

Medi-Cal's Home and Community Based Medication Dispensing Machine (MDM) Pilot Project

Status Report – Through June 24, 2011



PHARMACY BENEFITS DIVISION
CA Department of Health Care Services
June 24, 2011

Pilot Project Overview

Signed into law in late March 2011, California Senate Bill 72 requires the Department of Health Care Services (Department) to establish a Home and Community Based Medication Dispensing Machine Pilot Project.

The Pilot aims to assist Medi-Cal recipients that are at high risk of medication non-adherence with taking their prescribed medications through the use of an automated medication dispensing machine that includes remote monitoring and telephonic reporting services.

Improving medication administration adherence for Medi-Cal recipients is intended to avoid substantial costs of care incurred when recipients do not take their medications properly. The Pilot Project is projected to provide an annualized savings of \$140 million by as early as July 2012. The bill requires the Department of Finance to evaluate savings to the General Fund as a result of the pilot project as a measure of the efficacy of this pilot project.

The Pilot Project is comprised of several key activity areas where work is performed to accomplish the goals of the initiative. These activity areas, listed below, also serve as a framework for status reporting.

Stakeholder Engagement – where DHCS will seek input from stakeholders, including technical assistance in study design, identification of appropriate pilot participants, selection of medication dispensing machines, and other identified issues.

Secure Federal Funding – where DHCS will pursue federal funding from the Centers for Medicare and Medicaid Services (CMS). These efforts include engaging consultants with funding expertise to assist in the development of supportive documentation and dialog with CMS.

Performance Evaluation – where DHCS will identify and select a qualified Performance Evaluation Team for this initiative. This team will help design the performance evaluation study as well as performing analysis and reporting work throughout the measurement period.

Procure Solution Products/Services – where DHCS will surveil the appropriate automated dispensing machine solutions, select the best solution, and establish appropriate agreements to enable deployment of the solution for this initiative.

Select Participants - where DHCS will work with the Performance Evaluation Team and other stakeholders to characterize the participant population, target individual participants, and provide appropriate support to participants during the evaluation period.

Deploy Solution – where DHCS will work with the selected solution provider, selected participants, and stakeholder organizations to assure effective deployment of the dispensing machine solution as well as ongoing support during the evaluation period.

Manage / Administer Project - where DHCS will orchestrate and manage each of the various activity areas that comprise the project. DHCS will select a project manager to assist in this effort.

Recent Progress Highlights

Stakeholder Engagement

❖ DHCS has initiated conversations with stakeholder groups familiar with medication dispensing machines and medication administration issues with seniors and persons with disabilities.

Stakeholder groups currently consist of the Center for Technology and Aging, Partners in Care Foundation, and AgeTech (Note - Aging Services of California and the California Association for Health Services at Home joined together to develop AgeTech California). These groups are expected to meet early in July with DHCS. DHCS will also be reaching out to additional stakeholder groups during July.

Secure Federal Funding

❖ DHCS, in concert with SEIU representatives, has engaged consulting expertise in securing federal funding. This consultant has provided funding alternatives advice to DHCS. The consultant and DHCS are focusing efforts on preparing a Concept Paper that is appropriate for submission and discussion with the Centers for Medicare and Medicaid Services (CMS).

Performance Evaluation

❖ DHCS has made significant progress in working with the California Medicaid Research Institute (CaMRI) organization to establish a Performance Evaluation Team. CaMRI is a multi-campus research program, hosted at the University of California San Francisco (UCSF), which provides research and analytic expertise to Medi-Cal.

CaMRI will be collaborating with DHCS to develop the performance measurement design, baseline metrics, and to evaluate the pilot. CaMRI will generate a background and study design report for this initiative in August.

❖ DHCS is engaging expertise in data management to identify and qualify Medi-Cal and Medicare data that is supportive of this project.

Procure Solution Products/Services

❖ DHCS staff have received information from seven, and met with representatives of five, different medication dispensing machine companies, including:

1. In Range Systems (Electronic Medication Management Assistant - EMMA®)
2. Philips Healthcare (Philips Medication Dispenser)
3. Valued Relationships, VRI (Med-E-Lert)
4. American Medical Alert Corp., AMAC (E-Pill MedSmart Plus)
5. All About Advanced Health, AAAH (Vitality GlowCaps)
6. Critical Signal Technologies, CST (TabSafe/MMS 502)
7. HealthOneMed (Dispense-a-Pill)

❖ DHCS will use this initial surveillance of medication dispensing machine products and related services to support product and service selection.

Select Participants

❖ Work in this activity area will commence when DHCS and the Evaluation Team define the participant selection process and obtain the data necessary to identify appropriate participants.

Deploy Solution

❖ Work in this activity area will follow a deployment plan to be established by DHCS.

Manage / Administer Project

❖ Given the breadth, scope, and time constraints of the pilot, DHCS has engaged outside contractors for project management services and for the pilot’s design and evaluation. DHCS has executed a contract with Hubbert Systems Consulting, Inc. to provide project management services and to assist with the preparation and submission of federal funding requests.

At-a-Glance View of Progress – by Activity Area

As this initiative progresses, DHCS will indicate work that it has started and completed, allowing for an incremental visual view of progress.

