CalAIM
Enhanced Care Management (ECM) & In Lieu of Services (ILOS)

Finalized Requirements for Program Year 2022

June 8, 2021

2:30 – 3:30 pm

Agenda

- Enhanced Care Management (ECM) and In Lieu of Services (ILOS) Refresh and Progress to Date
- Final ECM/ILOS Policy Documents
- Update on Key ECM Policies
- Update on Key ILOS Policies
- Next Steps in the Implementation
- Q&A

ECM and ILOS Refresh and Progress to Date

Reminder: What is CalAIM?

CalAIM is a multi-year initiative by DHCS to improve the quality of life and health outcomes of California residents by implementing broad delivery system, program and payment reform across the Medi-Cal program.

Reminder: What are ECM & ILOS?

- Enhanced Care Management (ECM) and In Lieu of Services (ILOS) are foundational components of CalAIM.
  - **ECM:** A whole-person, interdisciplinary approach to comprehensive care management that addresses the clinical and non-clinical needs of high-cost, high-need managed care members through systematic coordination of services.
  - **ILOS:** Medically appropriate and cost-effective alternatives to services and settings covered under the State Plan; they are optional for MCPs to provide and for managed care members to receive. DHCS will authorize 14 pre-approved ILOS in its contracts with MCPs.

ECM and ILOS Timeline

- **2019 - 2020:**
  Initial ECM & ILOS Workgroup Meetings
- **January 2021:**
  Cal AIM Proposal
- **February 16:**
  Draft Requirements
- **June 4, 2021:**
  Finalized Requirements

Multiple feedback channels during comment period including:

- *>60 comment letters*
- *County, MCP and other stakeholder engagement*

- **July 1, 2021 – Dec 31, 2021:**
  MCPs submit Model of Care; contracting; DHCS readiness checks
- **January 1, 2022:**
  Go Live

Final ECM & ILOS Policy Documents

Documents Released on June 3

DHCS has released the following set of finalized ECM & ILOS program documents. They are available on the ECM & ILOS Website.

1. **ECM and ILOS Change Memo**
2. **DHCS-MCP ECM and ILOS Contract Template**
3. **ECM and ILOS Standard Provider Terms and Conditions**
4. **ECM and ILOS Model of Care (MOC) Template**
5. **ECM Key Design Implementation Decisions**
6. **Updated Frequently Asked Questions**
7. ***Upcoming:* ECM and ILOS Coding Guidance**

DHCS expects to release additional guidance documents ahead of calendar year 2023, including to prepare for when additional ECM Populations of Focus Go Live.

1. ECM & ILOS Change Memo

DHCS

WILL LIGHTBOURNE
DIRECTOR

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

GAVIN NEWSOM
GOVERNOR

DATE: June 3, 2021

TO: All Interested CalAIM Stakeholders

SUBJECT: Final ECM/ILOS Requirement Documents Release – Summary of Updates and Changes

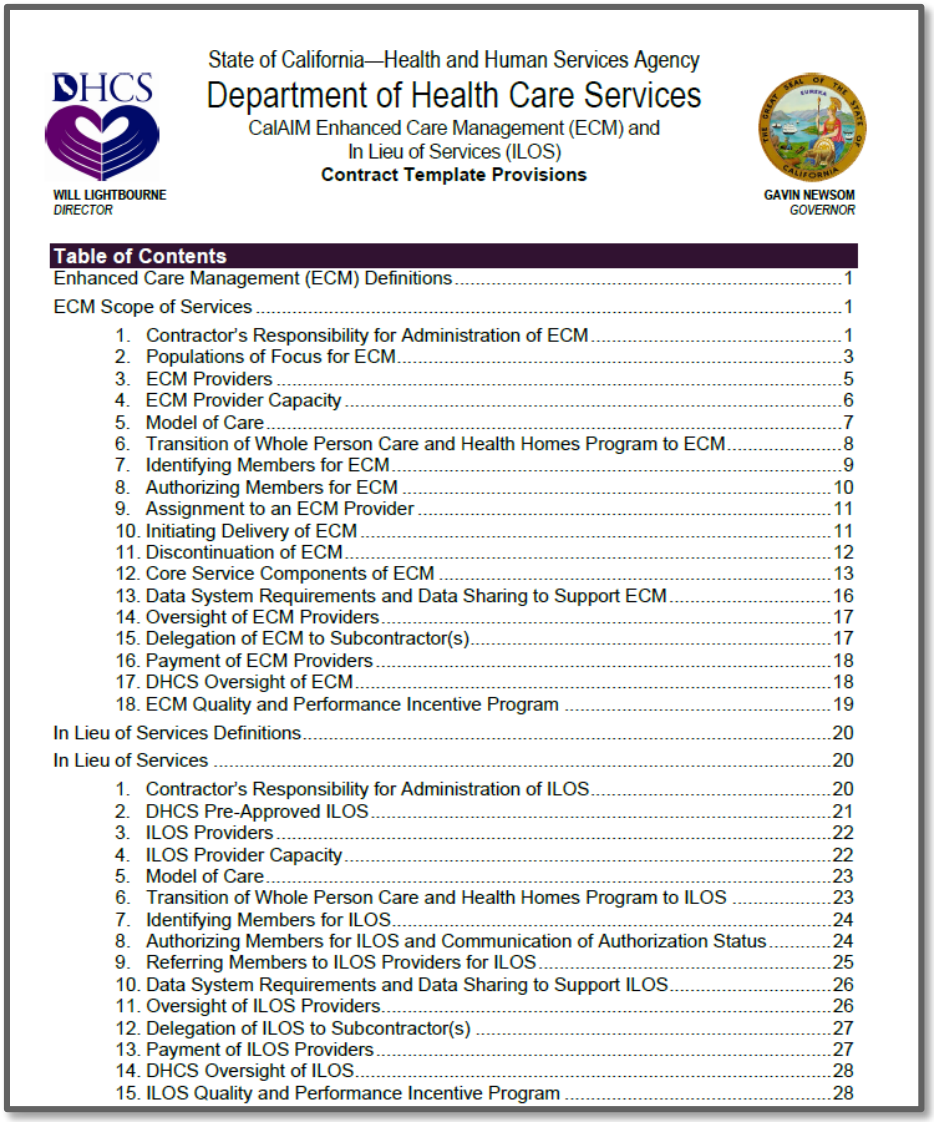
BACKGROUND:
On June 3, 2021, DHCS released the below list of finalized documents related to the ECM and ILOS components of the California Advancing and Innovating Medi-Cal (CalAIM) initiative. This memo provides an overview the key policy changes DHCS made to the ECM and ILOS documents to reflect the input and feedback of stakeholders.

1. **DHCS-MCP ECM and ILOS Contract Template:** MCP requirements regarding the administration and delivery of ECM and ILOS that will be included in the main DHCS-MCP Contract, and are also part of the Request for Proposal/MCP Procurement.[1]
2. **ECM and ILOS Standard Provider Terms and Conditions:** Standardized contract requirements that MCPs will be required to include in contracts with ECM and ILOS Providers.
3. **ECM and ILOS Model of Care Template:** In which each MCP will describe how it plans to design, implement, and administer ECM and ILOS for DHCS review and approval.
4. **ECM and ILOS Coding Guidance**: A defined set of HCPCS codes and modifiers that must be used for encounter reporting by MCPs for all ECM and ILOS services.
5. **Finalized ECM Foundational Policies:** Summarizes final ECM design and implementation decisions related to three key implementation areas: ECM & ILOS Implementation Timeline, ECM Populations of Focus definitions, and ECM Overlap with other Programs & Exclusions.

[1] RFP will be posted at: https://www.dhcs.ca.gov/provgovpart/rfa_rfp/Pages/CSBhomepage.aspx

Summarizes the public comments and key policy changes DHCS made to ECM and ILOS requirements documents based on stakeholder feedback.

2. DHCS-MCP ECM and ILOS Contract Template



State of California—Health and Human Services Agency
Department of Health Care Services
CalAIM Enhanced Care Management (ECM) and
In Lieu of Services (ILOS)
Contract Template Provisions

WILL LIGHTBOURNE
DIRECTOR

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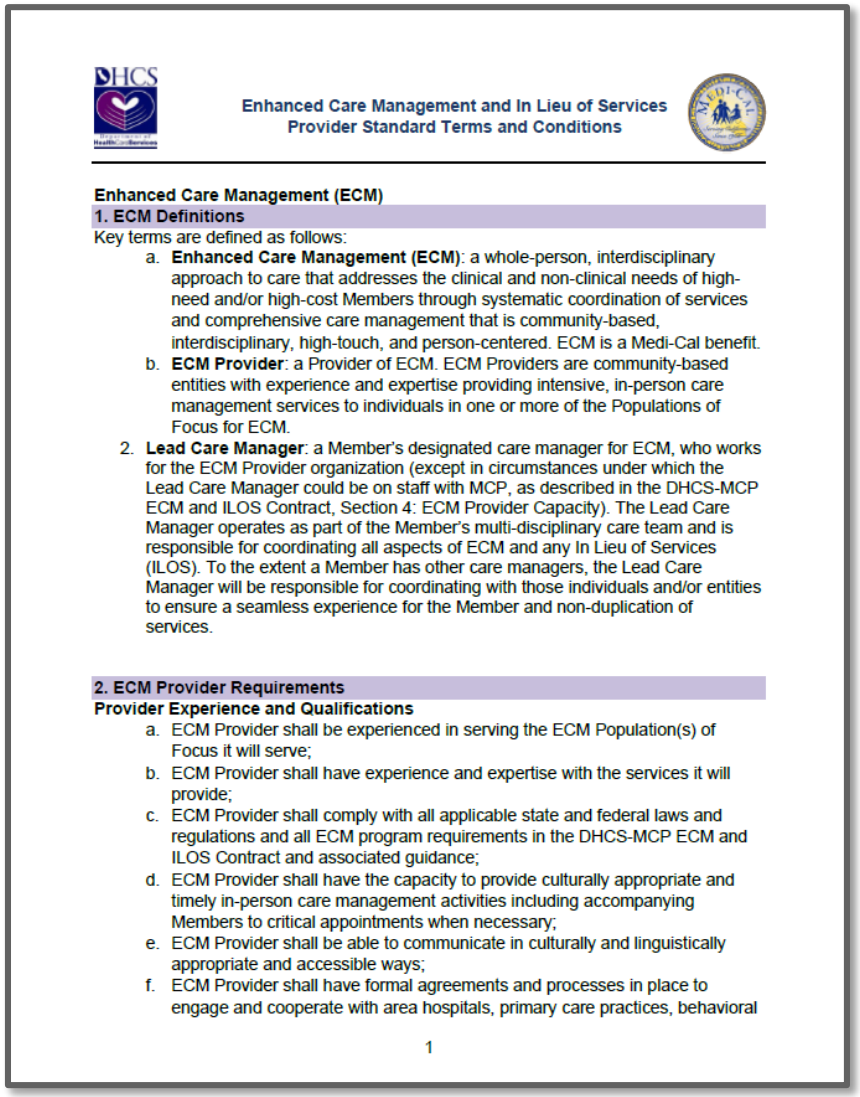
The contract language will be appended to existing DHCS' MCP contracts as well as the MCP Procurement for 2024.

3. ECM and ILOS Standard Provider Terms and Conditions



Enhanced Care Management and In Lieu of Services
Provider Standard Terms and Conditions

Enhanced Care Management (ECM)

1. ECM Definitions

Key terms are defined as follows:

a. **Enhanced Care Management (ECM)**: a whole-person, interdisciplinary approach to care that addresses the clinical and non-clinical needs of high-need and/or high-cost Members through systematic coordination of services and comprehensive care management that is community-based, interdisciplinary, high-touch, and person-centered. ECM is a Medi-Cal benefit.

b. **ECM Provider**: a Provider of ECM. ECM Providers are community-based entities with experience and expertise providing intensive, in-person care management services to individuals in one or more of the Populations of Focus for ECM.

2. **Lead Care Manager**: a Member's designated care manager for ECM, who works for the ECM Provider organization (except in circumstances under which the Lead Care Manager could be on staff with MCP, as described in the DHCS-MCP ECM and ILOS Contract, Section 4: ECM Provider Capacity). The Lead Care Manager operates as part of the Member's multi-disciplinary care team and is responsible for coordinating all aspects of ECM and any In Lieu of Services (ILOS). To the extent a Member has other care managers, the Lead Care Manager will be responsible for coordinating with those individuals and/or entities to ensure a seamless experience for the Member and non-duplication of services.

2. ECM Provider Requirements

Provider Experience and Qualifications

a. ECM Provider shall be experienced in serving the ECM Population(s) of Focus it will serve;

b. ECM Provider shall have experience and expertise with the services it will provide;

c. ECM Provider shall comply with all applicable state and federal laws and regulations and all ECM program requirements in the DHCS-MCP ECM and ILOS Contract and associated guidance;

d. ECM Provider shall have the capacity to provide culturally appropriate and timely in-person care management activities including accompanying Members to critical appointments when necessary;

e. ECM Provider shall be able to communicate in culturally and linguistically appropriate and accessible ways;

f. ECM Provider shall have formal agreements and processes in place to engage and cooperate with area hospitals, primary care practices, behavioral

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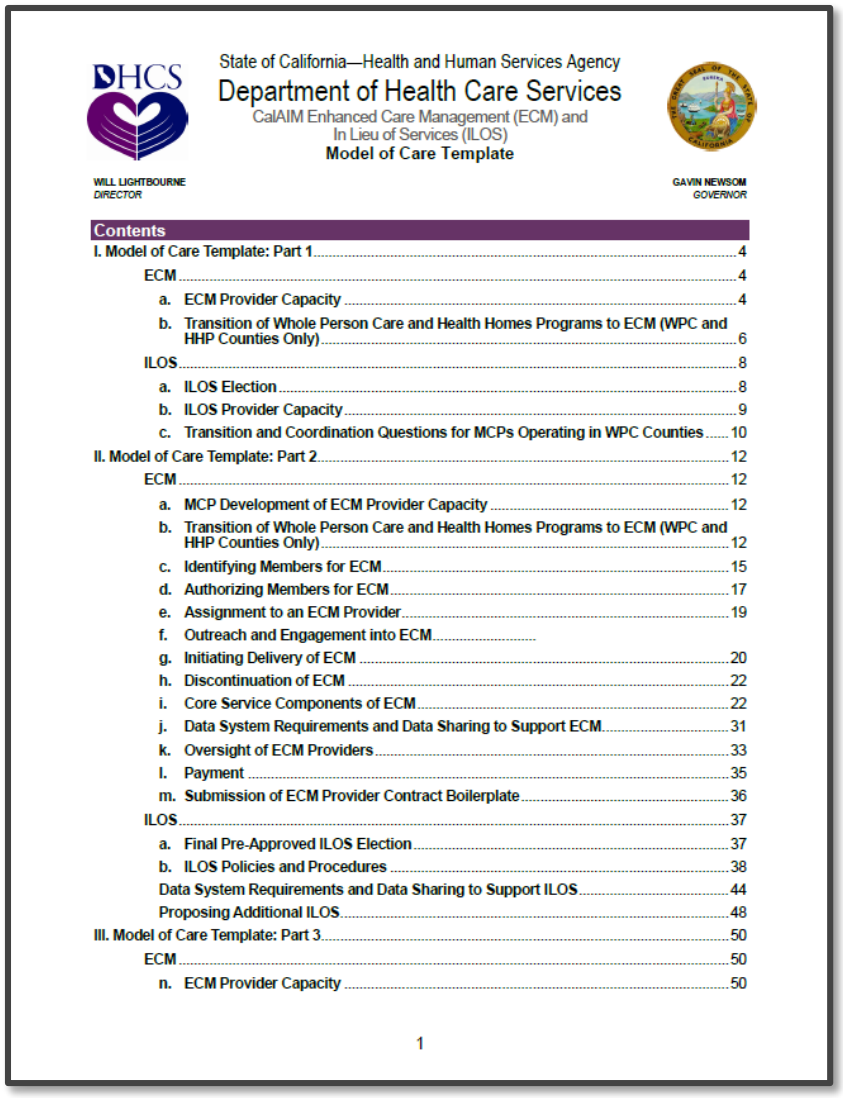
Standardized language that MCPs must include in all contracts with ECM and ILOS Providers.

4. CalAIM ECM and ILOS Model of Care (MOC) Template



State of California—Health and Human Services Agency
Department of Health Care Services
CalAIM Enhanced Care Management (ECM) and In Lieu of Services (ILOS)
Model of Care Template

WILL LIGHTBOURNE
DIRECTOR

GAVIN NEWSOM
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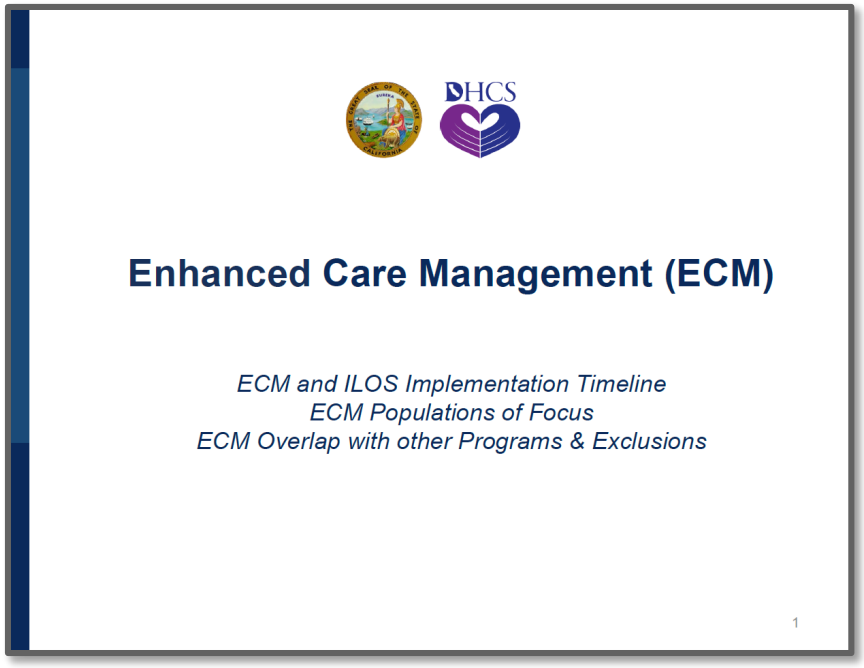
Each Managed Care Plan must develop a “Model of Care” that describes how it plans to implement and administer ECM and ILOS. Each MOC must be reviewed and approved by DHCS prior to ECM and ILOS implementation.

5. ECM Implementation Decisions



A slide deck that summarizes final ECM design and implementation decisions related to three key implementation areas.

6. Updated Frequently Asked Questions Document

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

WILL LIGHTBOURNE
DIRECTOR

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Last Updated: June 3, 2021

CalAIM Enhanced Care Management and In Lieu of Services
Frequently Asked Questions (FAQ)
June 2021

Introduction

California Advancing and Innovating Medi-Cal, or CalAIM, is a new initiative by the Department of Health Care Services (DHCS) to improve the quality of life and health outcomes of Medi-Cal Members by implementing broad delivery system, program, and payment reform across the Medi-Cal program. CalAIM establishes the framework to address social determinants of health and improve health equity *statewide* rather than on a pilot basis. A key feature of CalAIM is the introduction of Enhanced Care Management (ECM) in the Medi-Cal managed care delivery system, as well as a new menu of in lieu of services (ILOS), which can serve as cost-effective alternatives to covered Medi-Cal services. Medi-Cal managed care plans (MCPs) will be responsible for administering both ECM and ILOS. For more information about CalAIM, see DHCS' Revised CalAIM Proposal released on 1/8/21.[1]

ECM and ILOS are ambitious reforms that will take time and support to implement. DHCS recognizes that California MCPs and communities will be working to operationalize these new initiatives and transition smoothly from existing initiatives, most notably the Whole Person Care (WPC) Pilots and Health Home Program (HHP), even as they continue to manage and recover from the COVID-19 Public Health Emergency. DHCS will offer a range of technical assistance and support, including new implementation material posted on the DHCS CalAIM ECM & ILOS website, webinars, and other opportunities for discussion. This FAQ provides up-to-date information about the ECM/ILOS implementation and will be updated regularly.

Please submit questions about ECM and ILOS to: CalAIMECMILOS@dhcs.ca.gov.

Questions about CalAIM generally should be submitted to CalAIM@dhcs.ca.gov.

[1] Revised CalAIM Proposal. Available: https://www.dhcs.ca.gov/provgovpart/Documents/CalAIM-Proposal-Updated-1-8-21.pdf.

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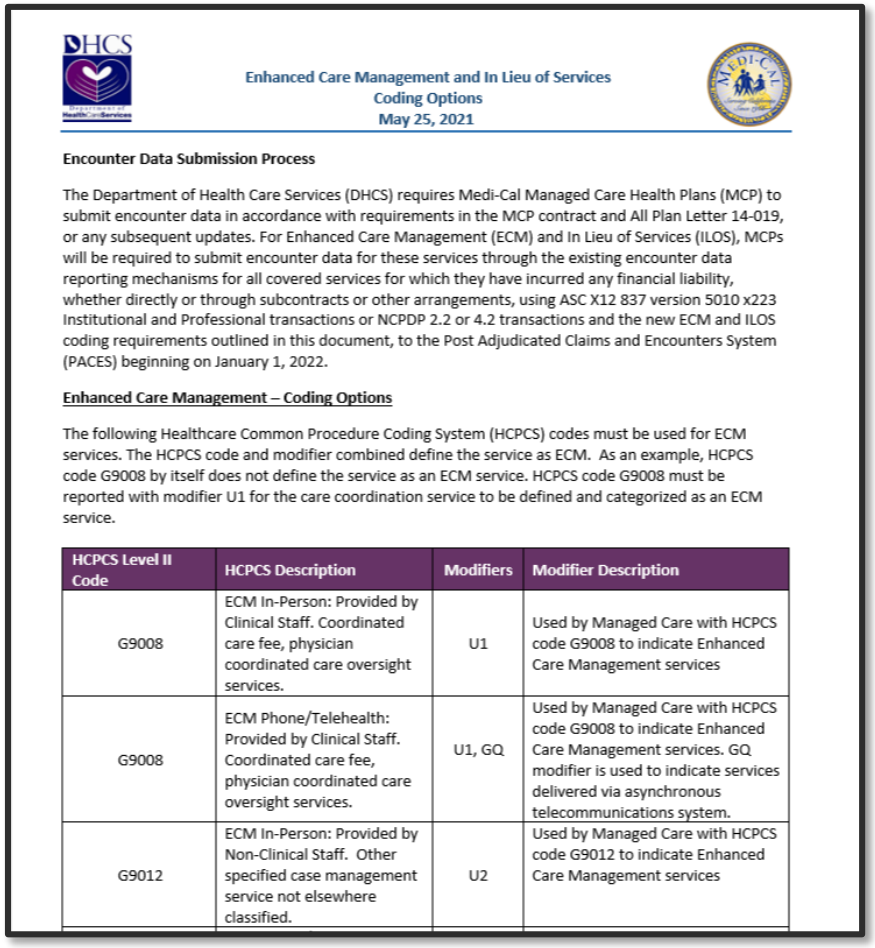
http://www.DHCS.ca.gov

Summarizes answers to key ECM/ILOS policy questions. Newly-published questions clarify Medi-Cal enrollment requirements for ECM & ILOS providers; provide more information about the ILOS authorization process, among other topics.

7. ECM and ILOS Coding Guidance (*forthcoming*)



Enhanced Care Management and In Lieu of Services
Coding Options
May 25, 2021

Encounter Data Submission Process

The Department of Health Care Services (DHCS) requires Medi-Cal Managed Care Health Plans (MCP) to submit encounter data in accordance with requirements in the MCP contract and All Plan Letter 14-019, or any subsequent updates. For Enhanced Care Management (ECM) and In Lieu of Services (ILOS), MCPs will be required to submit encounter data for these services through the existing encounter data reporting mechanisms for all covered services for which they have incurred any financial liability, whether directly or through subcontracts or other arrangements, using ASC X12 837 version 5010 x223 Institutional and Professional transactions or NCPDP 2.2 or 4.2 transactions and the new ECM and ILOS coding requirements outlined in this document, to the Post Adjudicated Claims and Encounters System (PACES) beginning on January 1, 2022.

Enhanced Care Management – Coding Options

The following Healthcare Common Procedure Coding System (HCPCS) codes must be used for ECM services. The HCPCS code and modifier combined define the service as ECM. As an example, HCPCS code G9008 by itself does not define the service as an ECM service. HCPCS code G9008 must be reported with modifier U1 for the care coordination service to be defined and categorized as an ECM service.

HCPCS Level II Code	HCPCS Description	Modifiers	Modifier Description
G9008	ECM In-Person: Provided by Clinical Staff. Coordinated care fee, physician coordinated care oversight services.	U1	Used by Managed Care with HCPCS code G9008 to indicate Enhanced Care Management services
G9008	ECM Phone/Telehealth: Provided by Clinical Staff. Coordinated care fee, physician coordinated care oversight services.	U1, GQ	Used by Managed Care with HCPCS code G9008 to indicate Enhanced Care Management services. GQ modifier is used to indicate services delivered via asynchronous telecommunications system.
G9012	ECM In-Person: Provided by Non-Clinical Staff. Other specified case management service not elsewhere classified.	U2	Used by Managed Care with HCPCS code G9012 to indicate Enhanced Care Management services

Finalized guidance on coding for ECM and ILOS services delivered.

Update on Key ECM Policies

ECM Overview

Summary

- Enhanced Care Management (ECM) will be comprehensive and address the clinical and non-clinical needs of high-need, high-cost Medi-Cal Members through systematic coordination of services and comprehensive care management.
- ECM will be interdisciplinary, high-touch, person-centered and provided primarily through in-person interactions with Members where they live, seek care or prefer to access services.
- To promote health equity, adhering to the guiding principle of using person-centered language whenever possible, “Populations of Focus” instead of “Target populations” will be used to describe the Members who are eligible to receive ECM.
- ECM will be available to all high-need Medi-Cal Members who meet ECM Populations of Focus criteria. For details, please see the “ECM Implementation Decisions” slide deck on the website.

ECM Populations of Focus

ECM go-live will occur in stages, by Population of Focus

Populations of Focus	Go-Live Timing
1. Individuals and Families Experiencing Homelessness 2. Adult High Utilizers 3. Adults with Serious Mental Illness (SMI) / Substance Use Disorder (SUD)	**January 2022** (WPC/HH counties); **July 2022** (other counties)
4. Incarcerated and Transitioning to the Community 5. At Risk for Institutionalization and Eligible for LTC 6. Nursing Facility Residents Transitioning to the Community	**January 2023**
7. Children / Youth Populations of Focus	**July 2023**

Note: This timeline is simplified. Stakeholders in WPC Counties should refer to the more detailed timelines here.

Key ECM Policy Changes and Clarifications

DHCS has refined key aspects of ECM policy design based on stakeholder feedback.

Design/Policy Issue	Description
ECM Populations of Focus	• Refined the Populations of Focus definitions for ECM Populations of Focus going live in 2022. • For the Long Term Care and Children/Youth Populations of Focus going live in 2023, DHCS will conduct further stakeholder engagement to define the Populations of Focus.

Key ECM Policy Changes and Clarifications

DHCS has refined key aspects of ECM policy design based on stakeholder feedback.

Design/Policy Issue	Description

ECM Overlap Policies	• Policies defining:
	  • When Medi-Cal beneficiaries **can** be served by both ECM and another care coordination approach at the same time – ECM is a "wrap" to enhance the other service (e.g. Specialty Mental Health TCM)
	  • When Medi-Cal beneficiaries **cannot** be served by both ECM and another care coordination approach at the same time because they are considered duplicative (e.g. 1915c Waiver programs)

Key ECM Policy Changes and Clarifications

DHCS has refined key aspects of ECM policy design based on stakeholder feedback.

Design/Policy Issue	Description
Consent for ECM and ECM Data-Related Data Sharing	• To ensure that ECM is supported by robust data sharing, eliminated the requirement for Member authorization of data sharing prior to initiation of ECM, except where required by federal law.

Key ECM Policy Changes and Clarifications

DHCS has refined key aspects of ECM policy design based on stakeholder feedback.

Design/Policy Issue	Description
ECM Providers	• Included additional examples to the types of entities that may serve as ECM Providers. • Clarified that County Behavioral Health staff or Providers should be prioritized for the ECM Provider role for the adult Population of Focus with serious mental illness (SMI) or substance use disorder (SUD) and the children/youth population of focus with serious emotional disturbance (SED), provided certain condition and requirements are met.

Key ECM Policy Changes and Clarifications

DHCS has refined key aspects of ECM policy design based on stakeholder feedback.

Design/Policy Issue	Description
Authorizing Members for ECM	• Added a new requirement for MCPs to submit policies and procedures related to how they will authorize ECM for eligible Members in an equitable and non-discriminatory manner.

Key ECM Policy Changes and Clarifications

DHCS has refined key aspects of ECM policy design based on stakeholder feedback.

Design/Policy Issue	Description
ECM Presumptive Authorization/ Preauthorization	• Added option for MCPs to define a process for ECM Providers to presumptively authorize or preauthorize ECM.

Key ECM Policy Changes and Clarifications

DHCS has refined key aspects of ECM policy design based on stakeholder feedback.

Design/Policy Issue	Description
Outreach and Engagement	• Added outreach and engagement to the ECM Core Service Components (DHCS rates paid to MCPs will include funding for outreach). • Clarified that MCPs must track outreach to Members for ECM and report on outreach to DHCS.

Upcoming ECM Milestones

- June: Release of the ECM Program Guide with additional details and operational guidance
- September: Final MCP rates for ECM
- Ongoing technical assistance

Update on Key ILOS Policies

ILOS Overview

Summary

- ILOS are medically appropriate and cost-effective alternatives to services covered under the Medi-Cal
- DHCS strongly encourages MCPs to offer a robust menu of ILOS to address conditions caused or exacerbated by food insecurity, no or unstable housing and other social drivers of health
- ILOS are optional for the MCP to offer and for the Member to use

ILOS Overview

Listed below is the list of pre-approved ILOS.

1. Housing Transition Navigation Services
2. Housing Deposits
3. Housing Tenancy and Sustaining Services
4. Recuperative Care (Medical Respite)
5. Short-Term Post-Hospitalization Housing
6. Day Habilitation Programs
7. Nursing Facility Transition to Assisted Living Facility
8. Community Transition Services
9. Personal Care and Homemaker Services
10. Environmental Accessibility Adaptions
11. Respite Services (for caregivers)
12. Medically Tailored Meals or Medically-Supportive Food
13. Sobering Centers
14. Asthma Remediation

Key ILOS Policy Changes and Clarifications

DHCS has refined key aspects of ILOS policy design based on stakeholder feedback.

Design/Policy Issue	Description
ILOS Capacity	Removed requirement that all elected ILOS must be offered county-wide. As part of the MOC, MCPs must: • Develop Policies and Procedures describing how the MCP will prioritize the delivery of ILOS when capacity is limited and ensure they are non-discriminatory • Submit a three-year plan on building network capacity over time • Participate in regular meetings with DHCS to review progress

Key ILOS Policy Changes and Clarifications

DHCS has refined key aspects of ILOS policy design based on stakeholder feedback.

Design/Policy Issue	Description
Service Authorization for ILOS	Added a new requirement for MCPs to submit Policies and Procedures as part of the MOC explaining how it will authorize ILOS for eligible Members in an equitable and non-discriminatory manner.

Key ILOS Policy Changes and Clarifications

DHCS has refined key aspects of ILOS policy design based on stakeholder feedback.

Design/Policy Issue	Description
Expediting Authorization of ILOS for Urgent Needs	• Clarified that MCPs must identify instances where specific ILOS are subject to expedited authorization process. • Encourage MCPs to work with ILOS Providers to permit them to directly authorize ILOS.

Key ILOS Policy Changes and Clarifications

DHCS has refined key aspects of ILOS policy design based on stakeholder feedback.

Design/Policy Issue	Description
Appeals/ Grievances	Clarified that ILOS are subject to MCP-level grievances and appeals process.

Upcoming ILOS Milestones

- Late June: Release of non-binding ILOS Pricing Guidance to facilitate contracting between MCPs and ILOS Providers
- Late June: Release of the ILOS Program Guide with additional details on program design
- Ongoing technical assistance

Next Steps in the Implementation

ECM & ILOS Model of Care (MOC) Timeline Submissions

MCPs will be responsible for developing a plan to implement and administer ECM & ILOS. DHCS will review these plans in detail.

July 1st: MOC Template Submission #1

- Initial questions on ECM & ILOS Provider Capacity and WPC & HHP Transition
- Preliminary ILOS selections

September 1st : MOC Template Submission #2

- ECM/ILOS Policies and Procedures
- Final ILOS selections for 2022

October 1st : MOC Template Submission #3

- Final Provider Capacity/ Network Submission

ECM and ILOS Technical Assistance and Implementation Engagement Activities

Core TA Resources

- Frequently Asked Questions (FAQ) document *(updated regularly)*
- Fact Sheets
- Informational webinar slides

ECM and ILOS Technical Assistance and Implementation Engagement Activities

Upcoming Events

- Monthly TA MCP Meeting:
  Tuesday, June 22nd @ 1pm PT
- Provider Technical Assistance Webinar:
  Tuesday, June 29th @ 10.30am PT
- Performance Incentive Webinar:
  TBD, late June
- DHCS is working with individual counties & plans to support the transition from WPC Pilots and HHP.

For questions about the ECM & ILOS Implementation, please submit them to:
CalAIMECMILOS@dhcs.ca.gov

Q&A

Please visit the DHCS ECM & ILOS Website for more information and access to the ECM & ILOS documents and supporting resources: https://www.dhcs.ca.gov/Pages/ECMandILOS.aspx

Pleas send questions to CalAIMECMILOS@dhcs.ca.gov

Thank you!

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