

**Jerry Fleming**  
Senior Vice President  
National Health Plan Manager

November 4, 2011

SENT VIA ELECTRONIC MAIL TO: [info@calduals.org](mailto:info@calduals.org)

Toby Douglas, Director  
California Department of Health Care Services  
1501 Capitol Ave., Suite 6001, MS: 0000  
P.O. Box 997413  
Sacramento, California 95814  
ATTN: Medi-Cal Waiver Unit  
Duals Integration Demonstration Project  
Cc: Harbage Consulting

Re: *Request for Comments on California Duals Demonstration Overview*

Dear Mr. Douglas:

Kaiser Permanente offers the following comments in response to the Department of Health Care Services (DHCS) solicitation contained in the *California Duals Demonstration Overview* working paper published by Harbage Consulting in October 2011.

Kaiser Permanente is a major provider of care to California dual eligible members. We have a significant record of and commitment to providing care to these highly vulnerable beneficiaries. Statewide, we currently have 60,000 members enrolled in our dual eligible Medicare Special Needs Plan (SNP). These members have complex treatment and care management needs and receive care through our exclusive, integrated, multi-specialty group practices. Integrated care teams take direct responsibility for organizing and providing the care and coordination these enrollees require. Care provided by Kaiser Permanente is not only high quality and coordinated, but organized to maximize convenience and access for these members with complicated comorbidities.

We urge consideration of our comments as DHCS clarifies Demonstration goals, the site-selection process, potential Demonstration enrollment strategies, and related issues.

***Ensure Duals Demonstration Does Not Threaten Continuity of Care for Kaiser SNP Members.*** Kaiser Permanente is concerned about access to and continuity of care for our 60,000 SNP enrollees. We request that an enrollment mechanism be established to allow our dual eligible enrollees to be carved-out from the final Demonstration program entirely or to be held harmless with respect to any passive enrollment into a Demonstration program that may otherwise occur. Ending Kaiser Permanente enrollment for 60,000 enrollees with complex health conditions after years of integrated care would be very disruptive for fragile patients and likely lead to reduced health status and increased costs. We note the average tenure of our members is twelve years, compared to an industry average of five years. Such a long duration of care means

a deep level of partnership and engagement occurs between a beneficiary and providers, leading to improved quality of care.

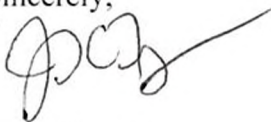
***Kaiser Permanente Offers Top Quality Care.*** On both state and federal quality metrics, Kaiser Permanente often receives the highest ratings and offers the greatest ability to consistently deliver quality care and service to Medicare and dual eligible beneficiaries. CMS recently published the 2012 Five Star Quality Rating System for Medicare Advantage Plans. We are proud to report that Kaiser Permanente Medicare Advantage plans in California, including our SNP for dual eligibles, have all been rated with five stars. This means our dual eligible beneficiaries are provided the highest quality of care related to performance measures addressing staying healthy via preventive services, screenings, and vaccines; managing chronic conditions; ratings of plan responsiveness and care; and handling complaints, appeals, and telephone customer service.

The Medicare star ratings affirm how the people of Kaiser Permanente – supported by our integrated delivery system and electronic health record – apply our unique approach to problem solving, performance improvement, and frontline engagement to make the lives of our members better. We hope that our commitment to and record of high quality care will ensure that our SNP members can continue to be served by their existing Permanente providers, regardless of the final structure of the Demonstration. In addition, we look forward to future opportunities to work with Demonstration stakeholders to share our experiences managing high quality care for this fragile patient population.

***Continued Access to Care Will Require Further Attention.*** In addition to the concerns expressed above, we are also concerned about losing our dual eligible SNP beneficiaries due to a federal requirement for which we have not reached a mutually satisfactory resolution with DHCS. This requirement, separate from the Demonstration, is related to State Medicaid Agency contracting requirements under MIPPA, as amended in the Affordable Care Act. As the state of California embarks on the Demonstration path for testing new approaches to care, we hope that an alternative approach may provide an avenue for Kaiser Permanente to retain these dual eligible members. We look forward to working with DHCS and dual eligible stakeholders to ensure we are able to provide continuous care to our enrollees.

Thank you for the opportunity to comment on this effort. If you have further questions about our comments, please do not hesitate to contact me at [jerry.fleming@kp.org](mailto:jerry.fleming@kp.org) (510) 877-4303.

Sincerely,



Jerry Fleming