



Stakeholder Advisory Committee and Behavioral Health Stakeholder Advisory Committee Meeting

May 27, 2020



Webinar Tips

- Please use **either** computer **or** phone for audio connection.
- Please mute your lines when not speaking.
- For questions or comments, email: BehavioralHealthSAC@dhcs.ca.gov



Director Updates



Foster Care Model of Care Workgroup

- This [workgroup](#) is part of DHCS' CalAIM initiative, and is hosted in partnership with the California Department of Social Services.
- The intent of the workgroup is to create a long-term plan for how children and youth in foster care receive health care services (physical health, mental health, substance use disorder treatment, social services, and oral health) and serve as a venue for stakeholders to provide feedback on ways to improve the current system of care for children and youth in foster care.
- The workgroup will also determine if a new system of care should be developed, and, if so, how it would be established.
- Next meeting is scheduled for June 26, 2020.
- For questions, email CalAIMFoster@dhcs.ca.gov.



Behavioral Health Task Force

- The California Health and Human Services Agency announced the formation of Governor Gavin Newsom's [Behavioral Health Task Force](#) to address the urgent mental health and substance use disorder needs across California.
- For questions and inquiries, contact BehavioralHealthTaskForce@chhs.ca.gov



Governor's May Revision



May Revision

Medi-Cal Local Assistance

- Total DHCS spending is estimated to be \$106.6 billion (\$23.7 billion General Fund) in Fiscal Year (FY) 2019-20 and \$115.7 billion (\$23.7 billion General Fund) in FY 2020-21.
- The May Revision includes a limited number of new proposals, and reflects modifications to some of the previously submitted proposals included in the January budget.



May Revision

Medi-Cal Local Assistance

In response to COVID-19, the May Revision includes \$890 million costs in 2019-20 and \$8.9 billion in 2020-21. The amounts reflect the net impact of several factors, including:

- Increased federal funding: \$4.9 billion General Fund (GF) savings.
- Increased Caseload: DHCS projects the average monthly Medi-Cal caseload for the budget year to be approximately 14.2 million, a 9.2 percent increase over the revised current year forecast.
- COVID-19 Response: GF costs and additional federal funding related to Medi-Cal response to COVID-19.
- Budget Reductions: Savings related to temporarily decreased utilization of services due to non-pharmaceutical interventions for COVID-19 and various proposed budget reductions.



May Revision

Medi-Cal Local Assistance

Given the size and scope of the projected General Fund budget shortfall, increasing caseload and the need to put forward a balanced budget, DHCS had to make extremely difficult budget recommendations, constrained by a number of federal and state requirements; while still maximizing federal funds. Proposed budget reductions include:

- \$50 million GF from reverted funding from various augmentations that were included in the 2019 Budget Act.
- \$600 million GF in savings related to proposals in the January Governor's Budget that have now been withdrawn.
- \$150 million GF related to the elimination of various adult optional Medi-Cal benefits. No sooner than July 1, 2020.
- \$1.2 billion GF to reflect the redirection of Proposition 56 revenues to offset GF costs of Medi-Cal caseload growth.
- \$390 million GF in various Medi-Cal rate reductions and program efficiencies.
- \$330 million GF to reflect the redirection and transfer of certain special funds and some revenues from the proposed E-Cigarette Tax to fund Medi-Cal.



May Revision

Medi-Cal Local Assistance

Other Budget items

Finally, there are two other key factors that play into revised budget estimates for Medi-Cal:

- A decrease of \$1.7 billion GF from the recently approved Managed Care Organization tax that offsets General Fund costs in Medi-Cal in 2020-21.
- An increase of \$1.4 billion GF to return federal funding that is estimated to have been claimed in Medi-Cal for ineligible covered benefits (State-Only Claiming).



May Revision

Family Health Local Assistance

Family Health estimated program expenditures are \$200 million in Current Year and \$268 million in Budget Year. May Revision for CY is \$47 million less than November Estimate and for BY \$32 million higher than November Estimate. This reflects a \$78 million increase from CY to BY.

- Overall, Family Health caseloads are projected to remain relatively stable or experience minor growth.
- Current Year includes savings based on actual retroactive collections for non-Blood Factor Drug Rebates. Actual rebate savings collected through April 2020 are included in Current Year, and projected rebate collections are not included in Budget Year.
- For Every Women Counts – Current Year although down from the November 2019 Estimate, is slightly higher (\$1.84 million) than the Appropriation. FY 2020-21 increased due to the inclusion of MRI's and MRI guided biopsy screening benefits.



Trailer Bill Language

Trailer Bill Language proposed for the following items are posted on the Department of Finance's website: <https://esd.dof.ca.gov/dofpublic/trailerBill.html>

- Restoration of Dental fee-for-service in Sacramento and Los Angeles Counties
- Drug Medi-Cal Reimbursement of MAT for Opioid Use Disorders
- Aligning Rate Review with the Access Monitoring Review Plan
- Pharmacy Proposals
- Nursing Facility Financing Reform
- Sunset of Medical Interpreters Pilot
- Medi-Cal Eligibility-Related Proposals
- COVID-19 Medi-Cal Response
- Eliminate Specific Optional Benefits
- Elimination of FQHC and RHC Protective Payment System Carve-Outs for Pharmacy and Dental Services
- COVID-19 and Funding Related Managed Care Adjustments
- Sunset of Proposition 56 Value Based Payments
- Re-impose Estate Recovery
- Discontinuation of the Health Insurance Premium Payment (HIPP) Program
- Sunset of Martin Luther King, Jr. Hospital Payments
- Elimination of County Case Management Allocation under the Child Health and Disability Prevention (CHDP) Program



Resources

DHCS FY 2020-21 May Revision Highlights:

https://www.dhcs.ca.gov/Documents/Budget_Highlights/DHCS-FY-2020-21-MR-Highlights-051320.pdf

Governor's May Revision:

<http://www.ebudget.ca.gov/budget/2020-21MR/#/Home>

Medi-Cal Local Assistance Estimates:

https://www.dhcs.ca.gov/dataandstats/reports/mceestimates/Documents/2020_May_Estimate/M2099_Medi-Cal_Local_Assistance_Estimate.pdf

Family Health Local Assistance Estimates:

https://www.dhcs.ca.gov/dataandstats/reports/mceestimates/Documents/2020_May_Estimate/M2099_Family_Health_Local_Assistance_Estimate.pdf



COVID-19 Updates



Federal Waivers & Flexibilities

The COVID-19 pandemic and the federal and state declarations of emergency triggered the availability of Medicaid flexibilities.

Additionally, the President signed major federal legislation, including the Families First Coronavirus Response Act (FFCRA) and the Coronavirus Aid, Relief, and Economic Security (CARES) Act that provides increased federal funding in Medicaid and creates new options for states to address the COVID-19 pandemic.



Federal Waivers & Flexibilities

- CMS Blanket Medicare Waivers
- Request for Federal Flexibilities
 - 1135 Waiver Requests (3)
 - Home and Community-Based Services (HCBS) Appendix K Requests (5)
 - 1115 Waiver Request (1)
 - Disaster SPA Request (1)
 - Implemented provisions of Children’s Health Insurance Program (CHIP) SPA Request to waiver premiums and cost sharing ([March 13, 2020](#))



1135 Waiver Requests

DHCS submitted 1135 waiver requests [March 16](#) and [19](#) and [April 10](#). CMS approved select items [March 23](#) and [May 8](#). Some requests are still pending. All approved requests are effective March 1, 2020 through the end of the emergency period. Waiver categories included:

- Provider participation and enrollment
- Billing and conditions for payment
- Service authorization and utilization controls
- State Fair Hearings
- Benefit Flexibilities
- Telehealth and Telephonic
- Payment Rates
- Various Administrative Flexibilities



HCBS Waiver Flexibilities: Appendix K

DHCS submitted five HCBS Appendix K Waivers on [March 15](#). CMS approved all five waivers on [April 2](#). Most requests included waiver for telephonic or telehealth services, assessment for case/care managers or level of care re-assessments, as well as admin flexibilities. Other specific asks noted below.

- DDS: Retainer payments
- HCBA
 - Permit payment for services rendered by family caregivers or legally responsible individuals;
 - Modify provider qualifications to permit unlicensed waiver personal care services (WPCS) providers as long as they are currently IHSS providers;
 - Modify provider types to allow for CNA provide PDN in addition to currently authorized HCBS Waiver Nurse Providers
 - Pause waiver disenrollments of participants who are re-institutionalized, beyond the 30-day limit
- ALW: Re- enrollment period for waiver participants who moved from the assisted living for hospitalization, etc., to retain their slot/enrollment in the waiver



1115 Waiver Request

- DHCS submitted the [1115 waiver request](#) to CMS on April 3, 2020.
- Requests include:
 - Reimbursement for COVID-19 testing and treatment inside jails and prisons for Medi-Cal eligible inmates.
 - Waiver of the 16-bed limitation application to certain IMDs.
 - Extend coverage of COVID-19 treatment to the optional uninsured category at 100 percent FMAP rate.
 - Deem any COVID-19 testing and treatment provided to Medi-Cal beneficiaries in appropriate care settings outside of hospital ERs as “emergency services.”
 - Reimbursement for temporary, emergency housing within WPC pilot.
 - Waiver of certain utilization limits application to residential treatment benefit in DMC-ODS pilots.
 - Reimbursement for retainer payments in specific HCBS program.
 - Waiver of the interim rate setting methodology for DMC-ODS pilot to provide temporary reimbursement.
 - Authority for DHCS and MCPs, as applicable, to make adjustment to incentive payments for PRIME and QIP.



Disaster State Plan Amendment (SPA) 20-0024

- DHCS submitted the disaster SPA 20-0024 request to CMS on April 3, 2020.
- CMS approved the SPA on May 13, 2020.
- The SPA is effective March 1, 2020 through the end of the emergency period.
- CMS' approval letter and the approved State Plan provisions are available online:
<https://www.dhcs.ca.gov/Pages/DHCS-COVID%E2%80%9119-Response.aspx>



Disaster SPA Approved Provisions

- Expanding presumptive eligibility (PE) to cover the uninsured.
- Allowing Hospital PE for certain eligibility groups for two PE periods within a 12 month period
- Expanding the use of certain home health benefits.
- Allowing expanded use of telehealth for certain services that previously required a face-to-face visit.
- Removing certain limits on the number of prescriptions allowed and extending the maximum allowed length of prescriptions.
- Paying clinical laboratory rates for COVID-19 related testing and collection at 100% of the Medicare rate and increasing daily per diem rates for skilled nursing facilities and ICF/DDs by 10%.
- Allowing paid sick leave for IHSS and WPCS workers.
- Waiver of the county interim rate setting methodology for Specialty Mental Health, DMC-ODS and Statewide Maximum Allowance (SMA) rate limitation for Drug Medi-Cal



Governor's Executive Order

- On April 23, 2020, Governor Newsom signed [Executive Order N-55-20](#) to give Medi-Cal providers and DHCS flexibility with State law
- Flexibilities include, but are not limited to:
 - Extension of time limitations for administrative hearings and issuance of final decisions related to administration or services.
 - Allowing CCS fair hearings by phone or video conference and allowing CCS Medical Therapy Programs to operate in non-school settings.
 - Waiving signature requirements for deliveries of certain Medi-Cal covered drugs.
 - Authorizing SUD residential treatment facilities to operate beyond limitations of license, for the purpose of ensuring sufficient bed capacity.
 - Allow DHCS and MCPs to delay or suspend annual medical audits, surveys of physician offices, facility site reviews, plan and county data collection from providers, and similar audit or review activities.
 - Extending timeframes for MCPs to conduct beneficiary risk assessments.
 - Extending deadline for FFS providers to submit information required for a Medical Exemption Request.
 - Permits DHCS to reimburse county behavioral health departments administrative costs up to 30 percent of the total actual cost of directed client services.
 - Waives state law, to the extent necessary, to implement any waiver of applicable federal law.



Eligibility

- DHCS issued MEDIL [I 20-07](#), to delay the processing of Medi-Cal annual redeterminations and delay discontinuances and negative actions immediately for Medi-Cal and CHIP program enrollees.
- DHCS established a new [optional uninsured coverage group](#) called COVID-10 Presumptive Eligibility (PE) providing access to diagnostic testing, testing-related services, and treatment services, including all medically necessary care such as the associated office, clinic or emergency room visit.
- [Guidance](#) for applications received without applicant signature.
- Allowed for telephonic enrollment in FPACT and Every Women Counts.
- Expand Hospital Presumptive Eligibility (HPE) to include the over 65/aged & disabled population.
- Flexibility in the HPE program to cover two HPE periods in a given 12-month timeframe.
- Waive share-of-cost for testing for COVID 19 and if positive, all treatment of services thereafter. (pending CMS approval).



Providers

- Hardship Request for Provider Overpayments: On March 20, 2020, DHCS notified providers if they currently have overpayment debt due to an audit finding or retroactive rate adjustment, and are experiencing hardship related to COVID-19, please contact the Department of Health Care Services, Third Party Liability and Recovery Division, Overpayments Unit at GCU@dhcs.ca.gov or (916) 650-0575 to discuss alternative repayment options.
- Swift pivot to services by telephone and telehealth services.
- Minimize administrative burdens: virtual audits, flexible deadlines.
- Issued weekly [guidance](#) for all Medi-Cal programs, including but not limited to: managed care, dental, behavioral health, PACE, HCBS, CCS, FPACT, transportation, Indian Health Services, TCM, LEA, etc.



Managed Care

- DHCS has issued guidance to Medi-Cal Managed Care Plans (MCPs) on:
 - [Mitigating secondary](#) health effects.
 - Reducing the negative [impacts of isolation](#) for at-risk individuals.
- DHCS has been closely monitoring plan networks through daily reporting by plans. Plans are required to report physician office and facility closures, even if temporary and due to the emergency.
- MCPs have provided support for providers in several ways:
 - Provided advance to their providers.
 - Accelerating P4P and incentive payments.
 - Advancing capitation or claims payment.
 - Waiving public hospital rate range fees and expediting intergovernmental transfer (IGT) payments.
 - Enhancing rates or expanding incentives for skilled nursing facilities.
 - Providing grants to their providers.
 - Funding to providers for purchase of personal protective equipment.



Behavioral Health

- DHCS issued multiple Information Notices and FAQs.
- Received new DEA and SAMHSA flexibilities on opioid treatment.
- Streamlined provider enrollment, licensing, application fee waivers, and virtual criminal background checks, extension of counselor certification timelines.
- DUI Program Flexibilities.
- Flexibility in how DHCS pays counties for Specialty Mental Health, DMC State Plan and DMC-ODS.
- Launched California's [emotional support and well-being webpage](#) and [managing stress for health](#) webpage for hotlines and other resources.



Crisis Counseling Program – FEMA Grant

- Received Notice of Award from FEMA for Crisis Counseling Assistance and Training Program – Immediate Services Program (\$1.7 million for 60 days) and requested grant funding for Regular Services Program (RSP) (\$84.6 million)
- The RSP is a nine month program after the declaration of the emergency. Target populations: African Americans, Hispanics, middle aged white men with access to guns, youth, isolated seniors, and other high risk groups.
- Three elements:
 - **Expand the Media Campaign** as an intervention to normalize the feelings and increase accesses to supports. Promoting the CalHOPE website and the CalHOPE Warm Line.
 - **Expand the CalHOPE website** with support from community input process with UCLA to create a more human centered resource of information and connection. Provide a number of app based tools for mental wellness with the intention that some people will be able to address their needs through the self-help tools.
 - **CalHOPE Support** provides the personal connection to a crisis counselor.
 - Expand the CalHOPE Warm Line to 24/7, include Spanish and language line.
 - CalHOPE Support Crisis Counseling- provide up to six sessions with a counselor of concordant culture and language.
 - CalHOPE American Indian Alaskan Native – targeted outreach to AIAN community
 - CalHOPE Student Support- Enhance Communities of Practice to create a more supportive social and emotional learning environment. Will work through County Office of Education to see what is working in transitioning students from the distance learning environment back to school site learning.



Medi-Nurse

Medi-Nurse toll-free (877) 409-9052

- DHCS launched a new Nurse Advice Line on May 4, 2020.
- Beneficiaries without a regular doctor who are enrolled in Fee-for-Service Medi-Cal or those without health insurance can call to speak with a nurse about their COVID-19 symptoms.
- Medi-Nurse staff help callers understand if they need to self-isolate and employ home self-care techniques, or whether their individual symptoms necessitate seeing a health care practitioner to get COVID-19 testing and/or treatment.
- In addition, the Medi-Nurse staff can also provide callers with contact information for county offices or other county-level resources near the caller, particularly if they need to see a doctor for testing/treatment, and/or they want to apply for health coverage.



Beneficiary Outreach / Notice

- During the week of May 18, 2020, DHCS posted to its website a Medi-Cal beneficiary letter and an accompanying frequently asked questions (FAQ) document that will be mailed to all (approximately 13 million) Medi-Cal beneficiaries to address concerns they may have relative to the COVID-19 public health emergency.
- The Medi-Cal beneficiary notice and FAQ includes information related to eligibility, benefits, COVID-19 testing, and resources such as where to obtain mental health services and what to expect during a telehealth appointment. In addition to being mailed, the [letter](#) is posted to the [DHCS COVID-19 Response Page](#).
- The notice will be translated into all of the Medi-Cal threshold languages; the mailings will begin with English, followed by Spanish and then the remainder of the languages.



Childhood Immunization Rates

California Department of Public Health recently reported that immunization levels in January/February were similar to last year, but fell sharply in March/April

- Decrease of 40% for 0-2 year olds
- Decrease of 40% in March and 50-55% in April for 0-18 year olds



Well-Child Visits

- DHCS is engaging with health plans on best practices and interventions related to well-child visits and childhood immunizations.
- DHCS issued [guidance](#) that providers should inform beneficiaries/parent caregivers of their option to have some elements of a comprehensive well-child visit completed through telehealth and explain that certain parts of the exam can occur through telehealth and some parts of the physical exam and/or immunizations must be completed in person.
- To the extent there are components of the comprehensive well-child visit provided in-person due to those components not being appropriate to be provided via telehealth and those components are a continuation of companion services provided via virtual/telephonic communication, the provider should only be billing for one encounter/visit.



Questions for the Members

- As providers begin to [resume deferred and preventive health care](#), what should DHCS consider?
- What are the **new** emerging issues and challenges that are appearing as a result of COVID-19?
- What opportunities including new flexibilities (e.g., telehealth) have presented themselves that DHCS might explore to improve the effectiveness of the Medi-Cal delivery system moving forward?



COVID-19 Resources/Links

- CA COVID-19 webpage: <https://covid19.ca.gov/>
- DHCS COVID-19 webpage: <https://www.dhcs.ca.gov/Pages/DHCS-COVID%E2%80%9119-Response.aspx>
- California Department of Public Health COVID-19 webpage: <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/Immunization/ncov2019.aspx>
- Centers for Disease Control and Prevention: <https://www.cdc.gov/coronavirus/2019-nCoV/index.html>