



Whole Person Care Pilot Program Second Round - New Applicants

California Department of Health Care Services
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Agenda

1. Welcome and Overview

2. Second Round Application Timeline

3. Application Overview

4. WPC Pilot Budget for New Applications

5. Initial Selection Criteria

6. Special Terms and Conditions (STC) Attachments

7. Questions and Answers

8. Discussion



Whole Person Care Pilots

Second Round - New Application Overview

Whole Person Care (WPC) Pilots:

5-year program (began January 1, 2016) authorized under
Medi-Cal 2020 Section 1115 Waiver

Goal

- To test locally-based initiatives that will coordinate physical health, behavioral health, and social services for beneficiaries who are high users of multiple health care systems and continue to have poor health outcomes.

Activities

- WPC Pilots will identify target populations, share data between systems, coordinate care in real time, and evaluate individual and population health progress.

Second Round Funding

- Approximately \$120 million total funds are available annually.



Second Round Application Timeline



Second Round Application Timeline - 2017

- **January 13:** Revised Application and Budget Instructions released
- **March 1:** WPC Applications due
 - No extensions will be granted beyond this due date
- **March 1 – July 1:**
 - DHCS reviews applications and sends written questions to applicants as necessary
 - Applicant written responses sent to DHCS and reviewed
- **July 2:** DHCS makes final decisions and notifies applicants
- **July 12:** WPC Lead Entities provide formal acceptance to DHCS



Application Overview



Application Structure

Section 1:

Lead Entity &
Participating
Entity
Information

Section 2:

General
Information &
Target
Population(s)

Section 3:

Services,
Interventions,
Care
Coordination, &
Data Sharing

Section 4:

Performance
Measures, Data
Collection,
Quality
Improvement, &
Ongoing
Monitoring

Section 5:

Financing



Application Elements

- **Section 1: Lead Entity and Participating Entity Information**
 - Lead Entity and contact person
 - Participating entities and their role in WPC Pilot
 - Letters from participating providers and other relevant stakeholders

- **Section 2: General Information and Target Population(s)**
 - Geographic area
 - Community and target population needs
 - Communications plan
 - Target population(s)



Application Elements

- **Section 3: Services, Interventions, Care Coordination, & Data**
 - Services available to beneficiaries not otherwise covered/directly reimbursed by Medi-Cal, including housing services
 - Interventions to integrate services for target population(s), including Plan-Do-Study-Act (PDSA)
 - Care coordination activities
 - Data sharing

- **Section 4: Performance Measures, Data Collection, Quality Improvement, & Ongoing Monitoring**
 - Performance measures (universal and variant)
 - Data collection, analysis and reporting activities
 - Quality improvement activities, including PDSA
 - Monitoring of participating entity performance



Application Elements

- **Section 5: Financing**
 - Financing structure, including how payments will be distributed and any financing and/or saving arrangements
 - Diagram of flow of funds from the Lead Entity to participating entities
 - List of entities that will provide the non-federal share
 - Relationship between the pilot funding and the provision of services
 - Requested funding amount and description for each individual item; separate annual and total funding requests
 - Budget Narrative – comprehensive discussion of costs with justification



WPC Pilot Budget for New Applications



General Budget Requirements for New Applications

Total Available Funding

- For this second round of applications, a total statewide annual funding of approximately \$120 million is available. WPC Pilots approved in the first round of applications may apply for expansion with additional funding.

Year 1 Funding for New Applications

- Program Year (PY) 1 (New): January 1, 2017 – June 30, 2017.
- Payments based on the submission of the WPC Pilot's approved application and baseline data.
- Payments: 75% for application and 25% for baseline data.

Exclusions

- Budgets cannot include payment for services reimbursable through Medi-Cal.
- In addition to the exclusion for Medi-Cal funded services, WPC cannot be used to fund local responsibilities for health care or social services that are mandated by state or federal laws, or to fund services for which state or federal funding is already provided.



General Budget Requirements for New Applications

- New budget requests should be based on the following 48-month budget breakdown:
 - Two 6-month periods
 - PY 1 New Applicants: January 1 - June 30, 2017,
 - PY 2 limited (Ltd): July 1 - December 30, 2017; and
 - Three additional 12-month periods
 - PY 3: January 1 – December 31, 2018
 - PY 4: January 1 – December 31, 2019
 - PY 5: January 1 – December 31, 2020
- Budgets for PY 1 and PY 2 are each 50% of the annual budgets requested for PYs 3-5



Budget Development

There are three components to the Budget submissions:

Section 5 Financing Structure

Budget Narrative

Budget Summary and Detail



Budget Development

- Budget requirements are stated in the Special Terms and Conditions (STCs), FAQ, and **Revised Application**.
- The **Revised Budget Instructions** provides additional guidance regarding the level of detail needed.
- Applicant shall use the **Budget Narrative** as the vehicle to describe and justify why certain elements are included and valued in the proposal.



Budget Guidelines for New Applications

Budget requests should include:

Information on deliverables related to infrastructure, interventions, bundled services, pay-for-reporting/outcomes, and incentives for providers

Associated payment amounts requested for each individual deliverable for which funding is proposed

Justification of estimated costs or value associated with each deliverable

Details regarding all components of the requested budget to ensure costs adhere to State guidelines and requirements



Budget Guidelines for New Applications

Budget requests should:

Include annual total funds requested (both federal funds and non-federal share) over the pilot years

Be based on a 48-month budget: two 6-month periods and three 12-month periods, starting January 1, 2017

Show PY 1 - New and PY 2 - Ltd amounts equal to 50% of the annual budgets requested in PYs 3-5

Relate PY 2 Ltd through PY 5 funding directly to WPC activities described in the Application and Budget Narrative

Not include costs for services reimbursable through Medi-Cal



Budget Guidelines for New Applications

Payment: Is based on completed deliverables - actual services provided, metrics reported, and metric outcomes achieved - as reported in the mid-year and annual reports

PY 1 New funding will be based on the approved application and complete, timely, accurate submission of baseline data in the annual report



Budget Categories

Infrastructure

Administrative

Delivery

Services and Interventions

FFS Services

Bundled PMPM Services

Reporting, Quality and Incentives

Pay for Metric Reporting

Pay for Metric Outcome Achievement

Incentives for Downstream Providers



Administrative Infrastructure

Description	Examples	Level of Detail
<ul style="list-style-type: none">• To build the programmatic supports necessary to plan, build and run the pilot	<ul style="list-style-type: none">• Core program development and support• Administrative Staffing (no service-related staffing)• IT infrastructure• Program governance• Training• Ongoing data collection• Marketing materials	<ul style="list-style-type: none">• E.g. Staffing:<ul style="list-style-type: none">• Number of FTEs• Roles and responsibilities of the staffing model for administrative infrastructure



Delivery Infrastructure

Description

- To support the non-administrative infrastructure needed to implement the pilot

Examples

- Advanced medical home
- Mobile street team infrastructure
- Community resource database
- IT workgroup
- Care management tracking and reporting portal

Level of Detail

- **E.g. Mobile street team infrastructure**
- Cost for related components (e.g. vehicle cost, staffing, training, consulting, amortized use, etc.)



Services and Interventions

FFS Services

Description

- New services provided in the pilot to support the WPC provided to eligible enrollees
- FFS Services are single per encounter payments for a discrete service

Examples

- Mobile Care Coordination
- Outreach and Engagement
- Medical respite
- Sobering center

Level of Detail

- Services to be reimbursed on a per encounter or unit basis
- Costs used to determine proposed service rate
- Total projected cost based on the number of projected encounters



Services and Interventions

PMPM Bundle

Description	Examples	Level of Detail
<ul style="list-style-type: none">• New services provided in the pilot to support the WPC provided to eligible enrollees• PMPM Bundled Services, one or more services and/or activities that would be delivered as a set value to a defined population	<ul style="list-style-type: none">• Comprehensive complex care management• Housing support services• Long term care diversion bundle	<ul style="list-style-type: none">• Total allocated costs used to determine proposed PMPM value (i.e. salaries, services, overhead, equipment, contracted services, etc.)• Total projected cost based on the number of projected member months



Incentive Payments for Downstream Providers

Description	Examples	Level of Detail
<ul style="list-style-type: none">• WPC Pilots may request funding for a defined amount associated with pilot payments to downstream providers for achievement of specific operational and quality deliverables that are critical for the pilot's overall success	<ul style="list-style-type: none">• Increasing data sharing• Participating in learning collaboratives• Reducing ED utilization, and others	<ul style="list-style-type: none">• Total maximum amount of funding for the incentive payments for each applicable deliverable



Reporting

Description

- WPC Pilots are encouraged to propose the pay for metric reporting structure that they believe provides the most incentive, both to pilot lead organization as well as to downstream providers

Examples

- Universal and/or Variant Metrics
- Reporting number of ED visits
- Reporting percentage of avoided hospitalizations
- Reporting individuals with follow up after hospitalization

Level of Detail

- Incentive payments made to the Lead Entity for reporting the specific metric, including any related incentive payments made to downstream providers
- Breakdown of the incentive payment on a per year/per metric basis
- Attachments GG and MM requirements



Quality

Description	Examples	Level of detail
<ul style="list-style-type: none">• Pay for Metric Outcomes Achievement• WPC Pilots must include at least one pay for metric outcome achievement item in their application.• Goals must be included that progress each PY and show improvement of at least 5% over previous PY's improvement.	<ul style="list-style-type: none">• Universal and/or Variant Metrics related to quality• Decrease number of ED visits by set %• Increased number of avoided hospitalizations by a set %• Increased percentage of individuals who have a follow up after hospitalization	<ul style="list-style-type: none">• E.g. 90% of beneficiaries will have a follow up after hospitalization for mental illness:<ul style="list-style-type: none">• Incentive payments made to the Lead Entity for achieving specific outcomes metrics• Breakdown of the incentive payment on a per year/per metric basis• Attachment MM requirements



Budget Narrative

Provides

- a vehicle for the applicant to describe the budget approach (e.g. incentive payments)
- additional information to explain and provide the rationale for an applicant's budget model, including proposed rates and/or PMPM values

Must include

- a description of the funds requested and how their use will support the proposal
- a justification of estimated costs or value associated with each deliverable



Budget Narrative

The Budget Narrative should include the following categories (when applicable):

Administrative Infrastructure

Delivery Infrastructure

Incentive Payments for Downstream Providers

FFS Services

Bundled PMPM Services

Pay for Metric Reporting

Pay for Metric Outcomes Achievement



Budget Summary and Detail



Second Round WPC Budget Template: Summary and Top Sheet			
WPC Applicant Name:	Enter LE Name on Summary Tab		
	Federal Funds <i>(Not to exceed 90M)</i>	IGT	Total Funds
PY 1 Annual Budget Amount Requested	7,500,000	7,500,000	15,000,000
PY 2 Annual Budget Amount Requested	7,500,000	7,500,000	15,000,000
PYs 3-5 Annual Budget Amount Requested	15,000,000	15,000,000	30,000,000
Second Round PY 1 Budget Allocation (Note PY 1 Allocation is predetermined)			
PY 1 Total Budget	15,000,000		
Approved Application (75%)	11,250,000		
Submission of Baseline Data (25%)	3,750,000		
PY 1 Total Check	OK		
Does PY 1 Total = 50% of PY 3 Total?	Yes		
Second Round PY 2 Budget Allocation			
PY 2 Total Budget	15,000,000		
Administrative Infrastructure	810,850		
Delivery Infrastructure	1,980,000		
Incentive Payments	3,990,000		
FFS Services	2,778,250		
PMPM Bundle	3,690,900		
Pay For Reporting	750,000		
Pay for Outcomes	1,000,000		
PY 2 Total Check	OK		
Does PY 2 Total = 50% of PY 3 Total?	Yes		
Second Round PY 3 Budget Allocation			
PY 3 Total Budget	30,000,000		
Administrative Infrastructure	0		
Delivery Infrastructure	0		
Incentive Payments	0		
<div style="display: flex; justify-content: space-between; align-items: center;"> < > Instructions Summary PY 2 PY 3 PY 4 PY 5 + </div>			

The total funds should reflect the equal split of Federal Fund and IGT

Budgets for PYs 1 and 2 are each 50% of the annual budget requested for PYs 3-5

Budgets for PYs 3-5 are equal to 100% of the annual budget requested



Detail needed for each budget category should be provided in budget narrative

Second Round PY 2 Budget Detail			
Enter LE Name on Summary Tab			
		PY Error Check	
		Total	15,000,000
		Check	OK
Administrative Infrastructure			
<i>Item</i>	<i>Max Amount Per Unit</i>	<i>Max Units</i>	<i>Max WPC Fund Amount</i>
Program Director	200,000	0.5	100,000
Quality Improvement Manager	150,000	0.5	75,000
Financial Manager	120,000	0.5	60,000
Data Analyst	65,000	5.0	325,000
Program Materials and Supplies	501,700	0.5	250,850
			-
Delivery Infrastructure			
<i>Item</i>	<i>Max Amount Per Unit</i>	<i>Max Units</i>	<i>Max WPC Fund Amount</i>
Community Resources Database	1,250,000	0.5	625,000
Nurse Advice Line	750,000	1.0	750,000
Enhanced Interpretation	810,000	0.5	405,000
IT Solutions - Case Management Software	200,000	1.0	200,000
			-
Incentive Payments			
<i>Item</i>	<i>Max Amount Per Unit</i>	<i>Max Units</i>	<i>Max WPC Fund Amount</i>
Hospital Incentives	100,000	5	500,000
Physician/Clinic Incentives	40,000	20	800,000
Behavioral Health Incentives	40,000	11	440,000
Community Health Worker Incentives	25,000	50	1,250,000
MCO Incentives	1,000,000	1	1,000,000
			-
FFS Services			
<i>Item</i>	<i>Max Amount Per Unit</i>	<i>Max Units</i>	<i>Max WPC Fund Amount</i>



Initial Selection Criteria



Initial Selection Criteria

- **Competitive process**
 - No limit on the number of WPC Pilot applications that can be received. Total awards will be limited by remaining funds available.
- **DHCS will assess whether applications meet the WPC Pilot goals and requirements outlined in the Medi-Cal 2020 waiver Special Terms and Conditions and Attachments**
- **DHCS will evaluate applications in two phases:**
 - **Phase 1: Application Quality and Scope; and**
 - **Phase 2: Funding Decision**
- **A numerical score will be given for Phase 1, which will be factored into the Phase 2 funding decision.**



Initial Selection Criteria

Phase 1: Quality and Scope of Application

- Scored based on specified criteria
- Minimum qualifying score is 77 points out of a total of 105 possible points
- Must receive a pass score on all pass/fail criteria
- Applicants that achieve at least the minimum score may qualify for bonus points for including priority program elements

Phase 2: Funding Decision

- Appropriateness of funding request and quality of application financing responses
- Comparisons to similarly-sized pilots
- Assessment of available funds relative to applications received



Application Scoring

Application Section	Maximum Points
Section 1: Lead Entity & Participating Entity Information	5 Points
Section 2: General Information & Target Population(s)	25 points
Section 3: Services, Interventions, Care Coordination & Data Sharing	35 points
Section 4: Performance Measures, Data Collection & Ongoing Monitoring	30 points
Section 5: Financing	10 points
Total Maximum Score:	105 points



Bonus Points

Priority Elements	Criteria	Maximum Points
Participating Plans	Participation of more than 1 managed care plan	5 points
Community Partners	Participation of more than 2 community partners	5 points
Innovative Interventions	Creative interventions (e.g. workforce, health IT, transportation) and financing/use of innovative payment models	5 points
Total Maximum Bonus Points		15 points



Special Terms and Conditions (STC) Attachments



WPC Attachments

- **WPC Reporting and Evaluation (Attachment GG):** Mid-year and annual reporting requirements and evaluation process.
- **WPC Pilot Requirements and Application Process (Attachment HH):** Application submission and review process, pilot funding, termination process, and WPC Learning Collaboratives.
- **WPC Pilot Requirements and Metrics (Attachment MM):** Performance metrics (universal and variant), incorporation of Plan-Do-Study-Act (PDSA), and reporting requirements.



Universal Metrics

- All WPC Pilots are required to report on the same set of universal metrics, which include four (4) health outcomes measures and three (3) administrative measures.

Health Outcomes Measures

- Ambulatory Care
- Inpatient Utilization
- Follow-up After Mental Health Illness Hospitalization
- Initiation and Engagement of Alcohol and Other Drug Dependence Treatment

Administrative Measures

- Comprehensive Care Plan
- Care Coordination, Case Management, and Referral Infrastructure
- Data and Information Sharing Infrastructure



Variant Metrics

Variant metrics are specific to the WPC target population(s), strategies, and interventions.

Each WPC Pilot must report on a minimum of four variant metrics, or for WPC Pilots implementing a housing component, five variant metrics:

- **Variant Metric 1:** One administrative metric in addition to the universal care coordination and data sharing metrics
- **Variant Metric 2:** One standard health outcomes metrics (e.g., HEDIS) applicable to the WPC Pilot population across all PYs for each target population (choose one from menu in Attachment MM)
- **Variant Metric 3:** One alternative health outcomes metric; or for WPC Pilots utilizing the PHQ-9, report on the Depression Remission at Twelve Months (NQF 0710) metric
- **Variant Metric 4:** One alternative health outcomes metric; or for WPC Pilots including a severely mentally ill (SMI) target population, report on the Adult Major Depression Disorder (MDD): Suicide Risk Assessment (NQF 0104) metric
- **Variant Metric 5:** One housing specific metric specific; for WPC Pilots implementing a housing component (choose one from menu in Attachment MM)



Questions & Answers



Questions and Answers

Question: If a participating entity is a collaborative with membership of its own, does it need to submit letters of participation for all of its members?

Answer: The participating entity only needs to submit one letter of participation that includes a list of the members that are part of the collaborative.

Question: May counties add participating entities after the application is submitted and over the course of the pilot?

Answer: Yes.



Questions and Answers

Question: How should pilots approach establishing the pilot goals and outcomes?

Answer: Pilot goals should be ambitious but realistic. The outcomes should reflect the interventions that are being proposed in the application.



Questions and Answers

Question: What will happen if a WPC Pilot is not achieving the goals it set out in its application?

Answer: DHCS would undertake a multi-step process for addressing interventions that are not leading to improvements. DHCS will first work with the WPC pilot to identify strategies to improve as part of the pilot PDSA (Plan, Do, Study, Act) process. If no improvement is made, a corrective action plan will be developed.



Questions and Answers

Question: What will happen if a WPC Pilot does not achieve an outcome established in the application submission?

Answer: If pilots do not achieve an outcome established in the application, they will not receive the funding that was tied to achieving that outcome. WPC Pilots will have an opportunity to update target outcomes for the latter years of the demonstration as the Pilot progresses.



Questions and Answers

Question: If a pilot chooses a PMPM payment structure, and enrollment exceeds expectations, will payments be capped at the budgeted amount?

Answer: Yes, payments will be made up to the pilot's maximum budgeted amount for each identified PMPM item. If you have more than one PMPM item in your budget, each will have their own maximum budget amount.



Questions and Answers

Question: Can the target population grow over time?

Answer: Yes; however, payments will not exceed the pilot's annual budgeted amount per budget item. Pilots can allow for a phased-in enrollment over budget years to accommodate growth over time.



Questions and Answers

Question: Attachment GG (B)(iv) articulates, “payment in an amount proportional to the progress toward achievement of the WPC Pilot Goals based on the approved WPC Pilot application shall be paid to the WPC Pilot Lead Entity...” Does that mean that funding will fluctuate with outcomes from year to year?

Answer: Yes. The pilot will be paid based on completed deliverables, (such as services actually provided, metric reported, or metric outcome achieved). The payment for any deliverable will not exceed the DHCS approved budget amount for that item, for that budget year.



Questions and Answers

Question: What are the rules regarding the use of WPC funding for pre-existing services that could be rolled into a pilot? (Supplantation)

Answer: A goal of the WPC pilots is to address a current gap or need in the community. Items noted in the Application Selection Criteria reflect pilot priorities, including:

- Demonstrates the community need for the pilot and how the pilot will address the need
- Scope is ambitious but realistic/achievable
- Tests new interventions and strategies

Also, see the FAQ for more information on the exclusion for Medi-Cal funded services, other federally funded services, and current local responsibilities for health care or social services.



Questions and Answers

Question: Which outcome metrics need to be tied to incentive financing?

Answer: DHCS requires that pilots include at least one “pay for metric outcome achievement” item in their application. Other than this requirement, pilots have flexibility to design their funding requests and deliverables, as approved by DHCS in the application. See the Revised Budget Instructions document for more information.



Questions and Answers

Question: Can funds be used to purchase a Health Care Center for the WPC?

Answer: WPC funds may not be used to purchase, or build, a building. WPC pilot funds can support other capital infrastructure expenses when they are:

1. For items like minor rehabilitation or maintenance;
2. Allocated to the WPC enrollees during the program year in which the expense was incurred;
3. One component of a service; and/or
4. Proportional to the utility for one individual during the single encounter or PMPM payment timeframe.



Questions and Answers

Question: Can you clarify if the match for the IGT will be sent up each year or if we are expected to send the entire 5-year amount at one time.

Answer: For new applicants, Year 1 IGT and State payments are made in 2017 for the application and baseline data deliverables. Year 2-5 IGT and State payments will be made semi-annually and are based on the pilot's reported deliverables completed, such as actual services provided, metrics reported, and metric outcomes achieved.



Questions and Answers

Question: May a managed care plan (MCP) divert savings resulting from reduced ER and Inpatient Care for the WPC population to a County Housing Pool, and how would this impact their rate-setting?

Answer: The WPC pilot program does not have any specific rules for what a MCP can do with its savings. The MCP's future rates will be developed based on the usual actuarial process based on actual utilization – with no added calculation for MCP savings allocated to the housing pool. There is no DHCS/MCP savings sharing arrangement built into the WPC.



Discussion



E-mail questions to:

1115wholepersoncare@dhcs.ca.gov

Visit our website:

<http://www.dhcs.ca.gov/services/Pages/WholePersonCarePilots.aspx>