



# CalAIM: California Advancing and Innovating Medi-Cal



# CalAIM

- Overview, Goals and Advancing Key Priorities
- Review of CalAIM Proposals
- From Medi-Cal 2020 to CalAIM: A Crosswalk
- Stakeholder Engagement



# CaAIM Overview

DHCS has developed a comprehensive and ambitious framework for the upcoming waiver renewals that encompasses a broader delivery system, and program and payment reform across the Medi-Cal program, called CaAIM: California Advancing and Innovating Medi-Cal.

Includes initiatives and reforms for:

- Medi-Cal Managed Care
- Behavioral Health
- Dental
- Other County Programs and Services



# CaAIM Overview

- Medi-Cal has significantly expanded and changed over the last ten years
- Depending on the needs of the beneficiary, some may need to access six or more separate delivery systems
- As one would expect, need for care coordination increases with greater system fragmentation, greater clinical complexity, and/or decreased patient capacity for coordinating their own care.



# CaAIM Overview

- Offers solutions to reinforce the stability of the Medi-Cal program and allows the critical successes of waiver demonstrations such as Whole Person Care, the Coordinated Care Initiative, public hospital system delivery transformation, and the coordination and delivery of quality care to continue and be expanded.
- Seeks to build upon past successes and improve the entire continuum of care across Medi-Cal, ensuring the system more appropriately manages patients over time through a comprehensive array of health and social services spanning all levels of intensity of care, from birth to end of life.



# CaAIM Overview

Advances several key priorities of the Newsom Administration by leveraging Medi-Cal as a tool to help address many of the complex challenges facing California's most vulnerable residents, such as:

- homelessness,
- increasing behavioral health care access,
- children with complex medical conditions,
- growing number of justice-involved populations who have significant clinical needs, and
- growing aging population.



# CalAIM Guiding Principles

- Improve the member experience.
- Deliver person-centered care that meets the behavioral, developmental, physical, and oral health needs of all members.
- Work to align funding, data reporting, quality and infrastructure to mobilize and incentivize towards common goals.
- Build a data-driven population health management strategy to achieve full system alignment.
- Identify and mitigate social determinants of health and reduce disparities or inequities.



## CaAIM Guiding Principles (Cont'd)

- Drive system transformation that focuses on value and outcomes.
- Eliminate or reduce variation across counties and plans, while recognizing the importance of local innovation.
- Support community activation and engagement.
- Improve plan and provider experience by reducing administrative burden when possible.
- Reduce the per-capita cost over time through iterative system transformation.





# CalAIM Goals

CalAIM has three primary goals:

- Identify and manage member risk and need through Whole Person Care approaches and addressing social determinants of health;
- Move Medi-Cal to a more consistent and seamless system by reducing complexity and increasing flexibility; and
- Improve quality outcomes and drive delivery system transformation through value-based initiatives, modernization of systems and payment reform.



# Overview of CalAIM Proposals



# Identify and Manage Member Risk and Need

The following proposals fall under this goal as well as incorporate the third goal of improved quality outcomes:

- Population Health Management
- Enhanced Care Management
- Mandatory Medi-Cal Application & Behavioral Health Coordination
- In Lieu of Services and Incentives
- Mental Health IMD Waiver (SMI/SED)
- Full Integration Plans
- Long-Term Plan for Foster Care



# Population Health Management

Medi-Cal managed care plans shall develop and maintain a patient-centered population health strategy, which is a cohesive plan of action for addressing member needs across the continuum of care based on data driven risk stratification, predictive analytics, and standardized assessment processes.

The plan shall include, at a minimum, a description of how it will:

- Keep all members healthy by focusing on preventive and wellness services;
- Identify and assess member risks and needs on an ongoing basis;
- Manage member safety and outcomes during transitions, across delivery systems or settings, through effective care coordination; and
- Identify and mitigate social determinants of health and reduce health disparities or inequities.



# Enhanced Care Management

- DHCS proposes to establish a new, statewide enhanced care management benefit effective January 1, 2021.
- An enhanced care management benefit would provide a whole-person approach to care that addresses the clinical and non-clinical needs of high-need Medi-Cal beneficiaries.
- Enhanced care management is a collaborative and interdisciplinary approach to providing intensive and comprehensive care management services to individuals.
- The proposed benefit builds on the current Health Homes Program and Whole Person Care pilots and transitions those pilots to this new statewide benefit to provide a broader platform to build on positive outcomes from those programs.



# Enhanced Care Management

Target populations include, but are not limited to:

- High utilizers with frequent hospital or emergency room visits/admissions;
- Individuals at risk for institutionalization with Serious Mental Illness, children with Serious Emotional Disturbance or Substance Use Disorder with co-occurring chronic health conditions;
- Individuals at risk for institutionalization, eligible for long-term care;



# Enhanced Care Management (Cont'd)

- Nursing facility residents who want to transition to the community;
- Children or youth with complex physical, behavioral, developmental and oral health needs (i.e. California Children Services, foster care, youth with Clinical High Risk syndrome or first episode of psychosis);
- Individuals transitioning from incarceration; and
- Individuals experiencing chronic homelessness or at risk of becoming homeless.



# In Lieu of Services

- Medi-Cal managed care plans will integrate in lieu of services into their population health management plans – often in combination with the new enhanced care management benefit.
- In lieu of services may be focused on addressing combined medical and social determinants of health needs and avoiding higher levels of care.
- For example, in lieu of services might be provided as a substitute for, or to avoid, hospital or nursing facility admissions, discharge delays, and emergency department use.





# In Lieu of Services

DHCS is proposing to cover the following distinct services as in lieu of service under Medi-Cal managed care. Details regarding each proposed set of services are provided in Appendix D of the CalAIM proposal.

- Housing Transition/Navigation Services
- Housing Deposits
- Housing Tenancy and Sustaining Services
- Short-Term Post-Hospitalization Housing
- Recuperative Care (Medical Respite)
- Respite



# In Lieu of Services (Cont'd)

- Day Habilitation Programs
- Nursing Facility Transition/Diversion to Assisted Living Facilities
- Nursing Facility Transition to a Home
- Personal Care (beyond In-Home Supportive Services) and Homemaker Services
- Environmental Accessibility Adaptations (Home Modifications)
- Meals/Medically Tailored Meals
- Sobering Centers



# Moving Medi-Cal to a Consistent and Seamless System

The following proposals fall under this goal as well as incorporate the third goal of improved quality outcomes:

- Standardize the Managed Care Benefit
- Standardize Managed Care Enrollment
- Transition to Statewide MLTSS
- Annual Medi-Cal Health Plan Open Enrollment
- NCQA Accreditation of Medi-Cal Managed Care Plans
- Regional Rates for Medi-Cal Managed Care



# Moving Medi-Cal to a Consistent and Seamless System (Cont'd)

- Behavioral Health Proposals
  - Payment Reform
  - Revisions to Medical Necessity
  - Administrative Integration Statewide
  - Regional Contracting
  - SUD Managed Care Renewal (DMC-ODS)
- Future of Dental Transformation Initiative Reforms
- Enhancing County Oversight and Monitoring
- Improving Beneficiary Contact and Demographic Information



# Transition to Statewide Managed Long Term Services and Supports

- DHCS is proposing to discontinue the Cal MediConnect component of the Coordinated Care Initiative and begin a transition to statewide managed long-term services
- This transition includes requiring all Medi-Cal Managed Care plans to also operate Dual Eligible Special Needs Plans
- This effort builds on the successes and learnings from Cal MediConnect and the Coordinated Care Initiative, as well as promising practices from innovative managed long-term services and supports and Dual Eligible Special Needs Plan models in other States.



# Transition to Statewide Managed Long Term Services and Supports

The timeline for this proposal is as follows:

- Discontinue Cal MediConnect on December 31, 2022;
- Transition the Coordinated Care Initiative through statewide integration of long-term care into managed care for all Medi-Cal populations by 2021 and requiring statewide mandatory enrollment of dual eligibles in a Medi-Cal managed care plan by 2023;
- Require Medi-Cal managed care plans operate Dual Eligible Special Needs plans as of January 1, 2023 and explore enrollment options



# From Medi-Cal 2020 to CalAIM: A Crosswalk



# From Medi-Cal 2020 to CalAIM: A Crosswalk

The State is undertaking a more targeted approach to consolidating its Medi-Cal benefit package in an attempt to achieve better alignment across the system. While Section 1115 waiver authority has historically been the mechanism of choice for States interested in building and expanding managed care delivery systems, the use of the authority has evolved in recent years.

- The federal government no longer considers the “savings” generated from the shift from fee-for-service to managed care that occurred 15 years ago in Medicaid as relevant in calculating budget neutrality for waivers.





# From Medi-Cal 2020 to CalAIM: A Crosswalk (Cont'd)

- CMS, in recent guidance, has also discontinued approval of traditional financing mechanisms in the Section 1115 context, namely the availability of federal funds for Designated State Health Programs and Safety Net Care Pools.

These factors, combined with new federal managed care regulations, have encouraged DHCS to shift its focus away from the Section 1115 waiver authority to instead leverage other available pathways for innovation in the Medi-Cal program.

The following slides outline the proposed approach under CalAIM for each of the key Medi-Cal 2020 waiver elements.



# From Medi-Cal 2020 to CalAIM: A Crosswalk

Medi-Cal 2020 Waiver Component	Planned for CalAIM	Timeline
<b>Medi-Cal Managed Care</b>	Transition to new 1915(b) waiver.	January 1, 2021
<b>Whole Person Care Pilots</b>	Transition to new 1915(b) waiver.	January 1, 2021
<b>PRIME</b>	Transition to managed care directed payment under the Quality Incentive Program (QIP).	QIP 2.0 – July 1 – December 31, 2020 QIP 3.0 – January 1, 2021
<b>Health Homes Program</b>	Transition to new 1915(b) waiver.	January 1, 2021
<b>Coordinated Care Initiative and Cal MediConnect</b>	Managed care authority to new 1915(b) waiver; Extension of 1115A demonstration for Cal MediConnect through 2022; eventual Medicare-Duals Special Needs Plans (D-SNPs).	1915(b)/1115A to continue current CCI program with end date of December 31, 2022  January 2021 - Carve out MSSPs; LTC carved in  January 2023 – full transition all duals into managed care statewide; all Medi-Cal managed care plans to operate DSNPs



# From Medi-Cal 2020 to CalAIM: A Crosswalk

Medi-Cal 2020 Waiver Component	Planned for CalAIM	Timeline
<b>Global Payment Program</b>	1115 waiver renewal.	GPP program year ends June 30, 2020; renewal request to begin GPP extension on July 1, 2020.
<b>Drug Medi-Cal Organized Delivery System (DMC-ODS)</b>	Expenditure authority for residential SUD treatment remains in 1115 waiver; Services and delivery system move to new 1915(b) waiver.	Implementation continues; transition to 1915(b) waiver in January 2021
<b>Dental Transformation Initiative</b>	Transition authority to Medi-Cal State Plan.	January 1, 2021
<b>Community-Based Adult Services (CBAS)</b>	Transition to new 1915(b) waiver.	January 1, 2021
<b>1115 Eligibility and Population Authorities</b>	1115 waiver renewal.	January 1, 2021
<b>Rady CCS Pilot</b>	Not included.	Pilot expires on December 31, 2020
<b>Designated State Health Programs (DSHP)</b>	Not included.	Expires December 31, 2020
<b>Tribal Uncompensated Care</b>	Not included.	Expires December 31, 2020



# Stakeholder Engagement



# Stakeholder Engagement

Throughout 2019 and 2020, DHCS will conduct extensive stakeholder engagement for both CalAIM and the renewal of the 1115 and 1915b waiver(s).

DHCS intends to work with the Administration, Legislature and our other partners on these proposals and recognizes the important need to discuss these issues and their prioritization within the state budget process. These are initial proposals whose implementation will ultimately depend on whether funding is available.



# Stakeholder Engagement

DHCS is undertaking a robust CalAIM workgroup process that will cover key issue areas:

- Requiring Medi-Cal managed care plans to submit **Population Health Management** strategies and moving to annual Medi-Cal managed care plan open enrollment
- Adding a new **Enhanced Care Management** benefit and a set of **In Lieu of Services**
- **Behavioral Health** payment reform and delivery system transformation
- Requiring **National Committee on Quality Assurance (NCQA) accreditation** for Medi-Cal managed care plans
- Considerations for creation of **Full Integration Plans** where one entity would be responsible for the physical, behavioral and oral health needs of their members



# CalAIM Workgroups

Each CalAIM workgroup will be open to the public, so DHCS encourages interested parties to attend and/or submit written comments. Workgroup schedules, agendas, materials, and other CalAIM updates will be made available on the [CalAIM webpage](#).

DHCS will also use the Stakeholder Advisory Committee (SAC) and Behavioral Health SAC to provide critical updates on the CalAIM initiatives on an ongoing basis. While most aspects of CalAIM will be discussed through workgroups, it will not be possible to cover all of the topics for which we have CalAIM proposals. Updates on those proposals that are not presented in the workgroups will be provided during SAC and BH-SAC meetings in early 2020.



# Stay Informed

Please [subscribe](#) to DHCS' stakeholder email service to receive CalAIM updates.

Listen-in on all workgroup meetings and attend the SAC and BH-SAC meetings.

For any other comments, questions, or concerns, please contact [CalAIM@dhcs.ca.gov](mailto:CalAIM@dhcs.ca.gov).





# Discussion

