

Financial Solvency Standards Board DHCS Updates

May 17, 2023

May Revise



Governor's May Revision

- » The May Revision for Fiscal Year (FY) 2023-24 budget includes \$156 billion in total funds for DHCS.
- » The budget includes several new or updates to major proposals
 - Managed Care Organization tax and Medi-Cal provider rate increases
 - Modernization of California's Behavioral Health System
 - Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) Demonstration (formerly referred to as the California Behavioral Health Community-Based Continuum (CalBH-CBC) Demonstration)

May Revision (Continued)

- » The budget includes the renewal of the MCO tax effective April 1, 2023, nine months earlier than planned at Governor's Budget and with a higher tax structure.
 - » This results in an additional \$12.9 billion General Fund revenue over the duration of the tax compared to Governor's Budget.
- » The budget proposes to use the additional revenue of \$2.5 billion to achieve a balanced budget in FY 2023-24.
- » Remaining funding will be used to support Medi-Cal investments over an eight to ten year period.
- » Effective January 1, 2024, DHCS proposes rate increases to at least 87.5 percent of Medicare for Primary Care, Maternity Care and non-specialty mental health services.

May Revision (Continued)

- » The budget includes \$40 million total funds to begin the Modernization of California's Behavioral Health System.
- » Modernization of three key areas:
 - » Mental Health Services Act reforms
 - » Accountability and access to behavioral health services
 - » General obligation bond to establish the Behavioral Health Infrastructure (BHI) Act and Grant Program

May Revision (Continued)

- » The budget includes \$6 billion over five years to implement Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) effective January 1, 2024.
- » DHCS will seek approval of a Medicaid Section 1115 demonstration waiver in the summer of 2023.
- » BH-CONNECT includes a new Workforce Initiative directed toward strengthening the pipeline of behavioral health professionals.

May Revision (Continued)

- » Coverage Expansions for Undocumented Individuals:
 - » The budget maintains \$1.4 billion (\$1.2 billion General Fund) in 2023-24 and \$3.4 billion (\$3.1 billion General Fund) at full implementation, inclusive of In-Home Supportive Services Costs, for individuals ages 26-49.
 - » The 26-49 year old expansion is expected to impact approximately 700,000 individuals and will be operational no later than January 1, 2024.
 - » As of March 2023, there are 340,163 individuals enrolled under the Older Adult Expansion policy (individuals 50+ years of age).

Update on Unwinding of COVID-19 PHE and the Continuous Coverage Requirements



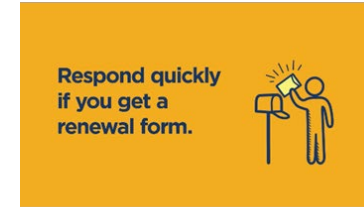
Continuous Coverage Unwinding

- » Counties resumed Medi-Cal redeterminations on April 1, 2023 for Medi-Cal members that have a June redetermination month.
- » First set of disenrollments as a result of redeterminations will occur in June 2023, with an effective date of July 1, 2023.

Continuous Coverage Unwinding

- » DHCS began email/texting to our Medi-Cal members the week of May 8.
- » **Enhanced Landing Page:**
KeepMediCalCoverage.org
- » Paid advertising is live statewide in 19 languages across Digital, Radio and Out of Home platforms.
- » New "Stay Covered/Take Care" videos (30, 15, 6 seconds each) now available for partner use as part of Unwinding Toolkits.

"Stay Covered"



English



Spanish



Hmong



Japanese

"Take Care"



English



Spanish

Continuous Coverage Unwinding Data Dashboards

- » DHCS Unwinding Eligibility Dashboard to publish monthly with statewide and county-level data:
 - Total Enrollment
 - Applications Snapshots of:
 - Determined Eligible/Ineligible
 - Pending
 - Received
 - Redetermination Snapshot
 - Discontinuances (to be published in August 2023 for the June 2023 benefit month)
- » DHCS to post all Unwinding Dashboards and Federal submissions of unwinding data [here](#)

CalAIM Updates



Enhanced Care Management and Community Supports Updates



Enhanced Care Management (ECM) and Community Supports

ECM and Community Supports went live in January 2022.

Enhanced Care Management (ECM)

A **Medi-Cal managed care benefit** that addresses the clinical and non-clinical needs of high-need, high-cost individuals through the coordination of services and comprehensive care management.

Community Supports

Services addressing the social drivers of health that **Medi-Cal managed care plans are strongly encouraged, but not required, to provide** as medically appropriate and cost-effective alternatives to utilization of other services or settings such as hospital or skilled nursing facility admissions.

For more information, please see DHCS's ECM and Community Supports website.

What is ECM?

ECM is a new Medi-Cal benefit to support comprehensive care management for enrollees with complex needs.

» ECM is designed to address both the clinical and non-clinical needs of the highest-need enrollees through intensive coordination of health and health-related services, meeting enrollees wherever they are – on the street, in a shelter, in their doctor's office, or at home.

Seven ECM Core Services



Outreach and Engagement



Member and Family Supports



Comprehensive Assessment and Care Management Plan



Health Promotion



Enhanced Coordination of Care



Comprehensive Transitional Care



Coordination of and Referral to Community and Social Support Services

Populations of Focus for ECM

	Go-Live Date	ECM Populations of Focus
Live Now	Jan 1, 2022 (WPC / HHP counties)	<ul style="list-style-type: none"> » Adults and Their Families Experiencing Homelessness » Adults At Risk of Avoidable Hospital or ED Utilization
	Jul 1, 2022 (all other counties)	<ul style="list-style-type: none"> » Adults with Serious Mental Health and/or SUD Needs » Individuals Transitioning from Incarceration (some WPC counties)
	Jan 1, 2023	<ul style="list-style-type: none"> » Adults Living in the Community and At Risk for Long Term Care (LTC) Institutionalization » Adult Nursing Facility Residents Transitioning to the Community
Upcoming	Jul 1, 2023	» Children & Youth Populations of Focus
	Jan 1, 2024	<ul style="list-style-type: none"> » Birth Equity Population of Focus » Individuals Transitioning from Incarceration (<i>statewide, inclusive of the former WPC counties that already went live on January 1, 2022</i>)

What are Community Supports?

Community Supports are services to address the social drivers of health needs.

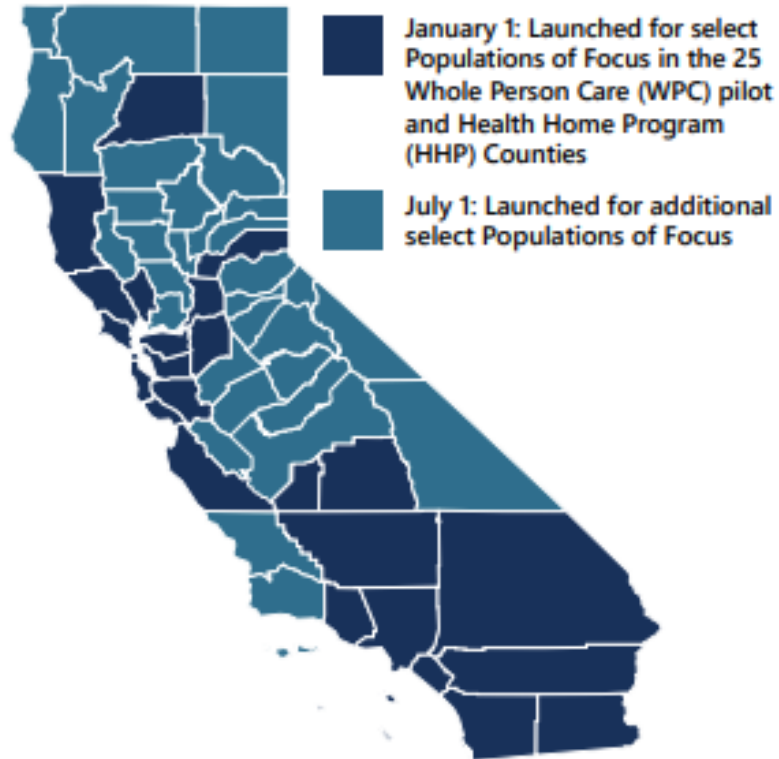
- » Community Supports are medically appropriate, cost-effective alternative services that are provided as a **substitute for more costly services or settings**, such as hospitalization, SNF admissions, or ED use.
- » Plans offer different combinations of Community Supports.

Pre-Approved DHCS Community Supports

1. Housing Transition Navigation Services
2. Housing Deposits
3. Housing Tenancy and Sustaining Services
4. Short-Term Post-Hospitalization Housing
5. Recuperative Care
6. Respite Services
7. Day Habilitation Programs
8. Nursing Facility Transition/Diversion to Assisted Living Facilities
9. Community Transition Services/Nursing Facility Transition to a Home
10. Personal Care and Homemaker Services
11. Environmental Accessibility Adaptations
12. Meals/Medically-Tailored Meals or Medically-Supportive Foods
13. Sobering Centers
14. Asthma Remediation

Overview of ECM From Year 1 of the Implementation

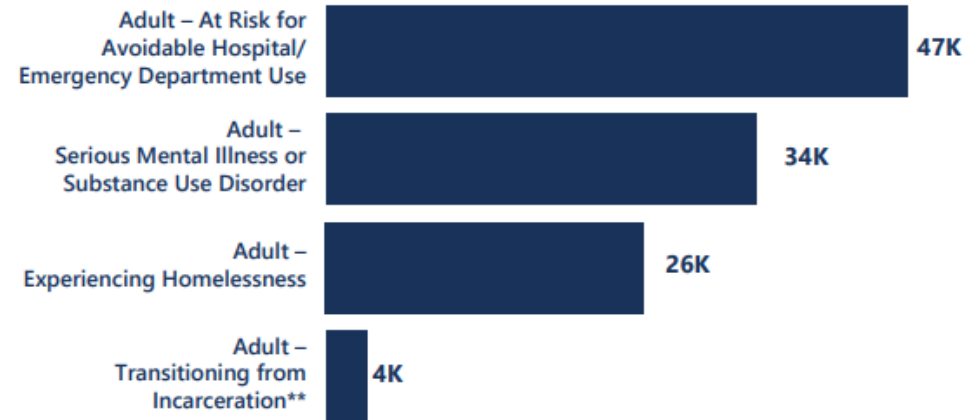
ECM EXPANDED STATEWIDE IN 2022



Through September of 2022:

- » **956** ECM Providers
- » Over **88,000** utilizers of ECM

Cumulative Enrollment by Top 4 Populations of Focus* Q1-Q3



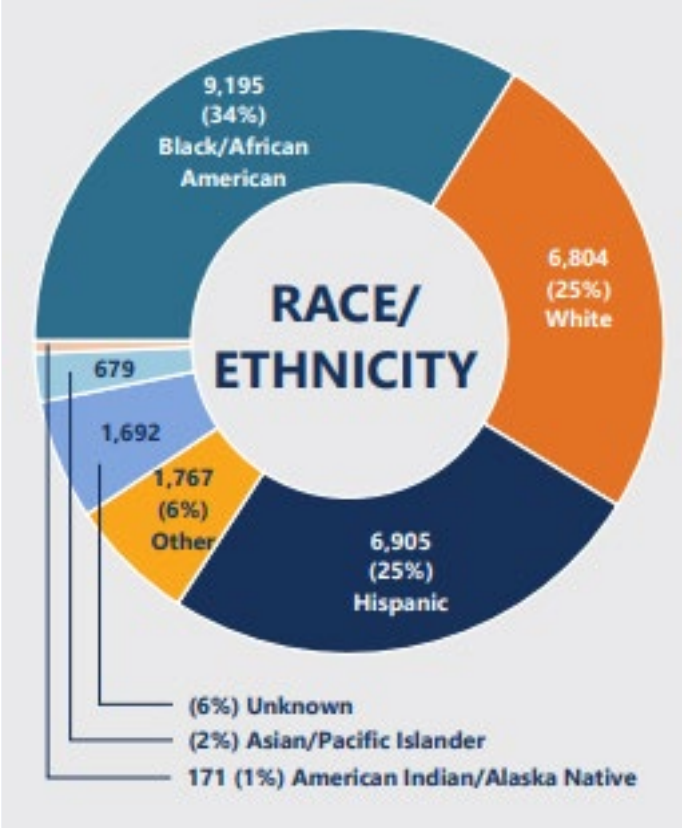
* ECM enrollees may be categorized under multiple Populations of Focus.

** This Population of Focus is live only in select WPC counties, not statewide.

ECM and Community Supports Early Implementation Q1-Q3 2022 [Fact Sheet](#) (Released April 2023)

Overview Community Supports From Year 1 of the Implementation

COMMUNITY SUPPORTS BY THE NUMBERS Number of Services Available by County as of September 2022



Through September of 2022:

- » **1212** Community Supports Providers
- » Over **27,000** MCP members received at least one Community Support service
- » At least **six** Community Supports were available in each county
 - » Except in San Luis Obispo and Santa Barbara counties

DHCS Continuously Listens to Feedback to Inform Updates to ECM and Community Supports



Stakeholder Advisory
Groups



Surveys



Interviews



DHCS Leadership Listening
Tours



Data Submitted from MCPs

Planned DHCS Actions to Address Stakeholder Feedback

DHCS is preparing to roll out a number of policy changes/clarifications and provide associated Technical Assistance to MCPs, including through the Marketplace.

ECM

- Standardization of authorization timeframes.
- More emphasis on requiring MCPs to contract with ECM Providers who have expertise and who are qualified to serve each of the unique Populations of Focus.
- More transparency on DHCS' ECM rate build up assumptions, including around provider outreach and administrative functions.
- More emphasis on promoting multiple referral pathways into ECM from the community.
- Reduction of provider burden associated with documentation requirements across MCPs.

Community Supports

- More guidance about Cost Effectiveness concept – Cost Effectiveness as a state (not MCP) determination.
- MCPs must come into alignment with full Community Supports service definitions by 1/1/2024.
- More emphasis on presumptive eligibility.

Both ECM and Community Supports

- » Updates to MCP/provider data sharing guidance, including release of new Community Supports standards.
- » Refine ECM & Community Supports HCPCS Codes and reinforce standardized application of codes at the provider level.
- » Reinforce requirements for timely provider payment.

Providing Access and Transforming Health (PATH) Updates



Providing Access and Transforming Health (PATH)

Providing Access and Transforming Health (PATH) is a five-year, \$1.85 billion initiative to build up the capacity and infrastructure of on-the-ground partners, such as community-based organizations (CBOs), public hospitals, county agencies, Medi-Cal Tribal and designees of Indian Health Programs, and others, to successfully participate in the Medi-Cal delivery system as California widely implements Enhanced Care Management (ECM) and Community Supports and Justice Involved services under CalAIM.

PATH Program Initiatives

Collaborative Planning and Implementation Program (CPI)

- This initiative provides funding for planning efforts to support the implementation of Enhanced Care Management (ECM) and Community Supports.

Technical Assistance Marketplace (TAM)

- This initiative provides funding for providers, community-based organizations, counties, and others to obtain technical assistance resources needed to implement ECM and Community Supports.

Justice-Involved Capacity Building Program (JI)

- Justice-Involved Capacity Building Program will provide funding to support implementation of pre-release Medi-Cal application and suspension processes.

Capacity and Infrastructure Transition Expansion and Development (CITED)

- CITED provides funding to enable the transition, expansion and development of ECM and Community Supports capacity and infrastructure.

Collaborative Planning and Implementation

- » The **Collaborative Planning and Implementation (CPI) initiative** supports local **county/regional collaborative groups** with the goal of improving access to and engagement in **Enhanced Care Management (ECM) and Community Supports services** for Medi-Cal recipients.
- » The CPI initiative is administered by the PATH TPA, Public Consulting Group (PCG), with oversight from DHCS.
- » The CPI initiative is composed of **25 county/regional collaboratives** that are facilitated across 10 facilitator organizations.
- » Collaboratives **launched in January 2023**, and county/regional CPI groups meet on a monthly basis.
- » **CPI Participant Registration is open**, and registrations are reviewed on a rolling basis. For **more information** visit <https://ca-path.com/collaborative> or submit questions directly to collaborative@ca-path.com.

Technical Assistance (TA) Marketplace

- » The **PATH TA Marketplace Initiative** enables entities providing or that intend to provide **ECM/Community Supports under CalAIM** to access technical assistance from an array of **qualified TA Vendors**.
- » TA Vendors will be promoted via a **virtual “TA Marketplace,”** which will serve as a one-stop-shop environment where eligible entities can access TA resources.
- » The TA Marketplace managed by Public Consulting Group (PCG), the Third-Party Administrator, with oversight from DHCS went live on **January 31, 2023**.
- » **Prospective TA Recipients** can apply to become **Approved TA Recipients** and access the marketplace at: <https://ca-path.com/ta-marketplace>.
- » Submit questions to ta-marketplace@ca-path.com.

Technical Assistance (TA) Marketplace (cont.)

- » The TA Marketplace allows funding for the provision of technical assistance (TA) for entities that intend to provide ECM and/or Community Supports. Entities may register for hands-on technical assistance support from vendors and access off-the-shelf TA resources in pre-defined TA domains

Examples of TA Marketplace Initiative Resources:

- Hands-on trainings for ECM / Community Supports providers on billing and reporting requirements or contracting with health plans
- Guidance for data sharing processes between ECM/Community Supports providers and health plans
- Accelerated learning sessions or computer-based learning modules for CBOs
- Strategic planning consultations for entities implementing ECM/Community Supports
- Customized project-specific support provided by vendors registered with the TA Marketplace

Justice Involved Capacity Building

- » Round 1 was **planning** grant funding opportunity to correctional agencies to support collaborative planning with county SSDs and other enrollment partners to identify processes, protocols, and IT modifications to support implementation **of pre-release enrollment and suspension processes**.
- » Round 2 is an **implementation grant funding** opportunity that provides application-based grants to support entities as they implement the processes, protocols, and IT system modifications **for pre-release enrollment and suspension processes**.
- » **Round 3 is now open** and is intended to provide funding to support the **planning and implementation of the provision of targeted pre-release Medi-Cal services** to individuals in state prisons, county jails, and youth correctional facilities.
 - Also supports county behavioral health agencies to implement behavioral health linkages.
 - Available to support investments in personnel, capacity, and/or IT systems that are needed for collaborative planning and implementation in order to effectuate pre-release service processes.
 - Will be distributed based on how entities meet certain performance milestones.

Eligible Entities

- County behavioral health agencies to support behavioral health linkages
- County Sheriff's Offices to support county jails
- County probation offices to support youth correctional facilities
- California Department of Corrections and Rehabilitation (CDCR) to support state prisons

What is the CITED Initiative?

CITED is intended to build delivery system capacity for Enhanced Care Management (ECM) and Community Supports services throughout California

- » CITED provides funding to providers to enable the transition, expansion and development of ECM and Community Supports capacity and infrastructure
- » DHCS awarded a total of \$207 million to 137 organizations (143 applications) in CITED Round 1.
- » **Round 2** application window is open from **February 28 – May 31, 2023**
 - Applicants may request CITED funding for no more than 2 years per funding round.
 - If Applicants do not receive an award during one application window, the applicant will be encouraged to apply in a subsequent round.

Who qualifies for CITED Funding?

Applicants must be actively contracted for the provision of ECM / Community Supports or have a signed attestation that they intend to contract to provide ECM / Community Supports in a timely manner

Applicants may include, but are not limited to:

- » County, city and local government agencies (including local health jurisdictions);
- » Providers (including but not limited to hospitals and provider organizations);
- » Community Based Organization (CBOs);
- » Tribes, Indian health programs, urban Indian organizations
- » Federally Qualified Health Center (FQHC); and
- » Others as approved by DHCS as a part of the application

Managed Care Plans (MCPs) are not eligible to receive CITED funding

What are permissible uses of funding within CITED Initiative?

Permissible uses include but are not limited to:

Increase of provider workforce

Modifying, purchasing and/or developing the necessary referral, billing, information exchange, reporting or other infrastructure and IT systems, to support delivery of ECM or Community Supports

Providing upfront funding needed by Qualified Applicants to support capacity and infrastructure necessary to deliver ECM and Community Supports services

Evaluating and monitoring ECM and Community Supports service capacity to assess gaps and identifying strategies to address gaps

Developing a plan to conduct outreach to populations who have traditionally been under-resourced and/or underserved to engage them in care

Other uses as approved by DHCS

“Sample Uses of Funding” can be found in the [PATH CITED guidance](#) which is available on the PATH CITED webpage.

Justice Involved Initiative



Status Update: CalAIM Justice-Involved Initiative

DHCS is currently finalizing CalAIM Justice-Involved Initiative policies and operational protocols, which will be memorialized in the Justice-Involved Reentry Initiative Policy and Operations Guide – to be released in Summer 2023.

Release Draft and Finalize Policy and Operations Guide

<i>Milestone</i>	<i>Date</i>
<u>Draft Guidance Release:</u> Release draft Justice Involved Reentry Initiative Policy and Operations Guide (“Policy and Operations Guide”) for stakeholder feedback	June 2023
<u>Stakeholder Review:</u> Stakeholder review of Policy and Operations Guide	June – Jul. 2023
<u>Final Guidance Release:</u> Final Policy and Operational Guide Released through ACWDL, BHIN, APL	July 2023
★ Go-Live Pre-release services <i>Go-live of pre-release services will be phased, based on correctional facilities’ readiness, beginning on April 1, 2024. Correctional facilities will have 2 years to go live (i.e., they may wait until March 31, 2026 to go live).</i>	Apr. 1, 2024 – Mar. 31, 2026

Status Update: CalAIM Justice-Involved Initiative

DHCS is currently finalizing CalAIM Justice-Involved Initiative policies and operational protocols, which will be memorialized in the Justice-Involved Reentry Initiative Policy and Operations Guide – to be released in Summer 2023.

Managed Care Plan (MCP) Implementation of Enhanced Care Management (ECM) for the Individuals Transitioning (JI) from Incarceration Population of Focus (POF)

<i>Milestone</i>	<i>Date</i>
<u>Draft MCP Chapter Release:</u> Release draft chapter on MCP requirements for implementing ECM for the JI POF to MCPs for comment (will also be included in Policy and Operations Guide)	June 2023
<u>MOC Release:</u> MCP Model of Care (MOC) Addendum III for the ECM JI POF released (<i>subject to change based on stakeholder feedback on Policy and Operations Guide</i>)	June 2023
<u>MCP Summit:</u> On-site meeting for MCPs on implementation of ECM, including a session on implementing ECM for the JI POF	June 9, 2023
<u>Final MCP Chapter Release:</u> Final chapter on MCP requirements released within Policy and Operations Guide	
<u>MOC Responses Due:</u> MCP responses due for MOC Addendum III	Sept. 2023
<u>MOC Response Review:</u> DHCS to review MOC responses	Oct. – Nov. 2023
★ Go-Live ECM for the JI POF	Jan. 1, 2024

Questions



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