



Webinar: CMSP Low Income Health Program (LIHP)

County Medical Services Program Governing Board
Presented on April 14 & 20, 2011

Agenda

- ✓ LIHP Background
- ✓ LIHP Goals & Principles
- ✓ Program Design
 - Building upon CMSP Foundation
- ✓ Eligibility: LIHP vs. CMSP
 - Eligibility Systems Changes
- ✓ Questions & Answers
- ✓ continued...



Agenda (cont.)

- ✓ continued...
- ✓ Benefit Coverage: LIHP vs. CMSP
- ✓ Provider Payment Rates
- ✓ LIHP Branding & Outreach
- ✓ Projected Enrollment & Costs
- ✓ Questions & Answers



LIHP Background



LIHP Background

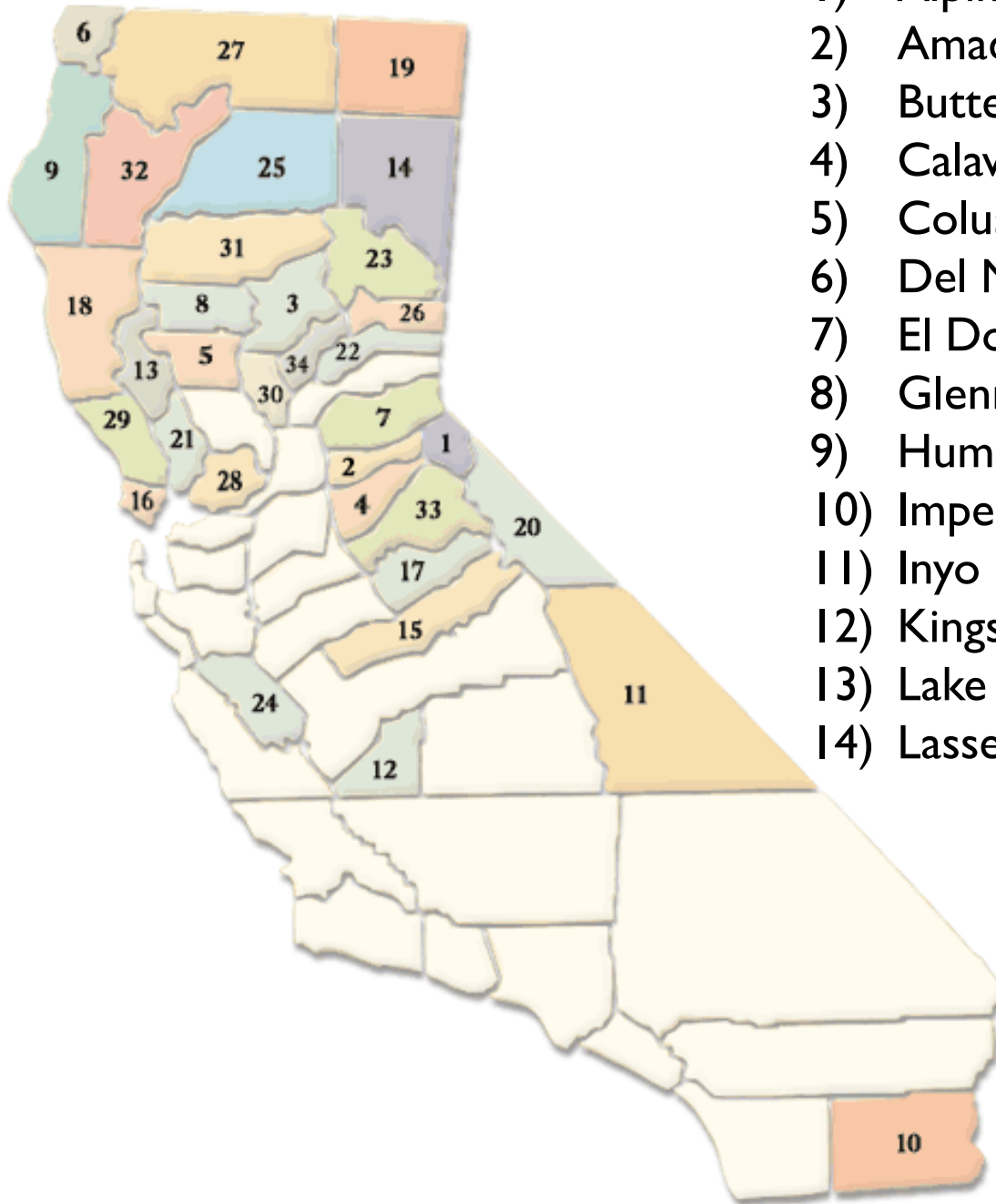


- Low Income Health Program (LIHP) is created in California's Section 1115 Medicaid Demonstration with Centers for Medicare and Medicaid Services (CMS).
- New 1115 Waiver seeks to leverage county-based coverage as a bridge to Health Reform by strengthening the existing Health Care Coverage Initiatives & adding additional California counties through 2 distinct efforts:
 - Medicaid Coverage Expansion (MCE)
 - Health Care Coverage Initiative (HCCI)
- Waiver allows for a 50% federal match on county healthcare expenditures for defined population in the LIHP's MCE.

LIHP Background (cont.)



- CMSP Governing Board conducted stakeholder process beginning in October 2010
- CMSP Governing Board submitted an application to Department of Health Care Services (DHCS) for the LIHP's MCE component only in March 2011
- CMSP has received notification that the application has passed the first of three phases in the approval process
- January 1, 2012 is CMSP's anticipated start date for the LIHP and the proposal encompasses each of CMSP's 34 participating counties



- 1) Alpine
- 2) Amador
- 3) Butte
- 4) Calaveras
- 5) Colusa
- 6) Del Norte
- 7) El Dorado
- 8) Glenn
- 9) Humboldt
- 10) Imperial
- 11) Inyo
- 12) Kings
- 13) Lake
- 14) Lassen
- 15) Madera
- 16) Marin
- 17) Mariposa
- 18) Mendocino
- 19) Modoc
- 20) Mono
- 21) Napa
- 22) Nevada
- 23) Plumas
- 24) San Benito
- 25) Shasta
- 26) Sierra
- 27) Siskiyou
- 28) Solano
- 29) Sonoma
- 30) Sutter
- 31) Tehama
- 32) Trinity
- 33) Tuolumne
- 34) Yuba

Big Picture Timeline

Now – 12/2011

LIHP Preparation

1/2012 – 12/2013

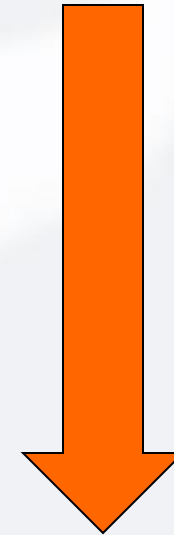
CMSP Operates a LIHP

1/2014

Health Care Reform Begins

- Medicaid Expansion
- Health Care Exchange
- Residual Populations

NOW



2014

* Dates are subject to change



LIHP Goals & Principles

CMSP LIHP Goals

- Improve coverage for the lowest income CMSP members by reducing monthly share of cost (SOC) & waiving assets
- Expand CMSP network of primary and specialty care providers for LIHP and eventual transition of indigent adults to Medi-Cal in 2014
- Improve coverage of mental health counseling services for CMSP members
- Promote linkages (coordination and/or integration) between primary & mental health care delivery systems
- Where possible, test enhanced medical home concept for selected target groups



CMSP LIHP Principles



- Medicaid Expansion (MCE) Program operates as a time-limited “pilot project” in tandem with continuation of the existing CMSP Share of Cost (SOC) program
- Existing CMSP program infrastructure (eligibility & benefit administration) is maintained so that the CMSP Governing Board has flexibility to adapt to future changes in federal Affordable Care Act (ACA) requirements, as necessary
- Program **does not** generate additional costs that CMSP counties would be required to fund in excess of their existing contributions to CMSP

CMSP LIHP Principles (cont.)



- Program can be cash-flowed over the life of the pilot project in accordance with timelines for receipt of federal matching funds
- Program imposes little to no draw down against the CMSP Reserve in 2012, 2013 and 2014 after receiving federal matching funds
- Program does not leave the CMSP Governing Board with an unfunded back-end Incurred But Not Reported (IBNR) liability post 1/1/2014

CMSP Foundation for LIHP



CMSP LIHP program will be treated as a 2-year Pilot Project:

- LIHP eligibility based on existing CMSP & Medi-Cal standards & determined through county social service departments
- Benefits administrators (MedImpact & Anthem Blue Cross) utilize:
 - Existing mechanisms for determining medical necessity & prior authorization
 - Existing & expanded contracted provider networks & payment rates
 - Existing policies for processing out-of-county emergency care

CMSP Foundation for LIHP (cont.)

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CMSP LIHP program will be treated as a 2-year Pilot Project (cont.):

- Benefit package modified (slightly) to meet LIHP standards
- Benefit package expanded to include selected mental health counseling & substance abuse treatment services



CMSP & LIHP Eligibility

Federal Eligibility Requirements



- **Federal Deficit Reduction Act (DRA) of 2005**
 - Requires documentation of United States (U.S.) citizenship or U.S. national status and identity as a condition of Medicaid eligibility for applicants and beneficiaries who declare that they are U.S. citizens or nationals
 - CMSP All County Letter (ACL) 11-04 outlines the new DRA collection process for CMSP beginning in May 2011
- **Federal Personal Responsibility & Work Opportunity Reconciliation Act (PRWORA) of 1996**
 - Certain immigrants who enter the U.S. are not eligible to receive federally-funded benefits for five years from the date they enter the country with a status as a “qualified alien.”
 - Commonly called the “5-Year Bar”

Federal Poverty Level (FPL)



% of FPL		Monthly Income
67%	=	\$600
100%	=	\$900
133%	=	\$1,200
138%	=	\$1,250
200%	=	\$1,800

Note: Values rounded for presentation purposes

CMSP & LIHP Eligibility



LIHP Eligibility: No Share of Cost (SOC)

- Up to 100% Federal Poverty Level (FPL)
 - Existing CMSP Group: Up to 67% FPL
 - New Group: 68% to 100% FPL (**new**)
- Asset waiver (**new**)
- DRA level documentation for citizenship & identity (**new**)
- Maintain other existing requirements, including:
 - Age 21-64
 - 6-month enrollment term (including 10-day pre-enrollment period for emergency services)
- Utilizes CMSP's existing Aid Code 84

CMSP & LIHP Eligibility (cont.)



CMSP Eligibility: Share of Cost (SOC)

- Existing CMSP Group: > 100% FPL to 200% FPL
- No Asset waiver
- DRA level documentation citizenship & identity (**new**)
- Maintain other existing requirements, including:
 - Age 21-64
 - SOC based on existing Maintenance Needs Levels (MNL)
 - 6-month enrollment term (including 10-day pre-enrollment period for emergency services)
- Utilize CMSP's existing Aid Code 85

CMSP & LIHP Eligibility (cont.)



CMSP Eligibility: Undocumented (Emergency Services Only)

- At/below 200% FPL (with and without SOC)
- No Asset waiver
- No DRA level documentation for citizenship & identity
- Maintain other existing requirements, including:
 - Age 21-64
 - SOC based on existing Maintenance Needs Levels (MNL)
 - 2-month enrollment term
- Utilizes CMSP's existing Aid Code 50

CMSP & LIHP Eligibility (cont.)



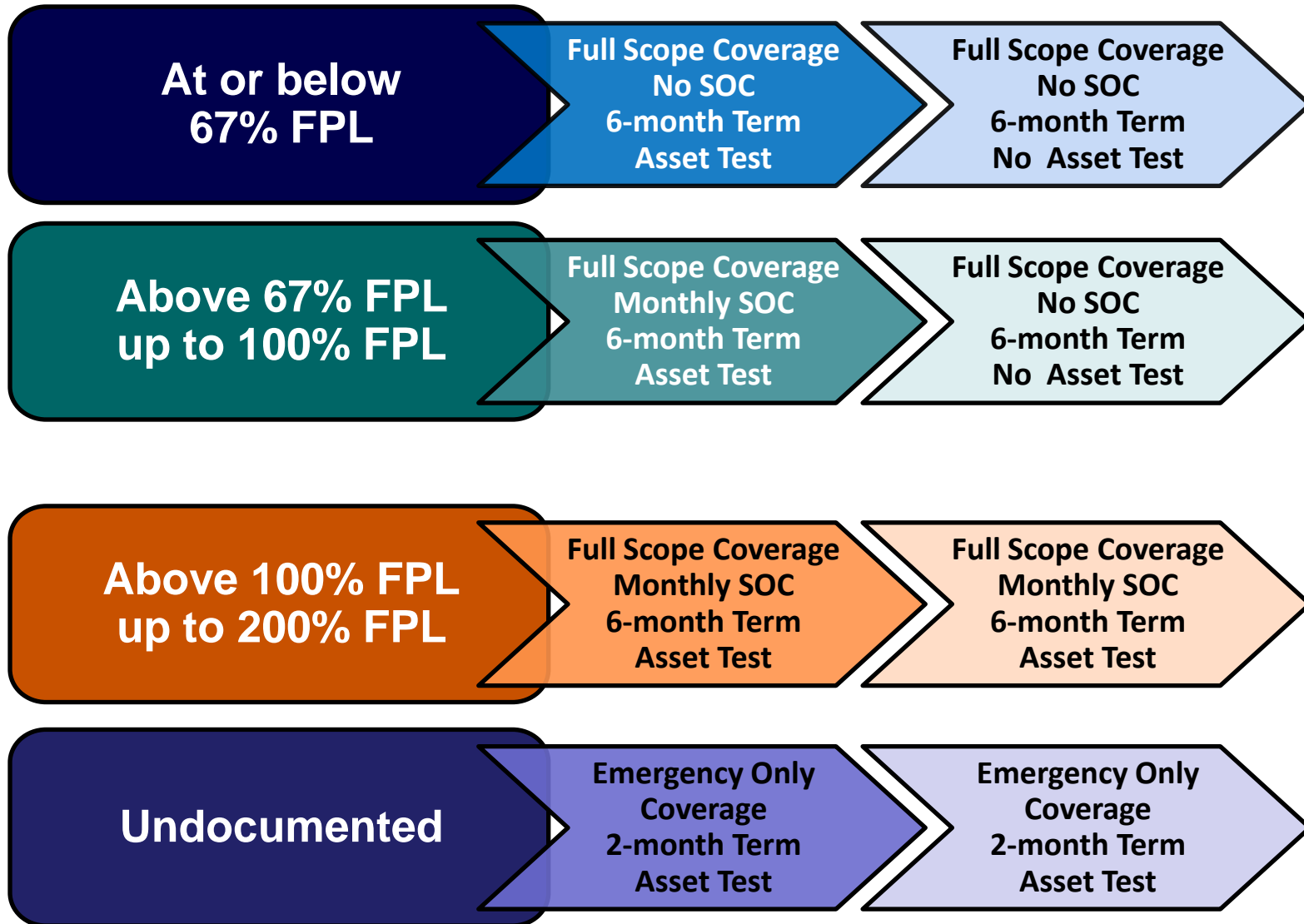
CMSP Eligibility: Non-DRA Otherwise Eligible

- Maintains existing eligibility infrastructure for:
 - Non-Share of Cost Program (at/below 67% FPL)
 - Share of Cost (SOC) Program (at/above 68% FPL)
 - No Asset waiver
 - No DRA level documentation for citizenship & identity
- Addresses circumstances of individuals otherwise eligible for existing full-scope CMSP except for PRWORA
 - Individuals that do not meet federal “5-Year Bar”
- Repurposes CMSP’s Aid Codes 88 and 89 **(new)**

Populations

CMSP Now

January 2012



LIHP Pilot

Standard CMSP

*Does not separately identify otherwise eligible non-DRA population

Proposed LIHP and CMSP Eligibility

LIHP Pilot

At or below
100% FPL

- Aid Code 84
- Full scope coverage
- No Share of Cost (SOC)
- 6-month enrollment term
- Meets DRA citizenship & identity status documentation

CMSP

Above 100% FPL
up to 200% FPL

- Aid Code 85
- Full scope coverage
- Monthly SOC
- 6-month enrollment term
- Meets DRA citizenship & identity status documentation

CMSP

Non-PRWORA
Otherwise Eligible

- Aid Codes 88 & 89
- Full scope coverage
- May or may not have SOC
- 6-month enrollment term
- Does not meet PRWORA status due to < 5 years in US

CMSP

Undocumented

- Aid Code 50
- Emergency services only coverage
- May or may not have SOC
- 2-month enrollment term

Automated Welfare Eligibility System Changes



C-IV and CalWIN systems will be revised to:

- Establish Non-Share of Cost LIHP (at/below 100% FPL with no asset test) and will use Aid Code 84
- Revise Share of Cost (SOC) CMSP (above 100% FPL with asset test) and will use Aid Code 85
- Maintain Emergency Services Only (Undocumented) CMSP and will use Aid Code 50

Automated Welfare Eligibility System Changes (cont.)



C-IV and CalWIN systems will be revised to (cont.):

- Retain existing CMSP eligibility infrastructure for individuals otherwise eligible for full-scope CMSP except for PRWORA and *repurpose and use* Aid Codes 88 & 89
- Counties begin DRA documentation May 1, 2011
- One-time caseload conversion to Aid Code 84 late 2011



CMSP & LIHP Benefits

CMSP – Current Covered Benefits*



- ✓ Acute inpatient hospital
- ✓ Adult Day Health Care
- ✓ Blood & blood derivatives
- ✓ Chronic hemodialysis services
- ✓ Dental services
- ✓ Durable medical equipment & medical supplies
- ✓ Emergency ambulance services
- ✓ Hearing aids
- ✓ Home Health Agency services
- ✓ Hospital outpatient & outpatient clinic services
- ✓ Laboratory & radiology services
- ✓ Non-emergency medical transportation
- ✓ Optometry services (including \$80 frame & lens every 24 months)
- ✓ Outpatient audiology services
- ✓ Outpatient heroin detoxification services
- ✓ Outpatient occupational therapy services
- ✓ Outpatient physical therapy services
- ✓ Outpatient rehabilitation services in a rehab facility
- ✓ Outpatient speech pathology services
- ✓ Prescription drugs
- ✓ Physician services
- ✓ Podiatry services
- ✓ Prosthetic & orthotic appliances
- ✓ Psychiatric services provided by a licensed psychiatrist

* Prior authorization requirements or benefit limits may apply.
Members are not limited to seeing providers within their own county.

Current Behavioral Health Benefits

- Inpatient psychiatric services provided in a *contracted* general acute care hospital or *contracted* psychiatric health facility (PHF)
 - Limit of 6 days per episode & up to 10 days per FY
- Psychiatrist services
 - Up to 8 hours per 6-day inpatient stay
 - Up to 10 outpatient visits per 120 days
- 28-day outpatient heroin detoxification (inpatient when clinically necessary)
- Broad range of mental health medications



CMSP – Current Excluded Benefits



CMSP does not cover the following:

- Psychology, LCSW or MFT services (except BH pilot project)
- Alcohol & drug treatment (except BH pilot project)
- Acupuncture
- Chiropractic care
- Pregnancy-related care
- Organ transplants for undocumented members
- All services not covered by Medi-Cal*
- Services provided by non-contracting providers (except emergency services)
- All services provided outside California and designated border state areas of Arizona, Oregon & Nevada

Proposed Benefits for CMSP & LIHP*

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CMSP – Existing benefit package *plus*:

- ✓ Expanded mental health counseling services
- ✓ Expanded substance abuse treatment services

LIHP – Existing CMSP benefit package *plus*:

- ✓ Expanded mental health counseling services
- ✓ Expanded substance abuse treatment services
- ✓ Out-of-state emergency and stabilization services
 - Payment rates and process pending

* Proposed to begin on January 2012

Expanded Mental Health Services*



Both LIHP and CMSP benefit packages would include the following expanded mental health counseling services:

- One assessment
- 10 individual mental health counseling sessions provided by any of the following providers: psychologist, licensed clinical social worker (LCSW), and marriage family and child counselor (MFCC)
- Rates of payment to providers to be determined
- Same day visits allowed (medical, dental, behavioral health)

* Proposed to begin on January 2012

Expanded Substance Abuse Treatment Services*



Both LIHP and CMSP benefit packages would include the following expanded substance abuse counseling services:

- One assessment
- 2 individual counseling sessions provided by any of the following providers: psychologist, licensed clinical social worker (LCSW), marriage family and child counselor (MFCC), or certified drug and alcohol counselor
- Up to 20 group counseling sessions
- Rates of payment to providers to be determined
- Same day visits allowed (medical, dental, behavioral health)

* Proposed to begin on January 2012



LIHP Provider Reimbursement

LIHP Network Provider Payment Rates

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Provider payment rates under the LIHP shall be the same as those paid under CMSP:

- Inpatient hospital payment rates shall follow CMSP
- FQHC/RHC/Tribal Health providers shall be paid at their PPS rates based on CMSP processes
- Specialty providers and non-clinic primary care providers shall be paid at 110% of the Medi-Cal rate (unless network needs require an alternative rate)
- Pharmacy payment rates shall be the same as CMSP
- Rates for behavioral health treatment are pending


Branding & Outreach



LIHP Branding & Outreach



Governing Board hired Perry Communications Group to:

- Assist with branding for CMSP LIHP (including *new name & logo*) 
- Develop outreach strategy that involves:
 - Stakeholder group presentations
 - Development of CMSP and LIHP background documents
 - Articles/education pieces and press releases
 - Enrollee brochure
- Develop CMSP LIHP website that interfaces with existing CMSP website and on-line CMSP & LIHP enrollment through C4Yourself and BenefitsCalWIN

LIHP Branding & Outreach (cont.)



CMSP and LIHP will be distinguished by:

- Unique benefit identification (ID) cards & member letters for each population
- Benefit coverage for out-of-network emergency care is broader for LIHP group
 - LIHP includes out-of-state emergency care throughout the U.S.
 - CMSP's standard benefit coverage will continue provide out-of-network emergency care only within California and selected border state areas of Oregon, Nevada and Arizona
- Unique aid code for LIHP – Aid Code 84
- All other Aid Codes (85, 50, 88, 89) will be CMSP-only



CMSP & LIHP Enrollment Projections

Current CMSP Monthly Enrollment



Enrollment for all CMSP Aid Codes: January 2006 to December 2010

Maximum CMSP & LIHP Enrollment by Population

	Below 67% FPL	67%-100% FPL	101%-200% FPL	Emergency Only (Undocumented)	Total
Baseline CMSP Enrollment	45,149	3,256	4,685	1,119	54,209
Change in Enrollment with LIHP					
Eliminate Asset Test	5,303	462	0	0	+ 5,765
Enhanced Awareness & Outreach	11,907	2,076	590	0	+ 14,573
NO SOC under 100% FPL	0	5,079	0	0	+ 5,079
Total Increase	17,210	7,617	590	0	+ 25,417
Total Enrollment Projection Under CMSP & LIHP					
TOTAL	62,359	10,873	5,275	1,119	79,626



CMSP & LIHP Cost Projections

CMSP & LIHP Cost Projection by Population (in millions)

Calendar Year	LIHP Below 67% FPL	LIHP 67-100% FPL	CMSP 101-200% FPL	CMSP Emergency Only	Total Cost	Federal Cost*	CMSP Cost
2012	\$293.21	\$33.28	\$22.15	\$9.02	\$357.66	\$163.24	\$194.42
2013	\$332.37	\$50.34	\$23.35	\$9.109	\$415.16	\$191.35	\$223.81

*Only expenditures for the LIHP population are eligible for federal match

CMSP Program Costs: 3-Year Fiscal Forecast

(in millions)

	APPROVED FY 2010-2011	PROJECTED FY 2011-2012	PROJECTED FY 2012-2013	PROJECTED FY 2013-2014*
BEGINNING FUND BALANCE	\$221.2	\$157.4	<i>see scenarios below</i>	<i>see scenarios below</i>
Total Current Year Resources	\$250.8	\$249.2	\$248.1	\$126.3
TOTAL RESOURCES	\$472	\$406.6		

Scenario 1: CMSP with LIHP

Expenditures (with LIHP)	(\$314.6)	(\$264.2)	(\$224.4)	(\$121.1)
ENDING FUND BALANCE	\$157.4	\$142.4	\$166.1	\$171.3

Scenario 2: CMSP without LIHP

Expenditures (CMSP Only)	(\$314.6)	(\$326.9)	(\$339.3)	(\$217)
ENDING FUND BALANCE	\$157.4	\$79.8	(\$11.4)	(\$102.1)

*Assumes half year revenue and expenditures



Next Steps & Considerations

Next Steps & Considerations



Finance

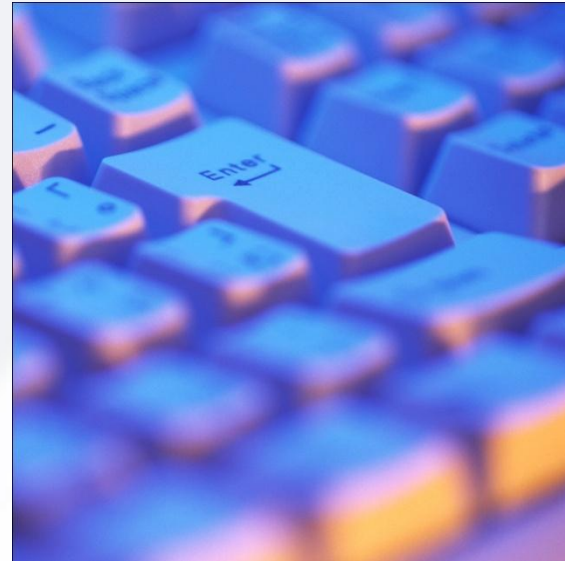
- Further refine LIHP enrollment and cost estimates
- Determine financial maintenance of effort (MOE) requirements
- Determine mechanisms and timing for claiming and receipt of federal matching funds
- Assess opportunities to utilize the LIHP to match other county mental health expenditures for LIHP population



Next Steps & Considerations (cont.)

Systems

- Make LIHP eligibility system change to CalWIN and C-IV systems
- Identify all federal and state LIHP regulatory requirements and establish processes and procedures to assure compliance
- Modify eligibility fair hearing process to meet federal rules



Next Steps & Considerations (cont.)

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Contracting

- Obtain DHCS approval for CMSP LIHP Application
- Develop contract with DHCS for CMSP LIHP participation
- Determine applicability and timing of AB 1628 provisions
- Modify and execute provider contracts to allow for LIHP program participation, including payment for expanded behavioral health treatment services
- Modify benefit administration contracts with Anthem Blue Cross and MedImpact to provide administration for new LIHP program

Contacts & Resources

CMSP Governing Board's Website

www.cmspcounties.org

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