Enhanced Care Management and In Lieu of Services Workgroup

February 19, 2020

Welcome and Introductions

Agenda

- 10:00 – 10:05 Welcome and Introductions
- 10:05 – 10:15 Post Managed Care Plan Convening Report Out
- 10:15 – 11:00 Overview of DHCS Recommendations
- 11:00 – 11:30 Review Enhanced Care Management (ECM) Target Populations and In Lieu of Service (ILOS) Descriptions Revisions
- 11:30 – 12:00 Whole Person Care/Health Home Program Transition Plan
- 12:00 – 1:00 Lunch
- 1:00 – 1:30 Overview of Proposed Codes for ECM and ILOS
- 1:30 – 2:20 Discuss Rates Considerations, Shared Risk/Savings, and Incentives
- 2:20 – 2:30 DHCS Timeline
- 2:30 – 2:45 Public Comment
- 2:45 – 3:00 Closing and Next Steps

Post Managed Care Plan Convening Report Out

Agenda

February 10, 2020
Welcome and Goals for the Day
DHCS Medi-Cal Healthier California for All Updates and Technical Assistance
DHCS Update on Rates Methodology, Shared Savings, and Incentives
Health Plan Discussion Session
“Brown Bag” Lunch Discussions and Office Hours • Data Sharing • Enhanced Care Management • County and Plan Relationships
In Lieu of Services: Promising Practices and Lessons Learned from Whole Person Care
Transitioning to Enhanced Care Management Panel
Break
Panel Discussion: Advice for Plans without Whole Person Care, Health Homes, or Targeted Case Management Experience
Final Q & A with DHCS

Technical Assistance

DHCS shared its plan for technical assistance:

- Enhanced Care Management and ILOS Toolkits
  - Transition WPC → ECM and ILOS
  - Transition HHP → ECM and ILOS
  - Ways to use LGA/Public Health Departments (TCM providers) for ECM, especially in rural areas of the state
  - Where No WPC/HHP/TCM
- Regional Meetings – April/May 2020
- Strike Teams available for tailored TA to plans – June 2020 – June 2021
- Monthly Webinar Series

Discussion of ECM/ILOS connection with PHM

- The PHM will require MCPs to stratify or segment the members into different groups for individual interventions based on need, such as wellness, intensive case management, etc.
- MCPs will submit their PHM program to DHCS to explain their stratification/segmentation strategy and the associated interventions.
- ILOS will be included in the PHM submission and addressed in the stratification/segmentation strategy.
- ECM will be addressed in the strategy, but will be fleshed out in the “model of care”
- Goal is to minimize duplication of information

Population Health Management Updates

- Final Product
  - MCP guidance (contract language or APL) for submission of the MCP's Population Health Management Strategy.
  - A template for the MCPs' PHM strategy submissions.
  - The PHM proposal has some population-level analysis focus but most requirements are about identifying the needs of individual members and connecting them to appropriate services.

- Updates
  - ILOS will implement **January 1, 2021**
  - MCPs with WPC/HHP will implement ECM **January 1, 2021**
  - MCPs without WPC/HHP will implement ECM **July 1, 2021**
  - PHM launch shifted to **January 1, 2022**
  - The revised proposal and template outline are available on the PHM workgroup web page.

Key Takeaways from Attendees

- Need to convene plans and WPC pilots at the same time to ensure shared understanding of expectations and encourage conversations
- Need for additional technical assistance/learning collaboratives for rural counties
  - DHCS will be addressing these concerns through toolkits, regional convenings, and strike teams
- The need for rates ASAP and an understanding of what data DHCS will be collecting
  - Draft codes released for comment today to this workgroup
  - DHCS is aiming to release draft rates by August 2020

Committee Discussion

Overview of DHCS Recommendations

Proposed Phased-In Implementation for ECM

Phase I: January 1, 2021

- All counties with WPC or HHP
- All plans in these counties will go live for all target populations*
- Plans without WPC or HHP can voluntarily opt-in

Phase II: July 1, 2021

- All counties with no WPC or HHP
- All plans in these counties will go live for all target populations*

*Post incarceration population only required to go-live in 2021 if transitioning an existing WPC pilot

WPC and HHP Contracting Mandate

- Mandate that MCPs contract with WPC and HHP entities in their service area
- Compliance with mandate will be confirmed during the MCP readiness process
  - DHCS will validate that contracts have been executed by requesting signature pages through the network review process
- If DHCS is notified that contracting efforts were unsuccessful, DHCS will request justification from the MCP and may contact the provider directly to obtain additional information on the contracting process.

Possible Mandate Exclusions

- May include, but not be limited to:
  - Justified quality of care concern
  - Unable to agree on a reasonable and sound rate
  - Provider unwilling to contract
  - Provider unresponsive to multiple contact attempts
  - Provider unable to comply with the DHCS Medi-Cal provider enrollment process when a pathway to enroll exists
  - The WPC or HHP entity subcontracts with another provider to render a service in its entirety and the MCP is able to contract directly with the subcontractor

Members Receiving WPC and HHP services

- Members receiving ECM-like services from WPC and HHP at time of ECM implementation will be transitioned to ECM services until further assessment/reassessment can be completed.
- During ECM assessment/reassessment, the MCP will assess for any new or ongoing ILOS needs that may be appropriate to meet through MCP ILOS offerings.

MCP-ECM Provider Contracts

- DHCS will provide an ECM template/boilerplate contract
- Ensure consistency in general expectations regarding contractual requirements while allowing flexibility to ensure the template/boilerplate can meet the needs of each contracting relationship

Committee Discussion

Enhanced Care Management Target Population Descriptions Revisions

ECM Target Populations Document

Reorganized document to consolidate commonalities and differentiate population-specific details and examples.

Re-emphasized that descriptions of the populations are examples that provide context and illustrate (but do not definitively list) the types of individuals MCPs will identify as good candidates for ECM.

Clarified ECM services will be individualized based unique member needs including how members are identified, settings in which services are delivered, which services are coordinated, how the services are delivered, etc.

Key Clarifications

Settings are where the members live, seek care or prefer to access services

- Examples are provided but are not an exhaustive list. Will be individualized based on member need and preference.

Risk stratification process is not limited to claims data

- MCPs will need to incorporate referral processes, especially for populations who experience access to care challenges and have multiple social factors that limit the utility of claims data

Key Clarifications (ctd.)

- Drew from TCM populations for examples
  - No duplication for individuals receiving TCM and ECM
  - Recognizing TCM not available everywhere and some target populations are similar
    - Children/Youth
    - Risk for Institutionalization - LTC

Family/Caretakers/Circles of Support

Emphasized the need to coordinate and identify support for individuals who contribute to health outcomes of the member

May include referral to needed services, for example:

Parent referral to needed behavioral health services	Housing-related services for individuals and families experiencing homelessness

In Lieu of Services Revisions

ILOS Updates - Providers

- Clarified providers must have experience and expertise; Lists provided are example (and include additional examples based on comments)
- Enrollment required where state-level enrollment pathway exists
  - If no pathway, MCPs must enroll through their own pathway or another recognized pathway
  - MCPs must credential as required by DHCS

ILOS Updates – Payer of Last Resort

- Removed prior language prohibiting duplication of services

- General policy documents will indicate ILOS provided consistent with Medicaid Payer of Last Resort and TPL requirements

ILOS Updates – Housing Bundle Criteria

At Risk Definition	HUD Definition	Other Changes
• Added eligibility for individuals “at risk” of experiencing homelessness • Includes definition of “at risk” and requires individual to have barriers to housing stability and specific other risk factors	• Clarified the eligibility criteria that incorporates the HUD definition includes the entire definition	• Updated qualifying conditions to reflect one or more serious chronic conditions rather than multiple • Clarified individuals should receive a housing assessment for STPH service but it is not eligibility criterion • Made several other clarifying edits based on comments

ILOS – Other Misc. Changes

General

- Modified language that was perceived as “blaming” individuals for their circumstances

EAAs

- Added a 90-day timeline for EAA assessment and authorization, with exceptions
- Added asthma remediation

Meals

- Clarified meals are not covered to respond solely to food insecurities
- Added Registered Dietician involvement and additional chronic conditions: gestational diabetes and other high risk perinatal conditions

Committee Discussion

Whole Person Care/Health Homes Program Transition Plan

Purpose

- To achieve a successful transition to the new enhanced care management benefit and in lieu of services for Medi-Cal beneficiaries
- Explain Medi-Cal health plans' vision for sustaining and building on the infrastructure and services developed through WPC and HHP, and to ensure effective coordination with TCM
- Medi-Cal managed care plans currently operating a Health Homes Program or operating in a county with a Whole Person Care pilot and/or Targeted Case Management program will be asked to provide one Transition Plan per applicable county
- A separate document will be developed to address plans working in counties without WPC, HHP, or TCM.

Status of the Transition Plan Template

- An initial draft Transition Plan template was released at the Enhanced Care Management/In Lieu of Services Workgroup meeting on January 22nd
- Second draft, with edits in response to Workgroup feedback, released today
- Template will be finalized in March following feedback from managed care plans.
- All feedback is due by **Friday, March 6th via CalAIM@dhcs.ca.gov**

Transition Plan: Health Homes Program

- Status of CB-CME relationships *(CB-CME Excel Tab)*
  - Plans for continuing CB-CME relationships as key part of the transition
  - Mapping of ECM target populations to CB-CMEs
- Plan for implementing ILOS to continue housing services provided through HHP *(Q.2)*
- Plan for transitioning HHP members to enhanced care management and reassessing members to ensure they receive the appropriate level of care *(Q.3)*
- Plan for communicating changes to beneficiaries and ensuring continuity of care *(Q.4)*

Transition Plan: Whole Person Care

- Crosswalk of services offered under WPC to those that will be offered through ECM/ILOS & status of communication and coordination with WPC lead entity *(WPC Services Transition Plan Excel Tab)*
- Plan for ensuring continuity of care for members receiving WPC services at the point of transition *(Q.2)*
- Plan for continuing partnerships and data sharing and care management systems developed and implemented under WPC *(WPC Services Providers Excel Tab)*
- Plan for communicating changes to beneficiaries and ensuring continuity of care *(Q.3)*
- Plan for identifying and assessing care needs for ECM target populations and implementing ILOS that are not transitioning from WPC or HHP *(Q.4)*

In Lieu of Services

- Indicate the list of ILOS the plan intends to provide effective January 1, 2021 *(Q. 1 and ILOS Excel Tab)*

Other Key Collaborations

- Status of communications with county behavioral health system to provide ECM for individuals at risk for institutionalization with SMI, children with SED, or individuals with Substance Use Disorders that may have co-occurring chronic health conditions. *(Q.1)*

- Update on discussions with Tribal partners *(Q.2)*

Transition Plan Targeted Case Management

- List of TCM populations in the county with explanation of how the plan will work with the LGA to ensure that members receiving ECM do not receive duplicative TCM services *(Q.1)*
- Plan for contracting with LGA to provide ECM, if applicable *(Q.2)*

Committee Discussion

Overview of Proposed Codes for Enhanced Care Management and In Lieu of Services

Goal for Proposed Codes

- Allow for documentation of services and submission of data through Encounter Data Submission processes
- ECM and ILOS are able to be distinguished from other services delivered
- Ensure consistent coding options are used across the program
- Provide flexibility in determining the most appropriate code to use depending on the service and the service provider.

Proposed Code Considerations

- Existing use of codes
  - Codes used and recognized by Medicare generally not preferred due to limitations in Medicare policy
  - Codes used for Home and Community Based Service waiver or other programs generally not preferred due to inability to distinguish those from ECM/ILOS
- Existing use of modifiers
  - Modifiers not already in use could be used to distinguish codes used for ECM/ILOS from other waiver or program use

Committee Discussion

Rates Considerations, Shared Risk/Savings, and Incentives

ECM Rate Considerations

- Recognizing varying plans/counties ECM benefit starting points, we anticipate rates being reflective of this variation.
  - Our preliminary assumption is the ECM benefit will serve approximately 1% of managed care members.
- Funding for the ECM benefit will be included in the plan's base capitation rates (as a PMPM that will vary by COA group).
  - Unlike the Health Homes Program (HHP) which was funded by supplemental payments and paid based on actual utilization.

ECM Rate Considerations

- Part of the ECM funding would include considerations for outreach and engagement activities.
  - We recognize plans/providers may need to reach out to approximately 2-3% of members in order to fully engage the targeted 1% (percentages are illustrative for discussion purposes).
  - This assumption would differ for non-HHP/non-WPC counties, due to benefit starting point differences.

ECM Rate Considerations

- The current anticipated rate approach would be to leverage the HHP rate development structure and then modify components, factors, and assumptions to fit the final ECM program design and parameters.
- DHCS plans to prioritize the delivery of the ECM component of the final rate to aid plans' downstream contracting and network development.

In Lieu of Services Federal Requirements

- Federal regulatory requirements for ILOS (42 CFR 438.3(e)(2)):
  - ILOS must be determined to be medically appropriate and cost-effective substitutes for State Plan services.
  - Beneficiaries must voluntarily agree to utilize ILOS in place of State Plan services.
  - ILOS must be authorized and identified in plan contracts.
  - With all of the above, DHCS can consider the utilization and cost of ILOS in rate development.

In Lieu of Services Rate Considerations

- DHCS will consider:
  - Utilization data from the Whole Person Care (WPC) pilots to determine if plan base data adjustments are required.
  - Differences in the existing ILOS infrastructure across WPC counties.
  - Plan-reported data on existing utilization of ILOS collected through the RDT that crosswalks to the 13 proposed ILOS.
  - Other available data sources deemed appropriate by DHCS and its actuaries.
- ILOS will not be a new rating category of service.
  - Details regarding any funding for ILOS will be shared with the plans (if applicable).

SPD/LTC Blended Rate and Shared Risk/Savings

- With the implementation of the LTC benefit statewide in managed care, and to facilitate a robust ILOS structure, DHCS will utilize a blended SPD/LTC rate payment structure to incentivize the use of home and community-based alternatives to long-term institutional care.
- Due to the phased transition of non-dual and dual LTC beneficiaries, the SPD/LTC blended rate application for non-dual and dual will vary by model type.
  - Note CCI plans/counties rate structure will not transition to this new structure until CY 2023.

SPD/LTC Blended Rate and Shared Risk/Savings

- A multi-pronged rate setting strategy is anticipated to be employed.
- Blended Rate: SPD/LTC rates will be blended based on projected member mix.
- Risk Provision on Blended Rate: For non-COHS/non-CCI counties a risk provision will be implemented to control for projected member mix vs. actual member mix differences.

SPD/LTC Blended Rate and Shared Risk/Savings

- Risk Provision on Rates (Post Rating Period): Shared Risk/Savings via a Financial Calculation in which revenue and expenses will be reviewed.
  - Tiered Risk Sharing with Plan and State/Feds (similar to a Medical Risk Corridor)
  - Due to differing populations served across managed care model types today and the phased transition of the LTC population into managed care, the timing of this provision differs by model type.
- Shared Savings via Rate Development: Beginning in CY 2024, CY 2021 ILOS utilization will be considered in rate development.

Incentive Program

- Incentive payments to plans are permissible per 42 CFR 438.6(b)
- Payments are in addition to the approved capitation rates
  - Payments must not exceed 5% of the approved capitation payments attributable to the enrollees or services covered by the incentive arrangement.
- Available to public and private plans under the same terms of performance.
- Time-limited and linked to performance during the rating period.
- Necessary for the specified activities, targets, performance measures, or quality-based outcomes that support program initiatives as specified in the State's quality strategy.

Incentive Program

- Per the Governor's January 2020 Budget, an Incentive Program will be offered statewide to all plans for the service period of January 2021 to June 2023.
  - Purpose of the Incentive Program is to reward plan investment in ECM and ILOS implementation.
  - We recognize the need for variability, given the difference in existing capacity that exists statewide.

Incentive Program

- The Incentive Program will be designed to reward plans who meet defined milestone/metrics tied to ECM/ILOS.
  - Payment will be contingent upon meeting defined milestone/metrics and is not guaranteed.
- What milestones/metrics should be incentivized to effectuate change, given incentive program is time-limited?
  - Capacity building?
  - Demonstrated utilization?
  - Proven results/savings?

Incentive Program

- DHCS requests plan feedback on the types of ECM/ILOS milestones/metrics that are recommended to be incentivized for the 2.5 year period with the goal of effectuating long-term delivery system change.
  - To aid in the development of the Incentive Program, DHCS requests plan written feedback to be submitted no later February 29, 2020 to CalAIM@dhcs.ca.gov

Committee Discussion

DHCS Timeline

Date	Milestone
April/May 2020	Regional meetings held
May 2020	Contract template issued to MCPs
June 2020	ECM and ILOS APL guidance issued
July 1, 2020	WPC/HHP transition plan submission due
August 2020	ECM rates available to MCPs
September 2020	All readiness materials due: • P&Ps • Network submission • ECM Model of Care
December 31, 2020	CMS contract and rate submission
January 1, 2021	Transition of WPC and HHP enrollees into ECM

Public Comment

Please limit comments to 2 minutes

Reminder

- Feedback submitted to CalAIM@dhcs.ca.gov
  - Incentive Program written feedback by **February 29, 2020**.
  - Written feedback on updated ECM/ILOS proposals, submission templates, and proposed codes by **March 6, 2020.**

What To Expect Next

- DHCS intends to submit the 1115 waiver renewal & consolidated 1915(b) to CMS in June 2020
- DHCS will post a redlined version of the proposal in early April 2020
- Public comment & public hearings will take place in May 2020
- Please subscribe to DHCS' stakeholder email service to receive the latest updates and information about Medi-Cal Healthier California for All