



News Release

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STATE RECEIVES FEDERAL APPROVAL FOR THREE-YEAR DEMONSTRATION PROGRAM TO IMPROVE CARE FOR CALIFORNIANS WITH BOTH MEDI-CAL AND MEDICARE

SACRAMENTO, Calif. — The California Health and Human Services Agency today announced that its three-year “dual eligible” demonstration program to improve the coordination of health care services for people with Medi-Cal and Medicare has been approved by the federal government.

The demonstration program, which from now on will be called the Cal MediConnect program, is a key element of California’s Coordinated Care Initiative (CCI), which will transform the state’s health care system to deliver patient-centered care that integrates all types of care services, including medical, behavioral and long-term support.

“This federal approval marks a significant milestone for improving how California delivers health care to some of our most vulnerable Californians,” said Health and Human Services Secretary Diana Dooley. “Currently, these patients must navigate a fragmented system to find the services they need. Through the Cal MediConnect program, Californians will receive coordinated care that helps prevent them from falling through the cracks and ensures they have access to the right services at the right time.”

The Cal MediConnect program will be implemented in eight counties. It will provide eligible beneficiaries – “dual eligibles” who have both Medi-Cal and Medicare – the opportunity to have both their Medi-Cal and Medicare benefits provided by one health plan. Currently, these patients seek out multiple providers for a variety of services depending upon whether Medi-Cal or Medicare covers the cost. Dual eligibles are among the state’s highest-need and highest-cost users of health care services, accounting for nearly 25 percent of Medi-Cal spending. An estimated 456,000 dual eligible beneficiaries are eligible for transition to the program’s managed care setting.

The health plans selected to participate in the Cal MediConnect program will receive a blended monthly payment from Medi-Cal and Medicare to provide their enrollees all needed services through new health plan products. Beneficiaries will have a single health plan membership card and access to a care team to help coordinate their services.

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Pending a readiness review assessment and other requirements, the demonstration will kick off no sooner than October 1, 2013, in Alameda, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo and Santa Clara counties. Assuming an October 2013 start, enrollment for currently eligible beneficiaries will be phased in over 12 months, with exceptions for Los Angeles County, which will be phased in over 15 months, and San Mateo County, where enrollment will finish in January 2014. The state will begin mailing notices to eligible beneficiaries in July.

“We are confident that the managed care plans we selected will make a positive impact on enrollees’ lives by coordinating care across the full continuum of services, including medical care, behavioral health services and home- and community-based care, such as the In-Home Supportive Services program,” said Toby Douglas, Department of Health Care Services (DHCS) Director. “Additionally, we have taken extensive measures to plan for and enforce strict quality and readiness standards. We are excited to work with providers and stakeholders during this transition.”

“Under this program, In-Home Supportive Services (IHSS) will remain an important service to help people live independently at home,” said Will Lightbourne, Director of the California Department of Social Services, which oversees the IHSS program. “IHSS consumers’ current rights will not change, including the right to self-direct their care by hiring, firing and directing their IHSS workers.”

The Governor’s Coordinated Care Initiative is aimed at improving beneficiary health outcomes and care quality, while achieving budget savings from the rebalancing of care delivery away from institutional settings and into people’s homes and communities.

To read the Memorandum of Understanding with the federal Centers for Medicare & Medicaid Services (CMS), please log on to the CMS [website](#).

For more information about the demonstration and to sign up for email updates, please log on to <http://www.CalDuals.org>.

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