



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



GAVIN NEWSOM
GOVERNOR

May 25, 2021

To: Tribal Chairpersons, Designees of Indian Health Programs,
and Urban Indian Organizations

Subject: Notice of Proposed Change to the Medi-Cal Program

The purpose of this letter is to provide information regarding a proposed change to the Department of Health Care Services' (DHCS) Medi-Cal Program that will be submitted to the Centers for Medicare and Medicaid Services (CMS). DHCS is forwarding this information for your review and comment.

DHCS is required to seek advice from designees of Indian Health Programs and Urban Indian Organizations on Medi-Cal matters having a direct effect on Indians, Indian Health Programs or Urban Indian Organizations per the American Recovery and Reinvestment Act of 2009 (ARRA). DHCS must solicit the advice of designees prior to submission to CMS of any State Plan Amendment (SPA), waiver requests or modifications, or proposals for demonstration projects in the Medi-Cal program.

Please see the enclosed summary for a detailed description of this DHCS proposal.

QUESTIONS AND COMMENTS:

Indian Health Programs and Urban Indian Organizations may also submit written comments or questions concerning this proposal within 30 days from the receipt of notice. Comments may be sent by email to HHP@dhcs.ca.gov or by mail to the address below:

Contact Information

Department of Health Care Services
MCQMD
Attn: Bambi Cisneros
P.O. Box 997413, MS 4400
Sacramento, California 95899-7413

General Questions/Comments on CalAIM: Contact CalAIM@dhcs.ca.gov.

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In addition to this notice, DHCS plans to cover this SPA in the next quarterly Medi-Cal Indian Health webinar. Please note that Indian Health Programs and Urban Indian Organizations may also request a consultation on this proposal at any time as needed.

Sincerely,

Original signed by Corinne Chavez for

Sandra "Sam" Willburn, Chief
Primary, Rural, and Indian Health Division
Department of Health Care Services

Enclosure



**Department of Health Care Services (DHCS)
Tribal and Designees of Indian Health Programs Notice**

PURPOSE

To seek federal approval to terminate all active State Plan Amendments (SPAs) associated with the Health Homes Program (HHP) effective December 31, 2021 and transition HHP enrollees to the Enhanced Care Management (ECM) benefit effective January 1, 2022.

BACKGROUND

DHCS implemented the HHP through a series of SPAs beginning July 2018. The HHP helps manage and coordinate care for Medi-Cal managed care plan (MCP) members with certain chronic health and/or mental health conditions who have high health care needs or who are experiencing chronic homelessness. The HHP operates in 12 counties and is administered by 17 MCPs and a network of health care and social service providers (Community-Based Care Management Entities, or CB-CMEs). The HHP provides the following six core services for Medi-Cal beneficiaries: 1) comprehensive care management, 2) care coordination, 3) health promotion, 4) comprehensive transitional care, 5) individual and family support services, and 6) referral to community and social supports.

SUMMARY OF PROPOSED CHANGES

This proposal terminates all active SPAs associated with the HHP and transitions HHP enrollees to a statewide comprehensive ECM benefit. ECM is a component of a new multi-year initiative by DHCS to improve the quality of life and health outcomes of Medi-Cal beneficiaries, called *California Advancing and Innovating Medi-Cal* (CalAIM).

SPA 21-0018 terminates the HHP in all counties of operation (Alameda, Imperial, Kern, Los Angeles, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, Santa Clara, and Tulare) effective December 31, 2021. DHCS will transition and grandfather in all HHP enrollees into a similar but statewide ECM benefit effective January 1, 2022. Lessons learned from the HHP have been incorporated to ensure that the new ECM benefit meets the clinical and non-clinical needs for the highest cost/highest need beneficiaries in Medi-Cal managed care. For details, see [Revised CalAIM Proposal, Appendix I](#).

IMPACT TO TRIBAL HEALTH PROGRAMS

All MCPs who have contracted with CB-CMEs for the provision of HHP services will be required to contract with the same providers under ECM with few allowable exceptions. If a Tribal Health Program serves as an HHP CB-CME, there may be negotiations between the two entities to discuss continuing serving as an ECM Provider under ECM. Additionally, the implementation of ECM allows for a new opportunity for Tribal Health Programs that have an interest in serving as providers to enter into contracts with MCPs.

IMPACT TO FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs)

All MCPs who have contracted with CB-CMEs, many of which are FQHCs, for the provision of HHP services will be required to contract with the same providers under ECM with few allowable exceptions. If an FQHC serves as an HHP CB-CME, there may be negotiations between the two entities to discuss continuing serving as an ECM Provider under ECM. Additionally, the



implementation of ECM allows for a new opportunity for FQHCs that have an interest in serving as providers to enter into contracts with MCPs

IMPACT TO INDIAN MEDI-CAL BENEFICIARIES

In general, there is expected to be minimal to no impact to Indian Medi-Cal beneficiaries since DHCS will be grandfathering in all HHP enrollees into ECM. MCPs will be required to notify all HHP members of the termination of HHP and transition to ECM several months in advance of January 1, 2022. Further, the transition of geographically limited HHP to a statewide ECM benefit may increase access to more Indian Medi-Cal beneficiaries across the state.

RESPONSE DATE

Indian Health Programs and Urban Indian Organizations may also submit written comments or questions concerning this proposal within 30 days from the receipt of notice. Comments may be sent by email to HHP@dhcs.ca.gov or by mail to the address below:

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For more ECM, details see the CalAIM Proposal online at:
<https://www.dhcs.ca.gov/provgovpart/Pages/CalAIM.aspx>