



Tribal and Indian Health Program Designee Meeting

Department of Health Care Services (DHCS)
March 5, 2021



Overview

- Governor's Proposed Fiscal Year (FY) 2021-22 Budget
- CalAIM Update
- Medi-Cal 2020 Waiver Renewal Update
- Medi-Cal Rx Update
- Tribal Federally Qualified Health Center Update



Governor's Proposed FY 2021-22 Budget Update



FY 2021-22 Proposed Budget

- For Fiscal Year (FY) 2021-22, the Governor's Budget proposes a total of \$126 billion for the support of DHCS programs and services
 - Approximately \$1.0 billion funds DHCS operations
 - Approximately \$125 billion supports local assistance
- The budget reflects significant fiscal impacts related to COVID-19, including:
 - \$7 billion in total funds costs (\$1.1 billion General Fund savings)
 - \$15.4 billion total funds costs (\$2.4 billion General Fund costs)
 - These amounts reflect the net impact of a variety of factors, including:
 - Increased Caseload
 - Vaccine Administration Costs
 - Other Covid-19 Response Impacts
 - Increased Federal Funding



FY 2021-22 Proposed Budget (Cont.)

- The budget includes funding for the following initiatives related to health equity:
 - Medi-Cal Coverage of Continuous Glucose Monitors
 - Communities of color have a higher prevalence of diabetes than the general population; therefore, to improve diabetes management and outcomes, the budget includes \$10.9 million total funds (\$3.8 million General Fund) to add Continuous Glucose Monitoring systems as a Medi-Cal benefit for beneficiaries ages 21 and older with Type I diabetes, effective January 1, 2022.



FY 2021-22 Proposed Budget (Cont.)

- Permanent Telehealth Flexibilities
 - Department proposes to make permanent and expand certain telehealth flexibilities put in place during the COVID-19 pandemic focusing on improving equitable access to providers, and addressing inequities and disparities in care to every member
 - Among the telehealth proposals, the budget includes \$94.8 million total funds (\$34.0 million General Fund) to implement remote patient monitoring services as an allowable telehealth modality in fee-for-service (FFS) and managed care delivery systems
 - DHCS is proposing trailer bill language for expansion of telehealth for certain Medi-Cal services.
 - More information regarding Medi-Cal & Telehealth can be found on the DHCS website:
<https://www.dhcs.ca.gov/provgovpart/pages/telehealth.aspx>



FY 2021-22 Proposed Budget (Cont.)

- The Governor's Budget again proposes a significant General Fund investment for the California Advancing and Innovating Medi-Cal (CalAIM) initiative
- In October 2019, DHCS released a framework for the upcoming waiver renewals that encompassed broader delivery system, program, and payment reform across the Medi-Cal program, which was not included in the FY 2020-21 budget due to the impacts of the COVID-19 pandemic on the state budget
- DHCS is proposing trailer bill language to implement CalAIM.



FY 2021-22 Proposed Budget (Cont.)

- To implement the CalAIM initiative effective January 1, 2022, the Budget proposes:
 - \$1.1 billion total funds (\$531.9 million General Fund) in FY 2021-22
 - Growing to \$1.5 billion total funds (\$755.5 million General Fund) in FY 2022-23.
- Beginning in FY 2024-25, the Administration proposes to phase out CalAIM related incentive funding, resulting in ongoing costs of:
 - \$846 million total funds (\$423 million General Fund).



CalAIM Update



CaAIM Overview

- The California Advancing and Innovating Medi-Cal (CaAIM) is a multi-year initiative by DHCS to improve the quality of life and health outcomes of the Medi-Cal population by implementing broad delivery system, program and payment reform across the Medi-Cal program.
- First CaAIM proposal was released in October 2019 with initial implementation dates planned for January 1, 2021
- Extensive CaAIM stakeholder workgroup process (November 2019 – February 2020).
 - 20 in-person workgroup meetings across five workgroups
 - Written and in-person public comment opportunities (including Tribal meetings in December 2019 and January and March 2020)
- Due to the COVID-19 Public Health Emergency's impact in the state's budget and health care infrastructure, CaAIM was put on hold for the duration of 2020.



CaAIM (Cont.)

- DHCS has revised the original CaAIM proposal to reflect learnings from the workgroup process, stakeholder input, ongoing policy development, and new implementation dates.
- The revised CaAIM proposal still has three primary goals:
 1. Identify and manage member risk and need through whole person care approaches and addressing Social Determinants of Health (i.e. housing, food security, etc.)
 2. Move Medi-Cal to a more consistent and seamless system by reducing complexity and increasing flexibility; and
 3. Improve quality outcomes, reduce health disparities, and drive delivery system transformation and innovation through value-based initiatives, modernization of systems, and payment reform.



CaAIM (Cont.)

- On January 8, 2021, DHCS published a revised CaAIM proposal along with an Executive Summary that also outlines key changes.
 - CaAIM Webpage:
<https://www.dhcs.ca.gov/provgovpart/Pages/CaAIM.aspx>
- On January 28, 2021, DHCS hosted a public webinar to walkthrough the revised proposal, highlight key changes, and provide additional detail on upcoming CaAIM activities.
- CaAIM proposals will be submitted to CMS for approval through the Medi-Cal waiver process.



CalAIM (Cont.)

Key Implementation Milestones

<p>Jan – March 2021</p>	<ul style="list-style-type: none"> • Launch first Managed Long-Term Services and Supports and Duals Integration workgroup • Release draft ECM/ILOS Model of Care (including Whole Person Care (WPC)/ Health Homes (HH) Transition Plan) and ECM/ILOSDHCS to MCP contract language and MCP to provider standard terms and conditions for comment and begin technical assistance efforts • Release final ECM/ILOS Model of Care and ECM/ILOS DHCS to MCP contract language and MCP to provider standard terms and conditions • Section 1115 and 1915(b) waiver public comment period begins
<p>Apr – June 2021</p>	<ul style="list-style-type: none"> • Release draft MCP rates for ECM • Release of additional ECM/ILOS materials, including ILOS pricing guidance • Conclude Foster Care Model of Care workgroup • Form county oversight and monitoring workgroup • Develop auditing tools for oversight of California Children's Services. and Child Health and Disability Prevention Program
<p>July – Dec 2021</p>	<ul style="list-style-type: none"> • MCPs submit ECM/ILOS Model of Care for WPC/HHP counties, for review/approval by DHCS • Begin stakeholder process for county inmate pre-release application process • Publish an updated process for monitoring and reporting of County Performance Standards • Anticipated approval of 1115 and 1915(b) waiver/renewal requests with implementation beginning in 2022



CalAIM (Cont.)

Key Implementation Milestones - January 1, 2022

- Enhanced Care Management (ECM)
- In Lieu of Services (ILOS)
- Managed Care Plan (MCP) Incentives
- Mandatory MCP Enrollment for Non-Duals (i.e. beneficiaries with both Medicare and Medi-Cal would be exempt)
- Mandatory Fee-For Services (FFS) for Omnibus Budget Reconciliation Act and Share of Cost beneficiaries including, beneficiaries in the following aid code groups :
 - Restricted scope; share of cost (including Trafficking and Crime Victims Assistance Program share of cost, excluding long-term care share of cost); Presumptive eligibility; State medical parole, county compassionate release, and incarcerated individuals; Non-citizen pregnancy-related aid codes enrolled in Medi-Cal (not including Medi-Cal Access Infant Program enrollees).
- Major Organ Transplant Carve-In
- Multipurpose Senior Services Program (MSSP) Carve-Out in Coordinated Care Initiative (CCI) Counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo, and Santa Clara.



CaAIM Stakeholder Meeting

- DHCS to host a webinar on CaAIM proposals scheduled for submission through the Medi-Cal waiver process for Tribes and Indian health programs on April 16, 2021
- Meeting registration information is forthcoming.



Medi-Cal Waiver Updates



Medi-Cal 2020 Temporary Extension

On December 29, 2020, CMS approved DHCS' request to extend the Medi-Cal 2020 Section 1115 demonstration through December 31, 2021.

- The approval is predominantly an 'as-is' extension of most of the demonstration's Special Terms and Conditions (STCs)
- Additionally, DHCS and CMS are engaged in discussions regarding the Global Payment Program, Whole Person Care, Drug Medi-Cal Organized Delivery System, and Dental Transformation Initiative
- Expenditure authority for Designated State Health Programs (DSHP) was not extended, as expected.



Medi-Cal Rx Update



Medi-Cal Rx

- On January 1, Magellan successfully launched the vast majority of various Transitional Supports and Services (TSS) it will be providing between now and the full implementation of Medi-Cal Rx
- These TSS include:
 - Medi-Cal Rx Customer Service Center, which is available to take calls 24 hours a day, 7 days a week, 365 days per year.
 - Expanded web -portal functionalities for providers, health plans, and beneficiaries, such as the Medi-Cal Rx Provider Manual, Pharmacy Locator Tool, and searchable Contract Drug List
 - Expanded outreach to health plans and prescribers, inclusive of targeted meetings and trainings. One key area is the series of health plan “meet and greets” with Medi-Cal Rx clinical liaisons.



Medi-Cal Rx Delay Notice

- The Department of Health Care Services (DHCS) is delaying the planned Go Live date of April 1, 2021, for Medi-Cal Rx because of the need to review new conflict avoidance protocols submitted by Magellan Health, the project's contracted vendor.
- In January 2021, Centene Corporation announced that it plans to acquire Magellan. Centene operates – through subsidiaries – managed care plans and pharmacies that participate in Medi-Cal. This transaction was unexpected and requires additional time for exploration of acceptable conflict avoidance protocols to ensure that there will be acceptable firewalls between the corporate entities to protect the pharmacy claims data of all Medi-Cal beneficiaries, and to protect other proprietary information.
- DHCS anticipates providing further information in May.



Time-Limited 340B Supplemental Payment Program (SPP)

- The supplemental payments for qualifying non-hospital 340B community clinics will be based on:
 1. An estimated total pool amount of \$105,000,000 divided by the number of visits provided from July 1, 2021 to June 30, 2022. (Note: Effective date will be updated/finalized to coincide with effective date of Medi-Cal Rx and pool amount will be prorated)
- Qualifying non-hospital clinics are those actively enrolled as Medi-Cal clinic provider that is a 340B covered entity pursuant to Section 256b of Title 42 of the United States Code and:
 - Licensed under subdivision (a) of Section 1204 of the Health and Safety Code with less than twenty (20%) private pay patients according to Office of Statewide Health Planning and Development 2019 utilization; or
 - Licensed under subdivision (a) of Section 1204 that operate in a designated HRSA rural area; or
 - Exempt from licensure under subdivision (b) of Section 1206 of the Health and Safety Code.



Time-Limited 340B SPP (Cont.)

- The clinic must actively provide at least 3 of services listed below:
 - a. Pharmacy
 - i. Medication management;
 - ii. Clinical pharmacy services;
 - iii. Immunizations/ vaccines;
 - iv. Improving medication compliance;
 - v. Opioid remediation;
 - vi. Patient Assistance Program (especially for patients with Emergency Medi-Cal and prescriptions are not covered)
 - b. Patient support services
 - i. Case management;
 - ii. Hard to recruit specialties such as Orthopedics, Urology, Gastroenterology;
 - iii. Care coordination;
 - iv. Disease-state programs, such as Infectious Disease, HIV/AIDS;
 - v. Health Education
- The clinic must submit an application demonstrating compliance with these requirements.



Medi-Cal Rx Resources

- Sign up for [Medi-Cal Rx subscription service](#), to receive Medi-Cal Rx updates in near real-time by email.
- The dedicated Medi-Cal Rx secure web portal has launched the registration page for Medi-Cal provider access, including, but not limited to, physician prescribers and pharmacies.
–<https://medi-calrx.dhcs.ca.gov/home/>
- For detailed registration and training instructions, access the *Medi-Cal Rx Web Portal and Training Registration* article located on the Pharmacy News Page
–<https://medi-calrx.dhcs.ca.gov/provider/pharmacy-news>



Medi-Cal Rx Resources

- For more information about Medi-Cal Rx, please visit DHCS' dedicated Medi-Cal Rx transition website: [Medi-Cal Rx: Transition](#)
- The Resources and Reference Materials section contains links to helpful information:
 - Medi-Cal Rx Frequently Asked Questions (FAQs)
 - Medi-Cal Rx Complaints and Grievances
 - Medi-Cal Rx Website and Pharmacy Portal Policy
 - Medi-Cal Rx Clinical Liaison Policy
 - Medi-Cal Rx Scope
- DHCS invites stakeholders to submit questions and/or comments regarding Medi-Cal Rx via email to RxCarveOut@dhcs.ca.gov



Tribal Federally Qualified Health Center (FQHC) Update



Tribal FQHC State Plan Amendment (SPA 20-0044)

- SPA submitted November 23, 2020
- Approved by CMS February 19, 2021, effective date of January 1, 2021
- The approved SPA :
 - Establishes an Alternative Payment Methodology (APM) for Tribal FQHC. The APM will be set at the All-Inclusive Rate (AIR) for services
 - Allows for three visits per day in any combination of medical, dental, ambulatory, and mental health services for the same patient on the same day
 - Requires that Tribal FQHCs may only be reimbursed for the same list of services that are reimbursable to non-Tribal FQHCs. Requirement is per CMS instruction of September 30, 2020 and written guidance released on January 15, 2021.



Next Steps

- Release of draft All Plan Letter (APL) to Tribal stakeholders for 2 week comment period on March 3, 2021
- Release of revised “Elect to Participate” (DHCS 7108) to allow Tribal health programs to choose the Tribal FQHC designation week of March 8, 2021
- Release of final APL and training to Managed Care Plans in late-March
- Training for Tribal FQHC providers to occur in late-March
- DHCS to publish Tribal FQHC provider manual updates to provide guidance on enrollment requirements, coverage, billing, and billing code sets in April
- Detailed guidance on implementation of the new provider type will be provided on an ongoing basis.



Tribal FQHC Claim Submission Guidance

- IHS/MOA providers that elect the Tribal FQHC provider type (by submitting the DHCS 7108) should continue billing FFS claims (i.e. dental visits and services for individuals not enrolled in a MCP) to the DHCS Fiscal Intermediary (FI), including new services and visit combinations
 - Note: Claims that include new Tribal FQHC services/providers will initially deny. Those claims will be corrected/paid at a later date through the DHCS FI.
- Tribal FQHCs should submit claims to the managed care plans for Tribal FQHC services and visit combinations following release of the APL and it's related attachments.
 - The attachments will include a list of providers that have elected the Tribal FQHC provider type. This list will be updated quarterly.



Tribal FQHC Providers Highlights

- Allows for reimbursement for 3 visits per day in any category (i.e. a primary care visit and specialist visit on the same day)
- Allows for the provision of services outside the four-walls of the facility (i.e. in a patients home), including visiting nurse services
- Establishes dental visits as a stand-alone visit category
- Allows ability to bill for chiropractic services.



Questions