



# Transfer of Drug Medi-Cal Functions

First Stakeholder Meeting  
Department of Health Care Services  
Department of Alcohol and Drug Programs  
July 13, 2011

# Agenda Review

- Housekeeping
- Welcome and Purpose
- Overview of Assembly Bill 106
- Review of Process and Timeline
- Stakeholder Priorities and Perspectives
- Next Steps



# Welcome and Purpose

Michael Wilkening, Undersecretary  
Program and Fiscal Affairs  
Health and Human Services Agency



# Welcome and Purpose

Toby Douglas, Director  
Department of Health Care Services





# Department of Health Care Services

June 15, 2011



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Office of Health Information Technology  
Raul Ramirez  
Chief MS 0004

916-440-7400  
Health Reform Advisor  
Brian Hansen  
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Associate Director  
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Dr. P.H.  
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Karen Johnson  
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**Medical Director**  
Neal Kohatsu  
M.D., M.P.H.  
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916-440-7550  
**Audits & Investigations**  
Bruce Lim  
Deputy Director  
MS 2000

916-440-7525  
**Administration**  
LaVonne Coen  
Deputy Director  
MS 1000

916-440-7700  
**Office of Legal Services**  
Douglas M. Press  
Deputy Director & Chief Counsel  
MS 0011

916-552-8006  
**Office of Medi-Cal Procurement**  
Kevin Morrill  
Chief MS 4200

916-440-7800  
**Health Care Delivery Systems**  
Jane Ogle  
Deputy Director  
MS 4000

916-440-7800  
**Health Care Benefits & Eligibility**  
Vanessa Baird  
Deputy Director  
MS 4000

916-440-7800  
**Health Care Financing**  
Mari Cantwell  
Deputy Director  
MS 4000

916-440-7370  
**Office of Civil Rights**  
Dean Lan  
Deputy Director  
MS 0000

916-552-8550  
**Fiscal Forecasting & Data Management**  
Jim Watkins/  
Loretta Wallis  
Chief MS 1200

916-322-5603  
**Office of Administrative Hearings & Appeals**  
Sharon Stevenson  
Deputy Director  
MS 0016

916-323-1945  
**Provider Enrollment**  
Richard Moritz  
Acting Chief  
MS 4704

916-552-9105  
**Long Term Care**  
Dennis Owen  
Acting Chief  
MS 0018

916-552-9430  
**Medi-Cal Eligibility**  
Rene Mollow  
Chief  
MS 4607

916-440-5000  
**Capitated Rates Development**  
Stuart Busby  
Chief  
MS 4400

916-323-2102  
**Office of Workforce Planning & Development**  
Robert W. Stroud  
Chief MS 0000

916-440-7400  
**Research & Analytic Studies**  
Vacant  
Chief MS 0000

916-440-7600  
**Office of Public Affairs**  
Norman Williams  
Deputy Director  
MS 0025

916-552-9400  
**Third Party Liability & Recovery**  
Jeff Blackmon  
Chief MS 4720

916-327-1400  
**Systems of Care**  
Louis Rico  
Chief MS 4517

916-440-5770  
**Primary & Rural Health**  
Sam Willburn  
Chief MS 8500

916-440-7400  
**Fee For Service Rates Development**  
Vacant  
Chief MS 0000

916-373-2600  
**Fiscal Intermediary Medicaid Management Information Systems**  
Vicky Sady  
Deputy Director MS 4727

916-440-7340  
**Information Technology Services**  
Chris Cruz  
Deputy Director MS 6000

916-440-7500  
**Legislative & Governmental Affairs**  
Carol Gallegos  
Acting Deputy Director MS 0006

916-552-9100  
**Utilization Management**  
Doug Robins  
Chief MS 4500

916-440-5000  
**Medi-Cal Managed Care**  
Tanya Homman  
Chief MS 4400

916-552-9500  
**Pharmacy Benefits**  
Pilar Williams  
Chief MS 4604

916-552-9113  
**Safety Net Financing**  
Bob Sands  
Chief MS 4504

916-319-8000  
**Fiscal Intermediary & Contracts Oversight**  
Marta Enriquez  
Chief MS 4700

916-552-9444  
**Office of HIPAA Compliance**  
Steve Murata  
Chief MS 4721

916-440-7620  
**Office of Women's Health**  
Terri Thorntinsson  
Chief MS 0027

916-552-9100  
**Utilization Management**  
Doug Robins  
Chief MS 4500

916-440-7400  
**Low-Income Health Program**  
Vacant  
Chief MS 0000

916-464-3889  
**Medi-Cal Dental Services**  
Jon Chin  
Acting Chief MS 4708

916-552-9113  
**Safety Net Financing**  
Bob Sands  
Chief MS 4504

916-440-7500  
**Office of Multicultural Health**  
Laura Hardcastle  
Chief MS 0022

916-440-7400  
**Low-Income Health Program**  
Vacant  
Chief MS 0000

916-552-9400  
**Medi-Cal Benefits & Waiver Analysis**  
Vickie Orlich  
Chief MS 4600

# Welcome and Purpose

Michael Cunningham, Acting Director  
Department of Alcohol and Drug Programs



# Alcohol and Drug Program Functions

Dave Neilsen, Deputy Director

Program Services

Department of Alcohol and Drug Programs



# Alcohol and Drug Programs that are not part of Medi-Cal

- DADP has several other programs and functions that are not part of Medi-Cal
- There will be a process to engage stakeholders to discuss what happens with these functions
- DADP will contact stakeholders to invite them to this process



# Drug Medi-Cal Functions

A brief overview of the program and functions that will transfer from DADP to DHCS



# Drug Medi-Cal Functions

- Develop and administer DMC component of State Medicaid Plan
- Program Standards
- Rate Setting
- Claims Management



# Drug Medi-Cal Functions

- Cost Report Settlement
- Data Collection and System Integrity
- Financial Audits
- Initial Investigations of Complaints
- Post Service, Post Payment Provider Reviews
- Appeals Process and Hearings



# Drug Medi-Cal Functions

- There are other Drug Medi-Cal functions that are still under discussion
  - Compliance with Certification Requirements
  - Manage Narcotic Treatment Provider Services



# Developing the Transition Plan

Vanessa Baird, Deputy Director  
Health Care Benefits and Eligibility  
Department of Health Care Services



# Overview of AB 106

- Authorizes the transfer of Drug Medi-Cal program functions from DADP to DHCS
- Transfer is effective July 1, 2012



# Overview of AB 106 (continued)

- Legislature intends this transfer to be efficient, with no interruptions in service delivery
  - Improve access to alcohol and drug treatment services w/focus on recovery and rehabilitation
  - Effectively integrate the financing of services
  - Improve state accountability and outcomes
  - Provide focused, high-level leadership for behavioral services



# Overview of AB 106 (continued)

- DHCS must provide a transition plan to fiscal and policy committees of the Legislature by October 1, 2011



# Transition Plan per AB 106

- Will guide administrative and programmatic transition
- DHCS and DADP shall meet with stakeholders to guide development of the plan
- Stakeholders include consumers, family members, providers, counties and legislative staff
- First meeting must happen by July 15, 2011



# Transition Plan Components

- A. Plans for reviewing monthly billing from counties to monitor and prevent disruptions to beneficiaries and a description of a long-term approach to measures for access and quality of services
- B. Describes DADP administrative functions for current Drug Medi-Cal functions
- C. Explains operational steps, timelines and key milestones for how functions, programs and staff transfer



# Transition Plan Components (continued)

- D. Planned or proposed changes or efficiencies in how functions will be performed, including fiscal and programmatic impact
- E. Provides DHCS org chart that reflects A-C and focused, high-level leadership
- F. Describes inclusion of stakeholders during the planning and use of their feedback after transition is underway



# Transition Plan Components (continued)

- DHCS and DADP shall consult with stakeholders at least once after production of draft plan and before submission of plan to the Legislature.
- Due by October 1, 2011
- DHCS shall provide additional updates to the Legislature during budget committee hearings as needed.



# Stakeholder Process and Timeline

- AB 106 requires very specific products and timeline
- Process will focus solely on transition of Medical functions
- Discussions designed around tangible components of the transition plan
- Departments will redirect or pend items that do not “fit” this process or its objectives



# Stakeholder Process and Timeline

- July 13: Inform, Assure and Seek Input
- July 15: Input to develop 2<sup>nd</sup> set of meetings
  - Special email address for stakeholder input
- July 20: Send materials for 2<sup>nd</sup> set of meetings
- July 25 (week): Convene 2<sup>nd</sup> set of meetings
  - Separate for clients/families, providers and counties
- August 1: Input for development of plan



# Stakeholder Process and Timeline

- August 15: Send 1st draft plan to stakeholders
- August 19: Meeting #3 w/all stakeholders
- August 24: Feedback on draft plan
- September 8: Send final draft plan to stakeholders
- September 12/13: Meeting #4 w/all stakeholders
- October 1: Send transition plan to Legislature
- Oct 2011 – May 2012: Ongoing discussions as needed for this transition



# Stakeholder Priorities and Perspectives

- Developed five questions that seek input that departments can use to respond to required components of the transition plan
- Will assess responses for how they might also address legislative intent of AB 106
- Will develop “parking lot” for redirection of items that may not fit with this process

# Stakeholder Input

- Time allows for limited input today from those in person and on the phone
- We welcome written input via the special email address, by the dates requested:

[DHCSDRUGMEDI-CALTRANSFER@DHCS.CA.GOV](mailto:DHCSDRUGMEDI-CALTRANSFER@DHCS.CA.GOV)

- There will be other opportunities at future meetings and through future email communications



# Stakeholder Questions

1. What are your comments on the organizational placement of the Drug Medi-Cal Program and behavioral health leadership in DHCS?
  - When responding , please consider how your recommendation or comment fits with the legislative intent as set forth in AB 106:
    - Improve access to alcohol and drug treatment services
    - Effectively integrate financing of services
    - Improve state accountability and outcomes
    - Provide focused, high-level leadership for behavioral health.



# Stakeholder Questions

2. What are your recommendations regarding the role of Drug Medi-Cal stakeholders and their interactions with:
  - a) DADP and DHCS during the transfer period? and
  - b) With DHCS on an ongoing basis?
  
- When responding, please consider how your recommendation or comment fits with the legislative intent as set forth in AB 106:
  - Improve access to alcohol and drug treatment services
  - Effectively integrate financing of services
  - Improve state accountability and outcomes
  - Provide focused, high-level leadership for behavioral health.



# Stakeholder Questions

3. How can DHCS and DADP best ensure continuous and uninterrupted administrative supports to alcohol and drug treatment services pre-and post-transfer of the program?
- When responding , please consider how your recommendation or comment fits with the legislative intent as set forth in AB 106:
    - Improve access to alcohol and drug treatment services
    - Effectively integrate financing of services
    - Improve state accountability and outcomes
    - Provide focused, high-level leadership for behavioral health.



# Stakeholder Questions

4. What changes and efficiencies do you think DHCS and DADP should consider in this initial phase of the Drug Medi-Cal program transfer ?
  - What is the fiscal and programmatic impact?
- When responding , please consider how your recommendation or comment fits with the legislative intent as set forth in AB 106:
  - Improve access to alcohol and drug treatment services
  - Effectively integrate financing of services
  - Improve state accountability and outcomes
  - Provide focused, high-level leadership for behavioral health.



# Stakeholder Questions

5. Considering questions 1-4, what are your priorities for discussion in future meetings?
  - When responding , please consider how your recommendation or comment fits with the legislative intent as set forth in AB 106:
    - Improve access to alcohol and drug treatment services
    - Effectively integrate financing of services
    - Improve state accountability and outcomes
    - Provide focused, high-level leadership for behavioral health.

# Other Comments and Questions

As time permits



# Next Steps

- Reminder: send written comments to [DHCSDRUGMEDI-CALTRANSFER@DHCS.CA.GOV](mailto:DHCSDRUGMEDI-CALTRANSFER@DHCS.CA.GOV)
- Please send this 1<sup>st</sup> set of comments by July 15
- Departments will review comments from this meeting and emails and use them to guide discussion for next set of meetings
- Meeting materials will go out July 20, 2011



# Thank You!!

