



Expanding Access to Integrated Care for Dual Eligible Californians

December 9, 2019

Under the California Advancing and Innovating Medi-Cal (CalAIM) initiative, the California Department of Health Care Services (DHCS) is proposing to transition Cal MediConnect (CMC) and the Coordinated Care Initiative (CCI) and begin a transition to a statewide Managed Long Term Services and Supports (MLTSS) and Dual Eligible Special Needs Plan (D-SNP) structure. DHCS will work with health plans, stakeholders, and CMS to transition and expand integrated care statewide.

Table 1: Timeline of Proposed Policy Changes

Year	Policy Change
2020	<ul style="list-style-type: none"> All existing D-SNPs must meet new regulatory integration standards effective 2021
2021	<ul style="list-style-type: none"> January 1: Statewide integration of long-term care (LTC) into managed care for non-dual eligible Medi-Cal populations Voluntary in lieu of services (ILOS) in all Medi-Cal Managed Care Plans (MCPs) January 1: Multi-purpose Senior Services Program (MSSP) carved out of managed care in CCI counties Plan for transition of CMC members to D-SNPs
2022	<ul style="list-style-type: none"> December 31: Discontinue CMC and CCI
2023	<ul style="list-style-type: none"> January 1: Statewide integration of long-term care (LTC) into managed care for all dual eligible beneficiaries January 1: All CMC members cross walked to matching D-SNP and MCPs, subject to CMS and state requirements Statewide mandatory enrollment of most duals into MCPs MCPs required to begin operating D-SNPs (voluntary enrollment for dual eligibles) <ul style="list-style-type: none"> MCPs without existing Medicare products may phase in late
2026	<ul style="list-style-type: none"> Implement MLTSS statewide in Medi-Cal managed care



Promoting Integrated Care through D-SNP and MLTSS Plans

DHCS has developed policies to promote integrated care through D-SNPs and MLTSS plans across California. This includes mandatory enrollment for dual eligibles into MLTSS plans and increasing the availability of D-SNPs. This will allow duals to voluntarily enroll into the D-SNP that is aligned with their MLTSS plan.

D-SNPs are Medicare Advantage health care plans that provide specialized care to duals and offer wrap-around services but must also maintain a State Medicaid Agency Contract (SMAC) with DHCS. The Bipartisan Budget Act (BBA) of 2018 permanently authorized D-SNPs, modified integration requirements, and established a unified grievances and appeals procedures.¹

D-SNPs are required to submit an updated SMAC by July 6, 2020 to meet the higher standards of coordinated care by January 1, 2021. DHCS will begin working on SMAC updates in 2019. A recent memo further detailing the new D-SNP requirements can be found [here](#). These new integrated care requirements may include hospital and SNF admission notification requirements and integration of appeal and grievances, depending on level of capitation in DHCS contracts with the D-SNPs and whether there is exclusively aligned enrollment.

Selective Contracting with D-SNPs

DHCS maintains the authority to contract or not to contract with D-SNPs.

DHCS will require MCPs to pursue D-SNPs that limit coverage to full-benefit dual eligibles. Should the plan sponsor want to offer coverage to partial-benefit dual eligible, DHCS will require separate plan benefit packages for partial duals.

DHCS will also pursue several avenues with CMS to limit enrollment into Medicare Advantage plans that are D-SNP “look-alikes,” but which do not offer integration and coordination with Medi-Cal. DHCS will request that CMS monitor the share of enrollees in MA plans who are dually eligible and designate plans with a high percentage of dual eligible enrollees in MA plans (threshold is yet to be determined) look-alike plans. DHCS will also request that CMS reject applications to offer MA plans targeted at dual-eligibles.

¹ Bipartisan Budget Act of 2018 (P.L. 115-123), available at: <https://www.congress.gov/115/bills/hr1892/BILLS-115hr1892enr.pdf>.



D-SNP Integration Requirements

DHCS will require that all D-SNP must use a model of care addressing both Medicare and Medi-Cal services in order to support coordinated care, high-quality care transitions, and information sharing. DHCS will work with CMS to incorporate new CalAIM model of care requirements into the D-SNP model of care, as appropriate.

DHCS will not require D-SNPs to operate as fully-integrated (FIDE) or highly-integrated (HIDE) D-SNP;² however, the plan may pursue that designation. Instead, DHCS' contracts with D-SNPs will require all D-SNPs to notify, or arrange for another entity/entities to notify, the state or its designee(s) of hospital and Skilled Nursing Facility (SNF) admissions for at least one state-identified population of high-risk enrollees to improve coordination of care during transitions of care.

In 2020, DHCS will develop this admissions notification policy, including identifying the high-risk target population, which entity will be notified by D-SNPs, the timeframe for the notification, and the notification method. This new policy will apply to all existing non-FIDE D-SNPs starting in 2021, and all new D-SNPs as they stand up operations.

Other integration requirements may include:

- DHCS may consider requiring integrated member materials.
- DHCS may consider requiring D-SNPS to include consumers in their governance structure.
- DHCS may consider quarterly contract management team meetings for plans that would include both CMS and DHCS.
- DHCS may consider continuing to require plans to include dementia specialists in their care coordination efforts.
- DHCS will work with CMS to coordinate audit timing, so that no D-SNP/MCP is being audited by both agencies at the same time.

D-SNP Grievance and Appeal Requirements

As part of the updated D-SNP requirements, HIDE and FIDE D-SNPs with exclusively aligned enrollment, meaning HIDE or FIDE-SNP enrollees are all enrolled in the same health plan

² The DSNP and the MCP need to be the same legal entity, under the same parent organization, or the MCP needs to be subsidiary owned and controlled by the parent organization of the D-SNP.



organization's MCP, will need to comply with CMS' rules to unify Medicare and Medicaid grievances and appeals processes for D-SNPs and affiliated MCPs beginning in 2021.

Medi-Cal Managed Long-Term Services and Supports

DHCS will begin requiring statewide integration of long-term care (LTC) into managed care for Medi-Cal populations by 2021 starting with non-duals in 2021 and for all duals in counties or plans that do not already include LTC by 2023. Based on lessons learned from CCI, DHCS will work to ensure continuity of care through a smooth transition of existing treatment authorization requests to the managed care format and facilitate communication between the MCP provider relations team and nursing facilities. DHCS is considering developing a best practices tip sheet for the plans in the transition and alignment with delegated plans. DHCS will also consider new requirements for MCPs working with the long-term care facilities, align quality metrics, and potentially require SNFs to coordinate with D-SNPs to align with D-SNP requirements to coordinate around hospital and other facility discharge planning.

Reporting Requirements, Oversight, and Quality

DHCS will align D-SNP quality improvement and oversight requirements with new requirements under Cal-AIM and MCP requirements, to the extent possible. As part of this effort, DHCS will be examining contract requirements and federal quality-based standards. DHCS may potentially require D-SNPs to provide the state annual Medicare Part C and D reporting and any compliance actions taken including areas of quality or access by CMS. DHCS will work with stakeholders, plans, and CMS to identify the range of quality and reporting results that DSNPs will report to DHCS on an annual basis.

Additionally, DHCS will provide education and training to the Long-Term Care Ombudsman to support this population following the transition out of Cal MediConnect.

Transitions and Enrollment Policies

D-SNP Transitions and Enrollment Policies

DHCS is exploring pathways to encourage aligned enrollment of dual eligibles into matching MCPs and D-SNPs to promote more integrated care.

- **Voluntary Enrollment:**



- *Medicare Fee-For-Service*: DHCS does not intend to passively enroll dual eligible beneficiaries from Medicare fee-for-service into a managed care product for their Medicare benefits. Medicare fee-for-service dual eligibles would have the option to voluntarily enroll in a Medicare managed care product.
 - *Medicare Managed Care*: Dual eligible beneficiaries already enrolled in a D-SNP product that is continuing operations will remain in those Medicare products. They will not be passively enrolled into a D-SNP that aligns with their MCP. They would have the option to voluntarily enroll into a D-SNP.
- **Default Enrollment**: DHCS could allow D-SNPs to pursue approval from CMS and DHCS to enroll, unless the member chooses otherwise, existing MCP enrollees into the D-SNP when the enrollees become newly eligible for Medicare.
- **Crosswalk Enrollment**:
 - DHCS could request that CMS allow a crosswalk transition for full-benefit, dually eligible individuals from an integrated D-SNP that is no longer available to the individual into another comparable D-SNP in instances where integrated care coverage would otherwise be disrupted. For example, if during Medi-Cal reprocurement (see below), a parent organization will no longer offer an MCP and/or D-SNP in a county, CMS could enroll the member in a comparable, integrated plan.
 - DHCS could request that CMS allow a crosswalk transition beneficiaries from a CMC plan to a D-SNP and MCP operated by the same parent organization. The D-SNPs must offer a substantially similar provider network, cover the same or more benefits as the CMC product, and may not impose additional cost-sharing requirements, and may be subject to additional CMS requirements such as financial criteria and CMC performance metrics. DHCS will request CMS provide this criteria in sufficient time for CMC plans to plan their transition.
- **Aligned Enrollment**: DHCS could only allow D-SNPs to enroll beneficiaries who are already in their matching MCP product to promote coordination and integrated care. If a beneficiary wanted to change their D-SNP plan, they would have to first change their MCP plan during open enrollment.



- **“Look-Alike” Plans:** DHCS could request that CMS crosswalk dual eligibles enrolled into Medicare Advantage (MA) “look-alike” plans into D-SNP products offered by the same organization.
- **Medicare Fee-For-Service (FFS) Dual Eligibles:** Dual eligible beneficiaries who are in Medicare FFS would remain in Medicare FFS, unless they voluntarily choose to enroll in a Medicare product.
- **Exceptions to Aligned Enrollment:** DHCS could create flexibility for MCPs that do not currently operate Medicare plans to stand-up their Medicare product after 2023. DHCS is considering other flexibilities for MCPs operating in rural areas where they cannot meet Medicare network adequacy or other requirements.
- **D-SNPs without Medi-Cal Contracts in Service Area:** DHCS could grandfather existing dual eligible members of D-SNPs that do not have a matching MCP product in the service area. Moving forward, beneficiaries would not be able to join a D-SNP if they are not also in the plan’s MCP product.
- **Delegated MCPs:** Current D-SNP regulations may not allow crosswalk or default enrollment for plans that do not have a direct contract with the state Medicaid agency. DHCS could request CMS determine how to allow CMC plans that do not have a direct Medi-Cal contract to participate in aligned enrollment.

Cal MediConnect Transition

DHCS will work with CMS to ensure that Cal MediConnect plans continue to provide high quality care to members during the transition.

Mandatory Enrollment into Medi-Cal Managed Care Plans

DHCS is committed to providing beneficiary and provider education, as well as technical assistance around MCP requirements, for mandatory enrollment of dual eligibles into Medi-Cal managed care. As part of this work, DHCS will:

- Update education and enrollment materials used to assist dual eligibles enroll into an MCP for their Medi-Cal benefits through CCI prior to implementation to help dual eligibles enroll in MLTSS benefits.



- Help educate providers about necessary billing practices as well as the processes that will not change, building on materials and best practices previously developed under CCI.
- Provide technical assistance around new MCP requirements for duals. MCPs will have new responsibilities and tools to better serve beneficiaries, including an enhanced care management and ILOS benefit. MLTSS MCPs have different requirements around care coordination for dually eligible beneficiaries under CCI compared to Medi-Cal only beneficiaries. For example, they are not required to conduct health risk assessments, develop individualized care plans, or convene interdisciplinary care teams for duals who are only in the plan for their Medi-Cal benefits. DHCS will determine what requirements apply to MCPs serving dual eligible beneficiaries and how those requirements will align with D-SNP requirements.

Enrollment Considerations

- **Reprocurement:** DHCS will conduct a reprocurement of MCPs in 36 counties in 2020 (not including County Organized Health Systems and local initiatives). Most counties will implement new contracts beginning in January 1, 2023, however there will be several counties with implementation dates of January 1, 2024. DHCS is aware that the reprocurement could cause a fluctuation in the availability of MCPs and/or D-SNPs.
- **D-SNP Crosswalk Transition:** Given the large volume of beneficiaries that would crosswalk from CMC plans to D-SNPs, DHCS could request from CMS continued demonstration authority during the transition to allow CMC member health risk assessments (HRAs) and care plans to qualify under the D-SNP, rather than requiring plans to conduct new assessments for all members. Plans could be required to outreach and attempt to conduct HRAs and develop care plans for members who do not have them. DHCS may request this authority to also apply to members crosswalked from MA plans to D-SNPs.
- **Prescription Drug Benefits:** California is carving out prescription drug benefits in Medi-Cal. All Medi-Cal prescription drugs will be fee-for-service (FFS) by 2021. Plans without Medicare products should consider maintaining their existing pharmacy division infrastructure by launching D-SNP plans in 2022.
- **Enrollment Dates:** Dual eligible beneficiaries would be eligible to change their Medi-Cal plan during the new Medi-Cal open enrollment period: November 1st to December 31st



in 2021; November 1st to December 15th in years following with coverage beginning January 1st.

Dual eligibles in Medicare FFS could choose to enroll in a matching D-SNP plan during Medicare's Open Enrollment period from October 15th through December 7th with coverage beginning January 1st. During this time, members can change from Original Medicare to a MA Plan, from a MA plan back to Original Medicare, or switch from one MA plan to another MA plan. If a beneficiary missed that window, they could use the Medicare Advantage Open Enrollment period from January 1st through March 31st with coverage beginning the first day of the month after the plan receives the request. During this time, members enrolled in an MA plan can switch to another MA plan or switch to Original Medicare.

Dual eligibles can enroll or disenroll from a MA plan or Part D plan once per quarter during the first nine months of the year, but would not be able to select a D-SNP plan that does not match their Medi-Cal plan. Enrollment is effective the first day of the following month. For changes made in the fourth quarter, dual eligibles must follow the Annual Enrollment Period (October 15th – December 7th) and changes will be effective January 1st.

Currently, Cal MediConnect members can enroll in, change between, or disenroll from Cal MediConnect on a monthly basis through continuous Medicare Special Enrollment Period available using demonstration authority to waive Medicare requirements. The continuous Medicare Special Enrollment Period would end with Cal MediConnect and starting in 2023 dual eligibles would have the same enrollment periods in every California county.

Enrollment Consumer Protections

- **Limiting Churn:** D-SNPs can allow members to remain enrolled in the plan to resolve any Medi-Cal eligibility issues.
- **Marketing and Brokers:** DHCS will ensure consumer protections are standardized across the state. D-SNPs will be required to target marketing materials only to enrollees in their affiliated MCPs. Insurance brokers will be required to explain the value of enrolling in an integrated product, as well as how to navigate a health plan network (including the delegated model) and receive training on how to work with limited English proficiency



beneficiaries, and the important of using beneficiary-facing materials that are culturally appropriate and in Medi-Cal threshold languages.

- **Notices to MLTSS Duals:** Notices will be sent to MLTSS dual eligible members informing them of their new option to enroll in a matching D-SNP. DMHC and DHCS will review marketing rules to ensure D-SNP are able to educate members in their matching MCP plan about their integrated care options.