Department of Health Care Services
Department of Social Services
California Department of Aging

Background Material for Health & Human Services Subcommittee No. 3 Hearing on ADHC Transition

SUBCOMMITTEE #3:
Health & Human Services

Chair, Senator Mark DeSaulnier

Senator Elaine K. Alquist
Senator Bill Emmerson

September 2, 2011

1:00 PM or Upon Adjournment of Session

Room 4203
(John L. Burton Hearing Room)

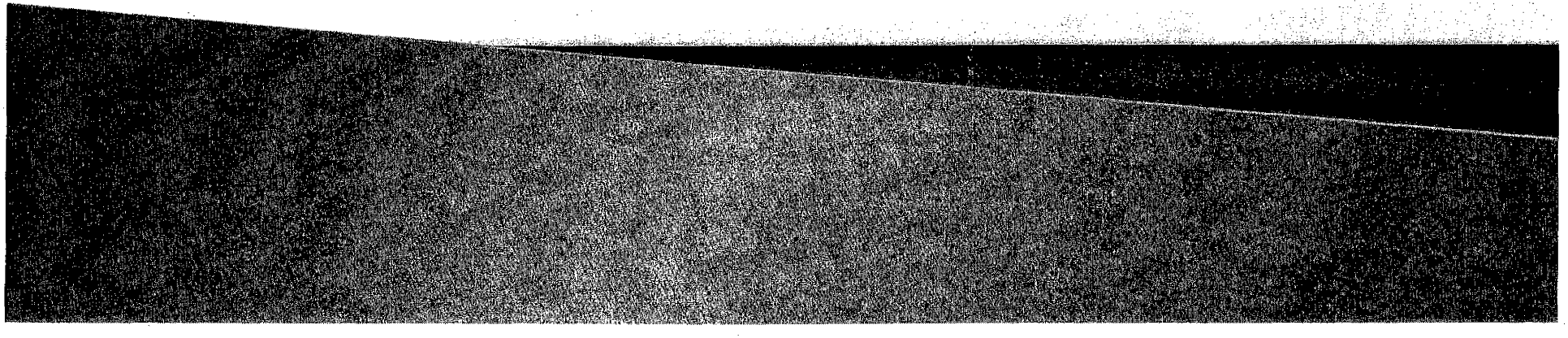
(Diane Van Maren)

Discussion and Oversight of Administration's Transition Plan for Adult Day Health Care Services (Panel Discussion and Public Comment)

DHCS

Adult Day Health Care Center
Transition Plan

California Department of Health Care Services



Goals

- Provide a smooth transition to allow ADHC clients to remain in their communities and minimize their risk of institutionalization. The plan includes:
  - Outreach with partners
  - Collaborative process and timeframes with partners
  - A range of available services
  - Linking beneficiaries to services

- Comprehensive transition plan
  - Coordinated with multiple departments
  - Led by DHCS

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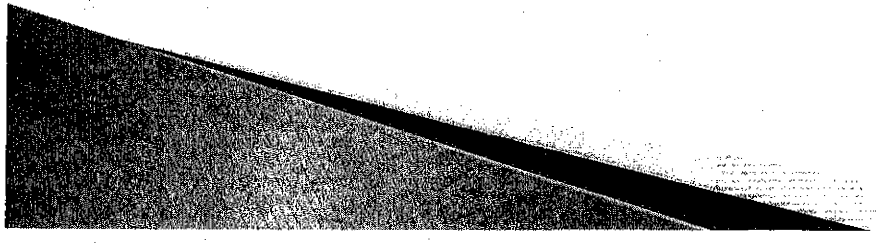
ADHC Clients

- 35,000 ADHC beneficiaries
  - 82% eligible for both Medicare and Medi-Cal
  - Reside in large urban counties where managed care is available
    - 34,000 clients
    - Largest populations in Los Angeles, San Diego, Orange, San Francisco
    - Approx. 675 beneficiaries reside in rural counties



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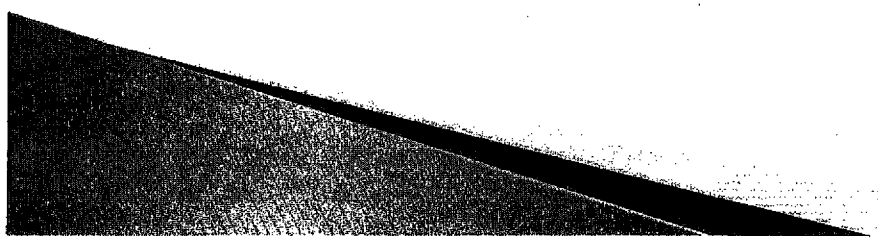
Counties of Residence

- Client Distribution
  - Los Angeles – 22,300
  - San Diego – 2,500
  - Orange – 1,700
  - San Francisco – 1,300
  - Fresno – 800
  - Sacramento – 800
  - Ventura – 900
  - Santa Clara – 800
  - Contra Costa – 200



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ADHC Clients

- Dual Eligibility for Medicare and Medi-Cal
  - Medicare is primary
    - Covers primary, specialty, preventive, acute, hospital, ancillary medically necessary services
  - Medi-Cal is secondary
    - Covers co-pays, deductibles, donut holes
    - Covers custodial care, non-emergency medical transportation, hearing aids (limited)
    - Wrap-around services through fee-for-service or managed care
    - Full scope members have no out-of-pocket costs

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ADHC Participation

- 8,455 (21.8%) attend 4 or 5 days
- 17,665 (45.6%) attend 3 days
- 7,191 (18.6%) attend 2 days
- 5,424 (14.0%) attend 1 day

- DHCS reviewed Individual Plans of Care (IPCs) for all participants attending 4 or 5 days per week, and a small sample attending 1 and 3 days per week
  - 2/3 to ¾ of 1-3 day participants have IHSS

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Diagnoses

- Diagnoses – IPC review 4 and 5 day participants
  - Hypertension (43.3%) and Diabetes (17.6%) were the prevalent diagnoses, then Asthma/COPD (2.5%) and Arthritis (2.5%)
  - Dementia was seen in 6.8% of the IPC's reviewed, then Depression (5.3%) and Alzheimer's (4.1%)
  - Schizophrenia (3.2%), Anxiety (1.3%), Bi-Polar Disorder (0.5%), Organic Brain Syndrome (0.8%), Parkinson's (0.7%) and Cognitive impairments (0.2%) with a collective total of 6.7%

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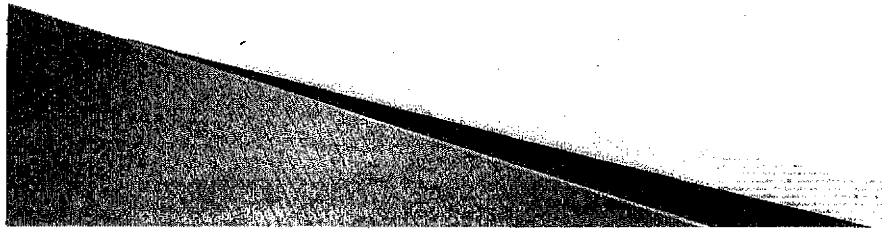
Service Utilization

- Services received by ADHC Clients
  - In-Home Support Services (IHSS) - 25,700
    - 336 at/above 283 hour/month cap
    - Average 82.8/hours/month
  - Multipurpose Service Senior Program (MSSP) - 914
  - Protective Supervision -673



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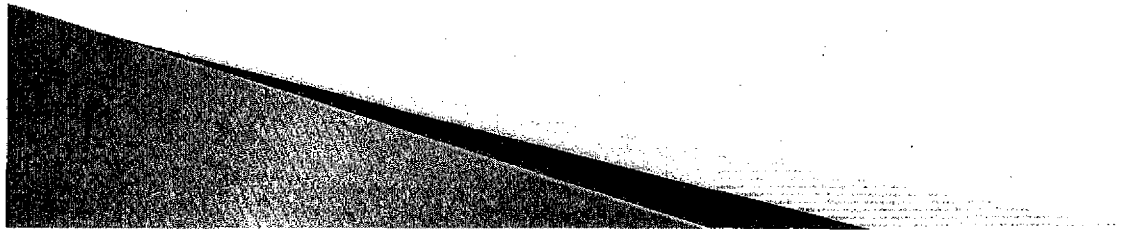
Transition from ADHC to Organized Delivery Systems

- In largest counties, beneficiaries have option of 2 managed care plans or a fee-for-service plan
- Plans will provide care coordination and cost effective services to maintain ADHC beneficiaries in the community



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Organized Delivery Systems

- 30,700 ADHC clients in 2-Plan counties
  - 2-Plan model means members will have a choice between a commercial plan, a local initiative plan or fee-for-service
  - Single eligible seniors and persons with disabilities will continue to enroll in managed care under 1115 Waiver

- Voluntary option to enroll in managed care Oct. 1

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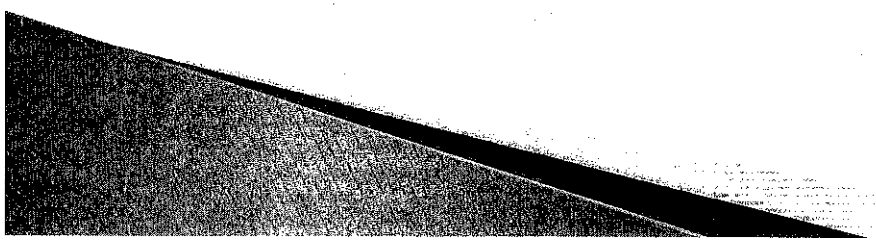
Outreach

- CDA began working with ADHC Centers in May
  - Also working with HICAP and AAA

- DHCS announced at all plan meeting in June
  - DHCS working closely with LA Plans
    - Reached out to other plans in populous counties
  - All plan call – Aug. 25
    - Weekly All Plan ADHC focused meetings



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Letters

- ADHC Clients received informing packets in August which included:
  - English letter with phone numbers in threshold languages
  - Plan-specific information and selection responder in threshold language
- Prior to August mailing, letters were fax blasted to ADHCs by CDA and sent to all Plans
  - Language specific reminder letter to Duals – 1st week Sept.
  - Letters to Seniors and Persons with Disabilities and residents of County Organized Health Systems begin to mail Aug. 30

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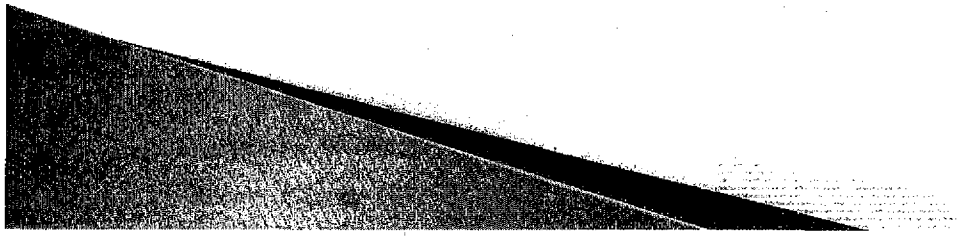
Election Process

- Selection
  - Beneficiaries can elect to join a Plan or decline to join a Plan at any time
  - If no positive selection or active decline i.e. no response, they will be enrolled in managed care according to existing algorithms
  - Clients who decline will be assigned to APS Healthcare for services



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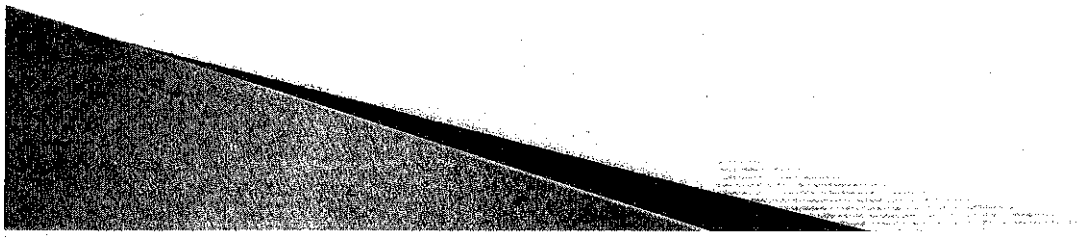
Services to Beneficiaries

- Plans and APS Healthcare will provide:
  - Health Assessment within 45 days of enrollment
  - Case Management
  - Care Coordination
    - Most Clients are Dual Eligible – Medicare is prime
    - Care Coordination will focus on Medi-Cal benefits and services needed
- Beneficiaries can access:
  - Nursing services
  - Therapies
  - Waiver services
  - Medication management
  - Non-emergency transportation
- Supplemental Capitation for these services



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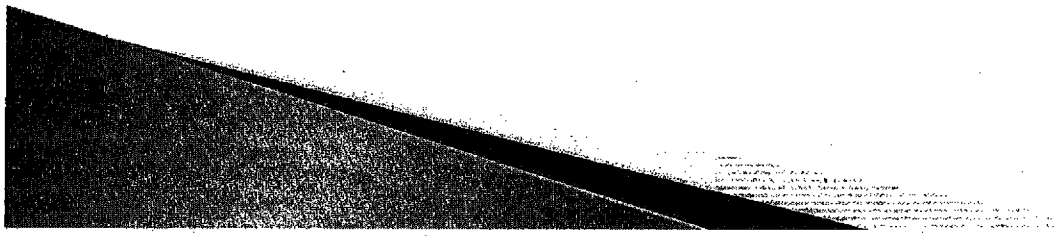
Contracted Services

- Members in rural counties (675 ADHC clients) or Clients who decline managed care
  - DHCS contracts with APS Healthcare, care management company
    - Located in Sacramento
    - Health assessment by phone or in person
    - Case Management
    - Care Coordination
    - RN Advice
    - Referrals



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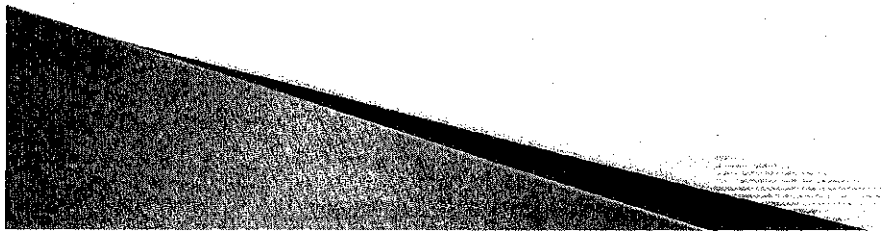
Case Management

- What is Case Management?
  - A detailed assessment
  - Personal interview
  - Develop, implement and coordinate a medical care plan with health care providers
  - Communicate healthcare needs to the individual and caregiver
  - Monitor progress, promote cost-effective care and evaluate treatment results



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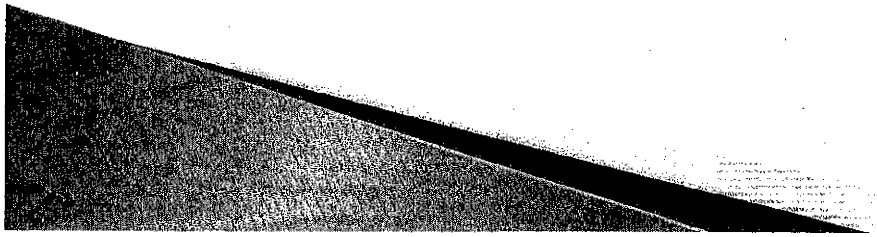
Care Coordination

- Care coordination means:
  - ADHC Centers and Plans are working together
  - In rural counties, APS will contact Centers as soon as contract is signed
  - ADHC Center will receive a fee for each discharge plan completed
    - DHCS will provide format for discharge plan to highlight
      - Best array of services for individual client's needs
      - Identify appropriate providers
      - Possibly including former ADHCs



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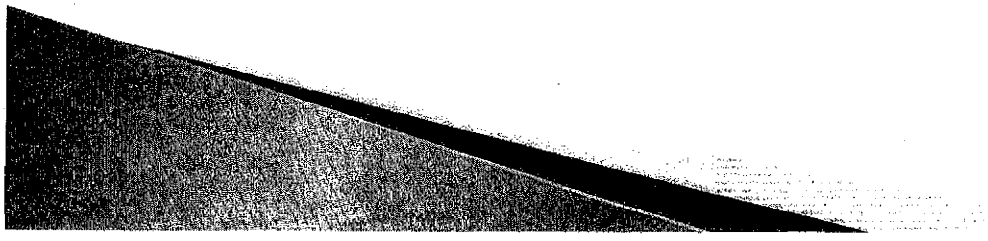
Home and Community based Services

- Services available to Clients
  - IHO
    - 1000 additional "slots" will be available
  - MSSP
    - Can provide care management services and purchase services that transitioning ADHC participants may need such as adult day program and transportation services
  - IHSS
    - DSS working with Counties to identify & assess additional hours needed



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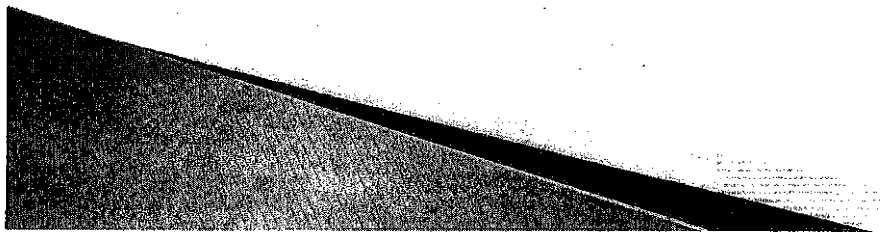
Transition Period

- Plans and ADHC will have 2 months to coordinate IPCs and discharge plans
  - Many Plans are already working with ADHC centers
  - DHCS has offered all plans assistance to facilitate coordination between ADHCs and Plans



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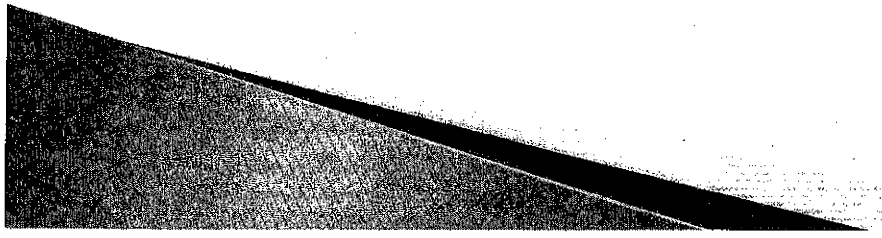
Partner Departments

- County Social Service Departments are reviewing IHSS hours
  - May increase as appropriate
- CA Department of Aging
  - Working with ADHCs on discharge planning
  - Developed a community resource guide
- DHCS webinar 8/31 for ADHC RNs
  - discharge options – IHO or MSSP
  - Medicare and Medi-Cal benefits



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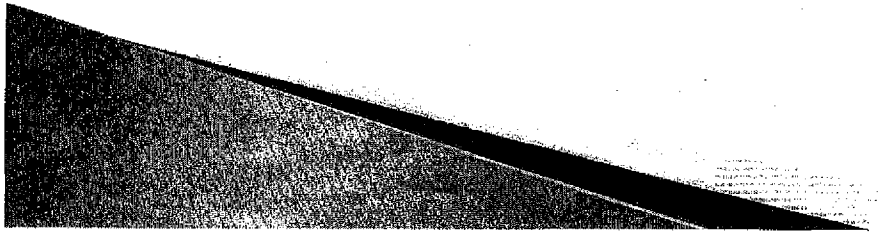
Monitoring

- DHCS is developing a monitoring plan to evaluate the following:
  - Three primary areas of importance:
    - Transition process (e.g. – notice letters, assessments, health plan selection)
    - Services received (e.g. – physical/occupational therapy)
    - Specific outcomes (e.g. – skilled nursing facility and hospital admissions)



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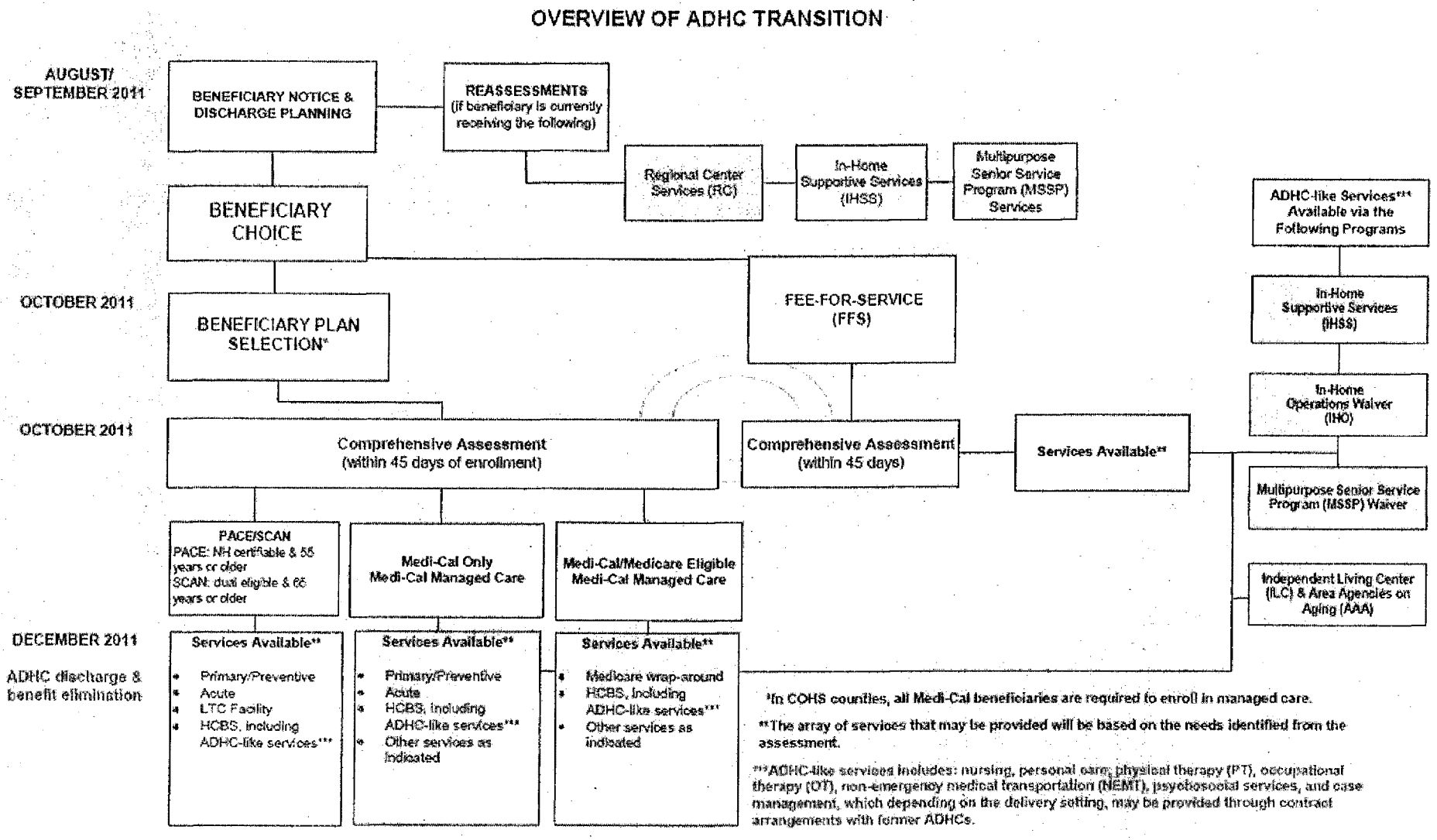
ADHC Transition



Department of Health Care Services

Adult Day Health Care Transition Plan

Assembly Bill 97 (Chapter 3; Statutes of 2011) eliminated payment for ADHC services under the Medi-Cal program, and directed the Department of Health Care Services (DHCS) to develop and implement a transition process to facilitate Medi-Cal ADHC participants with accessing available community-based services that address their needs, keep them in the community, and minimize their risk of institutionalization (Welfare and Institutions Code sections 14589 and 14590).

To implement these goals, DHCS has the following objectives:

1. Assess ADHC participants' needs for long-term services and supports (LTSS) after the ADHC benefit is no longer covered by Medi-Cal.
2. Utilize existing health care and LTSS delivery systems and providers to deliver needed services on an ongoing basis.
3. Utilize managed care delivery systems to provide appropriate, ongoing services.
4. Cease payment for ADHC services effective December 1, 2011.

Groundwork and Planning

The first step was to obtain federal approval from the Centers for Medicare and Medicaid Services (CMS) for the State Plan Amendment (SPA) eliminating the ADHC Program as an optional Medi-Cal benefit. Initially DHCS submitted, and CMS approved, the SPA to eliminate the ADHC benefit, effective September 1, 2011. However, the DHCS director, using his administrative authority, postponed the elimination of the ADHC benefit until December 1, 2011 and submitted a conforming SPA to CMS. CMS approved this SPA, allowing California to claim federal financial participation for ADHC services through November 30, 2011.

Regular communication with stakeholders is critical to the success of this transition. DHCS has had, and is continuing, ongoing discussions with external stakeholders such as the California Association of Adult Day Services (CAADS), county In-Home Supportive Services (IHSS) representatives, Medi-Cal Managed Care plans, APS, Inc., TCM Consortium, and the California Association of Area Agencies on Aging (C4A). The department developed a website (http://DHCS.ca.gov/ADHCtransition) specific to the ADHC transition and is also using a comprehensive list of interested stakeholders to send them updated information on a periodic basis. DHCS will regularly issue communications to affected participants, ADHC program administrators, advocates, industry representatives, sister agencies and their local counterparts, and other stakeholders about the ADHC transition. DHCS will engage stakeholders, including the Legislature, to involve them and develop an ongoing dialogue about the needs of the

former ADHC participants so that together, a smooth transition can be ensured for these Medi-Cal beneficiaries.

DHCS has convened ongoing meetings regarding the ADHC transition process with several of its partner departments, including the California Department of Aging (CDA), the Department of Developmental Services (DDS), Department of Mental Health (DMH), Department of Social Services (DSS), and the Department of Rehabilitation (DOR). Staff from these Departments are reaching out to their local partners (e.g., Area Agencies on Aging, county IHSS offices, Independent Living Centers, etc.) to inform them of the ADHC benefit elimination. Under the Health Insurance Portability and Accountability Act's (HIPAA's) care coordination provisions, DHCS is providing its partner departments with information about ADHC participants who utilize other Home and Community-Based Services (HCBS) programs so that these programs can anticipate the volume of reassessment requests that will be made over the next few months and effectively and timely manage this workload. In managed care counties, DHCS will work with the Plans to facilitate cooperation and collaboration between the Plans and the social service programs that can assist these clients to stay in their homes.

DHCS and CDA staffs have reviewed the Individual Plans of Care (IPCs) for 7,900 ADHC participants who receive four or five days of ADHC services per week. This review is revealing the most commonly recorded diagnoses which have led to the range of services currently being provided. ADHC participants often have many co-occurring diagnoses. Understanding the most prevalent diagnoses will help identify the resources that may provide alternative services. DHCS and CDA will continue the IPC review process for ADHC participants authorized for fewer days of service and provide this information to health plans and APS and the ADHC centers.

The results of these reviews are being communicated to appropriate state and local agencies for follow up. For example, a large proportion of IPCs reviewed thus far indicate the necessity for medication management as part of the plan of care. IHSS provides medication management as a service, and individuals may be eligible for additional IHSS services. DHCS has sent information to DSS about the ADHC participants who also receive IHSS; DSS in turn has forwarded this information on to the affected counties so they may plan for reassessing ADHC participants who may need additional IHSS hours after the ADHC benefit is eliminated.

State and local entities are collaborating to coordinate transition options at the local level. CDA has provided the other departments with a contact list of the thirty-three Area Agencies on Aging (AAA) and a map identifying each catchment area. County-level community resource sheets identifying the key local agencies and their contact information [e.g., AAA, ILC, IHSS, Medi-Cal Managed Care plans and fee-for-service (FFS) options, etc.] have been developed for ADHC centers' reference in transition planning. Some AAAs, including those in the Los Angeles area, have begun partnering with other local resource providers in anticipation of the transition. This partnering is an attempt to identify service options for local participants.

Services and supports available through Older American Act programs such as home delivered and congregate meals, social day care, and local non-governmental supports can be essential to ongoing community living and will be part of the transition process to the extent they are available through Area Agencies on Aging, Independent Living Centers, Adult and Disability Resource Connections, "Money Follows the Person" Lead Organizations, and other local groups.

DHCS is working with DDS, which in turn is working with the Regional Centers, to facilitate transition to appropriate services for ADHC participants with developmental disabilities. Funding was included in DDS' budget to ensure that DDS consumers receive other available services to avoid institutionalization.

The Current ADHC Landscape

Getting a current picture of ADHC center and participants is key to developing viable options for the ADHC transition process. Data about ADHC centers and participants come from a variety of sources-- Medi-Cal paid claims data, Treatment Authorization Request information, center reported enrollment and participant characteristics data, etc.—and is very difficult, if not impossible, to reconcile. However, these different data do provide an overall picture of ADHC.

- Attachment 1 displays data about the number of ADHC participants in each county, whether they are dually eligible for Medicare and Medi-Cal services, and whether they reside in a managed care or FFS county.
- Attachment 2 details the age and sex of ADHC participants.
- Attachment 3 displays several key characteristics that ADHC participants have.
- Attachment 4 displays data about what other Medi-Cal HCBS ADHC participants utilize.

Participant Discharge Planning and Outreach

Transitioning ADHC participants begins with the ADHC centers completing the discharge planning process for all Medi-Cal ADHC participants in advance of the elimination of the benefit. This process includes assessing the individual needs of the participants, identifying alternative services and taking steps to coordinate participant access to those services.

Discharge planning is a required component of the ADHC program (Title 22, California Code of Regulations, Sections 54213 and 78345). On May 6, 2011, CDA faxed a letter to ADHC centers notifying them of the pending elimination of ADHC as a Medi-Cal benefit and encouraging them to begin updating discharge plans to ensure a smooth transition to other services. The letter additionally requested that the ADHC centers notify the state if there are participants for whom they cannot secure access to services. CDA is sending follow-up letters to the ADHC centers reminding them of their ongoing discharge planning responsibilities for ADHC participants, the importance of obtaining informed consent to streamline the referral process, information about local community-

based organizations that may provide transitional and ongoing services to ADHC participants, options for centers becoming eligible adult day care providers, and links to CDA and DHCS websites and phone numbers for more information.

In August, DHCS will undertake a special outreach and education campaign to inform ADHC participants about the elimination of the ADHC benefit, the importance of their providing informed consent to their ADHC centers to streamline the referral process, the alternative services available to them in their communities, through managed care, PACE, SCAN, FFS or waiver programs. ADHC clients eligible for both Medicare and Medi-Cal will begin receiving notification mailings the third week of August. This mailing will tell the member about the elimination of the ADHC benefit and provide information on managed care, and an enrollment packet to choose a plan within their county. The first week of September, a second mailing translated into preferred languages will go to the same ADHC clients reminding them to make a choice. At that time members who are enrolled in a health plan or who will remain in FFS will receive a notice about the benefit termination. This letter will provide information on managed care and other programs available. Additionally, a mailing will be sent to SPDs who are ADHC members and are a part of the SPD transition. It will inform them of the change to the ADHC benefit and encourage early plan enrollment, prior to their mandatory enrollment date, so that they can receive the health assessment and care coordination to transition from the ADHC.

Utilizing Existing Services

Currently DHCS provides Medi-Cal benefits to approximately 7.4 million Medi-Cal beneficiaries. Throughout California Medi-Cal is provided through either Medi-Cal FFS or Medi-Cal managed care. Approximately 3.1 million beneficiaries receive services in Medi-Cal FFS throughout the state with approximately 4.3 million beneficiaries receiving services in Medi-Cal managed care within 30 counties. The Medi-Cal managed care program provides a system, which emphasizes primary, preventive and acute care, including access to primary care doctors, specialty care doctors, comprehensive assessment, case management, care coordination, 24-hour nurse advice, and member services.

The Medi-Cal managed care program has three primary models of managed care. A Two-Plan operating with a local initiative and a commercial plan within the county. A County Organized Health Systems (COHS) operating a single health plan designated by the County Board of Supervisors, which currently provides managed care services to ADHC participants. A Geographic Managed Care (GMC) operating with multiple commercial plans within the county. In some counties, specialty plans, including Programs of All-inclusive Care for the Elderly (PACE) and the Senior Care Action Network (SCAN) provide all-inclusive care to beneficiaries meeting defined criteria.

The vast majority of ADHC clients (34,350 of 35,000) live in counties with Medi-Cal Managed Care. Thus, the major transition effort will center on encouraging and assisting with the enrollment of these clients into managed care plans starting October

1, 2011. In addition, most ADHC clients are eligible for both Medicare and Medi-Cal, receiving the bulk of their health care services through Medicare. Enrollment into Medi-Cal Managed Care will allow the participants to receive assessments, care coordination and case management through their Medi-Cal benefit – services they generally do not receive under Medicare or fee-for-service (FFS) Medi-Cal. Beneficiaries whose primary insurance is Medicare may disenroll from a Medi-Cal Managed Care plan at any time and return to FFS Medi-Cal. In Two-Plan and Geographic Managed Care counties, beneficiaries will receive an enrollment packet that informs them they will be enrolled into managed care on October 1st. The packet will include instructions on selecting a plan and the available services.

It should be noted that DHCS has embarked on a "dual integration project" with CMS. It is designed to bring people eligible for both Medicare and Medi-Cal into managed care plans that include the full spectrum of services from primary and acute care through long term care and supports as well as behavioral health. The move of these ADHC clients into managed care is a prelude to the statewide efforts that will occur after 2012.

Using an intensive outreach and education process, DHCS plans to inform dually eligible ADHC participants who do not live in COHS or FFS counties about enrolling in local managed care plans. Beginning in late August, ADHC beneficiaries will receive a notice that the ADHC benefit will be eliminated as of December 1st and an enrollment packet with instructions on selecting a plan, the available services, and how to disenroll from managed care should they so choose.

The enrollment campaign targeting dually eligible ADHC participants differs in one significant respect from the mandatory enrollment process for SPDs. Former ADHC clients may opt out of the managed care plan at any time. This is an allowable process under California's Medicaid State Plan and does not require amending the Section 1115 Demonstration project.

By enrolling into managed care, these beneficiaries will become the responsibility of the Medi-Cal managed care plans. The health plan will receive an enhanced per member per month capitation rate to provide the following plan services that will ensure that ADHC participants have the ability to continue to receive services in the community:

- Health Risk Assessment: A comprehensive health risk assessment conducted within the first 45 days of enrollment in the Plan. This will be accomplished while the participant continues to receive ADHC services. This assessment can be done in person or over the phone, depending upon the preference of the beneficiary.
- Care Coordination: During the months of October and November, beneficiaries may also continue to attend the ADHC. The Plans and the ADHCs will be able to confer and determine the best menu of services individualized to the beneficiary.
- Case Management: By working with the Seniors and Persons with Disabilities (SPDs) population, the managed care plans have gained considerable expertise in providing ongoing case management to medically complex individuals. The

Plans will assess the medical and social support needs of these beneficiaries and find providers or refer to services that meet those needs. This may include facilitating additional hours of service from their In-Home Support Services provider. In addition, it may include the direct provision and payment for specific medical therapies and other ADHC-like services that support avoidance of nursing home placement. The plan may choose to provide these services through an individual provider or through a contract with a former ADHC.

- Tracking and Reporting: Plans will track outcomes of former ADHC clients with the goal of holding the Plans accountable for reducing the risk of institutionalization to this membership.
- Finance: The Department will develop financial rewards and penalties based on the Plans' management of this population.

Several plans, including CalOptima and Health Plan of San Mateo, have already begun working with ADHC providers and beneficiaries to transition ADHC participants to other services. These activities among all health plans will increase over the coming months.

3,300 ADHC participants living in the COHS counties are already enrolled in managed care. COHS will reach out to ADHC centers in their catchment areas and work with them on assessing ADHC participant needs for ongoing services. COHS will use this information in their comprehensive assessment of the ADHC participants, and the plans of care, referrals, and care management activities resulting from the comprehensive assessments.

In addition, 3,000 ADHC clients who are eligible for Medi-Cal only will be mandatorily enrolled in managed care according to their birth month, as required under the state's 1115 waiver. While this process continues, DHCS will contact these members to give them the option to join managed care sooner, or to receive transitional care services through the FFS options.

There are other managed care options for those ADHC participants who are extremely frail or at high risk of nursing home placement. ADHC participants 55 years or older who meet Nursing Facility Level of Care criteria can be enrolled in PACE programs in Alameda, Los Angeles, Sacramento, San Diego, San Francisco, and Santa Clara Counties. Similarly, ADHC participants who are 65 years or older and are dually eligible for Medicare and Medi-Cal services can enroll in SCAN in Los Angeles, Riverside and San Bernardino Counties. SCAN provides an enhanced benefit package of long-term services and supports for its enrollees who meet the NF LOC criteria.

DHCS and CDA will work closely with ADHCs in their discharge planning processes to identify those ADHC participants at highest risk of institutionalization and to obtain the participants' informed consent to make referrals to Programs of All-inclusive Care for the Elderly (PACE) organizations or the Senior Care Action Network (SCAN). These referrals will allow interested participants the opportunity to easily find out if PACE or SCAN enrollment meets their comprehensive care needs, and will speed up the

assessment and enrollment processes so that these participants experience a smooth transition process and uninterrupted continuity of care.

In counties that do not participate in managed care, or when a beneficiary chooses not to participate in managed care, DHCS is expanding its contract with a current care management contractor, APS, Inc. to offer and pay for the same services (health risk assessment, care coordination and case management) as those offered by the Plans. Currently APS, Inc. provides comprehensive case management for persons with chronic health conditions in Butte, Shasta, Contra Costa, Sutter, El Dorado, Tehama, Placer, Yuba, Humboldt, and Sacramento Counties. APS Inc. also provides services for persons with chronic health conditions and serious mental illness in Kern, Stanislaus, Kings, Tulare, Madera, and San Diego Counties.

In addition to the services available through the managed care plans and APS, DHCS will:

- Work with counties to offer expanded IHSS hours where appropriate. The Plans and DHCS will identify ADHC participants who can transition to home with additional hours and work with counties to increase the hours.
- Expand the Multipurpose Senior Services Program (MSSP) to cover ADHC participants.
- Amend the In-Home Operations Waiver to 1) cover ADHC participants who are at an LTC institutional placement level (Nursing Facility B level of care), using their historic ADHC and other HCBS utilization to establish their individual budget caps under the waiver; and 2) allow ADHC centers to qualify as providers of In-Home Operations (IHO) services (case management, nursing, and personal care services).
- Add ADHCs as a provider type under the Nursing Facility/Acute Hospital waiver, allowing them to serve former ADHC participants who elect to receive some of their waiver services in a center environment instead of in their homes.

Transition Funding

The 2011/12 Budget Act provides $85 million general fund for transition services. In addition to the transition funding in the 2011/12 budget, $85 million general fund is provided in DHCS' budget base for future fiscal years to cover the costs of additional ongoing services needed by former ADHC participants. To the extent allowable, DHCS will draw down federal financial participation with these funds.

Potential uses for transition funding include:

- Paying ADHC claims through November, 2011.
- Providing enhanced capitation payments to Medi-Cal managed care plans for enrolling ADHC participants. These enhanced capitation payments will cover

additional assessment, care planning activities, the availability of ADHC-like services, and adjust for the higher levels of acuity of ADHC participants.

- Increasing the number of counties served by the APS, Inc. contract to provide comprehensive assessment, linkage to providers, and ongoing care management to persons with severe, chronic medical or mental health issues.
- Amending the IHO Waiver to cover 500 ADHC participants who meet the NF-B level of care, and allow ADHCs to be HCBS providers under the waiver.
- Amending the MSSP Waiver to increase caseload to serve eligible ADHC participants.

Options for ADHC Centers

DHCS, CDA, DSS and the California Department of Public Health are collaborating to implement Senate Bill 91 (Chapter 119, Statutes of 2011) so that existing ADHC centers can apply for and be granted licenses to operate Adult Day Programs through streamlined processes. On August 2, CDA sent an instruction letter to all ADHCs providing them with information on the processes.

DHCS' amendment to the IHO waiver will also propose to allow ADHC centers to qualify as providers of IHO services (case management, nursing, and personal care services) as prescribed in the individual's Plan of Care. DHCS will also add them as a provider type under the Nursing Facility/Acute Hospital waiver, allowing them to serve waiver participants who were not ADHC participants but who choose to receive some of their waiver services in a center environment instead of in their homes.

Some ADHC centers may contract with managed care or other social service organizations to continue to provide services such as protective supervision, social day care or respite care as part of a plan a care to avoid institutionalization.

August 5, 2011

Adult Day Health Care

Adult Day Health Care and FQHC/RHC providers

December 2010 by date of service

Claims adjudicated through the Medi-Cal Fiscal Intermediary

Note: Claims only reflect payments through May 2011 and cannot be considered completely reported.

Beneficiary County and Medicare Eligibility based on the Medicare status on the monthly Medi-Cal eligible record.

County	Count of Dual Medicare/Medi-Cal Eligibles	Count of Medi-Cal Only Eligibles	Total	GMC	2 PLAN	COHS	FFS
ALAMEDA	646	54	700		700		
AMADOR	1	1	2				2
BUTTE	42	8	50				50
CALAVERAS	1	1	2				2
CONTRA COSTA	170	39	209		209		
DEL NORTE	-	1	1				1
EL DORADO	1	1	2				2
FRESNO	568	299	867		867		
GLENN	3	1	4				4
HUMBOLDT	121	18	139				139
IMPERIAL	306	31	337				337
KERN	140	70	210		210		
LOS ANGELES	18,884	3,319	22,203		22,203		
MADERA	26	-	26		26		
MARIN	33	2	35			35	
MARIPOSA	3	-	3				3
MENDOCINO	25	2	27			27	
MERCED	76	10	86			86	
MONTEREY	3	-	3			3	
NAPA	39	6	45			45	
NEVADA	1	-	1				1

ORANGE	1,452	252	1,704			1,704	
PLACER	16	4	20				20
RIVERSIDE	342	133	475		475		
SACRAMENTO	624	201	825	825			
SAN BENITO	-	1	1				1
SAN BERNARDINO	433	170	603		603		
SAN DIEGO	1,948	593	2,541	2,541			
SAN FRANCISCO	1,216	91	1,307		1,307		
SAN JOAQUIN	28	7	35		35		
SAN LUIS OBISPO	9	2	11			11	
SAN MATEO	108	19	127			127	
SANTA BARBARA	34	7	41			41	
SANTA CLARA	762	58	820		820		
SANTA CRUZ	109	11	120			120	
SHASTA	45	6	51				51
SIERRA	1	-	1				1
SOLANO	44	7	51			51	
SONOMA	33	-	33			33	
STANISLAUS	78	37	115		115		
TEHAMA	1	1	2				2
TULARE	9	1	10		10		
TUOLUMNE	34	7	41				41
VENTURA	743	151	894			894	
YOLO	141	39	180			180	
YUBA	1	-	1				1
Total	**29,300**	**5,661**	**34,961**	3366	27,580	3,357	658

Adult Day Health Care
Adult Day Health Care and FQHC/RHC providers
FY 2010 by date of service
Claims adjudicated through the Medi-Cal Fiscal Intermediary
Monthly Count of Users
Note: Claims only reflect payments through May 2011 and may not be completely reported.

Service Month	Count of Unique IDs (based on CIN)
201001	33,903
201002	33,630
201003	34,542
201004	34,517
201005	34,368
201006	34,642
201007	35,087
201008	35,328
201009	35,301
201010	34,952
201011	35,089
201012	34,961

Attachment 2

ADHC Demographics - Paid Thru 04/25/2011 **Run Date: 6/6/11**

Service Period: 10/1/10 through 3/31/11

	Females, Ages 15-19	Females, Ages 20-24	Females, Ages 25-29	Females, Ages 30-34	Females, Ages 35-39	Females, Ages 40-44	Females, Ages 45-49	Females, Ages 50-54	Females, Ages 55-59	Females, Ages 60-64	Females, Ages 65-74	Females, Ages 75-84	Females, Ages 85+	Males, Ages 15-19	Males, Ages 20-24	Males, Ages 25-29	Males, Ages 30-34	Males, Ages 35-39	Males, Ages 40-44	Males, Ages 45-49	Males, Ages 50-54	Males, Ages 55-59	Males, Ages 60-64	Males, Ages 65-74	Males, Ages 75-84	Males, Ages 85+	Sum:
Total	5	56	95	113	136	205	335	522	628	889	4,708	10,475	5,720	3	108	173	261	253	322	493	699	712	798	2,472	5,254	3,007	38,442

	Females, Ages 15-19	Females, Ages 20-24	Females, Ages 25-29	Females, Ages 30-34	Females, Ages 35-39	Females, Ages 40-44	Females, Ages 45-49	Females, Ages 50-54	Females, Ages 55-59	Females, Ages 60-64	Females, Ages 65-74	Females, Ages 75-84	Females, Ages 85+	Sum:
Total	5	56	95	113	136	205	335	522	628	889	4,708	10,475	5,720	23,887

	Males, Ages 15-19	Males, Ages 20-24	Males, Ages 25-29	Males, Ages 30-34	Males, Ages 35-39	Males, Ages 40-44	Males, Ages 45-49	Males, Ages 50-54	Males, Ages 55-59	Males, Ages 60-64	Males, Ages 65-74	Males, Ages 75-84	Males, Ages 85+	Sum:
Total	3	108	173	261	253	322	493	699	712	798	2,472	5,254	3,007	14,555

Attachment 3

CALIFORNIA DEPARTMENT OF AGING
ADULT DAY HEALTH CARE BRANCH
PARTICIPANT CHARACTERISTICS REPORTED BY CENTERS
FISCAL YEAR 2010 - 11
As of June 30, 2011

COUNTY	Total Ptps Enrolled	Dementia	Mental Retardation or DD	Psych Dx	Incontinent (bowel and/or bladder)	Restorative PT and/or OT	Does Not Speak English	Requires Skilled Nursing Services
Alameda	712	313	15	236	303	8	457	590
Butte	71	28	7	41	26	52	1	43
Contra Costa	288	105	16	90	64	108	82	51
Fresno	1008	214	119	636	354	66	450	923
Humboldt	206	63	45	105	104	50	0	141
Imperial	320	130	5	128	117	0	247	94
Kern	274	31	63	130	21	141	25	192
Los Angeles	23603	5700	1085	11467	9447	13872	16793	18457
Marin	52	41	1	19	30	33	5	12
Mendocino	37	15	3	5	8	13	3	6
Merced	82	26	8	10	31	0	29	62
Napa	106	50	10	23	48	37	16	47

COUNTY	Total Ptps Enrolled	Dementia	Mental Retardation or DD	Psych Dx	Incontinent (bowel and/or bladder)	Restorative PT and/or OT	Does Not Speak English	Requires Skilled Nursing Services
Orange	2067	727	218	727	705	974	1068	1757
Riverside	556	88	71	373	195	22	170	336
Sacramento	545	149	52	224	356	218	280	411
San Bernardino	429	65	75	227	175	29	47	310
San Diego	2928	777	225	1298	870	1225	1181	1897
San Francisco	1198	393	24	641	671	582	1090	1206
San Joaquin	68	11	16	37	19	15	1	68
San Mateo	157	68	10	32	20	10	26	98
Santa Barbara	59	22	14	30	42	33	9	58
Santa Clara	1089	224	69	304	256	234	739	714
Santa Cruz	136	37	5	44	43	1	70	53
Shasta	64	20	4	24	34	30	0	64
Solano	36	6	10	26	6	23	2	0
Sonoma	43	22	1	27	16	42	2	22
Stanislaus	145	66	13	60	73	1	68	113

COUNTY	Total Ptps Enrolled	Dementia	Mental Retardation or DD	Psych Dx	Incontinent (bowel and/or bladder)	Restorative PT and/or OT	Does Not Speak English	Requires Skilled Nursing Services
Tulare	0	0	0	0	0	0	0	0
Tuolumne	48	8	3	19	17	0	0	20
Ventura	1125	156	80	564	400	882	500	783
Yolo	328	75	7	75	170	101	218	240
	37780	9630	2274	17622	14621	18802	23579	28768
		25.5%	6.0%	46.6%	38.7%	49.8%	62.4%	76.1%

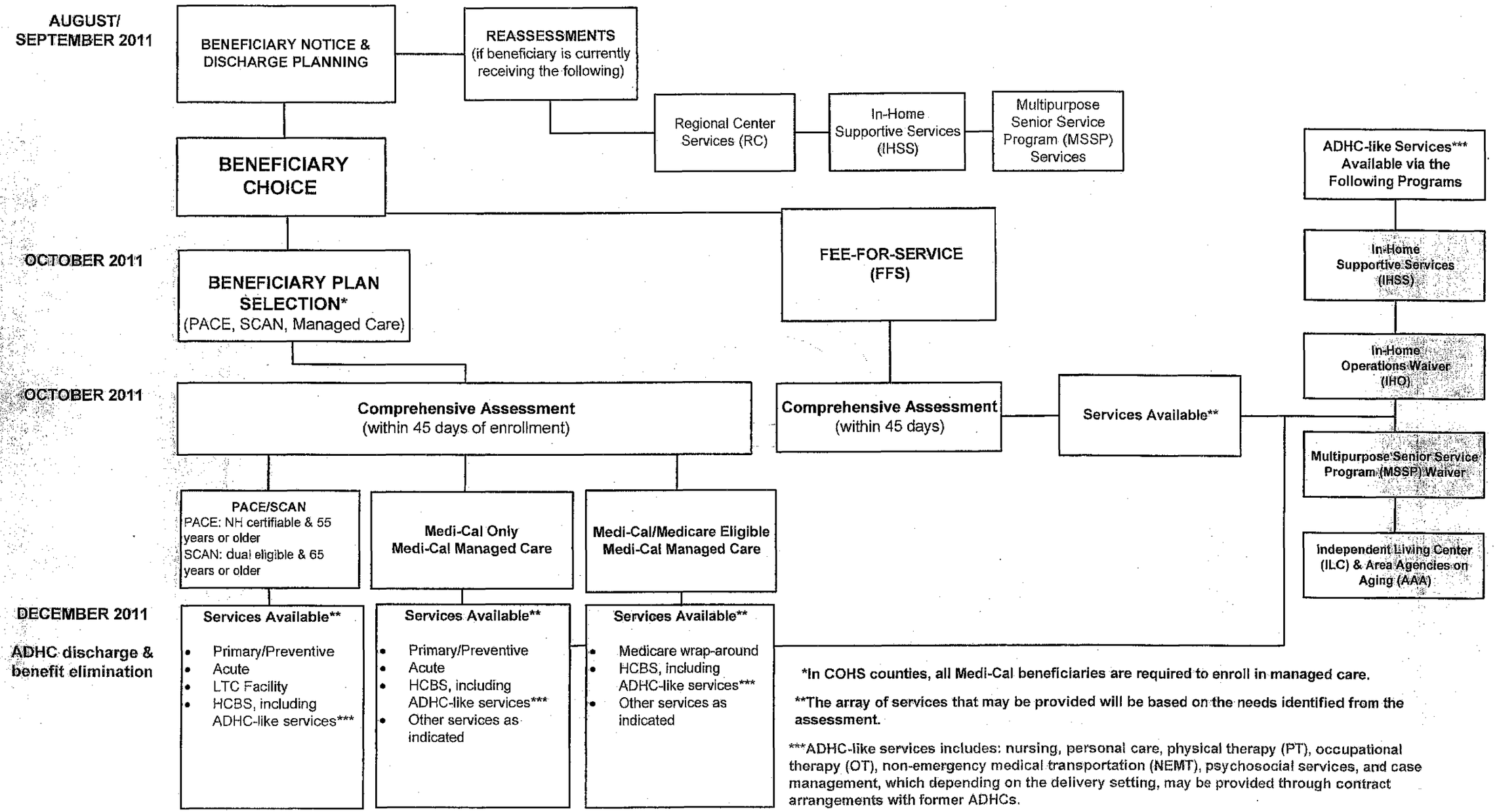
Attachment 4

Medi-Cal Home and Community Base Services Caseload Overlap

	Caseload	Nursing Facility/Acute Hospital Waiver	In Home Operations Waiver	Assisted Living Waiver	Developmental Services HCBS Waiver	Senior Care Action Network	Program of All-Inclusive Care for the Elderl	Multipurpose Senior Services Program	Adult Day Health Care	In-Home Supportive Services/ waiver personal care services
In-Home Supportive Services	441,699	1,570	124	54	26,884	X	X	9,125	22,006	
Adult Day Health Care	36,750	4	0	1	4,000	X	X	914		22,006
Multipurpose Senior Services Program	9,498	X	X	X	X	X	X		914	9,125
Program of All-Inclusive Care for the Elderly	2,812	X	X	X	X	X		X	X	X
Senior Care Action Network	7,591	X	X	X	X		X	X	X	X
Developmental Services HCBS Waiver	92,076	X	X	X		X	X	X	4,000	26,884
Assisted Living Waiver	1,453	X	X		X	X	X	X	1	54
In Home Operations Waiver	143	X		X	X	X	X	X	0	124
Nursing Facility/Acute Hospital Waiver	1,995		X	X	X	X	X	X	0	1,570

Current point in time data as of July 2011

OVERVIEW OF ADHC TRANSITION



*In COHS counties, all Medi-Cal beneficiaries are required to enroll in managed care.

**The array of services that may be provided will be based on the needs identified from the assessment.

***ADHC-like services includes: nursing, personal care, physical therapy (PT), occupational therapy (OT), non-emergency medical transportation (NEMT), psychosocial services, and case management, which depending on the delivery setting, may be provided through contract arrangements with former ADHCs.

Department of Health Care Services
Adult Day Health Care (ADHC) Transition Strategy

BACKGROUND

The Department of Health Care Services (DHCS) has developed a comprehensive strategy that will provide appropriate and cost-effective services to former clients of Adult Day Health Care (ADHC) Centers when that Medi-Cal benefit ends on December 1, 2011. Working with the Department of Aging (CDA), the Department of Social Services (DSS) and the Department of Developmental Services (DDS), DHCS has created a multi-faceted approach to provide comprehensive health risk assessments, care coordination, case management and appropriate ongoing services to former ADHC clients. The strategy is based upon the type of coverage a client has and the county in which the client resides. (Attachment 1)

STRATEGY

The vast majority of ADHC clients (34,350 of 35,000) live in counties with Medi-Cal Managed Care. Thus, the major transition effort will center on encouraging and assisting with the enrollment of these clients into managed care plans starting October 1, 2011. In addition, most ADHC clients are eligible for both Medicare and Medi-Cal, receiving the bulk of their health care services through Medicare. Enrollment into Medi-Cal Managed Care will allow the participants to receive assessments, care coordination and case management through their Medi-Cal benefit – services they generally do not receive under Medicare or fee-for-service (FFS) Medi-Cal. Beneficiaries whose primary insurance is Medicare may disenroll from a Medi-Cal Managed Care plan at any time and return to FFS Medi-Cal.

It should be noted that DHCS has embarked on a "dual integration project" with the Centers for Medicare and Medicaid Services (CMS). It is designed to help enroll people who are eligible for both Medicare and Medi-Cal into managed care plans. These plans include the full spectrum of services, from primary and acute care through long term care and supports, as well as behavioral health care. The movement of these ADHC clients into managed care is a prelude to the statewide efforts that will occur after 2012.

Beginning in late August 2011, ADHC beneficiaries will receive a notice that the ADHC benefit will be eliminated as of December 1. In Two-Plan and Geographic Managed Care counties, beneficiaries will receive an enrollment packet that informs them they will be enrolled into managed care on October 1st. The packet will include instructions on selecting a plan, the available services, and how to disenroll from managed care should they so choose. Once the beneficiaries enroll into managed care, the plans will assume responsibility for them. In County Organized Health Systems (COHS) counties, these beneficiaries are already plan members. The health plans will receive an enhanced per member per month capitation rate to provide the following services that will ensure ADHC clients have the ability to continue to receive services in the community:

- Health Risk Assessment - A comprehensive health risk assessment conducted within the first 45 days of enrollment in the Plan. This will be accomplished while the participant continues to receive ADHC services. This assessment can be done in person or over the phone depending upon the preference of the beneficiary.
- Care Coordination - During the months of October and November, beneficiaries may also continue to attend the ADHC centers. The Plans and the ADHC centers will confer and determine the best menu of services individualized to the beneficiary.
- Case Management - By working with the Seniors and Persons with Disabilities (SPDs) population, the managed care plans have gained considerable expertise in providing ongoing case management to medically complex individuals. The Plans will assess the medical and social support needs of the beneficiaries and find appropriate providers, or refer beneficiaries to services that meet those needs. This may include facilitating additional hours of service from their In-Home Support Services (IHSS) provider. In addition, it may include the direct provision and payment for specific medical therapies and other ADHC-like services that support avoidance of nursing home placement. The plan may choose to provide these services through an individual provider or through a contract with a former ADHC.
- Tracking and Reporting - Plans will track outcomes of former ADHC clients with the goal of holding the Plans accountable for reducing the risk of institutionalization to this membership.
- Finance - DHCS will develop financial rewards and penalties based on the Plans' management of this population.

3,300 ADHC participants living in the COHS counties are already enrolled in managed care. The COHS will reach out to ADHC centers in their catchment areas and work with them on assessing ADHC participant needs for ongoing services. COHS will use this information in their comprehensive assessment of the ADHC participants, and the plans of care, referrals, and care management activities resulting from the comprehensive assessments.

Several plans, including CalOptima and Health Plan of San Mateo, have already begun working with ADHC providers and beneficiaries to transition ADHC clients to other services. These activities among all health plans will increase over the coming months.

In addition, 3,000 ADHC clients who are eligible for Medi-Cal only will be mandatorily enrolled in managed care according to their birth month, as required under the state's 1115 waiver. While this process continues, DHCS will contact these members to give them the option to join managed care sooner, or to receive transitional care services through the FFS options.

Using an intensive outreach and education process, DHCS will inform dually eligible ADHC clients who do not live in COHS counties or in FFS counties about enrolling in local managed care plans. DHCS will send educational and outreach information about the local Medi-Cal managed care plans, then follow up to make sure clients received the material. DHCS will respond to any questions and then enroll the clients into the managed care plan of their choice.

There are other managed care options for those ADHC clients who are extremely frail or at high risk of nursing home placement. The major urban counties where most of the ADHC clients live have Program of All-Inclusive Care for the Elderly (PACE) and Senior Care Action Network (SCAN) programs of comprehensive medical and social care for adults who are eligible for nursing home placement. While the requirements for each program are slightly different, approximately 20 percent of the ADHC clients – the frailest individuals - may qualify for these programs and will be referred by either DHCS or the managed care plan for enrollment. DHCS and CDA are working together to identify these clients as soon as possible and refer them to PACE or SCAN programs. Enrollment in either program is entirely voluntary.

In counties that do not participate in managed care, or when a beneficiary chooses not to participate in managed care, DHCS is expanding its contract with a current care management contractor, APS, Inc. This contractor will offer and pay for the same services (health risk assessment, care coordination and case management) as those offered by the Plans. Approximately 650 ADHC clients live in counties with only FFS providers.

In addition to the services available through the managed care plans and APS, DHCS will:

- Work with counties to offer expanded IHSS hours where appropriate. The Plans and DHCS will identify ADHC clients who can remain in home settings with additional hours and work with counties to increase the available hours.
- Expand the Multipurpose Senior Services Program to cover ADHC clients.
- Amend the In-Home Operations (IHO) Waiver to cover ADHC clients who are at a long term care institutional placement level, and to allow ADHC centers to qualify as providers of IHO services (case management, nursing, and personal care services).
- Add ADHCs as a provider type under the Nursing Facility/Acute Hospital waiver, allowing them to serve former ADHC clients who elect to receive some of their waiver services in a center environment instead of in their homes.
- Work with DDS to assure that Developmentally Disabled ADHC clients continue to have the full scope of services available to them through DDS, and that they are not enrolled into managed care. Funding was included in DDS' budget to ensure that DDS consumers receive needed services to avoid institutionalization.

GROUNDWORK AND PLANNING

The actual transition begins with individualized discharge planning and the completion of the AHDC individual plan of care before the benefit ends. On May 6, 2011, the CDA notified the ADHC centers that ADHC would be eliminated as a Medi-Cal benefit and encouraged them to begin updating discharge plans. CDA asked that the ADHC centers notify the state if there are clients for whom they cannot secure access to services. In August, CDA is sending follow-up letters to the ADHC centers reminding them of their discharge planning responsibilities and the process to be followed for the discharge planning process. The letter will provide information about local community-based organizations that may provide transitional and ongoing services to ADHC clients, options for providing adult day care services, and a link to a website and a phone number for more information. DHCS expects that the ADHC centers will work closely with the managed care plans or APS to ensure the discharge planning allows for a smooth transition of the beneficiaries to other services.

DHCS continues to meet with several of its partner departments, including CDA, DDS, DSS, the Department of Mental Health (DMH), and the Department of Rehabilitation (DOR) about the ADHC transition. Departments are reaching out to their local partners (e.g., Area Agencies on Aging, county IHSS offices, Independent Living Centers, etc.) to inform them of the pending benefit elimination so that they can begin to prepare for possible referrals or requests for assistance from ADHC centers or clients.

DHCS is also having ongoing discussions with stakeholders like the California Association of Adult Day Services (CAADS), county IHSS representatives, Medi-Cal Managed Care plans, APS, Inc., TCM Consortium, and the California Association of Area Agencies on Aging. DHCS is also using a comprehensive list of interested stakeholders to send them updated information on a periodic basis.

CDA has developed guides to other services that are available, including:

- A contact list of the thirty-three Area Agencies on Aging (AAA) and a map identifying each catchment area.
- County-level community resource sheets identifying the key local agencies and their contact information (e.g., AAAs, Independent Living Centers, In-Home Supportive Services, Medi-Cal Managed Care plans and FFS options, etc.)
- Services and supports available through Older American Act programs such as home delivered and congregate meals and local non-governmental supports.

DHCS and CDA staffs have reviewed the Individual Plans of Care for 7,900 ADHC clients who receive four or five days of ADHC services per week. This review revealed the most commonly recorded diagnoses which have led to the range of services currently being provided. This information will be provided to the managed care plans and APS to assist with their health risk assessments. Understanding the most prevalent diagnoses will help identify the resources that may provide an alternative to ADHC services. DHCS and CDA will continue to review these care plans for ADHC clients

authorized for fewer days of service and provide this information to health plans and APS and the ADHC centers.

DHCS will regularly issue communications to affected clients, ADHC program administrators, advocates, industry representatives, sister agencies and their local counterparts, and other stakeholders about the ADHC transition. Stakeholder participation is critical to the success of this transition's refinement. DHCS will engage stakeholders, including the Legislature, and involve them to develop an ongoing dialogue about the needs of the former ADHC clients so that together, a smooth transition can be ensured for these Medi-Cal beneficiaries.

August 5, 2011

Department of Health Care Services
Adult Day Health Care Transition Outreach Plan

In May 2011, the Department of Health Care Services (DHCS) commenced an outreach effort to provide important and timely information regarding the current adult day health care (ADHC) transition plan to beneficiaries who are enrolled in ADHC programs, ADHC providers, other affected state agencies, and Medi-Cal managed care health plans. The following information outlines the department's outreach effort, and upcoming outreach actions DHCS will conduct throughout the remainder of the transition.

BENEFICIARY OUTREACH

DHCS' outreach to ADHC beneficiaries comes in the form of notice letters that describe their options for services and supports. These letters encourage beneficiaries to select a managed care plan to provide on-going Medi-Cal services and supports or offer care coordination through a contracted case management provider in fee-for-service counties and for beneficiaries who choose not to participate in managed care.

The first notice to dual-eligible ADHC participants was mailed on August 17, 2011, reaching the beneficiaries' homes by Friday, August 19th at the earliest. The notice was printed in English with phone numbers for beneficiaries to call for information in the 13 threshold languages if the beneficiaries do not understand English. The notice was accompanied by a managed care choice packet in the participant's threshold language that contains information regarding how to select a managed care health plan or fee-for-service, the health plans available in the participants' county, schedules for in-person assistance, and comparison charts for health plans including quality of care. The choice packet also includes a brief description of the benefits available in each plan, phone numbers and locations for additional information, a checklist to assist with choosing a plan, and information about working with health plans and the grievance procedure. To ensure that the providers, plans, and other stakeholders would have copies of the notice prior to receipt of the notice by beneficiaries, the notice was faxed to all ADHC providers on August 18, 2011, and emailed to the California Department of Aging's (CDA) stakeholder network, Multipurpose Senior Services Program (MSSP) sites, and Area Agencies on Aging (AAA). The notice was also emailed to managed care plans on August 15, 2011. Additionally, notices were made available, August 15, 2011, on the DHCS website. DHCS will also mail follow-up reminder notices in Medi-Cal's threshold languages to these dual eligible ADHC beneficiaries on September 2, 2011 reaching the beneficiaries' homes by September 6, 2011.

Beginning on August 30, 2011 through the month of September, DHCS will send notice letters to other ADHC beneficiaries first in English and then in Medi-Cal's threshold languages. These letters will target:

- ADHC participants in rural counties or enrolled in Medicare Special Needs Plans that do not have a Medi-Cal contract and who will remain in Fee-for-Service (FFS).

- Seniors and Persons with Disabilities (SPDs) who have only Medi-Cal coverage and who are currently in the 90-day transition process to enroll in a managed care plan that encourages them to enroll prior to their mandatory transition date set by their birth month.

- SPDs who have not currently entered the transition process to enroll into a managed care plan because their birth month is more than 90 days away. The notice will encourage enrollment prior to their mandatory date set by their birth month.

All ADHC beneficiaries who have the option of enrolling into a managed care plan will receive a managed care choice packet. (Attached to this document is a sample managed care choice packet. Please note that although the sample packet is for Los Angeles County, each ADHC participant received a packet that is specific to their county and translated into their appropriate threshold language.)

The notice letter is posted to our website for public view, as will be the notices to ADHC participants who are not dual eligibles or who live in fee-for-service counties. http://dhcs.ca.gov/ADHCtransition

DHCS's enrollment broker, Health Care Options, is available to assist beneficiaries in all languages, via telephone, with making a choice for managed care. Their contact information is included in the outreach material with a number to call for each threshold language. Health Care Options also has in-person representatives available in each Two-Plan and Geographic Managed Care (GMC) county to provide in-person presentations and assistance with completing forms.

Upon enrollment into a health plan, each health plan is has available assistance in the county and via telephone to assist new members with the transition. Health plans are required to provide linguistic services in all languages and written material in threshold languages, per the county demographics. Many plans provide additional services to ensure they can communicate effectively with the population they serve, such as additional written material that does not meet the threshold requirements.

In fee-for-service counties, or for persons who cannot or choose not to enroll in a Medi-Cal managed care plan, DHCS will use its contract with APS, Inc. to perform comprehensive assessment for ADHC participants. APS, Inc. has had a presence in California providing care coordination for Medi-Cal's SPD population, subcategories of behavioral health (including Department of Mental Health and Health Care Services), serious mental illness, and CalMend since 2004. APS currently maintains four office locations including two in Sacramento, one in Newport Beach and one in Burbank. APS will send communications materials to all new enrollees explaining the services and supports that they can receive through APS.

At the August 9, 2011 ADHC Transition Stakeholder meeting, many centers made the point that doing comprehensive discharge planning for all their participants within the short time allowed for transition would require significant staff resources. Additionally, they expressed concern about what information they could share with managed care plans and other providers in the referral and service coordination processes. In response, DHCS is training ADHC centers on a standardized assessment tool for ADHC transition planning, and will pay centers additional funds for completing comprehensive discharge plans.

PROVIDER AND COMMUNITY OUTREACH

DHCS has been working closely with the CDA and other state departments to coordinate outreach and ensure that ADHC providers remain informed about the transition plan. Specifically,

- CDA has sent six notices to ADHC providers alerting them to the benefit elimination and providing various program updates.
- CDA has met multiple times AAA directors and staff and held conference calls with AAAs regarding coordination efforts
- CDA developed and participated in a webinar with the California Association of Adult Day Services to provide information regarding ADHC / Adult Day Program (ADP) dual licensure - a

subject of great interest to ADHC's planning on staying open and contracting with Medi-Cal managed care plans, Veterans Administration, and regional centers after benefit elimination.

- The Department of Rehabilitation met with California Foundation for Independent Living Centers (CFILC) and State Independent Living Council at their quarterly meeting to discuss ADHC benefit elimination, coordination with the ADHC centers, AAAs, and other community partners.

- The California Department of Developmental Services has been communicating with regional centers.

- The California Department of Social Services is currently coordinating with county IHSS to share data, provide guidance regarding reassessment of ADHC participants for additional hours, etc.

- The California Department of Mental Health has been coordinating with the county mental health director's association.

- Weekly "Partners" meetings since June to share information and efforts and to better coordinate activities. These meetings are coordinated by DHCS and include representation by department partners including the Departments of Aging, Developmental Services, Mental Health, Rehabilitation, and Social Services.

- The AAAs have been very active locally, including meeting with ADHC centers, health plans, MSSP sites, and IHSS; developing their own outreach plans locally; preparing for increased response for information and assistance; accepting referrals for care management programs. In addition to this state-coordinated outreach, Medi- Cal managed care plans in Orange, Contra Costa, San Mateo, San Francisco, San Diego and Los Angeles have begun meetings with their local ADHCs to establish lines of communication and discuss care coordination.

- The Health Insurance Counseling and Advocacy Program (HICAP) will assist ADHC participants with the transition. DHCS and CDA will provide materials, scripts, FAQs to help HICAP effectively respond to the ADHC beneficiary calls and in person visits they receive.

- DHCS is holding a Webinar on August 31, 2011 for ADHC centers and other interested stakeholders to learn about the criteria the Department uses to determine the NF-B level of care, how ADHCs can use the assessment tool to develop comprehensive discharge plans, what benefits dual eligibles receive from Medicare and Medi-Cal, and answers to ADHC participant questions about enrolling in managed care.

PLAN OUTREACH

In June 2011, DHCS conducted an all plan meeting with all Medi-Cal Two-Plan, GMC, and COHS managed care plans, along with representation from California Association of Health Plans and Local Health Plans of California. This meeting focused on the ADHC transition. Subsequently, there have been individual meetings or phone conferences with the Los Angeles Plans and most of the other managed care plans. DHCS has offered assistance in this transition to all of the Plans and will host another all plan call on August 24, 2011. The above coordination effort with each department's network is regular and ongoing. Coordination and communication efforts will continue through the transition. Beginning in August,

weekly meetings with all managed care plans will begin. The purpose of the weekly meetings will be to provide support and information sharing to ensure information and resources are available to all.

PUBLIC MEETINGS AND HEARINGS

DHCS Director Toby Douglas has participated at several public hearings and meetings to provide information and answer questions about the ADHC transition plan. Specifically, he testified before the Assembly Aging and Long Term Care Committee on August 16, 2011. On August 17, 2011, Director Douglas participated in the Olmstead Advisory Committee meeting to field questions and comments about the transition plan, and on August 19, 2011, he attended a meeting sponsored by Senator Carol Liu to provide information about the plan to ADHC providers.

On August 25, 2011, DHCS will testify at an oversight hearing sponsored by the Senate Budget Subcommittee #3, where information about the plan will once again be provided in a public setting.

Department of Health Care Services
Adult Day Health Care Transition Monitoring Plan
August 23, 2011

The California Department of Health Care Services (DHCS) proposes to monitor the Adult Day Health Care transition over a two-year period using the framework outlined below. DHCS will coordinate its monitoring and reporting efforts with the California Departments of Aging, Social Services, and Developmental Services.

The monitoring will focus initially on the transition process as ADHC participants receive notice letters and assessments, select a managed care plan, or opt out into other services. In the near term, DHCS will determine baseline measures for the primary outcomes of interest: nursing facility and hospital inpatient admissions, and emergency room visits. Data will be drawn and analyzed from Medi-Cal and Medicare claims, managed care plan encounter data, and hospital inpatient and emergency department data. Managed care organizations will also provide data on hospital and nursing home admissions for their respective ADHC members. Specific populations of interest will be identified for more focused analyses.

After a transition and baseline report at the end of 2011, standardized monitoring reports will be provided to the Legislature and other stakeholders semi-annually and include clear written analysis and useful charts and graphs.

Identify, coordinate and analyze data sets

1) Medicare, Medi-Cal claims and utilization data
2) Health plan encounter data
3) OSHPD Patient Discharge and ER Utilization data

Measure three primary areas of importance:

1) Transition process (e.g. - notice letters, assessments, health plan selection)
2) Services received (e.g. – nursing services, physical/occupational therapy)
3) Specific outcomes (e.g. - skilled nursing facility and hospital admissions)

Establish baseline measures

1) Specific outcomes

Identify subsets of the ADHC population

1) Specific at-risk groups (e.g. - developmentally disabled)
2) Specific age groups (e.g. - frail elderly)
3) Regions of interest (e.g. - rural areas)

Reports to the Legislature and other stakeholders

1) Short term:
    a. Notice letters and initial assessments – December 2011
    b. Baseline report - December 2011
2) Long-term:
    a. First semi-annual report – July 2012
    b. Second semi-annual report - January 2013
    c. Third semi-annual report – July 2013

CDSS
GHTBOURNE
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • *www.cdss.ca.gov*

EDMUND G. BROWN JR.
GOVERNOR

In-Home Supportive Services Support to Transition Plan For Adult Day Health Care (ADHC) Recipients

California Department of Social Services (CDSS) has been working with county welfare departments, the Department of Health Care Services (DHCS), California Department of Aging (CDA) and other state departments to develop and implement a plan to support the needs of ADHC recipients to remain safely in their home and community during this transition period and thereafter.

Currently there are approximately 38,700 ADHC recipients statewide and about 25,700 of these individuals also receive In-Home Supportive Services (IHSS). CDSS has been working with the county IHSS programs to create a process and the necessary funding to ensure ADHC recipients already receiving IHSS are reviewed and service authorizations changed as necessary due to the loss of the ADHC benefit. The counties will also receive and process applications of any ADHC recipients not currently receiving IHSS who wish to apply. This number is estimated at 50% of the approximately 9000/10,000 who are not in IHSS currently. These activities will be completed for all recipients on or before November 15, 2011.

CDSS has taken the following steps to support a smooth and comprehensive reassessment of IHSS/ADHC recipient's needs:

- May 19, 2011 – CDSS sent a letter to IHSS Program Managers with a listing of ADHC recipients receiving IHSS in their county.
- May 26, 2011 – CDSS facilitated a conference call with IHSS Program Managers to discuss strategies to support transition of the ADHC recipients and to most effectively review and make necessary adjustments to their IHSS service authorizations.
- During June 2011 – multiple calls with Los Angeles County and additional separate calls with all other counties through County Welfare Directors Assn.
- July 12, 2011 – CDSS sent a letter to IHSS Program Managers with a listing of ADHC recipients receiving IHSS providing individual recipient information to assist counties in evaluating need for IHSS authorization adjustments.

- July 18, 2011 – CDSS facilitated a conference call with IHSS Program Managers and DHCS staff to provide counties additional information on timelines and noticing of ADHC recipients of elimination of this benefit.

- August 24, 2011 – CDSS sent a letter to IHSS Program Managers to provide a copy of the notice sent to ADHC recipients informing them of the elimination of the benefit.

CDSS will continue to coordinate with county welfare departments throughout implementation; as well as with all state partners to ensure transition activities occur timely and effectively.

Prepared by
Adult Program Division
August 24, 2011

CDA Role in ADHC Transition

CALIFORNIA DEPARTMENT OF AGING

Inter-Agency Collaboration

Since April 2011, CDA has met weekly with DHCS, DMH, DDS, CDSS, and DOR. Purpose of meetings:

- Communication and coordination among Agency departments with impacted constituents
- Transition planning efforts
- Data collection

ADHC Branch Ongoing Functions

CDA certifies ADHC providers for participation in the Medi-Cal program through an interagency agreement with DHCS. CDA ADHC Branch staff continue to conduct all certification business, including:

- renewal and change application processing
- onsite surveys
- plan of correction monitoring
- adverse actions
- coordination with CDPH Licensing (re: center licensing issues), DHCS Utilization Management (re:TAR issues), DHCS Provider Enrollment (re: enrollment and provider master file issues), and DHCS A&I (re: fiscal, fraud, and abuse issues)

Communication and Coordination with ADHC Providers

CDA conveys ADHC program update information, provides guidance, and answers questions from callers during our regular course of business – onsite during surveys, at provider meetings/conferences, and via phone.

- **"All Center Letters (ACLs)"** - Since May 2011, CDA has sent the following six ACLs to ADHC centers via fax blast:
  1. May 6, 2011 – Letter providing ADHC benefit elimination information and guidance regarding continuing program requirements, including participant discharge planning. Also, letter provided phone numbers and links.
  2. July 15, 2011 – Notice regarding delay in benefit elimination beyond September 1, 2011
  3. July 22, 2011 – Notice regarding CMS approval of delay of ADHC benefit elimination to December 1, 2011
  4. August 3, 2011 – Letter providing guidance regarding ADHC / Adult Day Program (ADP) dual licensure requirements
  5. August 5, 2011 – Letter providing information regarding discharge planning requirements and participant referral
  6. August 18, 2011 – Notice regarding letters sent by DHCS to ADHC dual eligible participant

  Each ACL is posted concurrent with release on the CDA website

- CDA website is kept up to date and provides multiple links and resources, including to the DHCS Transition website.
- CDA developed "Community Resource Guides" for the five counties serving the largest number of ADHC participants – LA, Orange, San Diego, San Francisco, and Santa Clara.
- CDA convened meetings with CDPH, DHCS, and CDSS staff to resolve policy issues regarding ADHC/ADP dual license requirements. Subsequently, CDA issued an All Center Letter clarifying requirements and conducted a webinar in collaboration with CAADS to provide guidance to approximately 110 ADHC providers and interested participants.

Communication with Aging "Network"

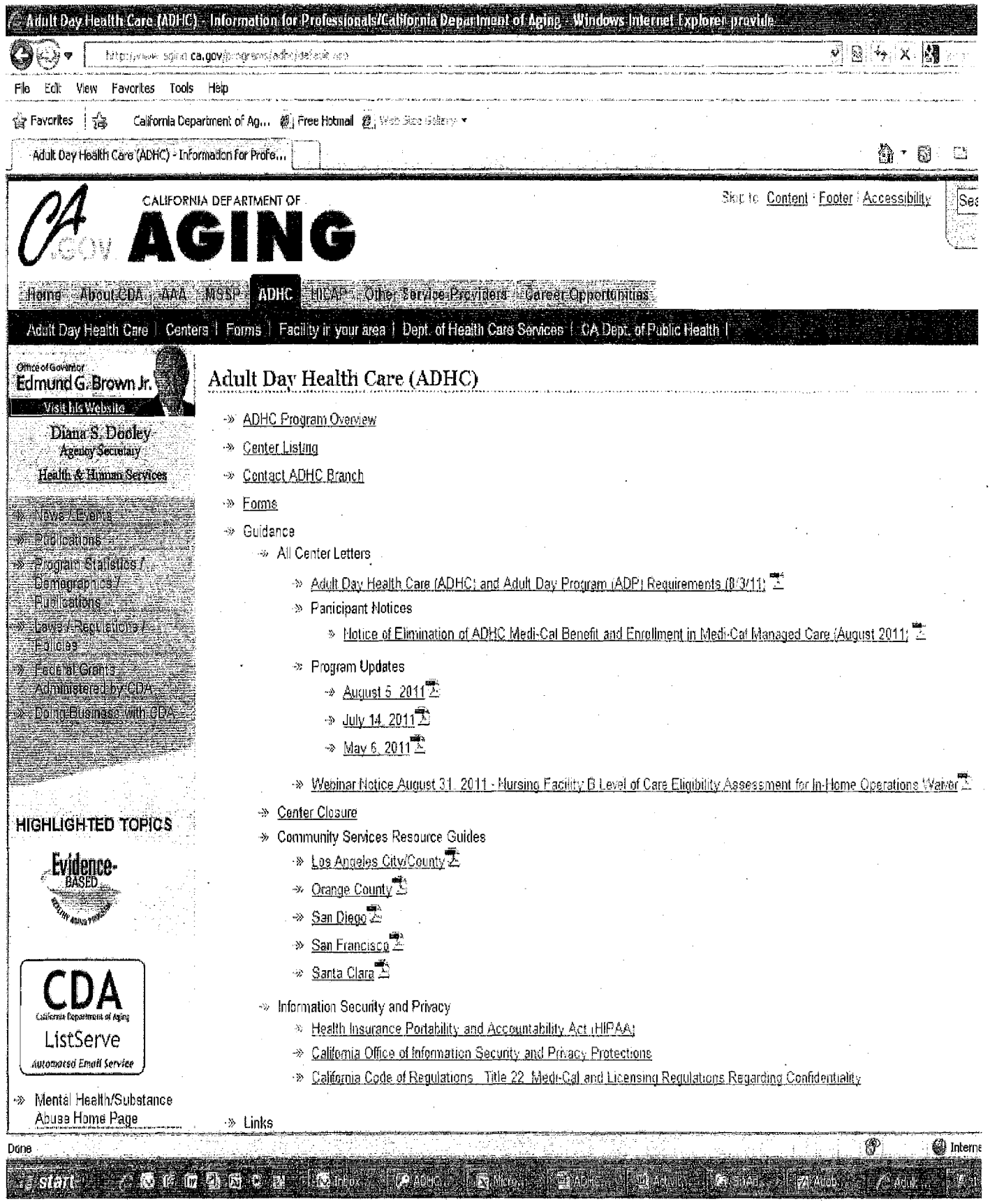
CDA has provided information regarding ADHC benefit elimination and transition via:

- **Meetings:** Since March 2011, provided monthly CA Association of Area Agencies on Aging (C4A) Executive Committee updates and held discussions at bi-monthly C4A membership meetings on new developments pertaining to ADHC benefit elimination and transition efforts
- **E-mail:** Sent copies of ACLs to all Area Agencies on Aging (AAAs) and aging network providers concurrent with faxing to ADHC centers
- **Data:** Provided county level ADHC center and participant service characteristic data to AAAs to assist with local planning/coordination efforts
- **Conference Calls:** Participating in multiple conference calls to discuss elimination and transition planning at the state and local levels

Area Agencies on Aging (AAA) Activities

AAAs have identified that they are involved in the following transition activities in a coordinating and/or participating role at the local level:

- Outreach and meetings with ADHC centers, health plans, IHSS, Boards of Supervisors
- Planning and preparing for increased requests for information and assistance
- Developing outreach plans to assist participants and families
- Accepting referrals for care management programs
- Conducting assessments for IHSS and MSSP (20 AAAs are county operated; 10 of those 20 AAA directors also administer IHSS; 12 AAAs also operate the MSSP site)
- Advocating with local public officials


Adult Day Health Care (ADHC) - Information for Professionals/California Department of Aging - Windows Internet Explorer provide
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Agency Secretary
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California Department of Aging
ListServe
Automated Email Service
Mental Health/Substance Abuse Home Page
Adult Day Health Care (ADHC)
ADHC Program Overview
Center Listing
Contact ADHC Branch
Forms
Guidance
All Center Letters
Adult Day Health Care (ADHC) and Adult Day Program (ADP) Requirements (8/3/11)
Participant Notices
Notice of Elimination of ADHC Medi-Cal Benefit and Enrollment in Medi-Cal Managed Care (August 2011)
Program Updates
August 5, 2011
July 14, 2011
May 6, 2011
Webinar Notice August 31, 2011 - Nursing Facility B Level of Care Eligibility Assessment for In-Home Operations Waiver
Center Closure
Community Services Resource Guides
Los Angeles City/County
Orange County
San Diego
San Francisco
Santa Clara
Information Security and Privacy
Health Insurance Portability and Accountability Act (HIPAA)
California Office of Information Security and Privacy Protections
California Code of Regulations, Title 22, Medi-Cal and Licensing Regulations Regarding Confidentiality
Links
Done

CALIFORNIA DEPARTMENT OF AGING

The California Department of Aging (CDA) administers programs that serve older adults, adults with disabilities, family caregivers, and residents in long-term care facilities throughout the State. The Department administers funds allocated under the federal Older Americans Act, the Older Californians Act, and through the Medi-Cal program.

The Department contracts with the network of 33 Area Agencies on Aging, who directly manage a wide array of federal and state-funded services, including those that

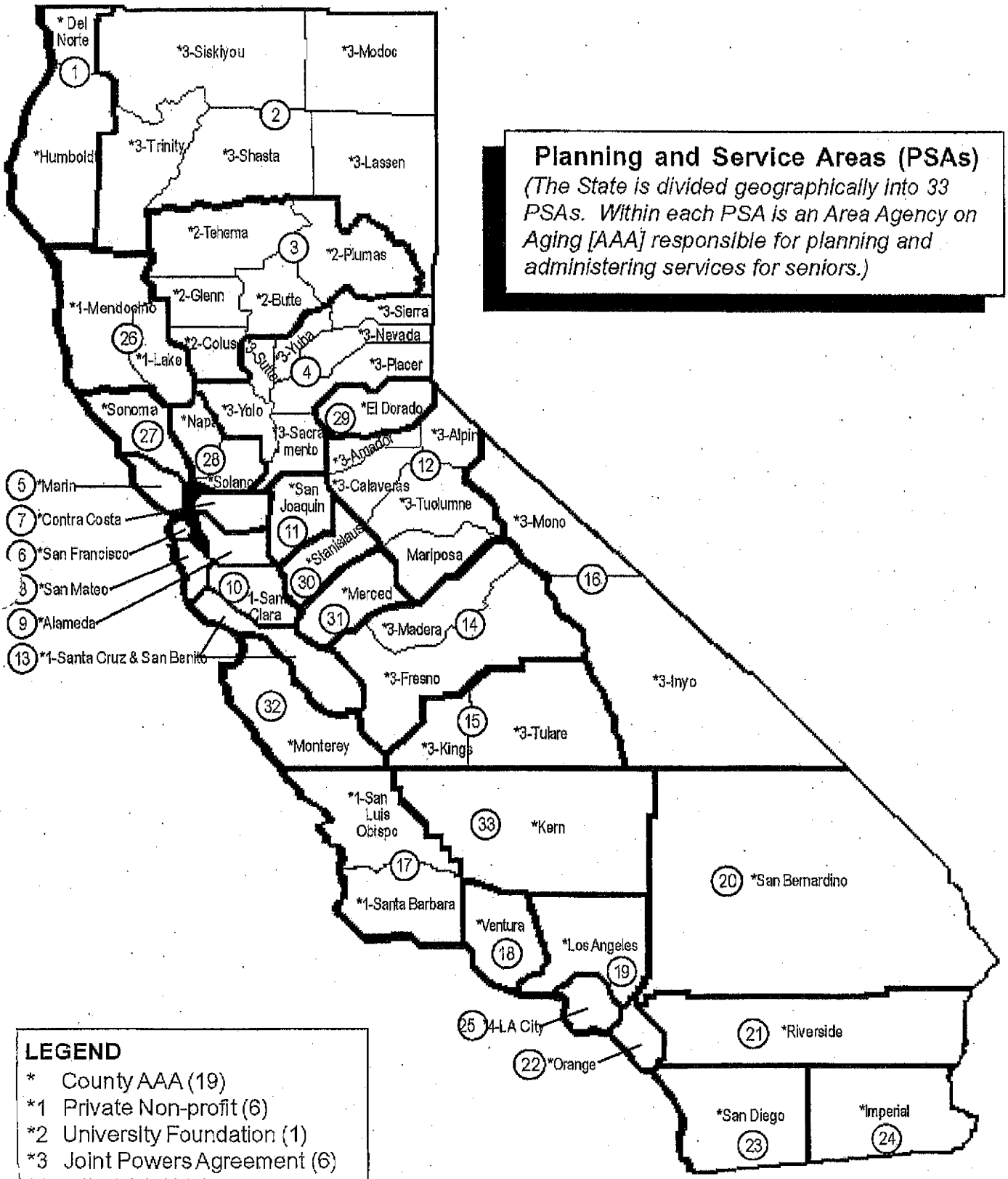
- Help older adults find employment;
- Support older/disabled individuals to live as independently as possible in the community;
- Protect the rights of residents in skilled nursing and residential care facilities for the elderly (RCFEs);
- Promote healthy aging and community involvement; and
- Assist family members in their vital care giving role.

CDA also contracts directly with agencies that operate the Multipurpose Senior Services Program (MSSP) through the Medi-Cal home and community-based waiver for the elderly, and certifies Adult Day Health Care centers for the Medi-Cal program through interagency agreements with the California Department of Health Care Services.

Learn more about services in your community by calling 1-800-510-2020 (*land line only*)

Visit CDA at www.aging.ca.gov

California Department of Aging



Planning and Service Areas (PSAs)

(The State is divided geographically into 33 PSAs. Within each PSA is an Area Agency on Aging [AAA] responsible for planning and administering services for seniors.)

LEGEND

- * County AAA (19)
- *1 Private Non-profit (6)
- *2 University Foundation (1)
- *3 Joint Powers Agreement (6)
- *4 City AAA (1 LA)

Developed by the California Department of Aging (Rev 7/05)

Area Agencies on Aging (AAA)

The California Department of Aging contracts with a statewide network of 33 Area Agencies on Aging (AAA) that coordinates a wide array of services for older adults, adults with disabilities, and their families. You can act your local AAA by calling the toll-free **Senior Information Line** at **1-800-510-2020** or by searching for AAA that serves your county at http://www.aging.ca.gov/local_aaa/AAA_listing.html. California's AAAs are listed below.

PSA 1
Area 1 Agency on Aging
434 7th Street
Eureka, California 95501
(707) 442-3763
www.a1aa.org
Del Norte & Humboldt Counties

PSA 2
Planning and Service Area II, Area Agency on Aging
208 West Center Street
Yreka, California 96097
(530) 842-1687
www.psa2.org
Lassen, Modoc, Shasta, Siskiyou, & Trinity Counties

PSA 3
PASSAGES, Area 3 Agency on Aging
2491 Carmichael Drive, Suite 400
Chico, California 95928
(530) 898-5923
www.passagescenter.org
Butte, Colusa, Glenn, Plumas, & Tehama Counties

PSA 4
Area 4 Agency on Aging
2260 Park Towne Circle, Suite 100
Sacramento, CA 95825
(916) 486-1876
www.a4aa.com
Nevada, Placer, Sierra, Sacramento, Sutter, Yolo & Yuba Counties

PSA 5
Division on Aging, Department of Health and Human Services
10 North San Pedro Road
San Rafael, California 94903
(415) 499-7396
www.co.marin.ca.us/aging
Marin County

PSA 6
Department of Aging and Adult Services, Area Agency on Aging
1650 Mission Street, 5th Floor
San Francisco, California 94103
(415) 355-3555
www.sfgov.org/site/frame.asp?u=http://www.sfhsa.org/DAAS.htm
City & County of San Francisco

PSA 7
Aging and Adult Service Bureau, County Employment and Human Services Department
40 Douglas Drive
Martinez, California 94553
(925) 229-8434
http://cacontracostacounty.civicplus.com/index.aspx?NID=2533
Contra Costa County

PSA 8
San Mateo County, Area Agency on Aging
225 37th Avenue
San Mateo, California 94403
(650) 573-2700
www.sanmateo.networkofcare.org
San Mateo County

PSA 9
Alameda County Area Agency on Aging, Department of Adult and Aging Services
6955 Foothill Boulevard, Suite 300
Oakland, California 94605-1907
(510) 577-1900
www.alamedasocialservices.org/public/index.cfm
Alameda County

PSA 10
Council on Aging, Silicon Valley
2115 The Alameda
San Jose, California 95126-1141
(408) 296-8290
www.coasiliconvalley.com
Santa Clara County

PSA 11
San Joaquin, Department of Aging and Community Services
102 South San Joaquin Street
Stockton, California 95201
(209) 468-2202
www.co.san-joaquin.ca.us/hsa/aging/elderly/safer.htm
San Joaquin County

PSA 12
Area 12 Agency on Aging
19074 Standard Road, Suite A
Sonora, California 95370-7542
(209) 532-6272
www.area12.org
Alpine, Amador, Calaveras, Mariposa, & Tuolumne Counties

PSA 13
Seniors Council of Santa Cruz
234 Santa Cruz Avenue
Aptos, California 95003
(831) 688-0400

PSA 14
Fresno- Madera, Area Agency on Aging
3837 N. Clark Street
Fresno, California 93726

PSA 15
King-Tulare Area Agency on Aging
5957 South Mooney Boulevard
Visalia, California 93277

www.seniorscouncil.org
San Benito & Santa Cruz Coutnies

(559) 453-4405
www.fmaaa.org
Fresno & Madera Counties

(559) 624-8060
www.ktaaa.org
Kings & Tulare Counties

A 16
yo-Mono Area Agency on Aging
163 May Street
Bishop, California 93514
(760) 873-3305
www.countyofinyo.org/imaaa/
Inyo & Mono Counties

PSA 17
Area Agency on Aging, Central Coast Commission for Senior Citizens
528 South Broadway
Santa Maria, California 93454
(805) 925-9554
www.centralcoastseniors.org
Santa Barbara & San Luis Obispo Counties

PSA 18
Ventura County Area Agency on Aging
646 County Square Dr., Suite 100
Ventura, California 93003
(805) 477-7300
http://aaa.countyofventura.org/
Ventura County

PSA 19
Community and Senior Services, County of Los Angeles Area Agency on Aging
3333 Wilshire Blvd., Suite 400
Los Angeles, California 90010
(213) 738-4004
http://css.lacounty.gov/
Los Angeles County

PSA 20
San Bernardino County, Department of Aging and Adult Services
686 East Mill Street
San Bernardino, California 92415
(909) 891-3900
http://hss.sbcounty.gov/daas
San Bernardino County

PSA 21
County of Riverside, Office on Aging
6296 Rivercrest Drive, Suite K
Riverside, California 92507
(951) 867-3800
www.rcaging.org/opencms/
Riverside County

PSA 22
Orange County, Office on ing
1300 S. Grand Ave., Bldg. B, 2nd Fl.
Santa Ana, California 92705
(714) 567-7500
http://egov.ocgov.com/ocgov/Office%20on%20Aging
Orange County

PSA 23
County of San Diego, Aging & Independent Services
5560 Overland Avenue, Suite 310
San Diego, California 92123
(858) 495-5885
http://www.co.sandiego.ca.us/hhsa/programs/ais/
San Diego County

PSA 24
Imperial County, Area Agency on Aging
1331 South Clark Road, Bldg. 11
El Centro, California 92243
(760)339-6450
http://www.co.imperial.ca.us/AreaAgencyAging/default.htm
Imperial County

PSA 25
City of Los Angeles, Department of Aging
3580 Wilshire Boulevard, Suite 300
Los Angeles, California 90010
(213) 252-4000
http://aging.lacity.org/
Los Angeles City

PSA 26
Area Agency on Aging, Mendocino County
747 S. Street
Ukiah, California 95482
(707) 463-7902
http://www.co.mendocino.ca.us/hhsa/
Lake & Mendocino Counties

PSA 27
Sonoma County, Area Agency on Aging
3725 Westwind Boulevard
Santa Rosa, California 95403
(707) 565-5950
http://www.socoaaa.org
Sonoma County

PSA 28
Area Agency on Aging, Serving Napa & Solano
400 Contra Costa Street
llejo, California 94590-5990
07) 644-6612
www.aaans.org
Napa & Solano Counties

PSA 29
El Dorado County, Area Agency on Aging
937 Spring Street
Placerville, California 95667
(530) 621-6150
http://www.co.el-dorado.ca.us/humanservices/seniorservices.html
El Dorado County

PSA 30
Stanislaus County, Department of Aging & Veteran Services
121 Downey Avenue, Suite 102
Modesto, California 95354-1201
(209) 558-7825
http://www.agingservices.info/
Stanislaus County

PSA 31
Area Agency on Aging, Merced County Senior Service Center
2115 West Wardrobe Avenue
Merced, California 95341-0112
(209) 385-7550
http://www.co.merced.ca.us/index.aspx?nid=1475
Merced County

PSA 32
Area Agency on Aging Division, Department of Social Services, County of Monterey
713 La Guardia Street, Suite A
Salinas, California 93905
(831) 755-4400
www.co.monterey.ca.us/aaa/
Monterey County

PSA 33
Kern County Aging & Adult Services
5357 Truxtun Avenue
Bakersfield, California 93309
(661) 868-1000
http://www.co.kern.ca.us/aas/
Kern County