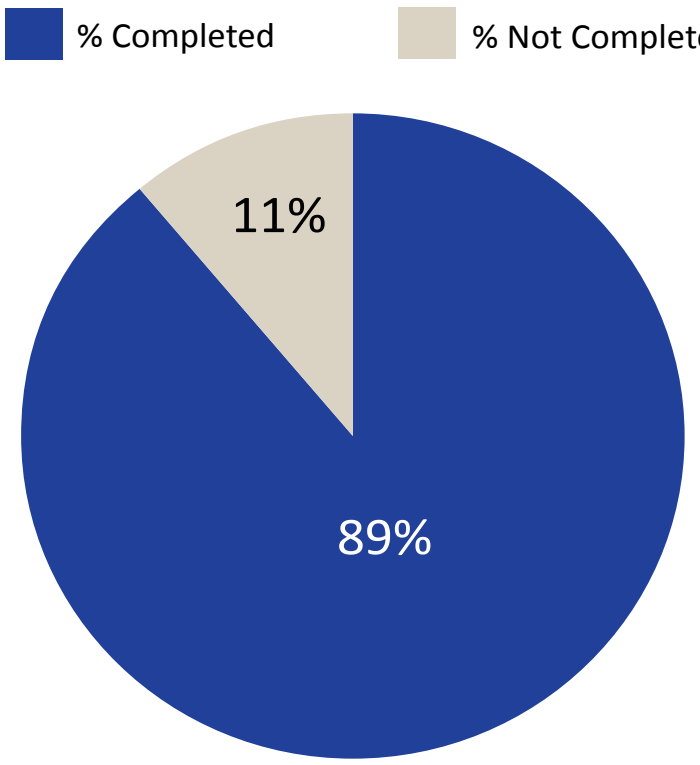
California's Coordinated Care Initiative: October 2015 Update

Fact Sheet • October 2015

Medi-Cal beneficiaries in six of the seven CCI counties must now access long-term services and supports (LTSS) through a managed care plan. As of September, 117,307 people are enrolled in Cal MediConnect, California's demonstration that integrates health care and LTSS for people who have both Medicare and Medi-Cal. This fact sheet provides a program update since January 2015.

Health Risk Assessments Completed within 90 Days of Enrollment



89%

of Cal MediConnect enrollees received an HRA in their first 90 days (*excludes unreachable enrollees and those who refused*).

Introduction & Background

The Coordinated Care Initiative (CCI) changes the way medical care and long-term services and supports (LTSS) are delivered to low-income older adults and people with disabilities. The main components of the CCI include:

1. Cal MediConnect (CMC), California's Dual Eligible Integration Demonstration;[1,2]
2. Mandatory enrollment of dual eligibles (individuals eligible for both Medicare and Medi-Cal, California's Medicaid program) into Medi-Cal managed care; and
3. Integration of Medi-Cal-funded LTSS into managed care (MLTSS).[3]

Enacted as part of the 2012-2013 California Budget, the CCI began implementation on April 1, 2014.[4] The CCI was scheduled for rollout in eight counties, but Alameda County was removed from the demonstration in November 2014 due to fiscal challenges with Alameda Alliance for Health, its county-based Medi-Cal health plan.[5] The seven CCI counties include: Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo, and Santa Clara. Orange County was the final county to implement the CCI, with MLTSS in July 2015 and CMC in August 2015.[6]

This fact sheet provides an update on enrollment and program changes.

Medi-Cal funded LTSS programs included in CMC and MLTSS:

- Community-Based Adult Services (CBAS) – organized day program of health services, therapeutic activities and social services for older adults and adults with disabilities.
- Multipurpose Senior Service Program (MSSP) – care management for adults over age 65.
- In-Home Supportive Services (IHSS) – personal care services provided to adults over age 65 and people with disabilities (all ages).
- Nursing Facility Services – supports and services provided in a institutional setting.

Enrollment Update

CCI implementation and enrollment is ongoing in the seven counties: Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo, and Santa Clara. The enrollment timeline for the CCI varies by county and population. In counties where there are multiple health plans, individuals have the opportunity to choose a plan during a 90-day passive enrollment period. If a beneficiary does not either choose a plan, or opt-out of Cal MediConnect during this time, the California Department of Health Care Services (DHCS) enrolls them in a pre-assigned plan. Eligible individuals also have the opportunity to actively choose to enroll in a CMC or MLTSS plan.

- **Cal MediConnect (CMC):** As of September 1, 2015, there were 117,307 people enrolled in CMC.[7] People already enrolled in Medi-Cal managed care were enrolled in CMC the month it took effect in their county if eligible. Generally, in counties where eligible individuals are not already enrolled in Medi-Cal managed care, CMC enrollment occurs by birth month. If no definitive choice is made to either enroll or dis-enroll from CMC, eligible individuals are passively enrolled. Passive enrollment occurs for 12 months from the implementation start date in most counties.

  With the passive enrollment period ending in these counties, as of July 1, 2015, residents in Los Angeles, Riverside, San Bernardino, San Diego, and San Mateo counties are no longer passively enrolled in CMC. With the conclusion of the passive enrollment period in these counties, newly eligible individuals are presented with the choice to enroll in CMC upon enrollment into Medi-Cal and Medicare.[6] Table 1 shows the CMC enrollment timeline for 2015.*

- **Managed Long-Term Services and Supports (MLTSS):** MLTSS has a separate enrollment timeline from CMC, as described in Table 2. All dual eligibles not already enrolled in Medi-Cal managed care must select either a CMC plan or a Medi-Cal managed care plan to receive covered LTSS. Individuals not enrolled in managed care select a plan according to birth month, starting with those born in the first month MLTSS takes effect in their county. Santa Clara County is the only county still in the passive enrollment phase for MLTSS. Dual eligibles previously enrolled in Medi-Cal managed care began receiving MLTSS through their managed care plan the month MLTSS took effect in their county.[6]

* For more information, see calduals.org.

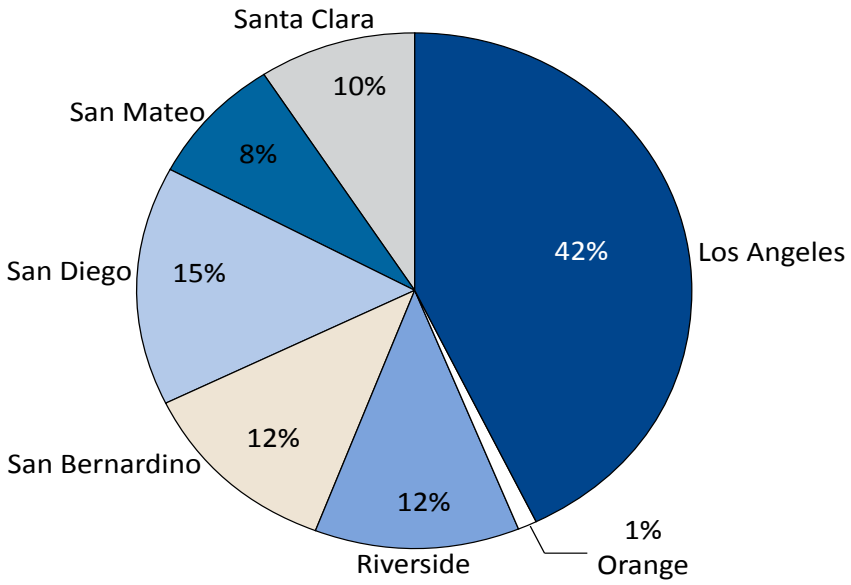
Orange County Enrollment Updates

- **Orange County Long-Term Care Facilities:** Cal Optima developed a modified CMC passive enrollment timeline and process for individuals currently residing in a long-term care (LTC) facility to better meet the needs of this population and facilitate a smooth transition into CMC. Residents of LTC facilities eligible for CMC will be passively enrolled on a facility-by-facility basis (instead of by birth month) beginning November 1, 2015 through July 2016. CalOptima, in conjunction with the facility care team, will provide pre-transition coordination, on-site education, and post-transition care team support. Passive enrollment by birth month will remain in effect for two groups residing in LTC facilities:

    - Individuals who move into a LTC facility after November 1, 2015; and
    - Individuals residing in LTC facilities that do not contract with Cal Optima. Per continuity of care protections, residents of non-contracting LTC facilities will not be required to transition to contracting facilities for the duration of the demonstration.[8]

- **For Orange County D-SNP Members;** Residents enrolled in a duals special needs plan (D-SNP) will be enrolled in CMC in January 2016 as previously planned.

Percentage of Active Enrollments by County
Effective September 1, 2015[7]
(N = 117,307)



Enrollment Timeline

Tables 1 and 2 reflect the updated 2015 health plan choices and enrollment timelines for CMC and MLTSS respectively by county.

TABLE 1: Current CMC Enrollment Timeline[5]

County	Health Plans	Enrollment
Los Angeles	Care 1st CareMore L.A. Care Health Net Molina Health Care	Passive enrollment completed
Orange	CalOptima	August 2015 • Passive enrollment by birth month begins November 2015 • Passive enrollment of residents living in LTC facilities begin January 2016 • D-SNP members • People in Medicare Part D Low-Income Subsidy plans July 2016 • Passive enrollment completed
Riverside & San Bernardino	Inland Empire Health Plan Molina Health Care	Passive enrollment completed
San Diego	Care 1st Community Health Group Health Net Molina Health Care	Passive enrollment completed
San Mateo	Health Plan of San Mateo	Passive enrollment completed
Santa Clara	Anthem Blue Cross Santa Clara Family Health Plan	December 2015 • Passive enrollment completed

TABLE 2: Current MLTSS Enrollment Timeline[5]		
County	Health Plans	Enrollment
Los Angeles	L.A. Care Health Net	Passive enrollment completed
Orange	CalOptima	Passive enrollment completed
Riverside & San Bernardino	Inland Empire Health Plan Molina Health Care	Passive enrollment completed
San Diego	Care 1st Community Health Group Health Net Molina Health Care Kaiser Permanente	Passive enrollment completed
San Mateo	Health Plan of San Mateo	Passive enrollment completed
Santa Clara	Anthem Blue Cross Santa Clara Family Health Plan	December 2015 • Passive enrollment completed

Administrative Updates

Health Plan Guidance: DHCS continues to address implementation issues and clarify operational and quality requirements for health plans participating in the CCI. DHCS uses two types of formal guidance to communicate changes in policies and procedures to plans: "All Plan Letters" for all Medi-Cal managed care plans; and "Dual Plan Letters" for health plans serving CMC individuals.[9]

- **All Plan Letters:** DHCS published an All Plan Letter (APL) in January 2015 clarifying the grievance, appeal, and State Hearing requirements for the Multipurpose Senior Services Program (MSSP) during the transition from a 1915(c) waiver service to a Medi-Cal managed care benefit in the CCI counties. The letter clarifies the roles of the MSSP provider, health plans, and the state. During the transition period, the MSSP provider is responsible for receiving, responding to, and tracking complaints, grievances and appeals which must be reported to the individual's Medi-Cal managed care plan. Once MSSP transitions to a Medi-Cal managed care benefit, the managed care plan becomes responsible.[10] The MSSP transition period was extended through December 2017 in the

enacted 2015-16 budget.[11] A second APL published in February clarified the requirements for providing nursing facility services to people in CCI counties that are eligible for MLTSS, but not enrolled in CMC. The letter identifies current regulations that apply to claims, payment, bed-holds, Medi-Cal share-of-cost, continuity of care, and other information to provide clarity and ensure managed care plan readiness.[12]

- **Dual Plan Letters:** DHCS has published several Dual Plan Letters (DPL) this year. One DPL addresses the requirements for the interdisciplinary care team (ICT) and individual care plans for CMC health plans. CMC health plans must provide for ICTs and care plans for individuals who need or request them. The individual or his/her authorized representative should participate in the care plan process, and the care plan must include the individual's goals and preferences, measurable objectives, and be used to coordinate medical, behavioral, LTSS, and community resource referrals.[13] A second DPL clarifies guidance on continuity of care for CMC health plans, further explaining continuity of care as it pertains to delegated entities.[14] A third DPL specifies the contract requirements for CMC health plans and qualified agencies that provide In-Home Supportive Services.[15] A fourth DPL provides guidance on the process for identifying individuals who may be at high-risk for negative health outcomes, as well as guidance on the timelines and process for completing the health risk assessments (HRA). The CMC health plans must attempt five phone calls within the first 30-days of enrollment to complete the HRA – first by offering an in-person meeting or alternatively through a phone interview. If the HRA is not completed in the first 30 days, it must be mailed to the individual for completion. The CMC health plan is required to call the member if the plan does not receive a completed HRA within a set period of time. If after 6 months an HRA is not completed, the CMC health plan must mail the form to the individual again. This DPL also contains guidance on HRA completion for people transitioning to a CMC health plan from a D-SNPs, as well as HRA data reporting requirements.[16]

Cal Optima developed a modified CMC enrollment timeline and process to better meet the needs of LTC facility residents in Orange County.

Enrollment Assistants: Some individuals lack the ability to communicate their enrollment or disenrollment preference, whether due to cognitive limitations, incapacitation, or other factors. Without assistance, these individuals may be enrolled in a health plan or system of care that inadvertently disrupts needed services. In order to ensure choice, DHCS (with CMS and stakeholder input) has developed a process where an enrollment assistant can act on behalf of an individual for the purpose of enrollment or disenrollment from a CMC or MLTSS health plan.

An enrollment assistant will undergo a screening process when contacting Health Care Options (HCO) that includes: 1) specific questions about the individual on whose behalf they are acting; 2) their name and relationship to the individual; 3) attestation under penalty of perjury of law that the individual designates them to act on their behalf; and 4) attestation to the absence of conflict of interest. The call to HCO will be recorded, and a letter will be sent to the individual notifying him/her of the action taken on his/her behalf and the right to change that enrollment decision.[17]

Health Risk Assessments

For each enrollee, CMC health plans are required to complete a health risk assessment (HRA) to establish the starting point for care planning. A HRA is a survey that assesses health risk and the need for additional assessment (e.g. behavioral health, function, cognition). For those enrollees identified as "high-risk," the HRA must be completed within 45 days of enrollment. For enrollees in a nursing facility and those identified as "lower risk", the plan must complete the HRA within 90 days of enrollment.[18] As of March 2015, less than 50 percent of CMC beneficiaries have a completed HRA. The health plans have reported an 89 percent completion rate for HRAs completed within 90 days of enrollment for people who were reached and willing to complete the HRA.[19]

Budget Implications

As outlined in statute, the California Department of Finance (DOF) determines whether CCI will produce a net General Fund (GF) cost savings. The DOF has the ability to terminate the CCI, if it is determined that the CCI will not generate sufficient GF savings.[20] Earlier this year, budget analyses showed that CCI will have a GF savings of $176.1 million in 2015-16, primarily attributed to the managed care organization tax (MCO tax).[+] However, according to federal guidance, California's current MCO tax is inconsistent with

DHCS developed an enrollment assistant process to ensure choice and continuity of care.

[+]The Managed Care Organization (MCO) tax, a revenue tax on Medi-Cal managed care plans authorized in Senate Bill 78 (2013), is a key financing resource for certain Medi-Cal long-term services and supports (LTSS). Half of these total funds draw down federal matching funds and reimburse Medi-Cal managed care plans for the incurred taxes. The other half of the funds will offset GF expenditures for Medi-Cal managed care rates.[21] The SCAN Foundation. Summary of the Enacted 2013-2014 Budget: Implications for Older Adults and People with Disabilities. 2013; http://thescanfoundation.org/sites/thescanfoundation.org/files/tsf-fact-sheet-ca_budget_final-2013-2014_1.pdf. Accessed August 5, 2015.

federal Medicaid regulations because the tax is only applied to Medi-Cal managed care plans verses all managed care plans. The current MCO tax will no longer be allowed after it expires on June 30, 2016.[22] This scenario means the CCI could result in net costs in 2016-17 and beyond without solutions to address the MCO tax. Governor Brown called a special session for health care financing, specifically to address a broad-based MCO tax proposal in order to align it with federal regulations.[11] At the time of publication, the Legislature continues to deliberate the MCO tax in special session.

Outreach and Education

DHCS, providers, and advocacy organizations continue to conduct outreach and education on the CCI. An outreach calendar along with information on CMC can be found at CalDuals.org**.** Additionally, two resources have been published to improve outreach and education to groups with low enrollment:

- A brief that highlights culturally competent outreach strategies for communicating complex information in preparation for health care transitions such as CCI.
- A report that reviews the Personal Assistance Services Council, Los Angeles CMC outreach strategies for IHSS recipients. Feedback in this report showed that 85 percent of people receiving the organization's peer mentoring and/or participated in their telephone town halls felt they needed help coordinating care. However, only 10 percent indicated willingness to enroll in CMC, indicating a need for continued efforts to help individuals better understand the services and options under CCI.

Evaluation

Efforts to evaluate CMC and understand how enrollees are experiencing care coordination and its effects on health care delivery are progressing. CMS will have the first annual California-specific evaluation report, with a thorough review of utilization data, available in early 2017.[23] An interim report from CMS/RTI International highlighting early observations of financial alignment demonstrations is anticipated in the next few months. The SCAN Foundation is funding additional evaluation efforts to gain a richer appreciation of California's demonstration from both the enrollee and system change perspectives. Early results will be presented and discussed at the Foundation's 2015 Annual Long-Term Services and Support Summit. For additional information regarding the evaluations, see the Justice in Aging's fact sheet that explains pertinent details for beneficiaries who may be contacted in these efforts.

Looking Forward

The next several months will be critical to determining the direction of coordinated care in California. Currently, implementation continues in all seven CCI counties, with CMC passive enrollment completed in five counties. With essential program structures in place and challenging transitions accomplished, work must continue to identify opportunities to strengthen the program and better coordinate services for California's older adults and persons with disabilities.

In an attempt to support efforts to date and future success, CMS has communicated to states participating in the Financial Alignment Demonstration (known as CMC, California's Dual Eligible Integration Demonstration) its intent to extend the demonstration for up to two years. DHCS responded with a non-binding letter of intent indicating interest in potentially considering an extension of the CCI, keeping the door open for future conversations. The first California-specific data from CMS/RTI International evaluating CMC will not be available until early 2017. Therefore, extending the demonstration provides the legislature the opportunity to make an informed decision regarding California's future integration efforts. A key consideration in the interim is how the California legislature will make budget decisions related to CMC given the budget implications discussed above.

> Without a financing solution, CCI could be at risk.

Additionally, California is proposing to develop a Health Home Program that will build upon the CCI efforts, offering the potential for more intense care coordination of primary and acute care, behavioral health services, and LTSS for older adults and people with disabilities. California's Health Home Program will target Medi-Cal eligible individuals with multiple chronic conditions and individuals with serious mental illness, including dually eligible individuals. The state intends to launch the Health Home Program in January 2016 in the CCI counties, expanding to the remaining 51 counties by July 2016.[24]

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