Health Homes for Patients with Complex Needs:
Program Development Considerations
ACA Section 2703

Creates the new **Health Home** optional Medicaid benefit:

- For intensive care coordination for people with chronic conditions

- The new benefit includes a package of six care coordination services, but does not fund direct medical or social services

- 90% federal funding for eight quarters, and 50% thereafter
Health Home Services

• DHCS is assessing the care coordination MCOs currently provide
  - What would have to be added to complete the Health Homes benefit
  - There can be no duplication of care coordination services

• In addition to medical coordination, other potential focus areas are:
  - Mental health and substance use disorder services
  - Services for homeless members, including linkages to supportive housing
  - Coordination and referral for palliative care services.
AB 361 – enacted in 2013

• Authorizes implementation of ACA Section (§) 2703:
  - Provides flexibility in developing program elements
  - Requires DHCS complete a Health Home program evaluation within two years after implementation
  - Requires that DHCS implement only if no additional General Fund moneys will be used.

• Requires inclusion of a specific target population of frequent utilizers and those experiencing homelessness

• For the target population, the program must include providers with experience serving frequent hospital/ED users and homeless members.
CalSIM Testing Grant

- DHCS is coordinating with the California State Innovations Model (CalSIM) grant application to the Centers for Medicare and Medicaid Innovation (CMMI)

- The CalSIM plan includes a multipayer Health Home proposal, which includes ACA Section 2703 Health Homes in Medi-Cal.

- CA’s application includes $20 million for provider technical assistance to prepare for Health Homes implementation.

- Information about the CalSIM plan and process is available at the this web link: http://www.chhs.ca.gov/pages/pritab.aspx.
The Health Home Population

• AB 361 and the CalSIM proposal focus on:
  – Frequent utilizers of health services
  – Conditions that are likely to be responsive to intensive care coordination
  – Goals of reducing inpatient stays, ED visits, and negative health outcomes, and improving patient engagement.

• Regardless of the specific chronic conditions that are selected:
  – A large percentage of enrollees with SMI and SUD, or who are homeless will be included
  – Whole-person care will include coordination of behavioral health (BH) services and includes linkages to social services, such as supportive housing.
Geography and Phasing

• Federal rules allow CA to select specific geographies for implementation
  – Because Health Homes are an optional Medicaid entitlement benefit, CA must have adequate provider infrastructure to serve the target population in the selected geographies
  – Implementation can be staged in different geographies

• Some considerations:
  – CA could leverage previous care coordination improvements to give the Health Homes program every chance for success
  – Many initiatives in CA have enhanced primary care through practice transformation, PCMH, and Health Home-like efforts.
  – CCI counties have higher care coordination standards, including enhanced coordination with long term care and BH services
  – Provider readiness will be a key consideration
The most likely structure would leverage MCO organization:

- DHCS would 1) determine service definitions and other program and benefit criteria and 2) add funding for Health Home services to MCO capitation payment
- Plans will oversee and pay Health Home providers for services

Outstanding Question: As it relates to provider readiness in specific areas, what roles will the MCO and community-based organizations have in supporting PCPs/Clinics with the provision of Health Home services?
Provider Capacity Considerations

• We have heard the importance of:
  – Avoiding increasing burden on providers due to provider capacity concerns.
  – Enhancing the physician’s capacity to serve more beneficiaries
  – Encouraging the use of licensed and non-licensed physician extenders and Community Health Workers (CHWs);

• And
  – There should be standardized program requirements, but flexibility is also important to support the strengths and weaknesses of particular regions or providers.
    • Some primary care providers may have capacity to provide all Health Home services
    • In other cases, the MCO and other providers may have a larger role to support the primary care provider
Outstanding Questions

1. What are the specifics for the following:
   - Areas that are ready for implementation
   - Eligibility requirements – risk level and conditions
   - Definitions for the six services and provider requirements
   - Key metrics for operation and evaluation

2. Behavioral health providers
   - Can some types of behavioral health providers serve as the whole person care coordination entity?
   - How would we define members who would be appropriate to receive their whole person care coordination from a behavioral health provider?
Stakeholder Engagement

- DRAFT DHCS Health Home Concept Paper Webinar on November 17.
- Email HHP@dhcs.ca.gov to:
  - Request a webinar invite
  - Request to be added to the DHCS Health Home email ListServ for future stakeholder engagement activities
  - If you are on the ListServ, you will receive:
    - a copy of the concept paper when it is released
    - a link to the webinar recording
- DHCS will coordinate stakeholder work with CalSIM Multipayer Health Home efforts.