

# Stakeholder Advisory Committee (SAC) and Behavioral Health Stakeholder Advisory Committee (BH-SAC) Meeting

February 17, 2022

# Webinar Tips

- » Please use **either** a computer **or** phone for audio connection.
- » Please mute your line when not speaking.
- » For questions or comments, email:  
[SACInquiries@dhcs.ca.gov](mailto:SACInquiries@dhcs.ca.gov) or  
[BehavioralHealthSAC@dhcs.ca.gov](mailto:BehavioralHealthSAC@dhcs.ca.gov).

# Director's Update

The slide features a decorative graphic consisting of several overlapping, wavy horizontal bands in various shades of purple, spanning the width of the page below the main title.

# Governor's Proposed Budget

- » The Governor's proposed 2022-23 budget includes \$138 billion in total funds for DHCS.
- » Expanding health care access to all Californians is a key focus of the Administration.
  - » Proposed expansion of full-scope Medi-Cal to 700,000 undocumented adults ages 26 through 49, regardless of immigration status, for \$819 million total funds (\$614 million General Fund) in Fiscal Year (FY) 2023-24 and \$2.3 billion total funds (\$1.8 billion General Fund) at full implementation.
  - » With this expansion, full-scope Medi-Cal coverage will be available to all otherwise eligible Californians regardless of immigration status.

# Proposed Budget (Continued)

- » New major budget issues and proposals include:
  - » **CaAIM initiatives**, including capacity-building and implementation funding for justice-involved initiatives; expanded funds to support Providing Access and Transforming Health (PATH) initiatives, including Enhanced Care Management and Community Supports; and continued work with stakeholders on the Foster Care Model of Care effort.

# Proposed Budget (Continued)

## » **Provider Rates Changes and Transformation Payments**

- » Certain Proposition 56 Payments Proposed to Transition to Ongoing General Fund Support
- » Equity and Practice Transformation Payments
- » Elimination of Certain AB 97 Provider Payment Reductions

# DHCS Budget Proposals

- » **Reduce Medi-Cal premiums to zero** for programs under the Children's Health Insurance Program and the 250 percent Working Disabled Program.
- » Proposal for **telehealth** changes to continue to allow Medi-Cal covered benefits and services to be provided via telehealth across delivery systems when clinically appropriate.
- » **Skilled nursing facility payment reform**, which would extend and reform the funding framework to move from a primarily cost-based methodology to one that incentivizes value and quality.

# DHCS Budget Proposals

- » **Behavioral Health Bridge Housing** funding totaling \$1.5 billion General Fund (\$1 billion in FY 2022-23 and \$500 million in FY 2023-24) to address the immediate housing and treatment needs of people experiencing unsheltered homelessness with serious behavioral health conditions.
- » **Mobile Crisis Services** funding totaling \$108 million (\$16 million General Fund) to add qualifying 24 hours a day, 7 days a week community-based mobile crisis intervention services, as soon as January 1, 2023, as a mandatory Medi-Cal benefit available to eligible Medi-Cal beneficiaries statewide.



# COVID-19 Costs for FY 2022-23

- » Adjusting **caseload impact** (\$10 billion total funds - \$2.8 billion General Fund) to account for reduced disenrollments.
- » \$405 million total funds (\$102 million General Fund) for **testing in schools**.
- » \$155 million total funds (\$1 million General Fund) to cover **vaccine administration costs**.
- » \$73 million total funds (\$37 million General Fund) to support increased county workload to **redetermine eligibility**.

# Resources

» **DHCS Budget Highlights:**

[https://www.dhcs.ca.gov/Documents/Budget\\_Highlights/DHCS-FY-2022-23-GB-Highlights.pdf](https://www.dhcs.ca.gov/Documents/Budget_Highlights/DHCS-FY-2022-23-GB-Highlights.pdf)

» **Governor's Proposed Budget:**

<https://www.ebudget.ca.gov/home.php?selectedYear=2022-23>

» **November Medi-Cal Estimate:**

<https://www.dhcs.ca.gov/dataandstats/reports/mceestimates/Pages/default.aspx>

# Medi-Cal Rx Launch Update

- » Launch on January 1, 2022
- » Transition of 14 Million Beneficiaries
- » Implementation Challenges

# Managed Care Procurement Update

- » On February 9, DHCS released the Medi-Cal managed care plan (MCP) Request for Proposal (RFP).
- » On February 15, DHCS [hosted](#) a webinar for members, advocates, providers, health plans, and other stakeholders to share how DHCS will leverage the MCP RFP and managed care contracts to further DHCS' goals to enhance how care is delivered to Medi-Cal members.
- » On February 24, DHCS will [host](#) a pre-proposal web conference. Details will be included in the RFP, as well as available on the [DHCS website](#).
- » Information for proposers regarding the RFP is posted on the [DHCS website](#).

# DHCS is Transforming Medi-Cal Managed Care Through Multiple Channels

## New Mix of High-Quality Managed Care Plans Available to Members

### Procurement of Commercial Managed Care Plans

- Competitive proposal process for commercial plans
- Statewide, in counties with a model that includes commercial plans

### Model Change in Select Counties

- Conditional approval for 17 counties to change their managed care model
- Subject to federal approval
- Includes a new Single Plan Model and expansion of County Organized Health System model

### Proposed Direct Contract with Kaiser

- Proposed for 32 counties
- Subject to state and federal approval
- Leverages Kaiser's clinical expertise and integrated model to support underserved areas in partnership with FQHCs

**Restructured and More Robust Contract  
Implemented Across All Plans in All Model Types in All Counties**

**Improved Health Equity, Quality, Access, Accountability, and Transparency**

# Goals of Procurement & Updated Contract

- » DHCS is redefining how care is delivered to more than 12 million Californians through the commercial RFP and the restructured and more robust managed care contract.
- » These efforts will enable DHCS to hold all plan partners and their subcontractors more accountable for:
  - » High quality, accessible, and comprehensive care across all settings and levels of care
  - » Reducing health disparities
  - » Improving health outcomes
- » Members can expect to receive more holistic health care that takes into account social drivers of health, cultural and linguistic differences, and physical and behavioral needs throughout their life span.

# MCP Procurement Process/Timeline – Next Steps

Key Event	Date	Time (if applicable)
1. RFP Release	February 9, 2022	
2. Voluntary Pre-Proposal Web Conference	February 24, 2022	1:00-2:30 PM
3. Proposals Due	April 4, 2022	4:00 PM
4. Notice of Intent	August 2022	
5. MCP Operational Readiness	Mid 2022 – Late 2023	
6. Implementation	January 2024	

# Clinical Measures to Drive Quality and Equity in Medi-Cal

Palav Babaria, MD, MHS  
Chief Quality Officer



Quality and Population Health Management



# Thinking big:

## BOLD GOALS: 50x2025

### STATE LEVEL



Close racial/ethnic disparities in well-child visits and immunizations by 50%



Close maternity care disparity for Black and Native American persons by 50%



Improve maternal and adolescent depression screening by 50%



Improve follow up for mental health and substance use disorder by 50%



Ensure all health plans exceed the 50th percentile for all children's preventive care measures

## Specific Measures

- Infant, child, and adolescent well-child visits
- Childhood and adolescent vaccinations
- Prenatal and postpartum visits
- C-section rates
- Prenatal and postpartum depression screening
- Adolescent depression screening and follow up
- Follow up after emergency department (ED) visit for substance use disorder (SUD) within 30 days
- Depression screening and follow up for adults
- Initiation and engagement of alcohol and SUD treatment
- Infant, child, and adolescent well-child visits
- Blood lead and developmental screening
- Chlamydia screening for adolescents

## BOLD GOALS: 50x2025

### STATE LEVEL



Close racial/ethnic disparities in well-child visits and immunizations by 50%



Close maternity care disparity for Black and Native American persons by 50%



Improve maternal and adolescent depression screening by 50%



Improve follow up for mental health and substance use disorder by 50%



Ensure all health plans exceed the 50th percentile for all children's preventive care measures

# Equity metrics for 2022

- » Colorectal cancer\*
- » Controlling high blood pressure\*
- » HgbA1c for persons with DM\*
- » Prenatal and postpartum care\*
- » Child and adolescent WCV\*
- » Childhood immunizations
- » Adolescent immunizations
- » Follow up after ED visit for mental illness & SUD
- » Depression screening and follow up

\*Metrics recommended by NCQA for stratification by race/ethnicity

# **New MCAS measures to support Comprehensive Quality Strategy (CQS) goals**

- » Colorectal cancer screening
- » Depression remission and response
- » Pharmacotherapy of opioid use disorder
- » Adults access to preventive/ambulatory services
- » Lead screening in children
- » Dental fluoride varnish
- » Prenatal and postpartum depression screening and follow up
- » Prenatal immunization
- » C-section birth rate

# New Mental Health Plan accountability measures to support CQS goals

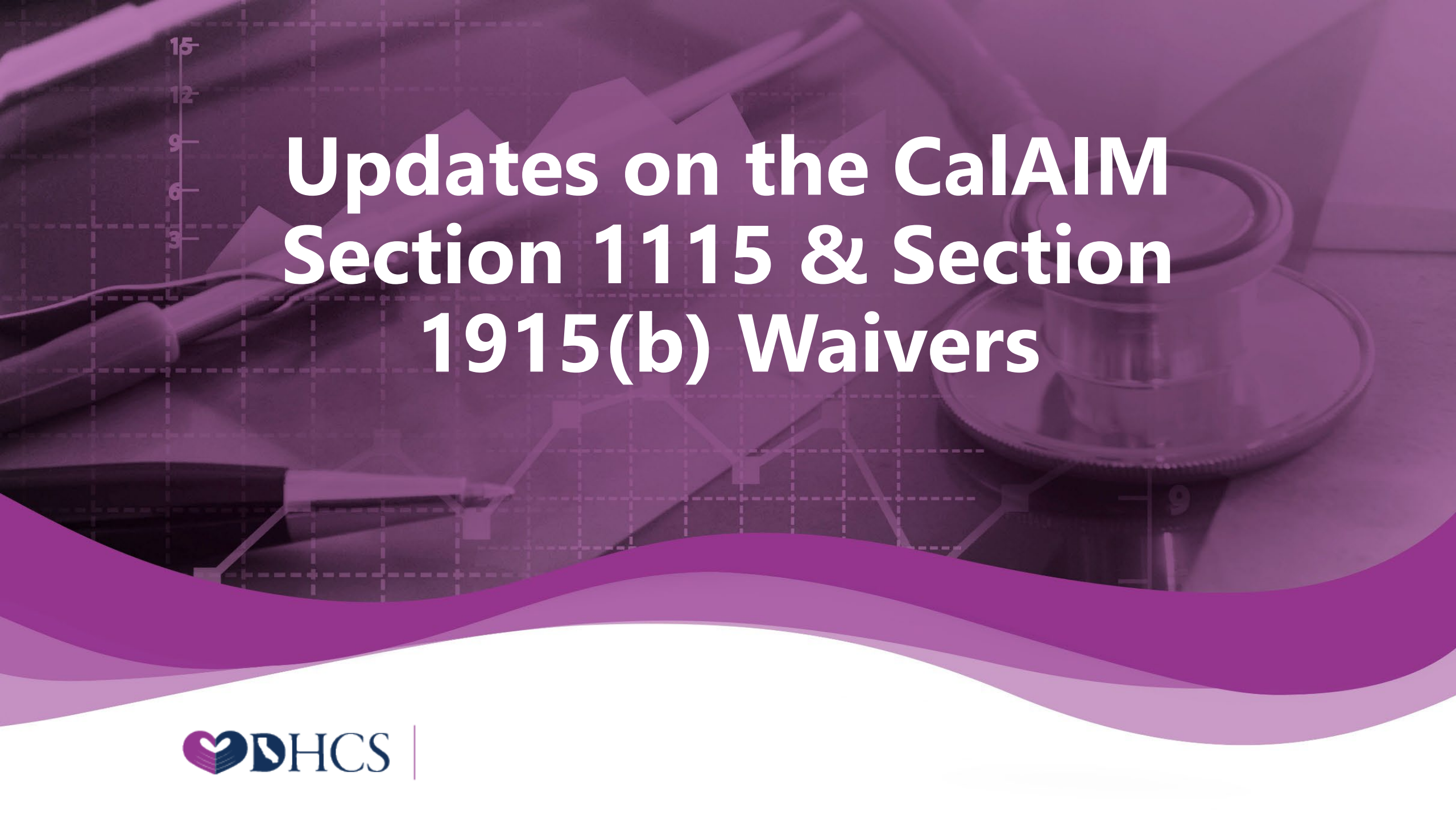
#	MEASURE NAME	Measure Steward	Target (MPL)
1	Follow-Up After ED Visit for Mental Illness	NCQA	1 <sup>st</sup> year baseline reporting followed by >50 <sup>th</sup> percentile (or 5% increase over baseline if <50 <sup>th</sup> percentile)
2	Follow-Up After Hospitalization for Mental Illness	NCQA	As above
3	Antidepressant Medication Management	NCQA	As above
4	Use of First-Line Psychosocial Care for Children and Adolescents on Antipsychotics	NCQA	As above
5	Adherence to Antipsychotic Medications for Individuals with Schizophrenia	NCQA	As above

# New DMC-ODS Plan accountability measures to support CQS goals

#	MEASURE NAME	Measure Steward	Target (MPL)
1	Follow-Up After ED Visit for Alcohol and Other Drug Abuse or Dependence	NCQA	1 <sup>st</sup> year baseline reporting followed by >50 <sup>th</sup> percentile (or 5% increase over baseline if <50 <sup>th</sup> percentile)
2	Pharmacotherapy of Opioid Use Disorder	NCQA	As above
2	Use of Pharmacotherapy for Opioid Use Disorder	CMS	As above
3	Initiation and Engagement of Alcohol and Other Drug Abuse or Dependence Treatment	NQF	As above

# New Dental Plan & FFS accountability measures to support CQS goals

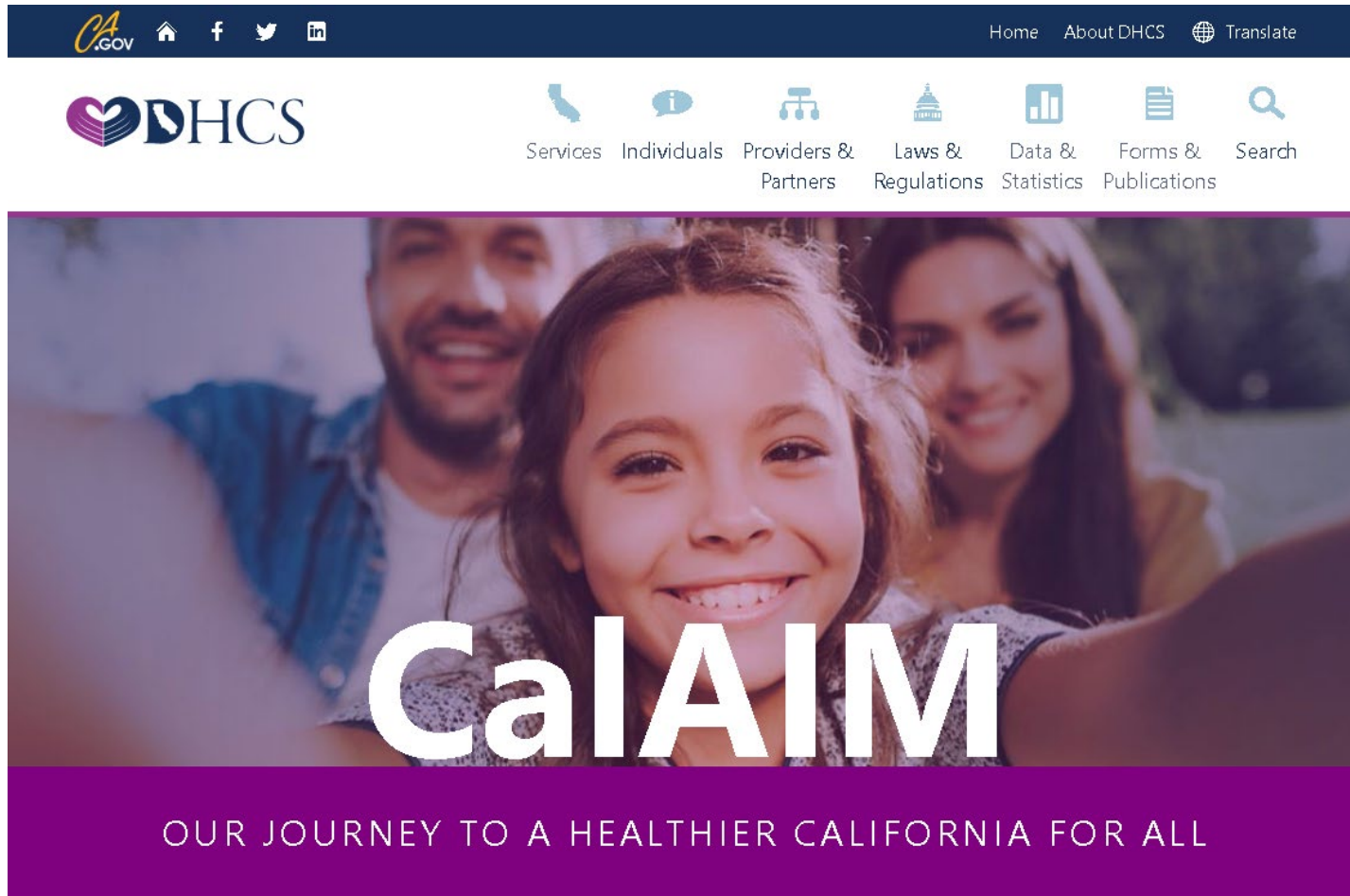
#	MEASURE NAME	Measure Steward	Three-year Target (MPL)
1	Use of Dental Preventive Services for Children Ages 1-20	NA	6% increase from Baseline Year
2	Use of Dental Preventive Services for Adults Ages 21+	NA	3% increase from Baseline Year



# Updates on the CalAIM Section 1115 & Section 1915(b) Waivers



# New CaAIM 1115 Demonstration & 1915(b) Waiver Webpage



## Sources:

- CaAIM webpage
- [CaAIM Twitter](#) (@CaAIM\_DHCS)
- [CaAIM Facebook](#) (@CaAIMDHCS)

# CalAIM Fact Sheets

## A Better Medi-Cal for Californians

[CalAIM's bold transformation aligns all elements of Medi-Cal](#) into a system that is standardized, simplified, and focused on helping enrollees live healthier lives. Success requires the investment and sustained commitment of a broad network of health partners, including plans, providers, and community-based organizations, with incentives to achieve high quality of service. When CalAIM is fully implemented, Medi-Cal will better serve and benefit enrollees because it will be a seamless and streamlined health care system.

CalAIM seeks to transform health care for Californians through:

- **Population Health Management**

Managed care plans will be required to implement a whole-system, person-centered strategy that includes assessments of each enrollee's health risks and health-related social needs, focuses on wellness and prevention, and provides care management and care transitions across delivery systems and settings. [Learn More >>](#)

- **Enhanced Care Management**

Enhanced Care Management is person-centered care management provided to the highest-need Medi-Cal enrollees, primarily through in-person engagement where enrollees live, seek care, and choose to access services. [Learn More >>](#)

- **Community Supports (also known as "In Lieu of Services")**

Medi-Cal managed care plan partners will begin offering "Community Supports," such as housing supports and medically tailored meals, which will play a fundamental role in meeting enrollees' needs for health and health-related services that address social drivers of health. [Learn More >>](#)

- **New Dental Benefits**

CalAIM will expand key dental benefits statewide, including a tool to identify risk factors of dental decay, and silver diamine fluoride for children and certain high-risk populations. Statewide pay-for-performance initiatives will reward dental providers for focusing on preventive services and continuity of care.

# CalAIM Fact Sheets (Continued)



## The Issue

Population Health Management is a cohesive plan of action for addressing needs for all enrollees across the continuum of care. Under CalAIM, managed care plans will be required to implement a whole-system, person-centered strategy that focuses on wellness and prevention, includes assessments of each enrollee's health risks and health-related social needs, and provides care management and care transitions across delivery systems and settings. Currently, many managed care plans offer only partial components of a Population Health Management Program. This contributes to poor health outcomes, including:



**Wide disparities in treatment outcomes for people of color:** The Department of Health Care Services (DHCS) Health Disparities Report shows that people of color fared worse in several Managed Care Accountability Measures, including children's immunization status, breast cancer screening, and diabetes control.



**Low preventive care rates for children:** The Preventive Services Report found that only 26 percent of children aged 0-30 months attend six or more well-child visits compared to the national benchmark of 68 percent.



**High unplanned hospital readmissions:** In 2019, the statewide unplanned hospital readmissions rate within 30 days of discharge was 14.9 percent, approximately 25 percent higher than the Let's Get Healthy California goal of 11.9 percent.

CalAIM's Population Health Management Program is designed to proactively assess and address the care needs of enrollees with tailored interventions. By 2023, managed care plans are expected to be responsible for the care of more than 90 percent of Medi-Cal enrollees. Establishing a cohesive, statewide approach to population health management ensures that all members — children, their parents, pregnant persons, elderly and other adults, and people with disabilities — have access to a comprehensive program that leads to longer, healthier lives, improved clinical outcomes and a reduction in disparities.

# Approved CalAIM Waivers

DHCS received federal approval from the Centers for Medicare & Medicaid Services (CMS) to authorize the CalAIM Section 1115 and CalAIM Section 1915(b) waivers through December 31, 2026.

## [CalAIM Section 1115 Demonstration & Section 1915\(b\) Waiver Webpage](#)

- Section 1115
- Section 1915(b)
- Approval letters

## [Approved CalAIM State Plan Amendments](#)

## [CalAIM Homepage](#)

# CalAIM Initiative

**CalAIM's bold Medi-Cal transformation expands on the traditional notion of "the health care system". It is much more than a doctor's office or hospital; it also includes community-based organizations and non-traditional providers that together can deliver equitable, whole-person care.**

## CalAIM Transformation Means:

- » Meeting the needs of the whole person
- » Engaging health providers who are trusted and relatable
- » Expanding Community Supports and proactive upstream services
- » Promoting community engagement
- » Making the best use of partners and resources

# CalAIM Supports Californians' Ability to Stay Healthy in All Areas of Life

**Everyone has a stake in a better Medi-Cal program; many of us know someone whose health depends on it.**

- » **Population Health.** One in three Californians are enrolled in Medi-Cal, with more than 65% of beneficiaries identifying as people of color
- » **Children & Youth.** Medi-Cal covers 50% of all births in California, with about two-thirds of children enrolled in Medi-Cal identifying as Black and Latino
- » **Complex Needs & Unmet Care.** More than two in three patient days in a California long-term care facility are covered by Medi-Cal
- » **Justice-Involved.** At least 80% of justice-involved individuals are eligible for Medi-Cal

# Advancing Health Equity Through CalAIM

- » DHCS is **innovating and transforming the Medi-Cal delivery system** by:
  - Meeting people where they are in life
  - Addressing social drivers of health
  - Breaking down the walls of health care
- » CalAIM moves Medi-Cal toward a **population health** approach that prioritizes prevention and **whole person care**, and extends supports and services beyond hospitals and health care settings directly into California communities
- » CalAIM offers Medi-Cal enrollees **coordinated** and **equitable access** to services that address their **physical, behavioral, developmental, dental, and long-term care needs**, throughout their lives, from birth to a dignified end of life

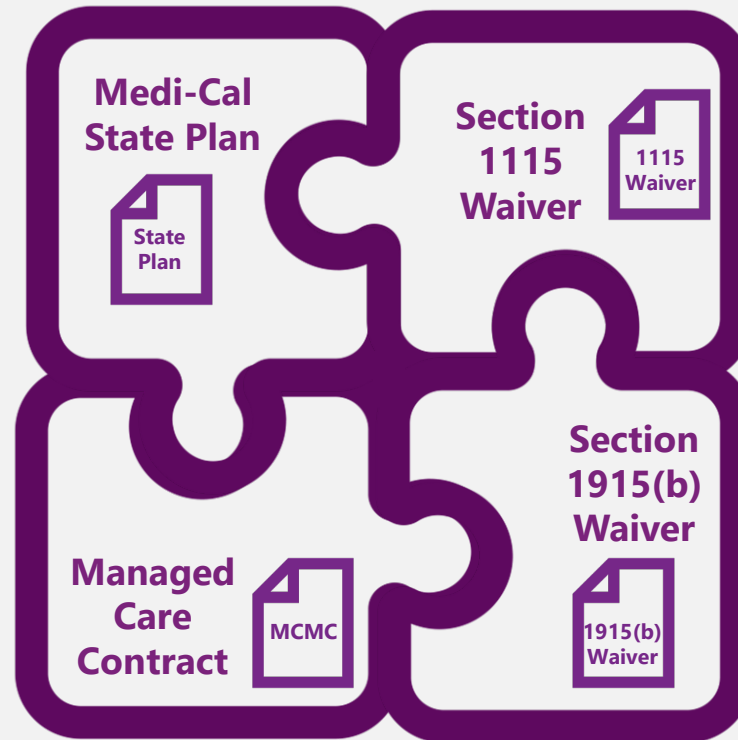
# Approved CalAIM Waiver Requests



# Approved CalAIM Initiatives

- » Aligned Delivery Systems
- » Enhanced Care Management
- » Community Supports
- » Providing Access & Transforming Health Supports (PATH)
- » Contingency Management in DMC-ODS Counties
- » Peer Support Specialists
- » Aligned Enrollment for Dual Eligibles
- » Global Payment Program
- » Community-Based Adult Services (CBAS)
- » DMC-ODS Services for Short-Term Residents of IMDs
- » Chiropractic Services for Indian Health Service and Tribal Facilities
- » Coverage for Low-Income Pregnant Individuals and Out-of-State Former Foster Care Youth
- » Preventive Dental Benefits and Pay-For-Performance Initiatives for Dental Providers

# Multiple Federal Authorities Support the CalAIM Vision



Additional details for certain CalAIM initiatives will come from DHCS guidance (e.g., All Plan Letters).



# Delivery Systems Changes

**All four delivery systems – Medi-Cal Managed Care (MCMC), Dental Managed Care, Specialty Mental Health Services (SMHS), Drug Medi-Cal Organized Delivery Systems (DMC-ODS) – are now authorized via a single Section 1915(b) waiver.**

## Standardize & Streamline

- » **Standardize enrollment, benefits, and payment in managed care delivery systems by:**
  - Eliminating variation in MCMC enrollment and benefits based on a Medi-Cal enrollee's eligibility category and county of residence.
  - Providing services available in the MCMC benefit package statewide, such as major organ transplants and institutional long-term care services.
- » **Streamline SMHS and DMC-ODS policies and access by:**
  - Implementing payment reform for SMHS and DMC-ODS that will transition reimbursement to a structure more consistent with incentivizing outcomes and quality over volume and cost.
  - Transitioning to new coding system that will allow for more granular claiming and reporting of services provided and allow for enhanced monitoring of plan performance.



# Oversight & Accountability

**DHCS will implement robust monitoring and oversight focused on access to and availability of services, quality of care, and financial accountability within and across managed care delivery systems.**

## Oversight & Accountability

- » Improve the **consumer experience** by:
  - Continuing to meet quarterly with advocates and stakeholders
  - Establishing Member Advisory Committee
  - Conducting annual consumer satisfaction survey across all four delivery systems, starting in 2023
- » Submit **workplan detailing approach to strengthen monitoring and oversight of plans** to improve member access to care for MCMC, Dental Managed Care, SMHS, and DMC-ODS by June 29, 2022.
- » Support **independent assessments on access to care** for MCMC, Dental Managed Care, SMHS, and DMC-ODS, including an independent assessment comparing MCMC networks with those in Medicare Advantage and private California commercial plans.
- » **Collect and report on data** to create a comprehensive and transparent view of **access to care, provider network capacity, appeals and grievances, quality, and consumer experience.**

# Oversight & Accountability (Continued)



## Oversight & Accountability

**Consistent with CMS-imposed requirements** in the Section 1915(b) Special Terms and Conditions:

- » **Ensure full and partially delegated plans and other subcontractors that assume delegated risk meet the standards** outlined for MCMC plans.
- » **Strengthen Medical Loss Ratio (MLR) oversight:**
  - **Current Practice.** All MCMC prime plans and Dental Managed Care plans report MLR, and Dental Managed Care plans provide remittance if they do not meet MLR minimum
  - **July 2022.** Develop a plan with stakeholders outlining key deliverables and timelines to meet MLR requirements
  - **By rating period beginning in January 2023.** All MCMC fully and partially delegated plans, and subcontractors will report MLR
  - **By rating period beginning in January 2024.** All MCMC prime plans will provide remittance if they do not meet MLR minimum
  - **By rating period beginning in January 2025.** All MCMC fully and partially delegated plans and subcontractors will provide remittance if they do not meet MLR minimum
  - **2028.** Conduct five-year retrospective audit of MLR



# Enhanced Care Management (ECM)

**Leveraging its managed care authority, DHCS began implementing ECM for populations with complex health and social needs via the Medi-Cal managed care contract in January 2022 and will phase in through 2023.**

## Benefit Overview

- » ECM is a **new, statewide Medi-Cal benefit** providing intensive care management to address **clinical and non-clinical needs** of Medi-Cal's **highest-need beneficiaries**, primarily through in-person engagement where enrollees live, seek care, and choose to access services.
- » ECM builds off the successful community-based care management programs piloted in the Medi-Cal 2020 waiver's Whole Person Care (WPC) pilots and Health Homes Program (HHP).
- » In addition to ECM, beneficiaries may have connections to **Community Supports** to address social drivers of health (to the extent their plan elects to provide).

For more information and the full "populations of focus", see [DHCS' ECM webpage](#) and the [ECM Fact Sheet](#).

# Community Supports

**DHCS received federal authority to provide 14 state-proposed Community Supports beginning in January 2022.**

## Service Overview

- » Community Supports refer to 14 **new services** proposed by DHCS and approved by CMS **designed to address social drivers of health and advance health equity.**
- » Benefits will be offered by a local community provider as a **medically appropriate, cost-effective alternative to traditional medical services or settings.**
- » Medi-Cal managed care plans are **encouraged to offer as many of the Community Supports as possible**, which are voluntary for managed care plans to offer and for members to use.

For more information about the Community Supports that managed care plans have opted to provide and when, see [DHCS' Community Supports webpage](#), [Community Supports Fact Sheet](#), and the [CalAIM Incentive Payment Program FAQ](#).

# Community Supports (Continued)

**Community Supports are authorized through different authorities, but will be operationalized and financed consistently.**

## Service Overview

- » The **CaAIM Section 1915(b) waiver approval and the MCMC plan contract authorize 12** of the 14 Community Supports:
  - Housing transition navigation services
  - Housing deposits
  - Housing tenancy and sustaining services
  - Caregiver respite services
  - Day habilitation programs
  - Nursing facility transition/diversion to assisted living facilities
  - Community transition services/nursing facility transition to a home
  - Personal care and homemaker services
  - Environmental accessibility adaptations
  - Medically supportive food/meals/medically-tailored meals
  - Sobering centers
  - Asthma remediation
- » The **CaAIM Section 1115 waiver and the MCMC plan contract** authorizes 2 of the 14 Community Supports:
  - Short-term post-hospitalization housing
  - Recuperative care (medical respite)



# Community Supports (Continued)

## Service Overview

» For all 14 Community Supports :

- Consistent with current contract requirements, **a provider at the plan or network level will be required to document medical appropriateness** of each Community Support for each enrollee, including documenting that the Community Support is likely to reduce or prevent the need for acute care or other Medicaid services.
- **Reporting requirements apply**, including related to oversight, monitoring, and cost effectiveness.
- As planned, services will be included in **managed care rates**.



# Providing Access & Transforming Health (PATH) Supports

**DHCS received federal authority through the CalAIM Section 1115 expenditure authority for \$1.44 billion (total computable) for PATH Supports.**

## Program Overview

PATH provides a flexible source of new funding that is intended to:

- » **Maintain, build, and scale** the capacity necessary to ensure successful implementation of CalAIM.
- » **Ensure a smooth transition from the WPC Pilot Program** as ECM and Community Support services are scaled up and implemented statewide.
- » **Support a diverse array of stakeholders participating in CalAIM**, including community-based organizations, counties, tribal organizations, providers, and justice involved stakeholders, as they prepare for implementation.
- » **Advance health equity** by investing in providers, counties, community-based organizations and other entities that support historically underserved and under-resourced populations.

# PATH Supports (Continued)



**PATH will improve access to services during CalAIM's delivery system transformation through multiple key initiatives.**

## PATH Initiatives

- » **Time-limited support to sustain existing WPC pilot services that have converted to Community Supports and that MCPs have committed to cover**, through the transition (no later than January 2024). *Application process and funding anticipated to begin in Q1 2022*
- » **Technical assistance** to providers, community-based organizations, county agencies, public hospitals, tribes, and others. *Application process and funding anticipated to begin in Q3 2022*
- » **Support for collaborative planning and implementation efforts** among managed care plans, providers, community-based organizations, county agencies, public hospitals, tribes, and others to promote readiness for ECM and Community Supports. *Application process and funding anticipated to begin in Q3 2022*
- » **Enabling the transition, expansion, and development of capacity and infrastructure** for providers, community-based organizations, county agencies, public hospitals, tribes, and others to provide ECM and Community Supports. *Application process and funding anticipated to begin in Q3 2022*
- » **Funding for planning and IT investments among justice-involved stakeholders** to support implementation of pre-release Medi-Cal eligibility and enrollment processes. *Application process and funding anticipated to begin in Q3 2022*



# Five-Year Total (State and Federal) PATH Funding by Initiative (Amounts in Millions)

Program	2022	2023	2024	2025	2026	Total
Ensuring Access to Services During Transition and Delivery System Transformation and Innovation	\$554	\$430	\$230	\$70	\$5	\$1,289
Justice-Involved Planning and Implementation	\$151	\$0	\$0	\$0	\$0	\$151
<b>Total</b>	<b>\$705</b>	<b>\$430</b>	<b>\$230</b>	<b>\$70</b>	<b>\$5</b>	<b>\$1,440</b>

To the extent any of the funds associated with PATH are not fully expended or fully allocated each year, PATH funds may be reallocated across other PATH initiatives or years, subject to overall expenditure limits. CMS continues to consider additional PATH funds to support justice-involved initiatives.

# SUD Services & Initiatives

**DHCS received authority via the Medi-Cal State Plan and CalAIM waivers to support several new initiatives that will advance treatment for individuals with SUD, including:**

## SUD Services & Initiatives

**Moved DMC-ODS to the CalAIM Section 1915(b) waiver as permanent managed care authority** and leveraged the CalAIM Section 1115 waiver and Medi-Cal State Plan to authorize certain SUD components, including:

- » **Continuing DMC-ODS services for short-term residents of institutions for mental diseases (IMDs)** as of January 2022 (*1115*)
- » **New contingency management services** in DMC-ODS counties as of July 2022 (*1115*)
- » **New peer support specialists** as of July 2022 (*1115, 1915(b), State Plan*)

Peer support specialists will be available at the option of the county, both in Drug Medi-Cal counties and DMC-ODS counties.

# Contingency Management

**DHCS received authority to provide contingency management through DMC-ODS, beginning no earlier than July 2022.**

## Benefit Overview

- » Contingency management:
  - Evidence-based, cost-effective practice that recognizes individual positive behavior change for substance use disorders, including **reduced use of stimulants**
  - Provides **motivational incentives** for non-use of substances, including stimulants, as evidenced by negative drug tests
- » DHCS will **pilot the program in DMC-ODS counties** that are approved to provide contingency management.
- » DHCS will conduct a **rigorous evaluation of the pilot** to determine its efficacy and help inform the design and implementation of a statewide benefit .

California is the **first state in the nation** to receive approval to provide contingency management as a benefit in the Medicaid program.

# Peer Support Specialist Services

**DHCS received approval through a combination of federal authorities to permit counties to cover peer support specialists on a voluntary, opt-in basis in SMHS, DMC-ODS, and Drug-Medi Cal, beginning no sooner than July 2022.**

## Benefit Overview

- » Specialists provide culturally appropriate services to **promote recovery, engagement, socialization, self-sufficiency, and self-advocacy.**
- » Services will include **structured activities** aimed to prevent relapse, empower beneficiaries, support linkages to community resources, and educate enrollees.
- » **Services will be provided under the direction of behavioral health professionals** trained in the peer recovery model, and may be provided under the supervision of peer support specialist supervisors.
- » **DHCS established statewide requirements for certification** that participating counties will use.

# Dual Eligibles

**DHCS received approval to better coordinate coverage for individuals dually eligible for Medi-Cal and Medicare, who often have the most complex health care needs.**

## Program Overview

- » Effective January 2022, **provide a more integrated experience** for dual eligibles by permitting Medicare plan choice to drive Medi-Cal plan choice.
  - In certain counties, a member's **Medi-Cal plan choice will align with their Medicare Advantage or Dual Special Needs Plan (D-SNP)**, to the extent the Medicare plan has an affiliated Medi-Cal plan
- » Effective January 2023, **transition the Cal MediConnect demonstration to a D-SNP exclusively aligned enrollment model**, with plans that coordinate all Medicare and Medi-Cal benefits for dual eligible.
- » In future years, expand the D-SNP exclusively aligned enrollment model to **additional counties**.

The federal authority is subject to improved care coordination across Medicare and Medi-Cal, integrated appeals and grievances, and integrated member materials for D-SNPs.



# Global Payment Program (GPP)

**DHCS received authority to renew GPP with a focus on addressing health equity.**

## Program Overview

- » **Continuation of the existing GPP**, a statewide pool of funding established in the Medi-Cal 2020 waiver to provide care for California's remaining uninsured population served by the state's public hospital systems, including approval to include uncompensated care pool funding at the original level retroactive to July 2020.
- » GPP will continue to **support services provided for the uninsured through a value-based methodology**, awarding points for encouraging preventive and primary care, with a **renewed focus on addressing social needs and responding to the impacts of systemic racism and inequities**.
- » **Over the next 90 days**, DHCS will work with CMS to develop new valuations to reflect the evolving focus to advance equity through the **GPP Health Equity Monitoring Metrics Protocol**.



# Other CalAIM Section 1115 Provisions

California received authority to continue the following Medi-Cal 2020 Section 1115 waiver initiatives in the CalAIM Section 1115 waiver.

## CalAIM Section 1115 Waiver

- » **Out-of-state former foster care youth coverage** for youth up to age 26.
- » **Community-Based Adult Services (CBAS) technical changes** to align with other Medi-Cal materials, allow flexibility for the provision and reimbursement of remote services under specified emergency situations, and clarify eligibility and medical necessity criteria.
- » **Chiropractic services for Indian Health Service and tribal facilities.**



# Evaluation

**Consistent with CMS requirements for section 1115 demonstrations, the CalAIM 1115 demonstration will undergo a robust evaluation.**

## Waiver Evaluation

- » Evaluation will outline research questions and hypotheses to measure **the impact of CalAIM initiatives on enrollee access, quality of care, and health outcomes**, as well as **reductions in health disparities and advancement of health equity**, including:
  - Initiation and engagement with treatment, reductions in inappropriate ED utilization, and reductions in inappropriate inpatient hospitalization associated with DMC-ODS services
  - Effectiveness of the contingency management benefits provided to qualifying enrollees
  - Increased access to community-based providers of ECM and Community Supports, and improved access and utilization of health care services at the community-level associated with PATH
  - Health outcomes, reductions in inappropriate ED utilization, and reductions in inpatient and long-term care utilization associated with Community Supports



# CalAIM Initiatives Authorized Via State Plan Amendment

California received authority to continue the following Medi-Cal 2020 Section 1115 waiver initiatives in the Medi-Cal State Plan.

## CalAIM Section 1115 Waiver

- » **Preventive dental benefits and pay-for-performance initiatives for dental providers**, transitioning from the Dental Transformation Initiative pilot program to new, statewide benefits.
- » **Coverage for low-income pregnant individuals** with incomes from 109 – 138% of the federal poverty level (FPL) (moving existing coverage from waiver to State Plan authority).

# **CalAIM Section 1115 Developments Expected in 2022**



# Asset Test Amendment

As directed by California [Assembly Bill 133](#), DHCS will increase and eventually eliminate asset limits for Medi-Cal individuals whose eligibility is not determined using the modified adjusted gross income (MAGI)-based financial methods.

## Phased-In Approach

- » **Phase I.** Effective July 1, 2022, apply a disregard of \$130,000 in nonexempt property for a single Medi-Cal enrollee and \$65,000 for each additional household member (up to a max of 10 members).
- » **Phase II.** Effective January 1, 2024, eliminate the asset test for non-MAGI Medi-Cal programs.

## Federal Authority to Effectuate Policy

- » **SPA.** In November 2021, DHCS received approval of [SPA 21-0053](#), which authorizes the Phase I disregard for most non-MAGI populations, effective July 1, 2022.
- » **1115 Demonstration Amendment.** DHCS will seek Section 1115 demonstration authority to apply income disregards to three “deemed Supplemental Security Income (SSI)” populations:
  - Individuals who would be eligible for SSI/State Supplementary Payment (SSP) but for OASDI COLA increases since April 1997 (also known as the “Pickle” group)
  - Disabled Widows and Widowers (DWW)
  - Disabled Adult Children (DAC)



# Services for Justice-Involved Populations

**In anticipation of implementation in 2023, DHCS continues to negotiate with CMS for new Section 1115 authority to provide services for justice-involved eligible populations in the 90 days prior to release and support re-entry.**

## Waiver Request

- » To improve health and support re-entry, Medi-Cal-eligible individuals will be able to receive targeted Medi-Cal services 90 days prior to release from county jails, state prisons, and youth correctional facilities with warm handoffs to community-based providers.
- » **Eligibility.** All youth (under age 19) in a corrections settings and adult inmates with at least one health care need criterion (e.g., serious mental illness, SUD diagnosis, HIV).
- » **Covered Services.** Care management/coordination, medications, and durable medical equipment (DME) to support re-entry, and targeted physical and behavioral health clinical consultations, medication assisted treatment (MAT), psychotropic medications, and laboratory/X-ray services pre-release, as needed.
- » **PATH Funding.** Request to support capacity building and planning for effective pre-release care and re-entry supports for justice-involved populations and enable coordination between counties, prisons, jails, juvenile facilities, providers, and community-based organizations.

For more information, see [Justice-Involved Initiatives Fact Sheet](#).



# DMC-ODS Traditional Healers & Natural Helpers

**DHCS continues to negotiate with CMS for new Section 1115 authority to authorize traditional healers and natural helpers in DMC-ODS.**

## Waiver Request

- » Provide **culturally appropriate, evidence-based practice** options and improve access to DMC-ODS treatment for American Indians and Alaska Natives receiving SUD treatment services through Indian health care providers.

**Traditional healing practices are a fundamental element of Indian health care** that helps patients achieve wellness and healing, and restores emotional balance and one's relationship with the environment.





# Serious Mental Illness (SMI) & Serious Emotional Disturbance (SED) IMD Waiver

**After stakeholder engagement, DHCS will submit a new Section 1115 waiver application to CMS in Fall 2022.**

## Waiver Proposal

- » Improve care for Medi-Cal adults living with SMI and children and youth living with SED by:
  - Authorizing federal funding for care provided to individuals living with SMI/SED in residential treatment settings designated as IMDs, including short-term residential therapeutic programs (STRTPs)
  - Expanding the continuum of community-based behavioral health services available to Medi-Cal members
- » Waiver approval is contingent upon DHCS also meeting key milestones (as noted in CMS' [2018 State Medicaid Director Letter](#)) related to:
  - Ensuring quality of care in psychiatric and residential settings
  - Improving care coordination and transitions to community-based care
  - Increasing access to crisis services
  - Earlier identification and engagement in treatment

For more information, see the [Behavioral Health Fact Sheet](#).

# Member Q&A

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# Public Comment

# Upcoming Meeting and Next Steps

