

July 1, 2015

Jennifer Kent, Director  
Department of Health Care Services  
1501 Capitol Avenue  
Sacramento, CA 95814

**Comments on DHCS CCS Whole-Child Model**

Dear Director Kent:

On behalf of the March of Dimes California Chapter, I am writing to share our comments on the recently released California Children’s Services (CCS) Redesign Whole-Child Model. Thank you for your leadership of the CCS redesign process, the involvement of stakeholders throughout the process and the opportunity to provide feedback on this proposal.

As you know, the CCS Program is a vital program that has greatly benefited the health of children in California, particularly given the rising medical costs for this population. The overriding interest of the March of Dimes in any redesign of this program is to ensure that the medical needs of children with special health care needs and the input of these families is the top consideration in the development of the new model. Unfortunately, we feel that the Whole-Child Model proposed by the Department falls short of these goals. The proposal essentially ends the carve out of CCS services for children in certain counties from Medi-Cal managed care and does not contain the needed protections, consider the unique needs of these children and ensure that the essential entities are involved in the important medical decisions.

The Department undertook several pilot projects for the CCS system and has not yet completed the required evaluation of those pilot projects. Given this lack of evaluation, there does not seem to be a strong policy justification for this approach and for providing care for these children under the County-Organized Health Systems or other traditional managed care delivery system. In fact, Title V surveys indicate that families in CCS are more satisfied than families in Medi-Cal managed care and CCS has been effective at cost containment.

In addition, there are several other shortcomings with this proposal. There is no enforcement mechanism to ensure CCS providers are being appropriately contracted by the plans. The proposal does not ensure that medical decision making remains with the specialty care centers, when appropriate. There is no meaningful requirement for the health plans to partner with or gain significant input from community members, families, providers and advocates. It is vital for families to be actively engaged in the development of care plans and provision of services provided to CCS children.

Finally, the California State Auditor recently released an audit of Medi-Cal. The audit highlighted several shortcomings in the Medi-Cal system including: (1) The Department did not verify the accuracy of provider networks or other data on timely access provided by managed care plans to the Department; (2) Over a one year period, approximately 12,500 calls per month to the Medi-Cal Ombudsman went unanswered; and (3) DHCS did not perform required audits of Medi-Cal managed care plans to determine if the beneficiaries’ needs were being met. All of these findings highlight significant concerns with the Medi-Cal system and the Department is proposing to add medically fragile children into this same system. Previous transitions of fragile populations into Medi-Cal managed care have demonstrated that the managed care plans overseen by DHCS are ill prepared to address the needs of medically complex and fragile populations. The health of these children is too

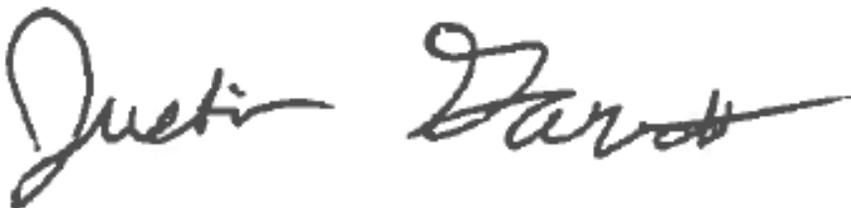
important and too fragile to risk ending the carve out of critical CCS services from the Medi-Cal system given all of the issues that the audit found.

We look forward to continuing to work with you on ensuring the best possible care for CCS children. Thank you for your consideration.

Sincerely,

Justin Garrett  
State Director of Advocacy & Government Affairs  
March of Dimes

Cc: Senator Ed Hernandez, Chair, Senate Health Committee  
Assembly Member Rob Bonta, Chair, Assembly Health Committee

A handwritten signature in black ink that reads "Justin Garrett". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.