

# Bridge to Health Care Reform

## Waivers, Initiatives, Plans and Coverage Expansion: Implications for California Counties Preparing for 2014

Alice Gleghorn, Ph.D.  
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- **Overview:**
- Objectives of Health Care Reform (HCR)
- Goals of Waiver Activities
- Roll out of Statewide activities in California
- San Francisco County preparation
- MHSOAC Role

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## Broad Objectives of HCR

- Cover the uninsured (2014)
- Vision of Primary Care Health Homes
- Focus on Prevention/Wellness, Routine Care, Chronic Disease Management
- Decrease reliance on Emergency Care
- Coverage of MH and SUD – “Good and Modern System”
- Integrated care models (SBIRT, Behavioral Health Homes)
- Use of EHR/Billing, Case Management Coordination

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## Goals of Waiver Activities

- Jump start HCR/Increase Federal Support
  - Begin enrolling the uninsured
  - Acclimate ER users to PCH Home model
  - Provide free prevention services-Sept 2011
  - Provide MH/ and possibly SUD
  - Initiate EHR through “Meaningful Use” Incentives
  - Establish operational aspects of new system (eligibility, enrollment, service access, referral, billing, etc.)

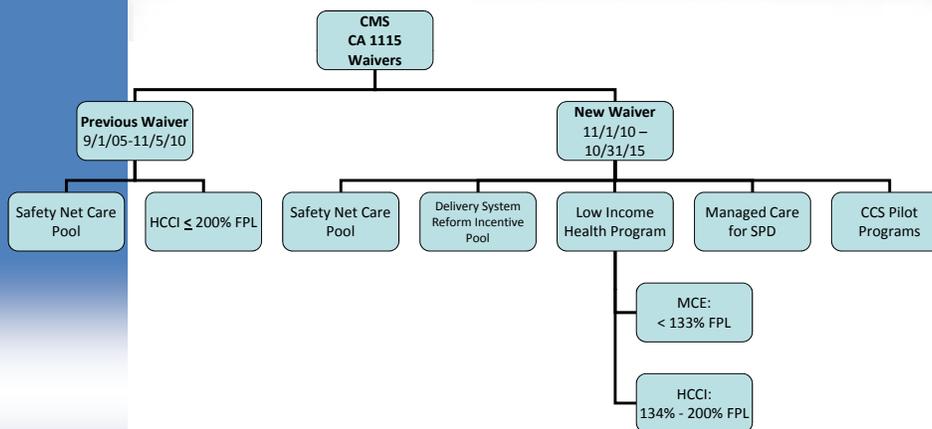
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## Terms:

- 1115 Waiver- Medicaid Section 1115- to reduce the # of uninsured
- HCCI – Health Care Coverage Initiative
- LIHP – Low Income Health Plan
- MCE – Medicare Coverage Expansion

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## California's 1115 Waivers Supporting Coverage Expansion



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## Timeline of SF Waiver Initiatives

- **First Waiver: HCCI – 9/07 – 6/30/11**
  - CA Target 100,000, 10 selected counties
  - 200% FPL
- **Next Waiver: LIHP- 7/1/11 – 12/31/13**
  - CA Target 500,000, 10 + new voluntary counties
  - MCE 0-133% FPL
  - HCCI 134%-200% FPL
  - Timed to end with start of HCR coverage 1/1/14

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## CA LIHP is Expansion of HCCI – But Different

- LIHP differs significantly from HCCI in that it:
  - Creates two coverage populations and benefits
    - **Medicaid Coverage Expansion (MCE):**
      - Incomes between 0% - 133% FPL
    - **Health Care Coverage Initiative (HCCI):**
      - Incomes between 134% - 200% FPL
  - Offers range of benefits similar to Medi-Cal
  - Identifies two different enrollment levels, funding streams and reimbursement potential for each population
  - Standardizes some program aspects for all counties
  - Imposes managed care provider network requirements and clinical access standards – imposes financial penalties for not meeting provisions
  - Increases county costs above current levels to provide services to population

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## Who is LIHP Eligible Population?

- LIHP covers individuals who are:
  - Between the ages of 19 and 64
  - U.S. citizens or qualified immigrants
  - Have U.S. government identification
  - Residents of the program county
  - Not pregnant
  - Not eligible for Medi-Cal or S-CHIP
  - Incomes between 0% and 200% FPL (**varies by county**)
    - MCE is between 0 and 133%
    - HCCI is between 134 and 200%

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## CA State Plan- Minimum Standard Benefits – Differ for MCE and HCCI

MCE Core Benefits (extent available under the CA State Plan) for 0% - 133% FPL	HCCI Core Benefits for 134% - 200% FPL
1. Medical equipment and supplies	1. Medical equipment and supplies
2. Emergency Care Services (including transport)	2. Emergency Care Services
3. Acute Inpatient Hospital Services	3. Acute Inpatient Hospital Services
4. Laboratory Services	4. Laboratory Services
5. Outpatient Hospital Services	5. Outpatient Hospital Services
6. Physical Therapy	6. Physical Therapy
7. Physician services (including specialty care)	7. Physician services
8. Prescription and limited non-prescription medications	8. Prescription and limited non-prescription medications
9. Prosthetic and orthotic appliances and devices	9. Prosthetic and orthotic appliances and devices
10. Radiology	10. Radiology
11. Prior-authorized Non-Emergency Medical Transportation (when medically necessary)	
12. Podiatry	
13. Mental health benefits (as defined in STCs)	

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## LIHP Medical Home Benefit

- Each enrollee must have a medical home
- Applicant has choice of 2 providers with option to change
- Medical homes must:
  - provide primary health contact who facilitates access to care
  - conduct intake assessment of general health status
  - provide referrals as needed
  - provide care coordination across service system
  - provide care/case management/transitions among levels of care
  - use clinical guidelines and other EB medicine
  - offer health information, education and support

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## LIHP MH Minimum Benefits

- Mental health benefit is:
  - Up to 10 days per year of acute inpatient hospitalization
  - Psychiatric pharmaceuticals
  - Up to 12 outpatient encounters per year
  - Counties may opt to provide mental health services through a delivery system that is separate for the LIHP as a carve-out
- Counties can provide additional Medicaid eligible services above the minimum benefits and receive Federal funding

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## LIHP Out-of-Network

- Counties are required to reimburse out-of-network hospitals for emergency room and post-stabilization services (including psychiatric)
  - Out-of-network inside the county
  - Out-of-network outside the county (limited to Calif.)
- STCs essentially state counties pay 30% of an otherwise required rate (“Rogers Amendment”)
  - Out-of-network hospitals must accept rates that are paid to them
  - Out-of-network hospitals cannot seek further payment from county or LIHP enrollee

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## Benefits/County Issues

- County determines range of benefits
  - **Similar to MediCal**
  - **Some covered MH and SUD**
- LIHP had tiered benefit options (MCE/HCCI)
  - **Some counties had non-tiered (uniform benefit) systems**
- County bore cost increases
  - **Adjusted benefits or FPL**
- Burden of Ryan White absorption

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## Required Prioritization of Lower Income Individuals

- Counties must prioritize lower income patients
  - May not operate a HCCI without a MCE up to 133% FPL
- County must consider what the highest % FPL cap will be given the estimated number of people it will be able to cover based on expenditure projections
- County can grandfather enrollees who continue to recertify, even if the LIHP FPL cap is lower than an enrollee's FPL
- To reduce an enrollment cap/lower program FPL cap, county must go through a public process including a County Resolution and DHCS Director approval
  - Incentive to start modest with MCE population and expand up

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## LIHP and Ryan White

- **Post-implementation:** Center for Medicare and Medicaid Services (CMS) and the Health Resources and Services Administration (HRSA) determination re: LIHP and Ryan White (RW)
- **Decision:** All current RW clients who are eligible for the LIHP must be enrolled in the LIHP program
- **Rationale:** Under current law the RW must serve as payer of last resort
- **Aftermath:**
  - LIHPs assume financial responsibility for RW funded services for eligible clients
  - A direct cost shift from the State/federal government to counties
  - Displaces the uninsured from LIHP
  - Continuity of care concerns for RW clients

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## LIHP Funding (Reimbursement)

- LIHP funding (or Federal Financial Participation [FFP]) is reimbursement for costs incurred delivering services at a 50% FMAP
- FFP requires a match; the match for LIHP is entirely county funds via certified public expenditures – no State funds
- LIHP funding is in two buckets:
  - MCE – uncapped
  - HCCI – capped at \$180M a year statewide
- Counties will have the option to either operate under an actuarial rate model or drawdown FFP using Certified Public Expenditures
  - Actuarial rate analysis is being undertaken

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## SF PATH – San Francisco's LIHP

- “San Francisco Provides Access to Healthcare”
  - Grandfathered Enrollees (transferred effective 7/1/2011): Former HCCI with incomes 0 %-200% FPL
  - New Enrollees (enrolled between 7/1/2011 – 11/10/2014): incomes 0% - 133% FPL
  - New Enrollees (on or after 11/14/2011): incomes 0 – 25% FPL (due to absorption of eligible Ryan White population)
- Continued coverage of MH & SA

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## SF PATH – San Francisco’s LIHP

- Provider network is SFDPH – same network as previous Health Care Coverage Initiative under old waiver:
  - 16 SFDPH primary care clinics (all FQHCs)
    - 12 community oriented primary care clinics
    - 4 hospital-based primary care clinics
  - San Francisco General Hospital
  - Community Behavioral Health Services
  - Laguna Honda Hospital (short-term rehabilitation)
- Reviewed and approved by State DHCS and federal CMS
- SF PATH implemented on July 1, 2011
- Currently over 11,000 enrollees

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## SF PATH – Eligibility & Enrollment

- SFDPH uses One-e-App to determine eligibility for SF PATH and other programs (e.g., Healthy San Francisco, MediCal etc)
- **One-e-App-**
  - Unique Client ID
  - Preliminary eligibility determination for other public programs
  - Verification of residency, etc. (document imaging)
  - Current enrollment status
  - Rapid renewal process
  - Routing eligibility to registration and billing
- Uninsured adult resident does not have to apply to any specific program – SFDPH uses a “no wrong door” approach
- Enrollment into SF PATH is based on
  - meeting federal eligibility criteria
  - applicant selection of a SFDPH primary care medical home

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## SF PATH Quarterly Fees

- SF PATH enrollees may be required to pay a quarterly fee, depending on their income.
- Enrollees who are under 150%, are homeless or receiving General Assistance (GA) are not required to pay a fee
- Fee structure based on federal guidelines

### SF PATH Quarterly Enrollment Fees

<b>Quarterly Enrollment Fees</b>	<ul style="list-style-type: none"><li>• 0-150% FPL = \$0</li><li>• Homeless = \$0</li><li>• General Assistance = \$0</li><li>• 150-200% FPL = \$60</li></ul>
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## Billing SF Path

- Billing SF Path is done monthly through IT/billing department after the service is provided
  - Clinician not focused on funding source, but on care
  - Eligible clients and services are billed to LIHP
  - Not all BH services are billed to or paid by LIHP

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## MHSA Could Fill Gaps

- - Many services not covered in essential benefit
    - **Unlicensed staff**
    - **Novel settings (MH Home)**
    - **Targeted populations identified as county need**
    - **System navigators**
  - Pilot models of care not yet reimbursed
  - Workforce education on EBP
  - Certain medications
  - Integrated programs (BH in PC)
  - Infrastructure- Eligibility Determination, EHRs

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Alice Gleghorn, Ph.D.  
San Francisco County Alcohol and Drug Administrator  
(415) 255-3722

[Alice.Gleghorn@sfdph.org](mailto:Alice.Gleghorn@sfdph.org)

**For questions related to LIHP, Contact (including behavioral health services):**

Tangerine M. Brigham  
Dep. Dir. of Health & Dir. of Healthy San Francisco  
415.554.2779

[tangerine.brigham@sfdph.org](mailto:tangerine.brigham@sfdph.org)

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