2021 CalAIM Proposal Overview

January 28, 2021

CalAIM Background

- First released in October 2019 with initial implementation dates planned for January 1, 2021

- Extensive CalAIM stakeholder workgroup process (November 2019 – February 2020)
  - 20 in-person workgroup meetings across five workgroups
  - Written and in-person public comment opportunities

- Due to the COVID-19 Public Health Emergency's impact in the state's budget and health care infrastructure, CalAIM was put on hold for the duration of 2020

- DHCS has revised the original CalAIM proposal to reflect learnings from the workgroup process, stakeholder input, ongoing policy development, and new implementation dates

CalAIM Guiding Principles

- Improve the member experience.

- Deliver person-centered care that meets the behavioral, developmental, physical, long term services and supports and oral health needs of all members.

- Work to align funding, data reporting, quality and infrastructure to mobilize and incentivize towards common goals.

- Build a data-driven population health management strategy to achieve full system alignment.

- Identify and mitigate social determinants of health and reduce disparities and inequities.

- Drive system transformation that focuses on value and outcomes.

- Eliminate or reduce variation across counties and plans, while recognizing the importance of local innovation.

- Support community activation and engagement.

- Improve the plan and provider experience by reducing administrative burden when possible.

- Reduce the per-capita cost over time through iterative system transformation.

CalAIM Goals

- Identify and manage member risk and need through whole person care approaches and addressing Social Determinants of Health;

- Move Medi-Cal to a more consistent and seamless system by reducing complexity and increasing flexibility; and

- Improve quality outcomes, reduce health disparities, and drive delivery system transformation and innovation through value-based initiatives, modernization of systems and payment reform.

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CalAIM Components & Key Changes for 2021

Population Health Management

Summary

Requires managed care plans (MCPs) to develop and maintain a person-centered population health strategy for addressing member health and health-related social needs across the continuum of care based on data-driven population level assessment, and risk stratification and segmentation.

Implementation Date

January 1, 2023

Population Health Management
Key Changes

- Clarifies MCPs must partner with community-based providers to address member needs

- Clarifies that strategies should be developed in coordination with both county behavioral health and public health departments

- Details added to 'Assessment of Risk and Need' section on data collection expectations, risk stratification and segmentation, risk tiering, and development of the individual risk assessment tool.

- Addition of planned learning collaborative topics and continuing areas of policy development.

Enhanced Care Management

Summary

A statewide enhanced care management (ECM) benefit that provides a whole-person approach to care that addresses the clinical and non-clinical circumstances of high-need Medi-Cal beneficiaries. The ECM benefit builds on the current Health Homes Program and Whole Person Care Pilots.

Implementation Dates

- **January 1, 2022** – MCPs in counties with Whole Person Care and/or Health Homes Programs transition aligning target populations

- **July 1, 2022** – MCPs in counties with Whole Person Care and/or Health Homes implement additional target populations. MCPs in non-Whole Person Care or Health Homes counties begin implementation of select target populations

- **January 1, 2023** – Full implementation of ECM in all counties

Enhanced Care Management
Key Changes

- Addition of target population descriptions, developed based on stakeholder feedback (Appendix I)

- Clarifies that Local Government Agency Targeted Case Management (TCM) benefits will continue (pending CMS approval)

- Clarifies that MCPs will be required, with limited exceptions, to contract with existing Health Homes community-based care management entities (CB-CMEs) and Whole Person Care providers.

In Lieu of Services

Summary

Proposes a set of 14 'in lieu of services' (ILOS) that plans can use to provide health-related services as an alternative or substitute for covered Medi-Cal benefits. ILOS will be integrated with care management for members at high levels of risk and allow plans to address social determinants of health in a way that is cost-effective and consistent with whole person care approached. Managed care plans will be able to add ILOS over time.

Implementation Date

- January 1, 2022

Key Change

Revised ILOS menu based on workgroup and stakeholder feedback, including the addition of Asthma Remediation as an ILOS.

Shared Risk, Shared Savings & Incentive Payments

Summary

Incentivizes MCPs to invest in delivery system infrastructure, build care management and in lieu of services capacity, and improve quality performance and measurement reporting that can inform future policy decisions.

Implementation Dates

- Implementation of incentive payments beginning January 1, 2022
- Implementation of seniors and persons with disabilities and long-term care blended rate in 2023
- Tiered, retrospective model would be available for 2023-2025; prospective model of shared savings/risk to be incorporated via capitation rates in 2026

SMI/SED Section 1115 Demonstration

Summary

Proposes that DHCS pursue the SMI/SED Section 1115 demonstration opportunity, as long as systems are positioned to achieve the required goals and outcomes, including building out a full continuum of care to offer beneficiaries community-based care in the least restrictive setting. County participation would be optional.

Implementation Date

- Proposal to be developed no sooner than July 2022

Key Changes

- Updates key requirements of Section 1115 demonstration opportunity and list of states that have approved SMI/SED waivers

Mandatory Medi-Cal Application and Behavioral Health Referral upon Release from Jail and County Juvenile Facilities

Summary

Proposes mandating a county inmate pre-release Medi-Cal application process to ensure all county inmates receive timely access to Medi-Cal services upon release from incarceration. Also proposes mandating that jails and county juvenile facilities implement a process for facilitated referral and linkage from county institution release to county specialty mental health, Drug Medi-Cal, DMC-ODS, and Medi-Cal managed care plans when the inmate was receiving behavioral health services while incarcerated, to allow for continuation of behavioral health treatment in the community.

Implementation Date

- Implementation moved to January 1, 2023

Full Integration Plans

Summary

Proposes testing the effectiveness of an approach to provide full integration of physical health, behavioral health, and oral health under one contracted entity

Implementation Date
- Implementation no sooner than January 1, 2027

Long-Term Plan for Foster Care

Summary

DHCS, in collaboration with DSS, launched a workgroup to explore whether California should consider a different model of care for children and youth in foster care. DHCS and DSS will take lessons learned from the workgroup and develop a comprehensive set of recommendations and plan of action.

Timeline
- Workgroup launched in June 2020 and will meet through June 2021

Managed Care Changes

Mandatory Managed Care Enrollment

- Proposes moving beneficiaries in a voluntary or excluded aid code to mandatory managed care and notes which populations will move to or stay in mandatory fee-for-service

- Implementation moved to January 1, 2022 for non-dual eligibles

- Mandatory managed care for dual eligibles effective January 1, 2023

Managed Care Benefit Standardization

- Standardizes the Medi-Cal benefit package across MCPs by January 1, 2023 (see proposal for all timelines)

Regional Managed Care Capitation Rates

- January 1, 2022: Implementation for targeted counties and managed care plans

- No sooner than January 1, 2024: Full implementation statewide

Managed Care Changes

NCQA Accreditation for all Medi-Cal MCPs

- Accreditation required by 2026
- Clarifies that accreditation from other agencies will not be accepted
- Clarifies that use of LTSS Distinction Survey will be required by 2027
- Clarifies DHCS will not yet require the Medicaid Module and will not yet select elements for deeming
- Clarifies that MCPs will not yet be required to ensure that non-health plan sub-contractors (delegated entities) are accredited

Managed Care Changes

Statewide LTSS, LTC, and shift to Dual Eligible Special Needs Plans

- Long-term care carve-in effective January 1, 2023

- Cal MediConnect transition to Dual-Eligible Special Needs Plan (D-SNP) and MCP aligned enrollment in 2023

- Aligned enrollment in non-Coordinated Care Initiative (CCI) counties by 2025

- Best practices from Cal MediConnect to be incorporated into D-SNP contracts, such as integrated member materials, dementia specialists, and coordination with carved-out benefits

- D-SNP "look-alike" enrollees transition to D-SNPs

- Statewide MLTSS by 2027

Behavioral Health

Summary

- Proposes **payment reform** to transition from a cost-based payment methodology to outcomes and quality- based payments.

- Proposes **revising medical necessity** criteria to more clearly delineate and standardize requirements to improve access for beneficiaries.

- Proposes **streamlining administrative functions** for SUD and specialty mental health services

- Proposes **regional contracting** to encourage counties to optimize resources

- Proposes **updating the the DMC-ODS** program based on learnings

Behavioral Health – Key Changes

Payment Reform

- Implementation moved to no sooner than July 1, 2022

- Adds clarification around transition from HCPS Level II coding to CPT coding

- Clarifies rate setting methodology for reimbursement rates based on peer grouping

Medical Necessity

- Implementation moved to January 1, 2022

- See proposal for modifications based on stakeholder feedback

Administrative Integration of Specialty Mental Health and SUD Treatment Services

- Each county or region will implement a single integrated behavioral health plan by 2027.

- Clarifies distinction from DHCS' Full Integration Plan

Behavioral Health – Key Changes Continued

Behavioral Health Regional Contracting

- No substantial changes

DMC-ODS

- DHCS will request 5-year renewal from January 1, 2022- December 31, 2026
- Clarifies DHCS intends to provide non-DMC-ODS counties the opportunity to opt-in
- Notes items included in 12-month extension request
- Proposes adding ASAM level 0.5 for beneficiaries under age 21
- Proposed to add contingency management as an optional service
- Includes a suite of technical fixes from lessons learned to date

Dental Benefits

Summary

Proposes adding new dental benefits including a Caries Risk Assessment Bundle for young children and Silver Diamine Fluoride for young children and high-risk and institutional populations and continuing and expanding Pay for Performance initiatives that reward increasing the use of preventative services and establishing continuity of care through a dental home.

Key Changes

- Proposed implementation was January 2022. This date is under review following CMS denial of Designated State Health Program (DSHP) funding in the Medi-Cal 2020 one-year extension request

- Adds additional specificity (service codes, maximum number of treatments)

- Adds appendix demonstrating differences between CalAIM proposal and Prop 56.

County Partners

Summary

Proposes enhancing DHCS' oversight and monitoring of Medi-Cal eligibility and enrollment of the California Children's Services (CCS) and Child Health and Disability Prevention (CHDP) programs as well as improving the accuracy and collection of beneficiary contact and demographic information.

Implementation Dates

- Enhancing county eligibility oversight and monitoring work to begin June 1, 2021 (subject to change)

- Enhancing county oversight and monitoring for CCS and CHDP work began in August 2020

- Improving beneficiary contact and demographic information work to begin in 2022-2023

Looking Ahead – CalAIM in 2021

	Key Implementation Milestones
Jan. – March	• Launch first Managed Long-Term Services and Supports and Duals Integration workgroup • Release **draft** ECM/ILOS Model of Care (including WPC/HH Transition Plan) and ECM/ILOS DHCS to MCP contract language and MCP to provider standard terms and conditions for comment and begin technical assistance efforts • Release **final** ECM/ILOS Model of Care and ECM/ILOS DHCS to MCP contract language and MCP to provider standard terms and conditions • Section 1115 and 1915(b) waiver public comment period begins
Apr. – June	• Release draft MCP rates for ECM • Release of additional ECM/ILOS materials, including ILOS pricing guidance • Conclude Foster Care Model of Care workgroup • Form county oversight and monitoring workgroup • Develop auditing tools for oversight of CCS and CHDP
July – Dec.	• MCPs submit ECM/ILOS Model of Care for WPC/HHP counties, for review/approval by DHCS • Begin stakeholder process for county inmate pre-release application process • Publish an updated process for monitoring and reporting of County Performance Standards • Anticipated approval of 1115 and 1915(b) waiver/renewal requests

Looking Ahead – CalAIM in 2022

Key Implementation Milestones- January 1, 2022	
Enhanced Care Management	MSSP Carve-Out in CCI Counties
In Lieu of Services	Phase I – Improving Beneficiary Contact Information
Managed Care Plan Incentives	Mandatory MCP Enrollment for Non-Dual and Pregnancy-Related Populations
DMC-ODS Renewal	Mandatory FFS for OBRA and Share of Cost beneficiaries
Behavioral Health Medical Necessity Criteria	Phase I – Regional MCP Capitation Rates
SMHS Carve-Out in Solano and Sacramento Counties	Cal MediConnect to D-SNP Aligned Enrollment Transition Preparation
Major Organ Transplant Carve-In	D-SNP "Look-Alike" Enrollee Transitions Begin in CCI Counties

Q & A

Please visit the DHCS CalAIM website for more information: https://www.dhcs.ca.gov/provgovpart/Pages/CalAIM.aspx

Please send questions or comments to CalAIM@dhcs.ca.gov

THANK YOU