March 31, 2015

Department of Health Care Services (DHCS) Waiver Renewal
Attn: Mari Cantwell, Chief Deputy Director Health Care Programs
PO Box 997413, MS 0000
Sacramento, CA 95899-7413
Via email: WaiverRenewal@dhcs.ca.gov

Re: Addressing Child Populations in the "Medi-Cal 2020" Waiver Concept Paper

Dear Chief Deputy Director Cantwell:

Our California Children's Health Coverage Coalition and the First 5 Association of California have comments and recommendations regarding the 1115 Waiver Renewal "Medi-Cal 2020" Concept Paper ("Waiver") released publicly on March 16th, 2015 and submitted to the federal Centers for Medicare and Medicaid Services (CMS) on March 27, 2015. The intention of this Waiver is to demonstrate innovative ways to achieve the triple aim goals of providing better health care and ensuring improved health outcomes while lowering health care costs. This offers an opportunity to make meaningful improvements in the delivery of care to children in Medi-Cal. To best advance these goals, however, we recommend a clear focus of the proposed strategies on the specific populations served by Medi-Cal, and greater context in how the proposed reforms will better serve Medi-Cal beneficiaries with a focus on outcomes. We are pleased to share the following initial reactions and look forward to ongoing engagement with you about how the Waiver will impact children in Medi-Cal.

New Financing Arrangements Must Protect Children from Harm

Most (89%) Medi-Cal enrollees under 18 are enrolled in managed care, and children make up roughly half (49%) of all Medi-Cal managed care enrollees. With such significant managed care penetration for children, special attention should be given to how the new financing approaches within Medi-Cal managed care are implemented– such as the shared savings incentives and the behavioral health integration strategies -- so as to avoid any inadvertent impacts on children's care. Innovative delivery strategies are often developed with adult care needs and adult evidenced-based research in mind, which may not be relevant or may be counter-indicated for children's best care Because children have unique health care needs compared to adults, each strategy will need to consider how such an approach will be designed to improve children's specific outcomes and, at the very least, not inadvertently negatively impact children's health care. Overall, we would recommend that the payment reforms focus on specific health outcomes for identified populations.

Similarly, in creating global payments for the public safety net system to serve the remaining uninsured, we urge you to take into account that children's care is based on their developmental needs, often preventive care and screenings. How these global budgets are

calculated and how they are to serve the remaining uninsured children should take into consideration and provide for the primarily preventive health care services for children as well as the unique care for children with special health care needs.

We do believe there is incredible potential to improve health outcomes for children and achieve efficiencies through pay for performance (P4P) programs when they are targeted and implemented carefully. Based on information from the Waiver concept paper, with the exception of maternal and dental care (see below), there are relatively few metrics specific to child populations. And while that may be appropriate at this time under the Waiver renewal, we urge DHCS to closely examine existing quality (HEDIS) data to identify child health indicators that could be improved through more innovative delivery approaches through the Waiver. We also strongly encourage DHCS to collect and report data on additional child health quality indicators from the CHIPRA child core set, such as Developmental Screening in the First Three Years of Life, Adolescent Well-Care Visit, and Timeliness of Prenatal and Postpartum Care. Doing so would provide a greater picture of health plan quality for children and pregnant women who are about to have children in Medi-Cal and offer new opportunities to improve child health outcomes and system efficiencies in the future. We also encourage DHCS to tie P4P structures to equity-related goals, including disparities data collection and the meaningful use of that data,

Incentives to Improve Maternity Care Must Be More Comprehensive

We applaud DHCS for proposing improvements in maternity care through the Waiver, and given the sheer magnitude that Medi-Cal is responsible for, we agree that there is tremendous opportunity to promote value. For example, the Hospital Incentive Program to promote evidence-based obstetrical care (pp. 17-18) identifies performance measures – (1) Early Elective Delivery, (2) Cesarean Section Rate for Low-Risk Births, (3) Vaginal Birth after Cesarean Delivery Rate, and (4) Unexpected Newborn Complications in Full-Term Babies – that reflect only the cost centers of the hospital-based labor and delivery health system. Given the importance of quality prenatal care for both mother and child, we believe that the performance indicators in the incentive program could be additionally impacted through better comprehensive care, such as early childhood home visiting programs that focus on and emphasize prenatal care and birth preparation, as well as important post-partum care to identify and treat things like maternal depression. Consideration and analysis of this summative impact will result not only in better understanding of scalable innovations, but also identify areas in which lower-cost community-based, non-licensed personnel and programs could be leveraged to generate particularly high potential savings yield.

Better Value-Driven Changes Are Needed to Improve Access to Dental Care

We are disappointed by the lack of innovation or creative ideas in the Waiver to address our state's incredibly limited access to dental care. This is particularly notable in light of the biting results of the recent State Auditor's report on Denti-Cal and the historical problems with dental managed care in California. Therefore, we strongly encourage DHCS to consider revising the Wavier renewal application to include a pilot of the "Values-Based

Incentives" for oral health developed by the Pacific Center for Special Care at the University of the Pacific Arthur A. Dugoni School of Dentistry. In addition, DHCS should include other value-creating reform options to expand the dental workforce and improve access to preventive dental care, such as by employing the use of non-licensed and non-dentist providers in appropriately targeted ways to reduce early childhood caries and including that Medi-Cal managed care contracts must assure that children receive preventive dental services. Finally, DHCS ought to expand the Virtual Dental Home—a successful, cost effective model of bring dental care to children and others who may otherwise go without needed care.

A Focus on Prevention Has Enormous Potential for Children's Health

Preventive care for children is critically important and is one of the cornerstones of the Medicaid EPSDT benefit. We believe that strategic approaches and innovations in preventive services that can be targeted to the health and mental health needs of children in Medi-Cal can considerably result in the reduction of long-term health care costs and childhood disease burden that will have lifelong implications on well-being.

We commend DHCS in utilizing the Waiver renewal as an opportunity to promote prevention in line with the triple aim goals. In doing so, we are encouraged that the waiver appears to propose adopting the broad federal definition of preventive services to cover non-medical personnel and programs upon stated goals. We would recommend that the specific "areas of emphasis" (Pg. 20) outlined in the Public Safety Net System Transformation and Improvement section (i.e., cardiovascular health, cancer screenings, obesity screenings and food access in clinical facilities, and improving prenatal and postpartum care) represent a prevention "floor" and not a "ceiling."

We are enthusiastic about the prevention opportunities made possible by including targeted financial incentives and training support for the expanded use of non-licensed professionals and non-physician community providers in order to meet California's workforce challenges and improve child health outcomes. Non-licensed health care practitioners – working in partnership with licensed providers – have served an essential role throughout California in delivering an array of public and clinical health and preventive services, such as: chronic disease management, screening, maternal health, child developmental services, mental health services, school-based health promotion, and care navigation and management. We stand ready to work with DHCS and health plans to apply the proposed Waiver strategies to promote the training and use of non-licensed workforce to expand effective preventive services that are proven to benefit children, including but not limited to: childhood asthma interventions and in-home environmental remediation of asthma triggers; lactation support for new mothers; family navigation and care coordination for children with special needs; oral health assessments and anticipatory guidance for children; parent depression screenings; and early childhood home visiting.

Additionally, as a result of the addition of a nearly a million more children into Medi-Cal, we suggest using workforce provider participation incentive to address pediatric access problems in primary or specialty care that emerge through careful monitoring. We believe

that by utilizing this approach, DHCS can address some very serious program problems related to children's access to care.

We are excited about the promise that the Medi-Cal 2020 Waiver renewal process holds for improving access to quality health care services for children in California and developing mechanisms that promote health equity in measurable ways. We expect that DHCS is aggressively leveraging, aligning, and tightly integrating all Departmental efforts, analyses, and resources – including the Waiver renewal – to achieve the triple aim goals in a comprehensive and focused way. We look forward to contributing to ongoing, transparent Waiver-related conversations as DHCS negotiates the renewal with CMS over the coming months; and our coalition stands ready to assist DHCS through the Waiver and other stakeholder initiatives to improve Medi-Cal for children. If you have any questions about our coalition comments, please contact Kristen Golden Testa (ktesta@childrenspartnership.org / 415-505-1332) and/or Mike Odeh (modeh@childrennow.org / 510-763-2444 x122).

Sincerely,

Ted Lempert
President
Children Now

Moira Kenney
Executive Director
First 5 Association of California

Anna Hasselblad
Interim Executive Director
California Coverage & Health Initiatives

Wendy Lazarus
Founder and Co-President
The Children's Partnership

Peter Manzo
President & CEO
United Ways of California

Alex Johnson
Executive Director
Children's Defense Fund – California