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Anastasia Dodson
Associate Director for Policy
Department of Health Care Services
1500 Capitol Ave
Sacramento, CA 95814

VIA ELECTRONIC MAIL:
anastasia.dodson@dhs.ca.gov

Re: SB 1004 Palliative Care Goals

Dear Ms. Dodson:

The California Association of Health Plans (“CAHP”) represents 46 public and private health care service plans that collectively provide coverage to over 24 million Californians. We write today to provide comments on the SB 1004 Medi-Cal Palliative Care Goals document dated October 5, 2015.

We would like to thank the Department of Health Care Services’ (the Department) collaborative efforts to develop a palliative care benefit with the plans. The plans are very supportive of the concept of palliative care and would like to continue to work together to develop a benefit that meets the needs of California’s Medi-Cal beneficiaries.

Funding

The plans continue to have significant concerns with the requirements to expand hospice benefits to their members who would not otherwise qualify for hospice, regardless of the estimated length of the individual’s remaining period of life, without providing a funding source for those benefits. Plans would like to urge the Department to consider the cost implications for implementing a “hospice plus” program.

While some plans are implementing palliative care programs outside of the statutory requirement, they are doing so with initial funding from outside sources, which demonstrates the need for upfront monies to provide for infrastructure improvements, establishing provider networks, and other considerations necessary for establishing a new benefit.

We request more discussion with the Department on how it determined that the proposed structure will result in cost savings or make the program cost neutral. It is important that the Department and the plans understand the assumptions that are in place prior to the implementation of this benefit.

Section 2: Proposed Eligible Conditions

The plans have concerns over limiting the benefit to late-stage or high-grade cancer and do not believe that limiting the benefit to this one condition will achieve the objective of making the palliative care benefit cost-neutral. Plans will still need to ensure they have adequate provider networks, and make other programmatic changes, which will have significant up-front costs regardless of the number of beneficiaries that receive the benefit.

Plans continue to believe that it is important to maintain the flexibility to expand the benefit to a larger population and to additional conditions as soon as it becomes feasible to do so. However, since the Department will at a minimum focus on late-stage or high-grade cancer the plans would like to request the definition that the Department will rely upon to make this eligibility determination. There is some concern that limiting the benefit to this condition will only target individuals that have less than a year to live, and neglect to reach those with a longer life expectancy, which may benefit more from palliative care.

Additionally, the goals document does not outline a grievance process. Please clarify how the Department will respond to beneficiaries who believe they are eligible for a palliative care but are not provided this benefit through their plan.

Section 3: Proposed Services

Plans are not currently reimbursed for respite or homemaker services, which are not currently Medi-Cal covered benefits. Requiring plans to provide respite care and homemaker services without providing reimbursement for those services further exacerbates the issue of asking the plans to comply with an unfunded mandate.

Section 4: Proposed Providers

Plans would like the flexibility to expand beyond the use of only licensed providers. The palliative care benefit should be mostly out-patient based so the ability to contract with non-hospice and non-home health providers will be necessary. Plans should have the flexibility to develop palliative care networks that aligns with the needs and capacity within the plan's service area.

Section 6: Performance Measures

The Plans recommend a limited and specific set of reporting requirements that focus on the specific interventions that the palliative care benefit provides. This will help to minimize the administrative burden on plans and providers. Defining the condition of late-stage or high-grade cancer, as requested above, will allow the Department to establish a uniform measurement by which to evaluate outcomes across plans.

Furthermore, these reporting requirements should align with established metrics that plans are currently required to report on to the extent possible, and monitoring activities should be related to the limited population currently specified by the Department, to allow for a consistent comparison across the plans.

We thank you for taking the time to review these comments. We are available at your convenience and welcome further discussion of this letter.

Sincerely,

Original signed by Elizabeth Evenson

Elizabeth Evenson
State Programs Analyst

cc (via email): Athena Chapman, Director of State Programs