

**Department of Health Care Services
Proposed Trailer Bill Legislation**

**California Children’s Services Whole-Child Model Expansion and Mandatory Managed
Care Enrollment of Foster Care Children in Single Plan Counties**

FACT SHEET

Issue Title: Whole-Child Model Expansion for the California Children’s Services Program and Mandatory Managed Care Enrollment of Foster Care Children in Single Plan Counties. The Department of Health Care Services proposes to: 1) implement the California Children’s Services (CCS) Whole-Child Model (WCM) in the 15 counties converting to County Organized Health System (COHS) and Single Plan models as part of the county model change; and 2) mandatorily enroll Foster Care children in Single Plan counties in order to align policies in all Medi-Cal Managed Care Plan (MCP) models where there is a single plan operating in the county.

Background: In 2021, DHCS began a statewide procurement process of commercial MCPs for the new MCP contract effective January 1, 2024. Through that process, counties had the opportunity to change the MCP model that operates in their county. Pending federal and State authority, DHCS conditionally approved MCP model changes in 17 counties: 12 counties are transitioning to a COHS model; and three counties are implementing a new county-led Single Plan model¹. DHCS proposes to align the DHCS policies for these counties, including WCM and mandatory managed care enrollment for Foster Care children, to standardize policy in Single Plan counties across the State and ensure consistency with how benefits, services, and MCP practices are applied.

WCM Expansion Specifically for WCM, the benefits of integrating Medi-Cal managed care and CCS fee-for-service (FFS) delivery systems results in:

- Improved care coordination for primary, specialty, and behavioral health services for CCS and non-CCS conditions;
- Care that is consistent with CCS Program standards by CCS paneled providers, specialty care centers, and pediatric acute care hospitals; and
- Increased consumer protections, such as continuity of care, oversight of network adequacy standards and quality performance.

Existing law requires DHCS to establish and administer the CCS Program to provide diagnostic and treatment services, medical case management, and physical and occupational therapy services to children under age 21 with CCS-eligible medical conditions (Health and Safety Code Section 123800 et seq.).

SB 586 (Hernandez, Chapter 625, Statutes of 2016) authorizes DHCS to establish the WCM program in designated COHS or Regional Health Authority counties to incorporate CCS services for Medi-Cal eligible CCS children and youth into an MCP contract. The primary goal

¹ Two counties are transitioning to a two-plan model. See [County-Model-Change-Information \(ca.gov\)](#). Two counties are transitioning to a two-plan model.

of WCM is providing comprehensive treatment and focusing on the whole child, including the child's full range of needs rather than only on the CCS-eligible condition.

Under WCM, CCS members who are enrolled in an MCP receive their CCS specific services through the MCP instead of the county CCS Program. This means that CCS members and their families do not have to navigate between their county and MCP to receive their Medi-Cal covered services – the MCP is responsible for the delivery and coordination of all Medi-Cal covered services. CCS members continue to receive care from their CCS paneled primary care and/or specialty providers. MCPs are able to treat and coordinate services necessary to treat CCS-eligible conditions, behavioral health, oral health, preventative services, and all Medi-Cal covered health care services. WCM program standards are consistent with CCS Program standards and are provided by CCS-paneled providers, specialty care centers, and pediatric acute care hospitals. For any specialty types that are not available within the MCPs network, the MCP is required to provide out-of-network access for members needing those provider types to treat their CCS condition.

Furthermore, as CCS members age out of CCS, they can continue receiving services under their MCP assuming other Medi-Cal eligibility criteria are met. This allows for members to seamlessly transition to an adult Medi-Cal managed care member without a break in service. Currently, there are 21 CCS counties and 5 MCPs that participate in WCM.

For the 37 “classic CCS” counties not participating in the WCM program, those counties are designated as dependent and independent. Dependent counties have a population under 200,000 and administer the CCS Program jointly with DHCS. Independent counties have a population in excess of 200,000 and administer the CCS Program independently.

Mandatory Enrollment of Foster Care Children in Single Plan Counties

Federal Medicaid law prohibits States from requiring Foster Care children to enroll in managed care programs (42 United States Code Section 1396u-2(a)(2)(A)), but in California state law (Welfare and Institutions Code (WIC) Section 14184.200(b)(2)(H)) and Medi-Cal's 1915(b) Waiver and the 1115(a) Waiver allow DHCS to mandatorily enroll Foster Care children in managed care in COHS counties and allow for voluntary enrollment in managed care in all non-COHS counties.

Justification for the Change:

WCM Expansion

In alignment with California Advancing and Innovating Medi-Cal's (also known as CalAIM) core principles to standardize benefits and reduce complexity of the varying models of care delivery, DHCS proposes to implement WCM in the 15 counties converting to COHS and Single Plan counties to conform policy across all counties operating with one plan. Currently, COHS MCPs in WCM counties assume full financial responsibility, with some exceptions, of authorization and payment of CCS-eligible medical services, including but not limited to, service authorization activities, claims processing and payment, case management, and quality oversight. DHCS proposes to integrate WCM in COHS expansion and Single Plan counties using a phase-in approach based on plan model type and CCS county designation. These changes are needed to align the CCS model with the County plan model type changes.

DHCS proposes to take a phased approach to the alignment efforts to allow time for MCP readiness as well as transition of county-specific functions to MCPs:

- Phase 1: Implement WCM expansion in the ten COHS expansion counties that have a dependent county designation in the CCS program by 2024. These include: Colusa, Glenn, Nevada, Plumas, Sierra, Sutter, Tehama, Yuba, Mariposa, and San Benito. The COHS plans for these counties are Partnership Health Plan and Central California Alliance for Health. Dependent counties rely on DHCS to conduct certain functions on the counties' behalf (such as service authorizations) and therefore have significantly fewer CCS functions that would transition to the MCP. Additionally, while DHCS must still perform an extensive operational readiness assessment, the COHS plans are already operating WCM and have various key contracts in place with CCS paneled providers and Special Care Centers, and as such, alignment efforts can feasibly be implemented by 2024.
- Phase 2: Implement WCM expansion in the two COHS expansion counties that have an independent county designation in the CCS program as well as the three new Single Plan counties by January 1, 2025. These independent counties for the COHS expansion include Butte and Placer. The COHS plan for these two counties is Partnership Health Plan. The Single Plan counties include Alameda, Contra Costa, and Imperial and the MCPs for those counties are Alameda Alliance for Health, Contra Costa Health Plan and Community Health Plan of Imperial Valley respectively. Independent counties administer various CCS functions directly, such as adjudicating service authorization requests. Thus, preparing counties and MCPs will require significant planning and time to ensure a seamless transition of duties and responsibilities. In addition, in the Single Plan counties, the MCPs newly taking on WCM functions will need time to build infrastructure, enter into contractual arrangements, and complete operational readiness requirements.

DHCS' phase-in strategy aligns with feedback received from the impacted counties and MCPs. All MCPs administering WCM will continue to be held accountable to existing requirements in Welfare and Institutions Code Section 14094.11.

DHCS will release guidance and work with MCPs implementing WCM in the Single Plan counties to ensure readiness. For example, DHCS will clarify that continuity of care protections will apply. MCPs will be required to establish and maintain a process to allow members to receive continuity of care with existing CCS provider(s) for up to 12 months. If a member has established authorizations for durable medical equipment, the MCP must provide access to those services. DHCS will also work with COHS expansion counties to ensure that the new counties follow existing CCS protocols in their other COHS counties. DHCS readiness review process for both Single Plan and COHS expansion counties will evaluate MCPs networks to assess compliance with CCS-paneled provider requirements.

Mandatory Enrollment of Foster Care Children in Single Plan Counties (WIC Section 14184.200(b)(2)(H))

As the COHS model expands to new counties in 2024, and the COHS-like Single Plan model is implemented in three counties, Foster Care children living in COHS and Single Plan counties will be moved into mandatory managed care. Therefore, DHCS is seeking express

statutory authority to include mandatory enrollment of Foster Care children into managed care in Single Plan counties. DHCS will undertake stakeholder engagement, consider noticing timeline and approach, and obtain State and federal authorization updates needed to implement the policy.

DHCS is currently in the process of seeking federal authority for the Single Plan model through amendments to the CalAIM 1915(b) Waiver and 1115(a) Waiver, which will be submitted to the federal Centers for Medicare and Medicaid Services in November 2022.

Summary of Arguments in Support:

- Consistent with CalAIM principles to standardize across the State and reduce complexity, DHCS proposes to align DHCS policies for counties in which a single plan operates
- Aligning WCM and mandatory managed care enrollment for Foster Care children in COHS expansion and Single Plan counties will allow consistency with how benefits, services, and MCP practices are applied
- Expanding WCM to more counties will prevent service gaps for CCS members that age out of CCS as they will continue receiving services through their MCP.
- Mandatorily enrolling Foster Care children into managed care in Single Plan counties will standardize, simplify and streamline systems to ensure individuals and families receive the care they need without barriers.

BCP or Estimate No. and Title: OA 3: CCS Case Management