



Department of Health Care Services Updates

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Budget Updates

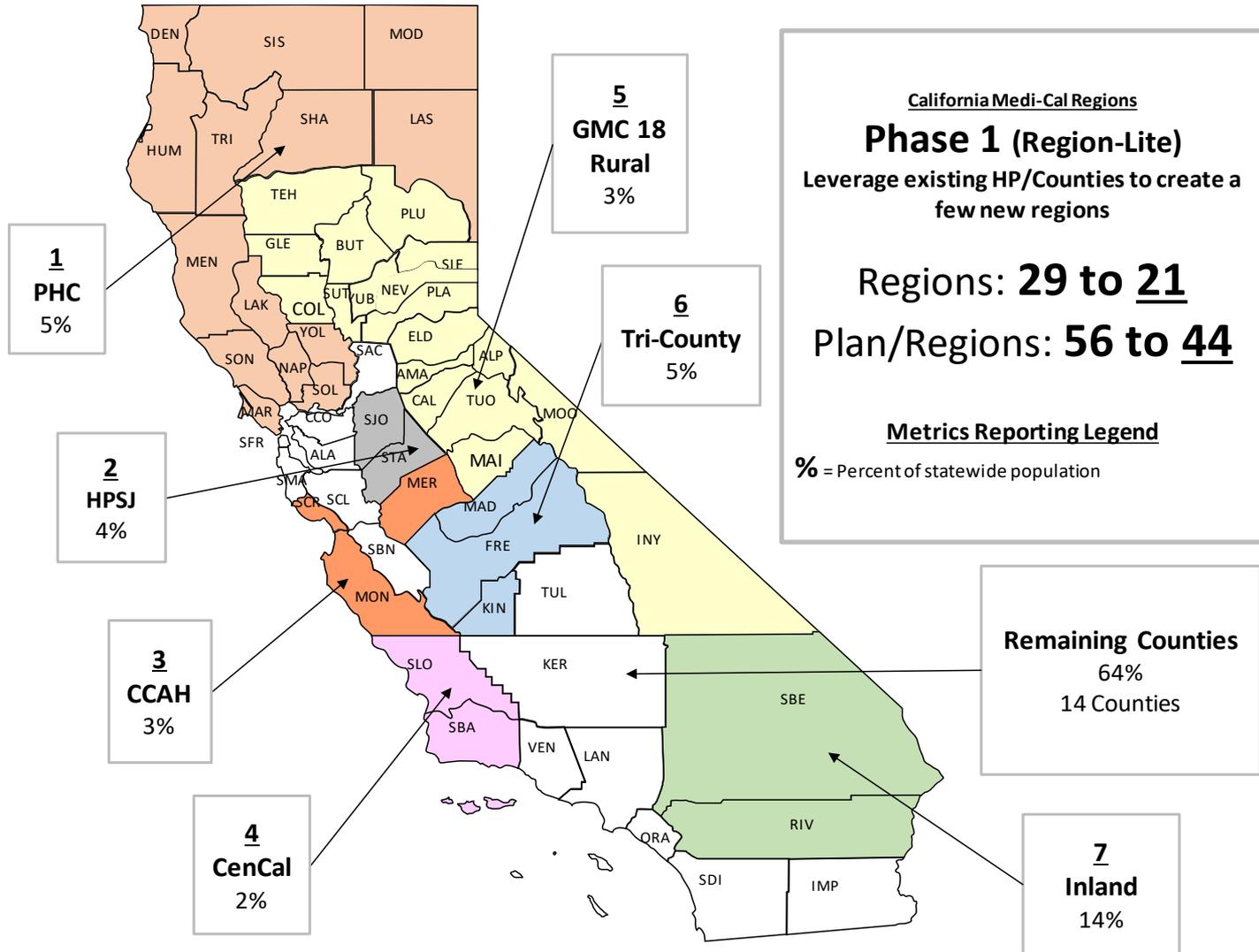


Calendar Year Rates

- January 1, 2021 – December 31, 2021
 - Aligning timeframes with Legislative and Policy decisions
- Path to Prospective Rate Setting
- Transition to Regional Rates
 - Region Lite



Calendar Year Rates (cont.)





Medical Loss Ratio (MLR)

- Optional Expansion MLR Risk Corridors
 - 30 Months (January 1, 2014 – June 30, 2015)
 - More than \$2.5 billion recovered
 - Plan audits by CMS/Deloitte
 - SFY 2016-17
 - SFY 2017-18
- Annual MLR Reporting for All Populations
 - Final Rule requirement: 42 CFR 438.8
 - Reporting for SFY 2017-18 started in May 2019



18-Month Rate Year

- July 1, 2019 – December 31, 2020
- Proposition 56 Provider Payments
 - Higher payments to providers for select services, to maintain or improve access to care:
 - Physician services (E/M and preventive codes)
 - Dental services
 - Family planning services
 - Developmental screening services
 - Effective January 1, 2020
 - Adverse Childhood Event screening services
 - Effective January 1, 2020



18-Month Rate Year (cont.)

- Proposition 56 Provider Payments (cont.)
 - Value-Based Payment Program (~\$340 million)
 - Improve quality and health outcomes in four domains:
 - Prenatal and postpartum care
 - Early childhood preventive care
 - Chronic disease management
 - Behavioral health
 - Behavioral Health Integration Program (~\$160 million)
 - Effective January 1, 2020
 - Promote integrated delivery of behavioral and physical health care



18-Month Rate Year (cont.)

- Hospital Directed Payments
 - Private Hospital Directed Payment (PHDP)
 - ~\$2.3 billion in SFY 2018-19
 - Improve encounter data reporting, and maintain or improve access to care
 - Designated Public Hospital (DPH) Enhanced Payment Program (EPP)
 - ~\$1.5 billion in SFY 2018-19
 - Improve encounter data reporting, and maintain or improve access to care



18-Month Rate Year (cont.)

- Hospital Directed Payments (cont.)
 - DPH Quality Incentive Pool (QIP)
 - ~\$700 million in SFY 2018-19
 - Payments linked to performance on quality measures
 - District and Municipal Public Hospital (DMPH) QIP
 - New managed care program effective July 1, 2020
 - Payments linked to performance on quality measures