



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.

Medicaid Section 1115 Waiver Renewal Update

On October 31, DHCS and the Centers for Medicare & Medicaid Services (CMS) announced a conceptual [agreement](#) that outlines the major components of California's 1115 Medicaid waiver renewal, along with a temporary extension to December 31 of the existing waiver while we specify the details of the renewal through the official Special Terms and Conditions. The total initial federal funding in the renewal is \$6.218 billion, with the potential for additional federal funding in the global payment program to be determined after the first year. The conceptual agreement includes the following core elements: Global Payment Program for services to the uninsured in designated public hospital (DPH) systems; delivery system transformation and alignment incentive program for DPHs and district/municipal hospitals, known as PRIME (Public Hospital Redesign and Incentives in Medi-Cal); dental transformation incentive program; Whole Person Care pilot program that would be a county-based, voluntary program to target providing more integrated care for high-risk, vulnerable populations; independent assessment of access to care and network adequacy for Medi-Cal managed care members; and independent studies of uncompensated care and hospital financing. In addition, the waiver extension and renewal will continue the programs currently authorized in the current waiver, including the Drug Medi-Cal Organized Delivery System, Coordinated Care Initiative, and Community-Based Adult Services.

Coverage for all Children – Senate Bill (SB) 75

On November 17, DHCS will conduct a webinar to share SB 75 (2015) implementation planning efforts with stakeholders. SB 75 requires DHCS to provide children under age 19, who do not have satisfactory immigration status or are unable to establish satisfactory immigration status, with full-scope Medi-Cal benefits no sooner than May 1, 2016, upon the DHCS Director's written communication to the Department of Finance that the system is ready to enroll these children into full-scope coverage. DHCS will work collaboratively with interested stakeholders on implementation efforts. Please contact DHCS at SB75EligibilityandEnrollment@dhcs.ca.gov for additional information.

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

On November 16, DHCS will hold the next regularly scheduled MCHAP meeting in Sacramento. Featured speakers will address the expansion of coverage to all children,

as well as the barriers to reaching the undocumented population that they experienced in previous outreach programs. DHCS hosted an MCHAP meeting on September 10 to discuss characteristics of the Medi-Cal child population and plans to make policy recommendations through three new workgroups on pediatric dental issues, network adequacy, and behavioral health. 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](#).

Provider Enrollment Division (PED) Conference Call with Drug Medi-Cal (DMC) Providers and Stakeholders

On November 9, DHCS' PED will hold the next regularly scheduled conference call with DMC providers and stakeholders to continue PED's communication efforts related to DMC provider certification. PED reserves the second Monday of every month to provide updates on the continued certification process, upcoming events, and general guidance. Providers and stakeholders are encouraged to ask questions about the DMC application process/requirements. For conference call information, provider bulletins, and frequently asked questions, please visit the DHCS [website](#).

Intravenous Sedation and General Anesthesia Guidelines for Dental Procedures

Effective November 1, dental providers are required to submit a Treatment Authorization Request (TAR) to provide intravenous sedation and general anesthesia services for dental procedures. DHCS has developed criteria and guidelines for intravenous conscious sedation, deep sedation, and general anesthesia for dental procedures that will be implemented across all health care delivery systems and programs. DHCS worked collaboratively with stakeholders during the development of the policy, and conducted a webinar in September to review stakeholder feedback and present the final policy. This same policy was implemented this year through a provider bulletin to fee-for-service providers and an All Plan Letter to Medi-Cal managed care health plans.

Internal Revenue Service (IRS) Form 1095-B

Internal Revenue Code Section 6055 requires DHCS to issue IRS Form 1095-B to each Medi-Cal beneficiary who received minimal essential coverage (MEC) for any month during the tax year to avoid a tax penalty. The Affordable Care Act mandated that all individuals are required to obtain health coverage, which meets MEC requirements, for at least nine months of the calendar year. In November, DHCS will mail a Form 1095-B letter in the quarterly *Jackson vs. Rank* mailing to all current Medi-Cal heads of household about potential tax penalties if they failed to maintain qualifying health coverage. They should expect to receive the Form 1095-B by January 31, 2016. The Form 1095-B letter will be in English and Spanish, with tag lines provided for the remaining threshold languages. Additional information from the IRS MEC Reporting Workgroup is available by visiting the DHCS [website](#). Questions about Form 1095-B may be submitted to 1095-B@dhcs.ca.gov.

Coordinated Care Initiative (CCI)

As of October 1, there were 117,179 members enrolled in Cal MediConnect: 9,806 in San Mateo, 14,122 in Riverside, 14,084 in San Bernardino, 17,071 in San Diego, 47,619 in Los Angeles, 11,854 in Santa Clara, and 2,623 in Orange. Enrollment data is available on the Cal MediConnect [dashboard](#). Only Orange County and Santa Clara County residents are being passively enrolled into Cal MediConnect at this time. Passive enrollment in Santa Clara will conclude in December 2015. Passive enrollment in Orange County began on August 1. On November 1 in Orange County, CalOptima will start passive enrollment for members residing in long-term care (LTC) facilities—on a facility-by-facility basis. The schedule for LTC enrollment can be found [here](#). Passive enrollment in Orange County is expected to conclude in July 2016. Additionally, DHCS has released a second Health Risk Assessment dashboard, covering April 2014 to March 2015, which can be found [here](#). Lastly, in partnership with health plans, providers, members, 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. Efforts currently in development include a new resource guide and choice book for members with full-scope Medicare and Medi-Cal eligibility in CCI counties, a member toolkit, a case manager toolkit, and tailored outreach to providers. For more information, please visit the DHCS [website](#) or calduals.org.

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

On October 22, DHCS hosted a DMC-ODS stakeholder webinar to outline the final approved Standard Terms and Conditions for the DMC-ODS waiver. DHCS also hosted a conference in Garden Grove on October 26 and 27, entitled “Organizing California’s SUD Delivery System” focusing on the implementation of the DMC-ODS. On August 13, CMS approved the DMC-ODS waiver, once again putting California at the forefront of improving and integrating health care for our members. The new waiver allows California to improve the state’s alcohol and drug abuse treatment system by organizing it into a coordinated continuum of care – from outpatient treatment to residential centers, withdrawal management, recovery services, and physician consultation. 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 Bay Area Phase One counties. Phase Two implementation began on November 1 for southern counties. 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. DHCS is actively designating residential alcohol and/or other drug treatment facilities with the appropriate ASAM level of care. For more information about the DMC-ODS waiver, please visit the DHCS [website](#).

California Children’s Services (CCS) Redesign

On October 21, DHCS held its first CCS Advisory Group (AG) meeting that reconvened interested stakeholders, including parents and family advocates, to discuss implementation of the Whole-Child Model and improvements to the CCS program statewide. Discussion topics included care coordination and performance and quality measures. In addition to the AG meeting, DHCS also facilitated two technical

workgroup webinars in late September and early October. Meeting materials, including agenda and presentations, for the technical workgroups and the AG meeting can be found on the [CCS AG website](#). The next AG meeting is scheduled for January 6, 2016, in Sacramento, and additional technical workgroup meetings are being scheduled. For more information, please visit the CCS AG website or e-mail CCSRedesign@dhcs.ca.gov.

Medi-Cal Access Program (MCAP)

On October 12, DHCS successfully integrated the eligibility rules for MCAP into the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS). The MCAP provides pregnant women who are above Medi-Cal income limits with comprehensive coverage during pregnancy and postpartum period for a low cost with no copayments or deductibles. DHCS updated the MCAP [website](#) to inform prospective applicants to apply for benefits through the Covered California [website](#), and the MCAP website provides a link to access the online application. DHCS worked extensively with consumer and maternal child health advocates to integrate the eligibility rules for MCAP into CalHEERS.

Former Foster Youth

On October 12, DHCS successfully integrated eligibility determinations for the former foster youth program into CalHEERS. All former foster youth applying through the Covered California website will enroll into Medi-Cal and receive immediate coverage regardless of their income. DHCS worked extensively with former foster youth stakeholders to improve the DHCS webpages with information about the former foster youth Medi-Cal program. The redesigned webpages provide targeted information to former foster youth, county staff, service providers, and stakeholders. New flyers have been added to the webpages to assist counties in their outreach efforts to this population. Please visit the DHCS [website](#) for more information about this program.

Health Homes Program (HHP)

On October 9, DHCS released a Request for Interest (RFI) to Medi-Cal managed care plans to gauge their interest and capability to implement the HHP in 2016. DHCS will evaluate the responses and determine the initial implementation counties for the HHP. DHCS will also release a Request for Proposal (RFP) to interested plans that will request more detailed information than the RFI. The RFP will include additional information developed by DHCS, such as eligibility criteria, population data, case manager ratios, and the results of the provider RFI responses. In counties identified for initial implementation, DHCS will release a separate RFI to community-based providers to allow them to self-assess their ability to provide required HHP services. DHCS will evaluate these RFI responses and use the results to assist the plans in developing their member networks. For more information about the HHP, please visit the DHCS [website](#).

Stakeholder Advisory Committee (SAC)

The next SAC meeting will be held on February 25, 2016, in Sacramento. 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 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. The October 14 meeting included updates on the 1115 waiver renewal, DMC waiver implementation, health homes, and Medi-Cal utilization data for children. To view meeting materials, as well as materials from prior meetings, and the schedule for committee meetings in 2016, please visit the DHCS [website](#).

Palliative Care (Senate Bill 1004)

DHCS is continuing to develop policy to implement Senate Bill 1004 (Hernandez, 2014). SB 1004 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 a draft Medi-Cal palliative care concept paper and held a webinar on October 5 to present the proposed eligible condition and definition of palliative care services. DHCS has received a number of stakeholder comments on the paper and has posted them on the SB 1004 [website](#). DHCS is currently reviewing stakeholder comments and considering revisions to the concept paper. Please visit the above website to view the concept paper, stakeholder feedback, and materials from the October 5 and previous stakeholder meetings.

Superior Systems Waiver (SSW) Renewal Update

On October 1, CMS approved the SSW renewal application for a two-year period, from October 1, 2015, through September 30, 2017. The SSW describes the utilization review process for acute inpatient hospitals that serve fee-for-service Medi-Cal patients. It specifies how non-designated public hospitals and private hospitals will transition over the next two years from the current use of treatment authorization requests (TAR) for most hospital stays to the use of their own utilization management systems using nationally recognized, evidence-based medical criteria, followed by DHCS post-payment clinical and administrative monitoring and oversight. This utilization management method is being used by California's 21 designated public hospitals, which DHCS has already transitioned from the TAR process. DHCS plans to roll out the new process incrementally, beginning with a small group of 11 hospitals. This measured implementation plan will help DHCS ensure that appropriate processes and system changes are in place so that hospital claims can be paid in a timely manner. DHCS anticipates that implementation will begin in February 2016. Additional information can be found on the DHCS [website](#).

Newly Qualified Immigrants Transition to Covered California

DHCS is working with Covered California to design and implement a no-cost qualified health plan (QHP) for newly qualified immigrants (NQIs) who are 21 years of age or older and would otherwise be eligible for Medi-Cal, but for the five-year eligibility limitation. DHCS will pay the beneficiary's monthly premiums and any other cost sharing obligations. The no-cost QHP will enable NQIs to receive full-scope medical coverage. DHCS anticipates NQIs will be able to opt into the no-cost QHP plan during open enrollment 2016, with health plan coverage available as early as January 2017. DHCS provides periodic updates to affected advocates during the department's Immigration Workgroup meetings and will consult with this group on beneficiary noticing and enrollment options.

Medi-Cal Electronic Health Record (EHR) Incentive Program

As part of the Medi-Cal EHR Incentive Program, DHCS recently awarded contracts totaling \$37.5 million (90 percent federal financial participation) to four vendors to provide technical assistance to eligible professionals wishing to implement and use in a meaningful way certified electronic health record technology. The California Technical Assistance Program (CTAP) is modeled after the federal Regional Extension Center (REC) program administered by the Office of the National Coordinator, and will include specialists and larger groups previously excluded under the REC program. The successful CTAP vendors are the California Health Information Partnership and Services Organization, Health Information Technology Extension Center for Los Angeles, CalOptima, and Object Health, which will serve 7,500 eligible professionals, increasing the number of unique professionals participating in the Medi-Cal EHR Incentive Program to 16,882. As of October 1, more than \$1.1 billion in incentive payments have been made to eligible professionals and 252 eligible hospitals.

Adult Medicaid Quality Grant

DHCS was awarded a federal grant in September to help California improve outcomes in Medi-Cal. The grant, entitled *Adult Medicaid Quality: Contraceptive Use Measure Grant*, will allow California a unique opportunity to collect and report Medicaid data to CMS on a new developmental quality measure that assesses contraceptive use in women, while also helping states improve perinatal health outcomes. Through this grant, CMS will support states' data collection, measurement, and reporting efforts for this measure. The baseline data using calendar year 2014 data is due to CMS by January 31, 2016. These data will also be useful in identifying opportunities to improve health care quality for women of childbearing age enrolled in Medicaid and to drive changes in care practices and delivery.

Behavioral Health Treatment (BHT)

DHCS recently announced a delay until February 1, 2016, of the transition of responsibility for providing BHT services from Regional Centers to DHCS Medi-Cal managed care health plans (MCPs) and of financial responsibility from Regional Centers to DHCS. This delay will provide additional time for DHCS and the Department of Developmental Services (DDS) to prepare for the transition. Given the transition delay, and while awaiting federal approval of a State Plan Amendment, DHCS has temporarily suspended stakeholder meetings. DHCS will convene a meeting when there is new information to share. In the interim, as appropriate, DHCS will post informational updates to the BHT page on DHCS' website. DHCS has worked closely with DDS, MCPs, Regional Centers, and stakeholders since CMS released guidance requiring states to cover BHT for children with autism spectrum disorder under the Early and Periodic Screening, Diagnostic, and Treatment benefit. One year has passed since DHCS established BHT services in the MCPs. For the period September 15, 2014, through September 30, 2015, MCPs received 7,524 calls regarding BHT services; 2,868 members are receiving BHT services; 3,075 members were referred for a comprehensive diagnostic evaluation (CDE); and 2,357 CDEs were completed. Nearly 4,200 members were referred for a behavioral assessment, with 2,853 assessments completed. On August 14, 2015, DHCS posted the BHT Supplemental Rates for 2014-

2015 on DHCS' BHT website. The Supplemental Rates are in draft form and are informational until approved by CMS. State fiscal year 2015-2016 capitation rates to be paid to MCPs are being updated to reflect changes in transition assumptions and will be posted to DHCS' website as soon as they are available. More information on BHT is posted on DHCS' [website](#).

California Pink Ribbon License Plate

On August 19, the Department Motor of Vehicles (DMV) approved the California Pink Ribbon License Plate. The Survivor Sisters, a group of five breast cancer survivors in Northern California, envisioned the first special interest plate to honor cancer survivors and to raise funds to increase breast cancer awareness through early cancer detection. They championed the passage of AB 49 to authorize the plates. AB 49 was signed into law on September 16, 2014. DHCS' Every Woman Counts (EWC) has worked closely with its contractor, the Survivor Sisters, DMV, and the California Highway Patrol to bring the first of its kind Pink Ribbon License Plate to California. A minimum of 7,500 paid pre-orders within a 12-month period is needed for DMV to begin producing the plates. Pre-orders are being accepted at www.PinkPlate.org, and 1,008 pre-orders have been received. Revenue generated by the license plates will go to the Breast Cancer Control Account and will be used to raise breast cancer awareness and support breast cancer early detection efforts, including outreach, education, screening, diagnostic services, and treatment referral for women.

ICD-10 Implementation

DHCS is conducting biweekly external stakeholder meetings, with no reported high severity ICD-10 billing issues from the provider community. DHCS will rapidly investigate and mitigate any issues that are identified, demonstrating the department's commitment to the transition to ICD-10 and delivering quality health care to Medi-Cal beneficiaries. DHCS reports to CMS daily, weekly, and monthly post implementation claims processing metrics. DHCS has not experienced a major increase in rejected claims, suspended claims, claims processing time, or provider calls in the first three weeks of processing ICD-10 claims. DHCS will continue to monitor these metrics and communicate with CMS through the end of March 2016, or longer if needed, to ensure continued success. In addition to California reporting no major issues with ICD-10 implementation, CMS has indicated that no other states have reported significant problems with the implementation of ICD-10.

Updated Quality Performance Reports

DHCS contracts with Health Services Advisory Group to evaluate the care provided to members by Medi-Cal managed care health plans in the areas of quality, access, and timeliness. The results of these external quality review activities are presented in various quarterly and annual reports. These reports assess health plan results in required quality improvement and performance measurement activities and help both DHCS and the health plans understand where resources should be focused to further strengthen the quality of care provided. Updated reports that reflect services provided during 2013 are now available on the DHCS [website](#).