



DAVID MAXWELL-JOLLY
Director

State of California—Health and Human Services Agency
Department of Health Care Services



ARNOLD SCHWARZENEGGER
Governor

DATE: July 20, 2010

TO: All Interested Parties

SUBJECT: REQUEST FOR INFORMATION FOR COUNTY ALTERNATIVE MODELS TO PROVIDE SERVICE FOR SENIORS AND PERSONS WITH DISABILITIES

Background

The State is considering the mandatory enrollment of Seniors and Persons with Disabilities (SPD) into new and existing managed care health plans or County Alternative Models (CAM). It is anticipated that the enrollment of SPD beneficiaries will be accomplished using a phase-in process and shall not commence until necessary federal approvals have been acquired, or until February 1, 2011, whichever is later. For existing managed care counties offering a CAM, DHCS will begin the initial enrollment in August 2011 with the ultimate goal of mandatory enrollment for all SPD beneficiaries by the end of 2012.

Purpose

This Request for Information (RFI) is to solicit your interest in establishing a CAM to provide health care services to the SPD population in your county and provide a vehicle by which you can share your ideas and questions. Included in this request is the scope of how a county may be able to bring up a CAM.

Depending on the requirements that may be established if Assembly Bill (AB) 342 or Senate Bill (SB) 208 are enacted in the current legislative session, a CAM may be required to meet many of the same standards as an existing managed care health plan, including organizational structure, network adequacy, accessibility, care coordination, performance measurement, and continuity of care as outlined in the current contract DHCS has with its managed care health plans.

Examples of the contracts used with the existing managed care health plans, can be found using the following link:

<http://www.dhcs.ca.gov/provgovpart/Pages/MMCDBoilerplateContracts.aspx>

In addition, you may want to review the current versions of AB 342 and SB 208 for the proposed requirements for a CAM. Below is a link that will allow you to do a search for the most recent version of these bills.

<http://www.leginfo.ca.gov/>

Scope

DHCS anticipates that a county will have the option, subject to DHCS approval, to develop a CAM depending on the feasibility of counties' responses. The following points reflect various components and implementation guidelines related to the design of a CAM:

- Provide health care services within the scope to beneficiaries categorized as SPDs.
- A CAM may be managed by county staff and will not be required to obtain a Knox-Keene license, unless it is a capitated model that assumes full risk for its beneficiaries.
- A CAM will include: administrative services, primary care case management, outpatient care, and any other services DHCS determines to be acceptable.
- A county must select to organize a CAM prior to beginning mandatory enrollment of SPDs in the county.
- DHCS will determine an actuarially sound rate that is adequate, sufficient to ensure access to services, and is budget neutral to the State.
- The development and negotiation of capitated rates will include the analysis of data specific to the SPD population. The Director may require the CAM to submit financial and utilization data in a form, time, and substance as deemed necessary by DHCS.
- A CAM must be a separate and distinct provider network with independent provider contracts consisting of an adequate safety net system and cannot have a subcontracting relationship with an existing Medi-Cal managed care plan within the county. However, a CAM may contract with an existing managed care plan for specific organized delivery system related services such as member services, claims processing, etc.

Responding to this RFI

Please review the Scope Section presented in this RFI. If your county is interested in establishing a CAM, please submit a one to two page summary of how your county would consider implementation and plan management. In order to prepare for the implementation of CAMs, as well as enrollment of SPDs into organized systems of care, DHCS requests that all counties that plan on establishing a CAM submit a response to this RFI. DHCS is seeking to have discussions with interested counties and may release an RFA based on county responses.

In your submission, please include the county name, as well as the name, phone number, and email of the county contact person. All materials and documentation submitted shall become the property of DHCS and the State of California.

Response to this RFI does not constitute a solicitation for entering into any agreement with the State of California. DHCS may issue a future Request for Application and may use the responses to this RFI in its development of an RFA.

If you have any questions about this RFI, please submit them to DHCS in writing **no later than August 2, 2010**. Questions should be submitted to the e-mail address listed below.

Please, submit responses to this RFI by **August 18, 2010, 4:00 PDT** via email to:

MMCDPMB@dhcs.ca.gov

If submitting by mail, please send your response to the following address, postmarked no later than **August 18, 2010**:

Department of Health Care Services
Medi-Cal Managed Care Division
ATTN: Tyrone Espinoza
1501 Capitol Avenue
P.O. Box 997413, MS 4407
Sacramento, CA 95899-7413

All Interested Parties
Page 4

The Department of Health Care Services appreciates your effort and responses to this Request for Information

Sincerely,

Original signed by *Tanya Homman*

Tanya Homman, Chief
Medi-Cal Managed Care Division