

Stakeholder Communication Update February 2019

The <u>Department of Health Care Services</u> (DHCS) is pleased to share this bimonthly update of important events and actions at the Department. If you are not a subscriber and would like to receive these updates, please sign up on the DHCS <u>website</u>. Check out the <u>Calendar of Events</u> for specific meetings and events, or visit the <u>Stakeholder</u> <u>Engagement Directory</u> for listings by program. You also can view our <u>State Plan</u> <u>Amendments (SPA)</u>, and find the most <u>recent data</u> on Medi-Cal enrollment. For questions or suggestions, contact us at <u>DHCSPress@dhcs.ca.gov</u>. Be sure to follow DHCS on social media, too. Thanks.



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Department Updates

Budget Proposal for State Fiscal Year 2019-20

On January 10, 2019, Governor Newsom released his budget proposal for State Fiscal Year 2019-20. The proposed budget for DHCS, \$104.2 billion, supports actions and vital services that reinforce the state's commitment to preserve and improve the health of all Californians while operating within a responsible budgetary structure. For Governor Newsom's highlights, please visit the DHCS <u>website</u>. Also, to view the November Estimate, as well as historical estimate information, please visit the Medi-Cal Local Assistance Estimates <u>webpage</u>. In addition, the Department of Finance released trailer bill language, and you may check its <u>website</u> for more information.

Executive Staff Appointments at DHCS

DHCS recently made several key executive staff appointments. Jacey Cooper, who was Assistant Deputy Director for Health Care Delivery Systems, was appointed to the executive position of Senior Advisor for Health Care Programs. In this role, Cooper will report directly to Medicaid Director and Chief Deputy Director of Health Care Programs, Mari Cantwell, and will lead specified department-wide initiatives. Robert Ducay was appointed as Assistant Deputy Director for Health Care Financing. Ducay previously served as an Assistant Secretary at the California Health & Human Services Agency. Erica Bonnifield was appointed as Assistant Deputy Director for Health Care Benefits & Eligibility. Bonnifield previously served as Assistant Division Chief of the DHCS Benefits Division.

Program Updates

Assisted Living Waiver (ALW) Renewal

On October 31, 2018, DHCS submitted the ALW renewal application for review and approval by the Centers for Medicare & Medicaid Services (CMS). The current ALW five-year term will expire on February 28, 2019, and the application requests to renew the ALW for a new five-year term, from March 1, 2019, to February 28, 2024. The renewal would include the additional 2,000 slots in the CMS-approved amendment from October 2018 for a total capacity of 5,744. The additional slots are being gradually added, at a rate of 500 per month, to allow Care Coordination Agencies (CCA) the time needed to process applications within the waiver required 60-day window. The ALW program serves Medi-Cal-eligible individuals age 21 and older and bridges the gap between independent living and nursing home care. The ALW offers an alternative to nursing facilities. A copy of the ALW renewal application submitted to CMS is posted on the DHCS website.

Dental Transformation Initiative (DTI)

DTI Domain	Payments To Date
Domain 1 (Preventive Care)	\$98.9 million
Domain 2 (Caries Risk Assessment)	\$5.8 million
Domain 3 (Continuity of Care)	\$21 million
Domain 4 (LDPPs)	\$16.3 million

DTI payments issued to date, across all domains, total approximately \$142 million.

On January 1, 2019, DHCS expanded Domain 2 and Domain 3 to additional pilot counties. The lists of counties are available under the general information tab on the DTI <u>webpage</u>. For Domain 4, DHCS has 13 executed Local Dental Pilot Project (LDPP) contracts. Nine requests for additional funding were received, and all were approved. Teleconferences with all LDPPs continue as an opportunity to educate, provide technical assistance, offer support, and address concerns. In addition, the DTI Program Year(PY) 2 Annual Report was submitted to CMS at the end of December 2018 and can be found <u>here</u>. Additional information about the DTI is available on the DHCS <u>website</u>.

Diabetes Prevention Program (DPP)

On January 1, 2019, the DPP became a covered Medi-Cal benefit, and DHCS began accepting DPP provider applications. DPP is an evidence-based, lifestyle change program designed to assist Medi-Cal beneficiaries diagnosed with prediabetes to prevent or delay the onset of type 2 diabetes. Established under Welfare and Institutions Code (WIC) Section 14149.9, Medi-Cal's DPP benefit will be consistent with the Centers

for Disease Control and Prevention's (CDC) guidelines, and incorporate many components of Medicare's DPP. Medi-Cal's DPP will include a core benefit consisting of at least 22 peer-coaching sessions over 12 months, which will be provided regardless of weight loss. In addition, beneficiaries who achieve and maintain a minimum weight loss of 5 percent from the first core session will be eligible to receive ongoing maintenance sessions, after the 12-month core services period, to help them continue healthy lifestyle behaviors.

For information on how to enroll as a Medi-Cal DPP provider, please refer to the <u>Medi-Cal Enrollment Requirements</u> and <u>Designation of Categorical Risk Levels</u> provider bulletins. For information on the DPP coverage and reimbursement policies, please refer to the Medi-Cal Provider Website "<u>Hot News</u>" or to the DHCS <u>website</u>.

DHCS is still finalizing the fee-for-service (FFS) claiming system to allow providers to enroll and bill as DPP providers. Once the system edits are completed, the policy and coverage information will be finalized and published in the Medi-Cal Provider Manual. Until then, Medi-Cal FFS providers who submitted an application to become a DPP provider are instructed to not submit Medi-Cal DPP claims until further notice from the Department.

DPP Curriculum Translations

As part of the Governor's 2018-19 budget, DHCS received a one-time appropriation to translate the CDC-approved diabetes prevention curriculum into DHCS' 16 required threshold languages. Once finalized, DHCS will publish the translated materials on the DHCS website. For information about other DPP-translated materials, see the National Association of Chronic Disease Directors' <u>National DPP Coverage</u> <u>Toolkit</u>, which includes the National DPP Curriculum and its various translations. Further questions about curriculum modifications or translations can be directed to the CDC at <u>dprpAsk@cdc.gov</u>. For questions or comments about the DPP, please email <u>DHCSDPP@dhcs.ca.gov</u>.

Drug Medi-Cal Organized Delivery System (DMC-ODS) Waiver

As of January 1, 2019, 24 counties were approved to deliver DMC-ODS services, representing nearly 85 percent of the Medi-Cal population statewide. There are 16 additional counties in various phases of implementation. The California External Quality Review Organization (EQRO) posted the external quality review (EQR) report for Contra Costa County on its <u>website</u>. EQRs also have been completed for San Luis Obispo and San Francisco counties. The DMC-ODS provides a continuum of care modeled after the American Society of Addiction Medicine (ASAM) criteria for substance use disorder treatment services. ASAM designations continue to be processed for licensed residential alcohol and other drug (AOD) program providers. DHCS has issued a 732 designations

to residential AOD treatment providers in California. More information about the DMC-ODS is available on the DHCS <u>website</u>.

Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) Services

DHCS is developing additional resources and expanding information regarding the federal EPSDT benefit. This includes increasing the amount of EPSDT information available on the DHCS <u>website</u>; providing a more detailed description of EPSDT services in the beneficiary handbook, "myMedi-Cal: How to Get the Care You Need;" updating various sections of the California Code of Regulations, Title 22 and Title 9, to correct inaccurate EPSDT program language; and updating the "Preventive Services" section and adding new EPSDT-focused material in the Medi-Cal Provider Manual. DHCS expects that these changes will take effect in early 2019. For questions or comments, please email <u>DHCS-Benefits@dhcs.ca.gov</u>.

Health Homes Program (HHP)

On January 1, 2019, HHP implementation began in Riverside and San Bernardino counties for eligible members based upon chronic physical conditions and substance use disorders criteria. HHP services were also expanded in San Francisco County for members eligible because of serious mental illness or serious emotional disturbance. In addition, DHCS announced that Partnership Health Plan of California and Central California Alliance for Health will not implement the HHP as previously anticipated. This change to the HHP removes the following counties where the two Medi-Cal managed care health plans (MCP) were scheduled to implement HHP on July 1, 2019: Del Norte, Humboldt, Lake, Lassen, Marin, Mendocino, Merced, Monterey, Napa, Santa Cruz, Shasta, Siskiyou, Solano, Sonoma, and Yolo.

DHCS is working with the remaining MCPs in 11 additional counties (Alameda, Fresno, Imperial, Kern, Los Angeles, Orange, Sacramento, San Diego, San Mateo, Santa Clara, and Tulare) to prepare for their implementation in Group 3 beginning on July 1, 2019. Services will be provided in the following core areas: comprehensive care management; care coordination (physical health, behavioral health, community-based long-term services and supports); health promotion; comprehensive transitional care; individual and family support; and referral to community-based and social support services. For additional information or to view the HHP Implementation Schedule, please visit the DHCS website.

Medication Assisted Treatment (MAT) Expansion Project 2.0

California's MAT Expansion Project funds services to address the opioid crisis by increasing access to MAT using the three Food and Drug Administration-approved

medications – buprenorphine, methadone, and naltrexone – for the treatment of opioid use disorder. These projects are federally funded by the State Targeted Response to the Opioid Crisis and State Opioid Response grants. Since October 1, 2018, the Naloxone Distribution Project has distributed 95,000 free naloxone units to first responders, community-based outreach teams, homeless shelters, law enforcement, courts, veteran's centers, jails, and schools statewide. DHCS also selected The Center at Sierra Health Foundation to administer the MAT Access Points project, which will support MAT startup activities and/or MAT enhancement efforts in at least 200 MAT Access Points throughout urban and rural areas across the state. MAT Access Point applications are anticipated to be released in spring 2019, and \$38 million in funds will be re-granted to local entities. These MAT Access Points can include, but are not limited to, primary care, hospitals, emergency departments, medication units, jails, residential centers, tribal health centers, DUI providers and community or county mental health centers, or other sites either establishing new MAT access or expanding current MAT capacity. More information about the MAT Expansion Project is available on the DHCS <u>website</u>.

Medical Interpreter Services (MIS)

On December 6, 2018, DHCS released the Notice of Intent to Award for the MIS contract, with an effective date of February 1, 2019. WIC Section 14146 requires DHCS to:

- Work with stakeholders to conduct a study to identify current requirements for medical interpretation services, as well as education, training, and licensure requirements.
- Analyze other state Medicaid programs.
- Make recommendations on strategies, including possible pilot projects, that may be used to provide medical interpretation services to Medi-Cal beneficiaries who are limited English proficient (LEP).

In addition, based upon the study's recommendations anticipated by fall 2019, DHCS is required to work with identified stakeholders to establish pilot projects at up to four separate sites to evaluate a mechanism to provide and improve medical interpretation services for LEP Medi-Cal beneficiaries.

For more information about MIS implementation activities, please visit the DHCS <u>website</u>. For questions or comments, please email <u>DHCSAB635Med@dhcs.ca.gov</u>.

Medi-Cal Authorized Representative Forms

DHCS recently published updated guidance and new Medi-Cal authorized representative forms in <u>All County Welfare Directors Letter 18-26</u> to align with changes in federal regulations and state law. Changes include: a new Standard Agreement form to notify counties which individuals at an organization will represent the

applicant/beneficiary; removing time limit requirements for authorized representatives on active cases; and allowing organizations to be appointed as authorized representatives. Additionally, Medi-Cal applicants and beneficiaries may choose to limit their authorized representative's role, allowing for greater flexibility for applicants and beneficiaries.

Medi-Cal Provider Manual Updates

DHCS recently released a <u>bulletin</u> and updated certain sections of the Medi-Cal Provider Manual's <u>Preventive Services section</u> to inform providers about:

- United States Preventive Services Task Force Grade A and B recommendations.
- Advisory Committee on Immunization Practices recommended vaccines for adults 19 years of age and older, as approved by the <u>CDC</u>.

In addition, DHCS is revising the *Preventive Services* section, dedicated to Medi-Calcovered benefits and services for beneficiaries up to age 21, to make it consistent with the <u>American Academy of Pediatrics' (AAP's) Recommendations for Preventive Pediatric</u> <u>Health Care</u> (Periodicity Schedule). The revised subsection will include coverage and reimbursement guidance with specific procedure codes identified that correspond to benefits/services provided at the age-appropriate periodic intervals as recommended by AAP/Bright Futures. DHCS anticipates the final subsection will be published by March 2019.

DHCS is also working on a dedicated EPSDT section of the Medi-Cal Provider Manual. This new section will include comprehensive EPSDT billing and policy information. This effort was done in conjunction with the recent update to DHCS' <u>EPSDT webpage</u>, where providers and beneficiaries can find EPSDT information and covered services.

Network Certification Update

DHCS submitted network adequacy certification documentation to CMS prior to January 1, 2019. The submission included the assurance of compliance of two Medi-Cal managed care specialty health plans that are on the calendar contract year (Family Mosaic Project and Senior Care Action Network (SCAN) Health Plan), and Partnership Health Plan for Phase 2 of the Whole Child Model Program. DHCS has confirmed that the MCPs contracted with DHCS are compliant, or have been deemed compliant, with the network certification requirements set forth in 42 Code of Federal Regulations (C.F.R.) §§438.206, 438.207, and 438.68. The network adequacy standards and certification letters to CMS can be found on the DHCS <u>website</u>.

Non-Medical Transportation (NMT)

DHCS has made progress towards notifying beneficiaries of the NMT benefit and enrolling providers who can offer FFS NMT services to beneficiaries across California. As of February 1, 2019, over 1.2 million beneficiary notices were mailed to eligible FFS beneficiaries. DHCS has seen an increase in transportation requests from beneficiaries since the notice was mailed. DHCS continues to collaborate with transportation organizations and providers statewide and provide technical assistance to transportation providers relating to Medi-Cal coverage, reimbursement policies, and provider enrollment processes. As of February 1, 2019, DHCS received 79 applications from transportation providers in 20 counties. Of these counties, two applications have been approved for transportation providers in Los Angeles and Alameda counties, and others are awaiting final review and approval. In addition, DHCS continues to work towards completing the necessary systems edits to allow FFS NMT providers to bill for services provided. Once the system edits are completed, DHCS will post a list of approved NMT providers on the DHCS website. NMT is also available to all Medi-Cal managed care members, including NMT for all Medi-Cal services not covered under the MCP contract. For more information about the NMT policy, please visit the DHCS transportation website. For questions about NMT policy, please email DHCS-Benefits@dhcs.ca.gov. For questions about the provider enrollment processes, please email <u>PEDCorr@dhcs.ca.gov</u>.

Pediatric Palliative Care (PPC) Waiver

The PPC Waiver ended on December 31, 2018; PPC services are being provided to eligible beneficiaries in new ways effective January 1, 2019. CMS approved the PPC Waiver in December 2008 to offer supportive services at home and in the community to children with life-threatening medical conditions. Beneficiaries under the PPC waiver will now receive PPC services administered by either the managed care or FFS delivery system, depending upon enrollment status. These delivery systems will continue to be responsible for covering medically necessary palliative care services under the EPSDT program for all Medi-Cal beneficiaries under age 21. DHCS is working with MCPs to monitor affected beneficiaries to ensure access to medically necessary services and continuity of care. The Department is monitoring outcomes for FFS beneficiaries independently. DHCS has been working directly with stakeholders, beneficiaries and their families, and providers to facilitate warm handoffs between care systems, ensure participants know about their options and are free to choose services and providers, and oversee and ensure continuity of care. For more information, please visit the DHCS website.

Pharmacy FFS Reimbursement Changes for Covered Outpatient Drugs

As outlined in California's State Plan Amendment <u>17-002</u>, DHCS is implementing a new FFS reimbursement methodology for covered outpatient drugs. Barring unforeseen delay, DHCS anticipates FFS pharmacy providers will see the new reimbursement methodology reflected in their claims with dates of service starting February 23, 2019. Because the policy effective date mandated by CMS is April 1, 2017, DHCS intends to make retroactive adjustments for all claims with dates of service between April 1,

2017, and the implementation date. DHCS will engage stakeholders in the upcoming months regarding how these claims adjustments will be rolled out. Additional information is available on the DHCS <u>website</u>.

Proposition 56 – Dental Supplemental Payments

Prop. 56 supplemental payments for Current Dental Terminology (CDT) codes were unchanged from fiscal year (FY) 2017-18 to FY 2018-19, and have continued without interruption. For new CDT codes or revised payment percentages for FY 2018-19, payments began on December 19, 2018, for incoming claims. Erroneous payment corrections for the period of July 1 to December 18, 2018, began on January 7, 2019, and are expected to be complete by April 2019. For more information, please visit the DHCS <u>website</u>.

Program of All-Inclusive Care for the Elderly (PACE)

Effective January 1, 2019, PACE added a new plan covering the Stockton and Modesto area. Stockton PACE joins 11 other PACE plans operating in California. PACE provides comprehensive medical and social services to older adults who would otherwise reside in nursing facilities. For more information about PACE, please visit the DHCS <u>website</u>.

Smile, California Campaign for the Medi-Cal Dental Program

DHCS and its partners will continue the *Smile, California* Campaign in 2019 with a tour starting in February to kick off and celebrate National Children's Dental Health Month. The tour will include visits to San Diego (Feb. 19), Redding (Feb. 21), and Oakland (Feb. 26). The campaign's goal is to build positive momentum and drive increased utilization of dental services for Medi-Cal members, largely through <u>smilecalifornia.org</u>. If you would like to be added to the listserv and receive *Smile, California* updates, please email <u>hello@smilecalifornia.org</u>.

Superior Systems Waiver (SSW)

The Medi-Cal SSW expires on September 30, 2019. DHCS is working on the SSW renewal application for submittal to CMS by June 30, 2019. The SSW describes how DHCS will continue transitioning the non-designated public hospitals and private hospitals from using Treatment Authorization Requests (TAR) for most hospital stays to using the hospitals' own utilization-management systems, relying on nationally recognized, evidence-based medical criteria. In this approach, DHCS conducts post-payment clinical and administrative monitoring and oversight. This method is used by designated public hospitals in California, which DHCS has already transitioned from the TAR process. DHCS will work with stakeholders on the renewal application by soliciting input and answering questions. DHCS expects to release the proposed SSW renewal draft for stakeholder input in the next few months. For questions or comments

regarding the SSW renewal, please email <u>DRGTARFree@dhcs.ca.gov</u>. For more information, please visit the DHCS <u>website</u>.

Telehealth Policy

On December 19, 2018, DHCS held a webinar with more than 400 stakeholders about proposed revisions to telehealth policy, including provider manual changes and a Medi-Cal managed care All Plan Letter. Through this policy revision, DHCS intends to clarify that Medi-Cal providers have increased flexibility to use telehealth as a modality for delivering medically necessary services to their patients, as well as to provide clarification and more detailed guidance regarding coverage and reimbursement requirements. The webinar presentation, as well as DHCS comments to all responses received prior to the webinar, are available on the DHCS <u>website</u>. DHCS will also post responses to comments received during the webinar on the website. DHCS expects to publish the final telehealth policy in spring 2019. For questions or comments, please email <u>Medi-Cal Telehealth@dhcs.ca.gov</u>.

Whole Child Model (WCM) Implementation

Phase III of the WCM program with CalOptima and its delegated entities has been postponed to no sooner than July 1, 2019, to allow additional time to ensure the plan and the California Children's Services (CCS)-paneled provider network are prepared to meet the needs of the CCS-eligible population. DHCS is working through the readiness activities for Phase III with CalOptima. The WCM program is being implemented in three phases among five managed care plans across 21 counties. Phase I implemented July 1, 2018, in three managed care plans – Central California Alliance for Health (CCAH), CenCal, and Health Plan of San Mateo (HPSM). Phase II implemented January 1, 2019, with Partnership Health Plan of California. MCPs implementing the WCM program assume full financial responsibility, which includes service authorization activities, claims processing and payment, case management, and quality oversight. In conjunction with the MCPs under the WCM program, county CCS programs and DHCS will assume responsibility for various administrative functions to support the CCS program. For more information, please visit the DHCS website.

Stakeholder Meetings and Webinars

California Children's Services (CCS) Transition to Adulthood Workgroup

On January 30, 2019, DHCS hosted the first Transition to Adulthood Workgroup. The workgroup is addressing questions raised during the October 2018 CCS Advisory Group meeting and providing recommendations to DHCS on the transition of CCS children's

health care as they mature into adulthood. Meetings will be held monthly through March/April 2019. Workgroup members include representatives of family advocates, counties, families, health plans, and providers. To view more information about the workgroup, please visit the DHCS <u>website</u>.

Medi-Cal Children's Health Advisory Panel (MCHAP) Meeting

The next MCHAP meeting is scheduled for April 4, 2019, in Sacramento. The January 24 meeting included DHCS Director Kent's updates on federal and state developments, approval of recommendations on the DHCS website and written communications standards, and a presentation on the Medi-Cal Children's Health Dashboard. The MCHAP is a 15-member independent statewide advisory body that advises DHCS on matters relevant to children enrolled in Medi-Cal. To view meeting information, materials, or historical documents, please visit the DHCS <u>website</u>.

Medi-Cal Dental Stakeholder Meetings

The next quarterly Sacramento Medi-Cal Dental Advisory Committee meeting is scheduled for February 7, 2019, and the next Medi-Cal Dental Los Angeles Stakeholder meeting is scheduled for February 21, 2019. Additional stakeholder information is available on the DHCS <u>website</u>.

Medi-Cal Health Information Exchange Onboarding Program (Cal-HOP) Webinars

On February 22, 2019, DHCS will hold a webinar to provide an overview of Cal-HOP, a program which will provide funding to assist Medi-Cal providers' access and use of health information exchange (HIE) technology to improve the quality and effectiveness of care for Medi-Cal beneficiaries. Cal-HOP will:

- Increase the number of Medi-Cal providers that can exchange patient data via a Health Information Organization (HIO).
- Expand the data-exchange capabilities of Medi-Cal providers already participating in HIOs.
- Facilitate Medi-Cal providers' access to the CURES prescription drug monitoring database.

At the January 8, 2019, "HIE Onboarding and Interoperability Summit" workshop, DHCS provided an overview of Cal-HOP, available on the DHCS <u>website</u>. As a follow up to the workshop, DHCS will host two webinars to explain and answer questions regarding Cal-HOP requirements, key components, funding, and timelines. The first webinar, which will provide an overview of Cal-HOP and focus on HIO questions, is scheduled for February 22, 2019. The second webinar will focus on provider organizations' questions, and is

tentatively scheduled for March 1, 2019. Additional information for both Cal-HOP webinars will be available on the DHCS <u>website</u>.

Stakeholder Advisory Committee (SAC) Meeting

The next SAC meeting is scheduled for February 13, 2019. The meeting will provide updates on the latest federal and state developments. The meeting will also include updates on Proposition 56 payments and loan repayment program, and an open discussion among SAC members on 2021 to 2025 waiver opportunities. Additionally, the meeting will provide information on the second-round grant supporting MAT. The purpose of the SAC is to provide DHCS with feedback on health care policy issues affecting the Department, including Section 1115 waiver implementation efforts. SAC members are recognized stakeholders/experts in their fields, including, but not limited to, member advocacy organizations and representatives of various Medi-Cal provider groups. To view meeting information, materials, or historical documents, please visit the DHCS <u>website</u>.