



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 a subscriber and would like to receive these updates, 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. Be sure to follow DHCS on social media. Thank you.



Stakeholder Advisory Committee (SAC)

DHCS will host the next SAC meeting on August 11 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 meeting is expected to provide updates on core elements of the Medi-Cal 2020 waiver, including a presentation on the Dental Transformation Initiative (DTI) and an overview of the Uncompensated Care Report and Global Payment Program funding for waiver years two through five. The meeting will also provide updates on the Federally Qualified Health Center Alternative Payment Pilot Project and the Medi-Cal managed care ombudsman system. To view future and prior meeting materials and the 2016 schedule for committee meetings, please visit the DHCS [website](#).

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

DHCS will hold the next MCHAP meeting in Sacramento on September 13. The MCHAP is a 15-member independent statewide advisory body that advises DHCS on matters relevant to children enrolled in Medi-Cal. Meeting topics will include behavioral health issues, a basic orientation of Mental Health and Substance Use Disorder Services, an explanation of funding flows with carve outs, and school funding in relation to mental health care. For meeting information, materials, or historical documents, please visit the DHCS [website](#).

Pharmacy Professional Dispensing Fee and Actual Acquisition Cost Surveys

On January 21, the Centers for Medicare & Medicaid Services (CMS) issued a final rule for covered outpatient drugs, with comment on implementing the Medicaid drug rebate

provisions in the Affordable Care Act (ACA). The effective date of the final rule is April 1, 2016, with a compliance date of April 1, 2017. One notable change is a requirement for states to begin reimbursing pharmacies based upon the actual acquisition cost of a drug. The final rule also replaces the term, “dispensing fee,” with “professional dispensing fee.” DHCS has begun a series of outreach events to various pharmacy stakeholder organizations (California Pharmacists Association, California Retailers Association, National Association of Chain Drug Stores, and representatives from major chain pharmacies and pharmacy wholesalers), as well as California outpatient pharmacy providers, to support surveys to be performed by Mercer Health and Benefits LLC. The surveys will inform Medi-Cal’s drug reimbursement rates as well as the professional dispensing fee or fees for California outpatient pharmacy providers. Both of these surveys began on July 15 and will run through August 15.

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

After CMS approved the DMC-ODS waiver on August 13, 2015, DHCS began its implementation efforts. Twelve counties from the first phase of implementation (Bay Area, Southern California, and Central California) have submitted implementation plans, five of which DHCS has so far approved. DHCS has also approved the interim rates for one county. In addition, CMS has approved the state-county contract, certified public expenditure protocol, and UCLA evaluation plan. 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. 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 July 14, DHCS has issued 444 ASAM designations identifying levels of care within residential facilities. In compliance with the waiver, DHCS is designing an integration plan that must be submitted to CMS by October 2016. DHCS is providing technical assistance through contracted services, regional meetings, county specific sessions, and webinars. The annual DHCS Substance Use Disorders Statewide Conference —“Shifting the SUD Paradigm”— is scheduled for August 23-25 in Garden Grove, followed by an integration plan meeting on August 25. More information about the DMC-ODS waiver is on the DHCS [website](#).

Whole-Child Model and California Children’s Services (CCS) Program Improvements

The CCS Advisory Group held a quarterly meeting on June 29 to provide important information to guide DHCS through the preparation and implementation phases of the Whole-Child Model (WCM). Draft documents, which can be found on the [CCS AG website](#), were shared with stakeholders for comment. DHCS has developed a WCM to be implemented in specific counties no sooner than July 2017. WCM is an organized delivery system that will provide comprehensive, coordinated services for children and youth with special health care needs through enhanced partnerships with County Organized Health System health plans. This approach is consistent with the primary goals of providing comprehensive treatment and focusing on the whole child, including the child’s full range of needs rather than only on the CCS health condition. The next CCS AG stakeholder meeting is scheduled for October 5. For more information, please visit the CCS AG website or e-mail CCSRedesign@dhcs.ca.gov.

Whole Person Care (WPC) Pilot Program

WPC is a five-year program, authorized under the Medi-Cal 2020 waiver. It 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. By the July 1 deadline, DHCS received applications for the WPC pilot program from 18 lead entities. A lead entity may be a county, a city and county, a health or hospital authority, or a consortium of any of these entities. DHCS is currently reviewing the applications. 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. More information about WPC is on the DHCS [website](#).

Global Payment Program (GPP)

On July 14, CMS authorized up to \$944 million in federal funds for the Uncompensated Care (UC) component of the Global Payment Program (GPP) for the Medi-Cal 2020 waiver, demonstration years two through five (\$236 million per year, which is equivalent to the amount in year 1). The total five-year award is now \$7.16 billion. The amount of funds was based on the analysis of two uncompensated care reports contracted by the Blue Shield of California Foundation and developed by Navigant. The analysis was submitted to CMS on May 15, and CMS worked to compute the UC pool of funds. The analysis demonstrated that sufficient uncompensated care still remains for public hospital systems to justify maintaining the \$236 million in UC pool funds for the GPP. The UC report and approval letter from CMS are posted on the DHCS Medi-Cal 2020 waiver [website](#).

Provider Application and Validation for Enrollment (PAVE) Update

Beta testing of the PAVE secure web-based provider portal is expected to begin in late August. PAVE will transform provider enrollment activities from a manual process to a web-based portal that providers can use to complete and submit their application and verifications, and report changes. The portal includes guided preparation, context-based intelligence, social collaboration, secure and private messaging, account management, affiliations management, real-time status tracking, document storage, reporting changes functionality, e-signatures, and much more. Improving the provider enrollment experience is a shared goal, and providers' active participation is encouraged and appreciated. In June and July, DHCS conducted webinars with Medi-Cal providers, provider associations, billers, credentialers, and other provider representatives to recruit beta testers. These webinars gave participants the opportunity to learn more about PAVE, ask questions, and learn about the testing. We also discussed how DHCS and the provider associations can help each other support their members as we transition into an automated, intuitive, efficient, and interactive business process. For more information about the PAVE project and how to get involved, please visit the PAVE [website](#).

Partners for Children (PFC) Pediatric Palliative Care Waiver Renewal

DHCS will host a PFC Pediatric Palliative Care waiver renewal kick-off meeting on August 31. For meeting information, including the call-in number and webinar details, please visit the DHCS [website](#). The purpose of the meeting is to provide an overview of the waiver renewal process and to seek input from waiver participants, family members,

advocates, providers, and other interested stakeholders to guide the development of the waiver renewal application that DHCS will need to submit by July 2017. The waiver renewal is scheduled to be effective from December 27, 2017, through December 26, 2022. The waiver is a 1915c home- and community-based services waiver. DHCS is committed to engaging in a public process for the renewal of the waiver.

Coverage for All Children – Senate Bill (SB) 75

On May 16, DHCS implemented SB 75, which provides 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. As of July 12, full-scope Medi-Cal eligibility has been granted to approximately 93 percent of eligible children previously in restricted scope coverage, retroactive to May 1. DHCS is working closely with all business partners to transition the remaining cases. In addition, since May 16, approximately 13,400 new applicants received full-scope Medi-Cal eligibility under SB 75. Upon establishing full-scope Medi-Cal eligibility, information on managed care enrollment is mailed to beneficiaries. DHCS is updating interested stakeholders on a regular basis via the bi-weekly Immigration Workgroup meetings. Stakeholders seeking additional information may contact DHCS at SB75EligibilityandEnrollment@dhcs.ca.gov or by visiting the DHCS [website](#).

Outreach, Enrollment (O&E) and Renewal Assistance County Grants

Assembly Bill (AB) 82 and Senate Bill (SB) 18 are statewide county grant projects to enroll targeted populations into Medi-Cal and retain current Medi-Cal beneficiaries. Both projects are privately funded and federally matched. To date, DHCS has paid approximately \$13.5 million to 33 counties participating in O&E activities (AB 82) and \$3 million to 15 of 21 counties participating in renewal activities (SB 18). Through the third quarter of fiscal year 2015-16, AB 82 O&E activity reached 1.2 million individuals, provided enrollment assistance to 120,574 individuals, and resulted in 47,017 approved applications. SB 18 has assisted 283,690 individuals with annual eligibility review and retained 149,815 individuals because of renewal assistance efforts. Both projects have been extended to June 30, 2018, per SB 75. For more information, 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 last fall 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, along with the date for the next webinar. Please visit the above website to view the initial concept paper, stakeholder feedback, and materials from previous stakeholder meetings.

California Pink Ribbon License Plate

To date, 2,617 pre-orders have been received for the California Pink Ribbon License Plate. A minimum of 7,500 paid pre-orders are needed by mid-July 2017 for the Department of Motor Vehicles (DMV) to begin producing the plates. You may pre-order the license plate at www.PinkPlate.org. 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. Every Woman Counts is working closely with the Survivor Sisters, DMV, and the California Highway Patrol to bring the first Pink Ribbon License Plate to California.

Dental Contract Awards

On June 27, DHCS awarded the new Dental Fiscal Intermediary and new Dental Administrative Service Organization contracts to HP Enterprise Services, LLC, and Delta Dental of California, respectively. Additional information about each bidder's package is available on DHCS' Office of Medi-Cal Procurement [website](#).

DHCS Office of Family Planning Stakeholder Meeting

DHCS has cancelled the family planning stakeholder meetings for the remainder of the year. A survey will be released in late July soliciting stakeholder feedback to help identify opportunities for improvement and the adoption of best practices for future family planning stakeholder meetings. Future meeting announcements will be posted on the Office of Family Planning stakeholder [website](#).