



# CalAIM Overview

## (California Advancing & Innovating Medi-Cal)

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*Health Services Advisory Board*  
*August 3, 2021*



# MEDICAID BASICS



- Enacted by the US Congress in 1965 as Title XIX of the Social Security Act at the same time that Medicare was enacted as Title XVIII.
- Entitlement program providing coverage to all individuals who meet eligibility criteria; enrollment freezes and waiting lists are not allowed.
- Administered by federal Centers for Medicare & Medicaid Services (CMS); financed through Federal-State partnership
- Each state develops its own State Health Plan under guidelines from CMS
  - To make changes, state must submit and receive CMS approval of a State Plan Amendment (SPA).
  - To test new approaches with federal matching funds, state must request and receive a Waiver from CMS.



# MEDI-CAL



- Medi-Cal is California's Medicaid program administered by the California Department of Health Care Services (DHCS)
  - In 2021 ~14M enrollees, almost 1/3 of adult population and 1/2 of children
- Since early 2000s DHCS has received a series of Waivers to test innovations in Medi-Cal
  - Section 1115 Demonstration Waivers: 2015 – 2021 “Medi-Cal 2020”
  - Section 1915(b) Managed Care Waiver
- State contracts directly with Managed Care Plans (MCPs)
  - >80% enrolled in MCPs
  - Each MCP establishes a defined network of providers and pays them directly (payment models vary).





## **Services Provided through Medi-Cal Managed Care Plans**

- Preventive/Wellness Services
- Medical/Surgical
- Pediatric
- Maternity Care
- Emergency Services
- Hospital Services
- Behavioral Health (for mild/moderate illness)
- Prescription Drugs

## **Services “Carved Out” of Medi-Cal Managed Care Provided by County**

- Specialty Mental Health Services
- Substance Use Disorder (SUD) Treatment
- Dental Services
- Long-Term Care (LTC)
- Long Term Services and Supports (LTSS)
- California Children’s Services (CCS)

# CaAIM OVERVIEW



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CaAIM “California Advancing and Innovating Medi-Cal” is a framework developed by DHCS that encompasses broad-based delivery system, program and payment reform across the Medi-Cal program.

- Leverages Medi-Cal as a tool to address complex challenges, such as homelessness, behavioral health care access, growing justice-involved populations, and the growing aging population.
- Provides a whole-person care approach that targets Social Determinants of Health and reduces health disparities and inequities.
- Takes a population health, person-centered approach to providing services and focuses on improving outcomes for all Californians.
- Builds on experience from the Whole Person Care Pilots and Health Home Program in selected counties (including San Diego) to propose statewide implementation of a new Enhanced Care Management (ECM) benefit and associated In-Lieu-of Services (ILOS).
- Will use both Section 1115 Demonstration and 1915(b) Managed Care Waivers.



- Identify and manage member risk and need through whole-person care approaches and by 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, reduce health disparities, and drive delivery system transformation and innovation through value-based initiatives, modernization of systems and payment reform.

# CaAIM KEY COMPONENTS



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- Enhanced Care Management (ECM)
- In-Lieu-of Services (ILOS)
- Population Health Management
- MCP Shared Risk, Shared Savings, & Incentives
- Behavioral Health, including Drug Medi-Cal Organized Delivery System (DMC-ODS)
- Justice-Involved Populations
- Full Integration Plans
- Managed Long-Term Services and Supports (MLTSS)
- Dental Services
- Long-Term Plan for Foster Care

# CAL AIM BEHAVIORAL HEALTH COMPONENTS



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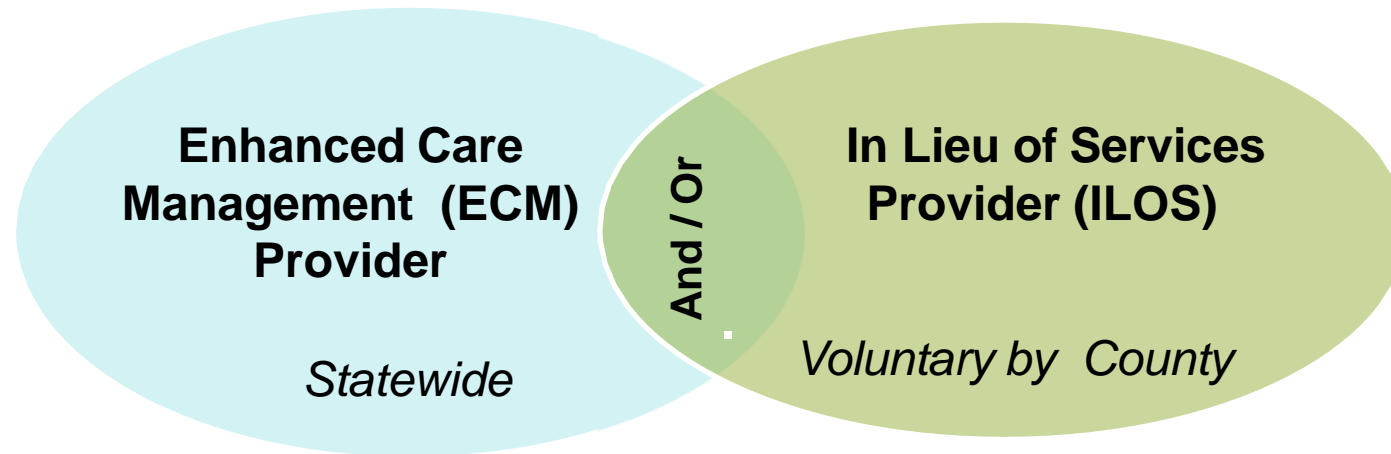
- **Payment reform** to transition from cost-based payment to outcomes and quality-based payments.
- **Revision of medical necessity** criteria to delineate and standardize requirements to improve access.
- **Peer Support Specialist Services** included at County option.
- **Administrative Integration** of SMHS and SUD Treatment Services into a single integrated Behavioral Health Plan by 2027.

## Drug Medi-Cal - Organized Delivery System (DMC – ODS)

- 5-year renewal from 1/1/2022- 12/31/2026.
- Add ASAM level 0.5 for beneficiaries under age 21.
- Add contingency management as an optional service.



# ENHANCED CARE MGMT & IN LIEU OF SERVICES



**ECM Goal:** provide a whole-person approach to care. Address clinical and non-clinical needs through a new Medi-Cal *benefit*.

**ILOS Goal:** Medically appropriate and cost-effective alternatives to State Plan services. MCPs choose which ILOS to offer.

# ECM TARGET POPULATIONS



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- Individuals experiencing homelessness, chronic homelessness or who are at risk of becoming homeless.
- High utilizers with frequent hospital admissions, short-term skilled nursing facility stays, or emergency room visits.
- Individuals at risk for institutionalization with SMI, SUD, or children and youth with SED
- Individuals at risk for institutionalization, eligible for long-term care.
- Nursing facility residents who want to transition to the community
- Individuals transitioning from incarceration who have significant complex physical or behavioral health needs requiring immediate transition of services to the community.
- Children and youth with complex physical, behavioral, and/or developmental health needs

# ECM CORE COMPONENTS



- Comprehensive Assessment and Care Management Plan
- Enhanced Coordination of Care
- Health Promotion
- Comprehensive Transitional Care
- Member and Family Support
- Coordination of and Referral to Community and Social Support Services

# ECM PROVIDERS



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To ensure that ECM will be community-based, interdisciplinary, high-touch, and person-centered, MCPs will be required, with limited exceptions, to contract with local ECM Providers, such as:

- Behavioral Health Providers
- Community-Based Organizations
- FQHCs
- Indian Health Service Providers and Clinics
- Organizations serving People Experiencing Homelessness
- Organizations serving Justice-Involved Individuals
- County Providers



- Housing Transition Navigation Services
- Housing Deposits
- Housing Tenancy and Sustaining Services
- Short-term Post-Hospitalization Housing
- Recuperative Care (Medical Respite)
- Respite Services
- Day Habilitation Programs
- Nursing Facility Transition/Diversion to Assisted Living Facilities, RCFE and ARF
- Community Transition Services/Nursing Facility Transition to a Home
- Personal Care and Homemaker Services
- Environmental Accessibility Adaptations (Home Modifications)
- Meals/Medically Tailored Meals
- Sobering Centers
- Asthma Remediation



The ECM and ILOS Model of Care (MOC) will be each MCP's unique plan for providing ECM and ILOS.

- MOC must align with DHCS contract requirements, while allowing MCP flexibility to develop a plan that meets the needs of their Members and communities.
- Includes Transition Plans for enrollees from the Whole Person Wellness (WPW) Pilot and Health Homes Program into ECM/ILOS
- Provides Policies and Procedures for delivery of each ECM Core Service Component
- Provides details of data systems and data sharing to support ECM and ILOS
- **DHCS Contract Template encourages MCPs to “collaborate with other MCPs in their county on the Model of Care.”**

# ECM/ILOS IMPLEMENTATION TIMELINE



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## ECM

### January 2022

- Transition all Members enrolled in a WPC Pilot or HHP who are identified by the WPC Lead Entity or HHP CB-CME as belonging to a Population of Focus<sup>1</sup>:
- ECM goes live for the following ECM Populations of Focus:
  - *Individuals & Families Experiencing Homelessness;*
  - *High Utilizer Adults;*
  - *Adults with SMI/SUD;*
  - *Adults & Children/Youth Transitioning from Incarceration<sup>2</sup>.*

## ILOS

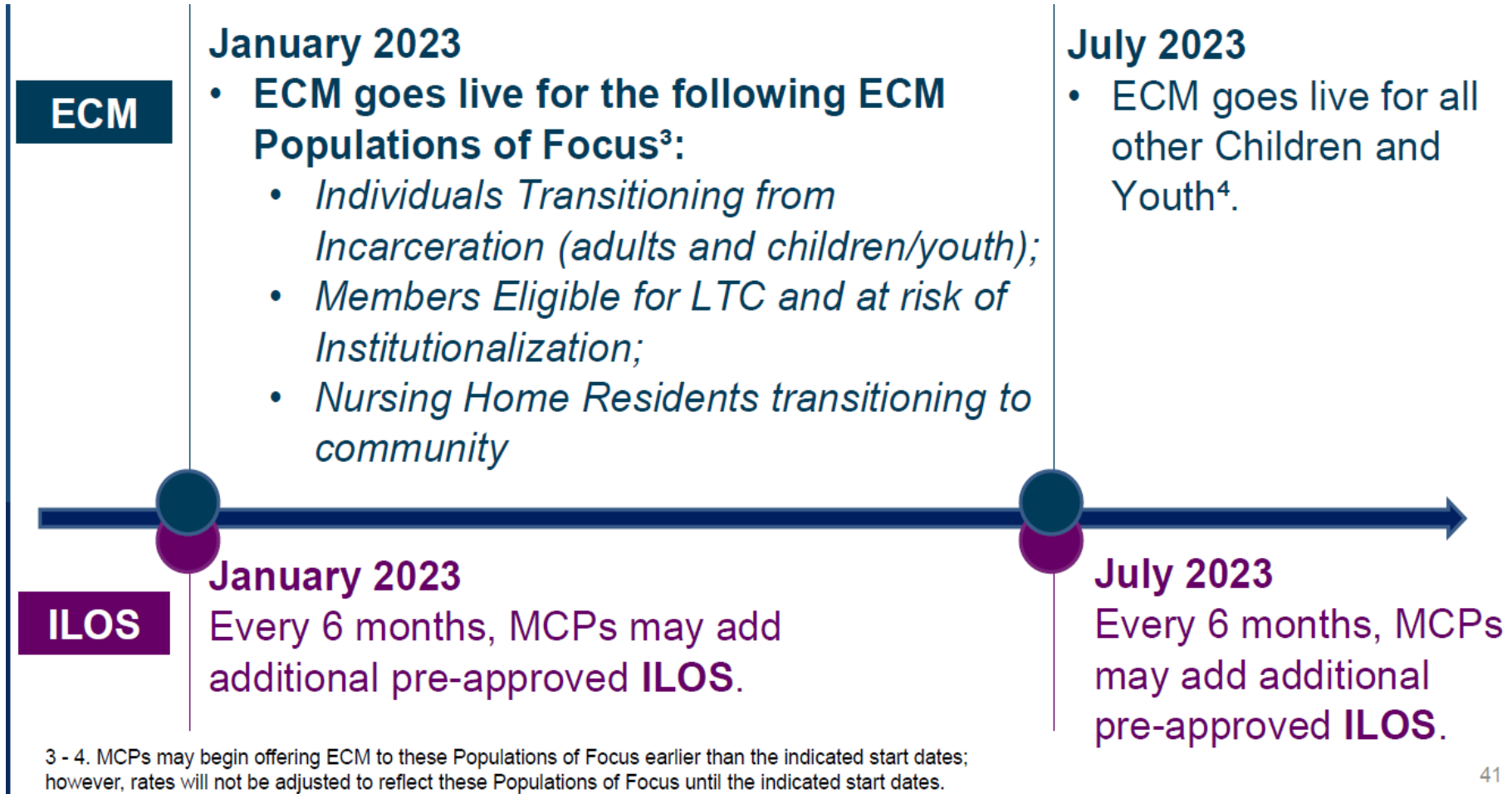
### January 2022

- Statewide launch of ILOS
- Eligible members currently served by HHP/WPC transition to ILOS.

1. Includes children and youth currently served by HHP or WPC

2. In WPC Pilot counties only, where the services provided in the Pilot are consistent with those described in the ECM Contract.

# ECM/ILOS IMPLEMENTATION TIMELINE





# LOCAL CaAIM/SDAIM IMPLEMENTATION



## San Diego is a Geographic Managed Care County

- 7 Managed Care Plans, each with its own Model of Care (MOC), including proposed ECM Providers and ILOS
  - Aetna
  - Blue Shield Promise
  - Community Health Group
  - Health Net
  - Kaiser
  - Molina
  - United Health Group
- Implementation of Health Homes Program demonstrated challenges for Community-Based Organizations to manage different contracting and operational requirements of 7 Plans.
- Efforts underway to coordinate implementation of ECM/ILOS

# DHCS CaAIM/SDAIM MCP RE-PROCUREMENT



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- DHCS will be doing a Re-Procurement of all commercial Managed Care Plans (MCPs):
  - Draft MCP Request for Proposal (RFP) issued for comment in June 2021; San Diego County submitted comments to DHCS
  - Final MCP RFP late 2021, with applications due 60 days later; County Letters of Support to Follow (BOS 7/13/21)
  - New MCP contracts begin January 2024
  - **7 SD Medi-Cal MCPs continue for 2022 and 2023**
  - **BOS CaAIM/SDAIM Sub-Committee and Workplan Development in process**
- San Diego County provided comments to DHCS on the CaAIM Section 1115 Demonstration and 1915(b) Managed Care Waiver Applications.