



Health Homes for Patients with  
Complex Needs:  
Program Development  
Considerations

# ACA Section 2703

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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

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- 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

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- 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

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- 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

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- 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

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- 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

# Delivery System and Financing

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- 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

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- 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

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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

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- DRAFT DHCS Health Home Concept Paper Webinar on **November 17.**
- Email [HHP@dhcs.ca.gov](mailto: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.