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To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.

April 16, 2013

TO: Supervisor Mark Ridley-Thomas, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Mitchell H. Katz, M.D.
Director

SUBJECT: **QUARTERLY STATUS REPORT ON HEALTHY WAY LA ENROLLMENT AND THE 1115 MEDICAID WAIVER**

On June 14, 2011, the Board instructed the Chief Executive Officer (CEO) and the Director of Health Services (DHS) to report back in 90 days and monthly thereafter with data regarding enrollment trends in the Healthy Way LA (HWLA) Matched program. On November 16, 2010, the Board directed the CEO, the Interim Director of DHS, and the Directors of Mental Health (DMH) and Public Health (DPH) to report back to the Board within 30 days and monthly thereafter on a proposed plan to implement the Medicaid Waiver (Waiver).

HWLA – LOW INCOME HEALTH PROGRAM (LIHP)

Network Background: On June 14, 2011, the Board approved the new HWLA agreements with Community Partners (CPs) covering HWLA Matched and Unmatched Programs. This new agreement replaced the previous Public-Private Partnership Program, HWLA and SB 474 contracts.

Network Update: At the start of the HWLA matched program, we had agreements with 54 CP agencies representing 154 clinic sites. With the Ryan White/HWLA transition and a recently completed Request for Information (RFI) process, our total non-DHS HWLA program network now consists of 63 CP agencies and 224 clinic sites.

Overall HWLA Enrollment: As of March 2013, our total enrollment of HWLA matched patients has increased to 244,885 individuals, up from about 215,000 enrollees in January 2013. As per our last HWLA quarterly report dated January 15, 2013, we have achieved this increase in enrollment through a combination of new enrollees, increased redetermination rate and working down the backlogged applications.

HWLA Redeterminations: The HWLA Redetermination Mail-in Unit has only been operational for over three months, but already has had tremendous success. The redetermination rate has more than doubled from the previous redetermination average of 20% to 50% for the month of March. DHS and DPSS are closely monitoring the progress of this unit to improve the redetermination rate and preparing to manage the workload of redetermining approximately 120,000 people over the next four months.

In addition to the three mail redeterminaton notifications to HWLA patients, our staff are diligently screening and reminding them to renew their HWLA application. We are also adding another intervention by setting up a proactive phone-banking outreach campaign to our patients whose eligibility are set to end over the course of the next eight months. This effort is supported by funds provided by Blue Shield of California Foundation. This added phone-banking outreach redetermination campaign effort went live and operational the week of April 15, 2013.

DPSS is also in the process of hiring an additional 30 eligibility workers to process the anticipated high volume of redeterminations. It is our goal to maintain and surpass the 50% redetermination rate over the next four months.

300,000 HWLA Member Goal and HWLA Enrollment Strategies: We have set a 300,000 enrollment goal for the HWLA program by January 1, 2014. One of the strategies to accomplish this goal is the "Everyone on Board" campaign, which DHS and the CEO launched on January 15, 2013. The campaign is an innovative partnership with Neighborhood Legal Services (NLS), Maternal and Child Health Access (MCHA), four County Departments (CEO, DHS, DPH, DPSS), and approximately 25 community based and advocacy groups, CP clinics and labor unions, including SEIU 721 and SEIU-UHW-West. Funded by the Blue Shield Foundation of California, "Everyone on Board" members are working together to outreach to individuals throughout Los Angeles County to make sense of coverage options under the Affordable Care Act, including but not limited to HWLA, and obtain clear information about how to obtain health care coverage and stay covered. In the coming months, "Everyone on Board" will work closely with the California Endowment on these efforts as well.

In addition to doing outreach about health coverage and HWLA, the "Everyone on Board" Campaign will be building upon recent innovative partnerships with community-based organizations such as One LA and We Care Enough to Act who recently partnered with DHS to do HWLA enrollments outside of the traditional clinical setting by reaching individuals within their own communities and in local churches and parishes. Building upon this model, the Blue Shield funding will allow approximately 200 additional DPH Children's Health Outreach Initiative (CHOI) Certified Application Assisters (CAAs) to be trained and deployed to take HWLA applications in clinic and non-clinic settings throughout Los Angeles. DHS believes that adding new enrollment sites and access points throughout the County will help increase opportunities for eligible individuals to learn about HWLA and enroll. Finally in addition to these efforts, the "Everyone on Board" Campaign is also working on developing messaging and strategies to educate patients and County staff about the upcoming LIHP transition.

HWLA Contract and Programmatic Updates: On December 18, 2012, the Board approved a number of programmatic and administrative enhancements that will mitigate the impact experienced by CPs with the newly instituted enrollment system (Your Benefits Now/LEADER). The Department has begun paying CPs the full matched rate and the $10 administrative payment.

In addition, we were recently directed by the State to provide eligible HWLA matched patients with breast cancer screening and diagnostic services that was previously funded by the State's Every Woman Counts (EWC) Program. Through a collaborative partnership with the CPs, we have been working on a process to try and ensure that access is readily available through our DHS and CP clinics for breast cancer screening and diagnostic services in the absence of EWC coverage for these individuals.

HWLA Patient Billing: A HWLA matched patient should not be billed for non-urgent health care services that are delivered within the DHS HWLA network. However, there are a couple of scenarios when a patient may receive a bill. For example, when a HWLA application's approval is pending, when a HWLA matched patient receive services at a non-DHS or CP site, or when a HWLA matched patient forgets to show his or her HWLA identification card to a non-HWLA network provider. We have informed staff and clients that until their HWLA application is approved, DHS is unable to guarantee payment for the bill. However, once the HWLA application is approved, coverage will begin at the start of the application. In all of the above scenarios, we have a process in place to examine and help alleviate (when appropriate) the financial burden for HWLA matched patients should they receive a bill.

DHS and DPSS Partnership: DPSS leadership and staff continue to play a critical role with the HWLA enrollment process. For the past year, DPSS has invested significant resources to help DHS enroll as many HWLA eligible individuals as possible. This also helps connect DPSS staff with HWLA patients and put them on a pathway to Medi-Cal in 2014. Our initial partnership with DPSS focused on auto-enrolling General Relief patients into HWLA and use of DPSS's enrollment system (Your Benefits Now/LEADER) for HWLA patients. This partnership has further resulted in the two departments working together to implement the HWLA redetermination mail-in unit and reinforcing the DHS workforce to work through the HWLA application backlog and help co-manage the HWLA application processing.

In addition to DHS staff, several hundred DPSS eligibility workers and clerks are working every Saturday to help process the large number of HWLA applications submitted by both CP clinics and DHS facilities. In addition, a team of 10 clerks work full time during the week to clear HWLA applications by removing duplicate applications and ensuring the HWLA applicant does not have existing Medi-Cal coverage. We anticipate clearing the backlog by the end of April 2013, but DPSS eligibility workers will continue to process HWLA applications to ensure no new backlog is created.

DHS appreciates the support from DPSS and is working on a mechanism to ensure that DPSS is reimbursed for its administrative, enrollment and application processing support for increasing health coverage expansion for previously uninsured Los Angeles County residents.

LIHP Transition and Critical Crossroad: In addition to the important work being done to maintain and expand enrollment, DHS has also partnered with L.A. Care, DPSS and the Community Clinic Association of Los Angeles County (CCALAC) to begin planning for the rapidly approaching January 1, 2014 LIHP transition date. We have outlined a number of key areas that need to be addressed or advocated for in order for a smooth LIHP to Medi-Cal transition to occur. One of the most critical pieces required is clear guidance and engagement from the State on the transition process, including but not limited to, communication with LIHP enrollees, data and information transfer from DPSS' LEADER system to the State Medi-Cal enrollment system, clarity on potential new LIHP to Medi-Cal transition rules, and the time frame for the transition plan. To date, legislation authorizing the transition and establishing the framework has not been passed or signed. As a result, there is little guidance available from the State regarding the LIHP to Medi-Cal transition at this time. DHS is outreaching to the State through a number of channels and is working with the California Association of Public Hospitals, other LIHP counties and health advocates to highlight our concerns.

Despite lacking clear guidance from the State, the Department is moving forward in our own internal planning as much as possible. We are regularly meeting with L.A. Care to discuss how L.A. Care can begin managing some LIHP administrative functions, so that both DHS and L.A. Care can best ensure a smooth transition for patients. We will most likely mirror a similar process that was employed with the Community Health Plan/L.A. Care transition. In addition, we are working with L.A Care, SEIU 721, and the CCALAC on a joint communication plan for patients, employees and CP staff well in advance of the transition date. We are working together to ensure that the HWLA transition is as seamless as possible for patients, CPs and DHS with the goal of maintaining the patient and provider relationship when the transition occurs. Despite our local efforts, we will need the State's participation in the transition process in order to carry out the LIHP transition.

We will keep the Board apprised of future development and seek advice on policy issues as they arise.

ENROLLMENT OF SENIORS AND PERSONS WITH DISABILITIES (SPDs)

There are no significant updates regarding the SPDs. The Los Angeles County SPD transition from Fee-For-Service to managed care Medi-Cal was completed on May 30, 2012. Over the 12 month period, 36,060 L.A. Care SPD members were assigned to DHS primary care providers. However, since many of the SPD patients that were auto-assigned to DHS had a prior relationship with a non-DHS provider, we have seen a number of formerly assigned DHS SPD patients transfer out of DHS's provider network. At the end of March 2013, there were 26,362 total DHS SPD patients and about 3,000 more SPDs since the last quarterly report. We are still proactively outreaching to segments of DHS SPD patients who have not used DHS services. The purpose of this outreach is to re-affirm and welcome the SPD patients to DHS and connect them with L.A. Care should they choose to use non-DHS providers. Finally, DHS and L.A. Care staff continue to meet regularly and work collaboratively to improve care delivery, coordination and transition processes, as well as review our efforts to retain these patients.

IMPROVING PRIMARY CARE LINKAGE AND SPECIALIST ACCESS

DHS, CPs, and L.A. Care continue to work together to deploy eConsult. The eConsult platform enables primary care providers and specialists to exchange consultations in a "store and forward" manner. We began the eConsult roll-out on July 18, 2012 with the following group of specialties: Cardiology, Dermatology, Neurology and Obstetrics. As of the end of the 2012 calendar year, we have rolled-out eConsult to all of DHS clinics and around 60 CP clinic sites. Taken together, over 700 primary care providers have received training and log-in information for the eConsult platform. We have also added Women's Health and Ophthalmology to the eConsult specialty network and plan to add Ear, Nose and Throat; Endocrinology; Podiatry; Nephrology; Rheumatology; and Surgery in the near future. In addition to eConsult, we have collaborated with Kaiser to help develop a newly organized specialty scheduling unit. For the nearly 6,000 eConsults exchanged, around 2,700 patients needed a face-to-face visit. Thus far, the show rate is around 80 to 90% for patients scheduled after an eConsult reviewer deemed that a face-to-face was necessary. This is significantly better than our traditional average show rate of 65 to 70% and the long wait time for new appointments when referred by the primary care provider. To ease the backlog and long wait times experienced by patients, we are also working with the referring primary care clinics to review prior referrals and therefore reduce the existing backlog for each of the new specialties that are added to the eConsult system.

In addition, the Department continues to work closely with Health Management Associations, Health Care LA Independent Physicians Association (IPA) and Altamed IPA to establish the contractual, billing and referral mechanisms necessary to ensure that HWLA and other Medi-Cal patients have access to DHS specialty care providers in a managed care environment after January 1, 2014. Steady progress continues to be made on all fronts.

DELIVERY SYSTEM REFORM INCENTIVE POOL (DSRIP)

DHS submitted the first semi-annual Demonstration Year (DY) 8 report in March 2013. DHS reported mid-year progress in achieving performance improvement milestones across each of the five DSRIP categories, totaling approximately $252 million in net incentive payments that DHS will receive. DHS is now actively working on achieving the balance of the DY8 milestones by the end of the performance year.

NEXT STEPS

As directed by the Board, DHS will continue to provide quarterly reports regarding HWLA enrollment trends and the status of implementing the 1115 Waiver. The target date for the next status report is July 15, 2013. If you have any questions, please contact me or Dr. Alexander Li, DHS Ambulatory Care Chief Executive Officer, at (213) 240-8344.

MHK:sr

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors
Department of Mental Health
Department of Public Health
Department of Public Social Services