster homes, group homes, and residential treatment centers. We expect that the guidelines will evolve over time in response to updated research and the evolution of best practices, and in response to feedback from youth, families, prescribers, other providers, and stakeholders. The guidelines, which will be reviewed annually, are posted on the DHCS [website](#).

School-Based Medi-Cal Administrative Activities (SMAA)

CMS and DHCS in October 2014 reached a settlement agreement for the SMAA program deferral that provides interim payments on a tiered structure to school districts for all deferred claims greater than \$25,000, and requires backcasting as the means of reconciling the balance of the claims. Backcasting is a method by which future desired conditions are envisioned, and steps are then defined to attain those conditions. SMAA stakeholders raised concerns regarding the potential adverse impact of implementing a backcasting methodology. In order to address stakeholder concerns, DHCS submitted an SMAA stakeholder proposal to CMS that recommended eliminating the tiered payment structure and settling all claims greater than \$25,000 at 75 percent of the original claim amount with no backcasting. Claims up to \$25,000 would be paid in full. CMS denied that proposal in favor of the original October 2014 agreement and directed DHCS to submit a backcasting proposal per the original agreement. A backcasting proposal was submitted to CMS on April 1. DHCS is in ongoing discussions with CMS on the proposal.

Medical Exemption Requests (MER)

Effective April 8, DHCS discontinued auto approving all seniors and persons with disabilities' (SPD) MERs. DHCS began auto approving SPD MERs about two years ago. The MER allows beneficiaries who are required to mandatorily enroll in managed care to remain in fee-for-service Medi-Cal for up to twelve months, or 90 days postpartum, instead of transitioning to a managed care plan. To be eligible for a MER,

a beneficiary must have a complex medical condition and could have their condition worsen if transitioned to managed care. If a MER is approved, the beneficiary may continue to see the FFS provider until the condition is stabilized. Beneficiaries may also request a renewal of their MER when it expires.

Full Scope Medi-Cal Coverage and Affordability Benefit Program for Low-Income Pregnant Women and Newly Qualified Immigrants (NQI)

DHCS is required by state law to consult with California's Health Benefit Exchange, health care service plans, stakeholders, and consumer advocates to discuss the various processes and procedures for noticing opportunities 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. 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 soon to expand FPL coverage for pregnant women. Also, given the CMS discussions regarding [minimum essential coverage](#), the focus of future meetings will be on the NQIs. For more information, please view the DHCS [website](#).

Behavioral Health Treatment (BHT)

DHCS 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. 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 to cover BHT in Medi-Cal. More than 1,069 members are accessing BHT services through Medi-Cal managed care plans, and phone inquiries to the health plans have increased significantly. More than 1,288 members have been referred for comprehensive diagnostic evaluations, and another 504 have completed evaluations. Also, about 1,607 members have been referred for behavioral assessments, and 958 have completed them. More information on BHT and stakeholder meetings is posted on the DHCS [website](#).

AB 1296 Workgroup

The major items discussed at the April 17 AB 1296 workgroup meeting included the CalHEERS 24-month roadmap, updates on upcoming system changes, and the transition process of consumer eligibility between Medi-Cal and Covered California health coverage. The AB 1296 workgroup will continue to meet regularly to discuss policies and operational issues related to eligibility, enrollment, and retention in subsidized health coverage programs. For meeting information, materials, or historical documents, please visit the DHCS [website](#).

Welltopia

[Welltopia](#), a new website launched in February by DHCS and the U.C. Davis Institute for Population Health Improvement, offers a wide range of essential resources to help Californians, especially those with limited incomes, build healthier lives and

communities. Designed to complement DHCS's popular [Welltopia by DHCS](#) Facebook page, the new website serves as a comprehensive resource connecting individuals, families, and communities to credible information that addresses the social determinants of health and the leading causes of preventable death. The website includes information on nutrition, physical activity, smoking cessation, alcohol and drug abuse prevention, stress management, health insurance, residency, and social services, among others. The site also contains videos, photos, and graphics with information about health-related programs. If you have any questions or would like to suggest that additional resources be added to the new website, please contact [Welltopia](#).