Learning is a Two-Way Street

Overview of CalAIM:

How can it improve care for people in the Criminal Justice System?

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Agenda

- **Introduction**

- **CalAIM: California Advancing Innovation in Medi-Cal**
  - **Background & Overview**
  - **Right care in the right place** (medical necessity criteria)
  - **Administration and financial integration** of specialty mental health and substance use services
  - **Full integration:** physical, behavioral, and dental health
  - **Waiver of the Institutions for Mental Disease (IMD) exclusion**
  - **Regional models** to maximize administrative and clinical capacity
  - **Medi-Cal enrollment and behavioral health "warm-hand-offs"** prior to jail release
  - **Enhanced care management benefits** and wrap-around services for the highest risk individuals – including housing supports.

- **Question/Discussion**

Background & Overview

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.

Aiming to create a Medi-Cal program of the future – one where people can get the care they need, when they need it, where administration and finances are streamlined, the right care is incentivized, and behavioral health care is integrated.

Right Care in the Right Place: Revisions to Medical Necessity

Framing the Issue

- The medical necessity criteria for specialty mental health and substance use disorder services are outdated, lack clarity, and should be re-evaluated.
- Responsibility for mental health services is shared between counties and Medi-Cal managed care plans.
- Current system leads to access challenges and disallowances (claw-backs of payment for services)

Right care/right place

- Streamline process to get services (pay for care before getting a diagnosis)
- Improve care for people with mental health conditions **AND** substance use disorders
- Standardize screening tools to guide people to the right delivery system (mental health services paid for by the managed care plan or the county specialty health plan)
- Efficient transition of care tools (for people needing services in more than one system)
- Standardize clinical assessments
- Ensure prior authorization just used for higher levels of care

Integrate Specialty Mental Health and SUD Services:

streamline administration and payment

Current system

- SUD and MH systems are separate and complicated for people to navigate
- DHCS contracts with counties for SUD and for specialty MH separately:
  - 56 different mental health plans
  - 30 counties in Drug Medi-Cal Organized Delivery System (SUD)
  - 28 counties in SUD fee-for service.

Proposal

- One contract between the state and counties, covering both SUD and specialty mental health
- Integrate:
  - Payment
  - Quality oversight
  - Rules and protocols
- Counties can contract with providers for integrated services (all services in one location) or coordinated services (different locations)
- Goal: reduce administrative burden and make it easier to integrate care

Full integration of physical, behavioral, and dental health

Current Challenges

- People must navigate multiple, complex managed care and fee-for-service delivery systems to get care
- Who pays for what?
  - Medi-Cal Managed Care: physical health care and treatment for mild-to-moderate mental health
  - County MH Plan: care for serious mental illness/serious emotional disturbance
  - County Drug Medi-Cal: SUD care
  - Fee for service dentists:
- Fragmentation is not patient-centered and hard to navigate

Proposal

- Proposal: DHCS would contract with an entity(ies) to provide the following Medi-Cal services under a single contract:
  - Physical health
  - Mental health
  - SUD
  - Dental
- Goal for 2024
- Voluntary, with limited number of counties and plans (regional, not statewide)
- Tie payment to outcomes

Behavioral Health Payment Reform

Behavioral Health Payment Reform Goals

- Simplify how we pay for care
- Don’t pay for what it costs – pay based on rates (allows investment in quality improvement)
- Move to more detailed coding for services
- Align rates for SUD and MH services
- Consider moving to risk-based and value-based payment over time

Waiver of the Institutions for Mental Disease (IMD) exclusion to support a robust continuum of care

Federal Funding & the IMD Exclusion

Definition

Institution for Mental Diseases (IMD): A hospital, nursing facility, or other institution with more than sixteen beds that is primarily engaged in providing diagnosis, treatment, or care to persons with mental diseases.

- *Currently, federal Medicaid funding cannot be used for institutional services provided to individuals with serious mental illness or severe emotional disturbance (known as the IMD exclusion).*

- *The federal government has developed an opportunity for states to seek the ability to receive federal funding for institutional services provided to these populations.*

Overview of the SMI/SED IMD Waiver Opportunity

- In November 2018, CMS invited states to apply for Section 1115 waivers of the federal IMD payment exclusion
- Goal: test whether increasing access to acute inpatient psychiatric care reduces reliance on emergency rooms and improves connection to outpatient community treatment.
- Allows states to receive federal matching funds for services for Medicaid beneficiaries during short term stays for acute care in psychiatric hospitals or residential treatment settings that qualify as IMDs.
- In order to be approved, states must demonstrate the ability to ensure good quality of care in IMDs and improve access to community-based services.
- States are expected to achieve a statewide average length of stay of 30 days.

[2] CMS, SMD # 18—011 available at: https://www.medicaid.gov/federal-policy-guidance/downloads/smd18011.pdf

Main Elements of Proposed IMD Waiver

- Ensuring quality of care in psychiatric hospitals and residential settings, including required audits;
- Improving care coordination and transitions to community based care;
- Increasing access to a full continuum of care including crisis stabilization and other clinically enriched forms of housing in the community with robust support services; and
- Earlier identification and engagement in treatment including through increased integration.
- Waiver would operate so that counties “opt-in”

IMD Discussions Will Continue

- Stakeholders have expressed both support and opposition.
- DHCS will continue to work to research and evaluate the benefits and risks of participating, and will engage partners/stakeholders throughout the process.

Regional models:

helping rural counties join the Drug Medi-Cal Organized Delivery System

Regional Contracting

Goal: help smaller rural counties join the Drug Medi-Cal Organized Delivery System by joining forces.

Options include:

- Joint Powers Authority for a multi-county region
- Pool resources to contract with an administrative services organization/third-party administrator or other entity, such as the County Medical Services Program
- Other regional arrangements

Mandatory Pre-Release Medi-Cal Enrollment & Behavioral Health "Warm-Hand-Offs"

Mandatory Medi-Cal Application Process Upon Release from Jail

- Proposal: mandate all counties to implement a county inmate pre-release Medi-Cal application process by January 1, 2022, including juvenile facilities.

- Requirements: standardize policy, procedures, and collaboration between California's county jails, county sheriff's departments, juvenile facilities, county behavioral health and other health and human services entities.

Mandatory Medi-Cal Application Process upon Release from Jail Behavioral Health Warm-Handoff

- Goal: ensure inmates/juveniles receive timely access to Medi-Cal services upon release from incarceration.
- Proposal: mandate warm-handoffs from county jail release to county behavioral health departments for inmates receiving behavioral health services while incarcerated, to allow for continuation of behavioral health treatment in the community.
- Require screening and enrollment for Medi-Cal prior to release from county jail.

Enhanced Care Management & In Lieu-Of Services

Enhanced Care Management

- Goal: provide an approach to care coordination to meet clinical and non-clinical of needs of high-need beneficiaries

- Would replace current Health Home Program (HHP) and Whole Person Care (WPC) pilots, using promising practices from these programs, as well as extend to non-participating (HHP/WPC) counties.

- Target population examples:
  - Individuals transitioning from incarceration or justice-involved juveniles who have significant complex needs.
  - Children or youth with complex physical, behavioral, developmental and/or oral health needs
  - Individuals experiencing homelessness or chronic homelessness, or who are at risk of experiencing homelessness
  - High utilizers with frequent hospital admissions, short-term skilled nursing facility stays, or emergency room visit
  - Individuals at risk for institutionalization, eligible for long-term care services
  - Individuals who are currently residing in a Nursing Facility (NF) but have the desire to return to the community to live
  - Individuals who are at risk for institutionalization who have co-occurring chronic health conditions and behavioral health conditions

In Lieu-Of Services

- Services would provide a substitute for another state plan service such as ED visit, hospital or nursing facility admission, or discharge delay
- Examples (but not limited to):
  - Housing transition
  - Recuperative care
  - Sobering centers
  - Short-term respite (non-medical)
  - Transition services from facility to home/community
  - Home modifications
- In Lieu of Services are an opportunity to address medical and/or social determinants in a non traditional state plan benefit

In Lieu of Services

- These services would be voluntary for managed care plans to offer in each county
- Combined with enhanced care management opportunities, the benefits could be exponential
- Capacity for services would require State and stakeholder investment in infrastructure expansion
- Plan to use financial incentive payments to drive community based investments

Feedback, Questions & Discussion

Discussion Questions

Given your experience in working with individuals who have behavioral health needs and are involved in the criminal justice system:

- Do you think DHCS' proposals will improve access and improve quality?
  - If not, what changes are needed?
  - What else should DHCS consider?
- What advice/guidance do you have for DHCS to consider?

Discussion Questions (cont'd.)

Given your experience in working with individuals who have behavioral health needs and are involved in the criminal justice system:

- What do you think DHCS should be aware of as we work to improve access to services for this population?
- What challenges have you encountered related to behavioral health when working with this population, and how do you think DHCS can leverage CalAIM to address these challenges?
- In past W2D presentations, we've discussed the cultural differences and similarities between the health care and criminal justice systems. Accordingly, how can DHCS best engage criminal justice partners in discussions related to these CalAIM proposals?

Thank you for your input!

- Proposal Information:
  https://www.dhcs.ca.gov/calaim

- Additional questions/feedback:
  CalAIM@dhcs.ca.gov