

A New Chapter IN Coordinated Care



California is preparing to launch an effort to improve services for those dually eligible for Medicare and Medi-Cal and Medi-Cal-only beneficiaries who receive long-term services and supports (LTSS) including long-term care and home and community-based services. The Coordinated Care Initiative (CCI) seeks to integrate services for Medi-Cal beneficiaries and Medi-Cal/Medicare enrollees (“dual eligibles”) into a managed care system in eight counties. The CCI consists of three main components:

1. The voluntary Dual Eligible Integration Demonstration
2. Mandatory enrollment of dual eligibles into Medi-Cal managed care
3. Inclusion of LTSS in the Medi-Cal managed care benefit

These changes will have managed care organizations taking on the additional risk for long-term services and supports. California expects cost savings, improved outcomes, and higher consumer satisfaction.

The Dual Eligible Integration Demonstration is a pilot project that will integrate Medicare and Medi-Cal services into a single benefit package to be delivered through a managed care system. It will be rolled out in eight counties: Alameda, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo, and Santa Clara. In Los Angeles County, enrollment will phase in over 18 months. In San Mateo, enrollment will occur all at once in September 2013. For the other six counties, enrollments will

phase in over 12 months. Enrollment in Medi-Cal managed care will be mandatory and enrollment in managed care for the Medicare benefit will be voluntary.

As with other aspects of health care reform, the CCI changes incentives; managed care organizations are made responsible for a more comprehensive array of services and incentivized to avoid institutionalization when possible. In addition to the range of health care services, managed care plans will be responsible for services including nursing home care, In-Home Supportive Services, Multipurpose Senior Services Programs, and Community-Based Adult Services (formerly Adult Day Health Care), as well as support for transitions between service providers. Plans will be able to use discretion in offering services beyond those that are required.

For Assisted Living providers, these changes present possible opportunities for working with managed care plans to serve Medi-Cal beneficiaries and the dually eligible population. Specifics of what this would look like and how it could be structured are evolving slowly.

For Assisted Living providers currently serving Medi-Cal beneficiaries in the Assisted Living Waiver (ALW) program, changes are coming, but are not yet clearly defined. Current ALW residents will be automatically enrolled in managed care for their Medi-Cal benefit, but may continue to participate in the ALW as long as they don't volunteer for the Dual Demonstration.

What about future ALW participants? According to the Department of Health Care Services, the intent is to close enrollment in the ALW in the eight demonstration counties, pending approval from the Centers for Medicare and Medicaid Services. However, they are actively working on transitioning the features of the ALW to allow Medi-Cal plans to utilize current ALW providers for their members. In addition, the department is exploring how to utilize

the ALW mechanisms to add additional RCFEs. CALA remains engaged in these discussions.

Mark Cimino, CEO of CiminoCare, whose communities have been participating in the ALW program, says that Assisted Living providers must anticipate the potential changes to come to the long-term care market, depending on the impact of health care reform. Cimino says that a program utilizing elements of the ALW will benefit all involved. “Seniors will have more access to the home-like setting of Assisted Living. We help the government serve a large population of low-income seniors. And Assisted Living communities will benefit as well—we’ll maintain occupancy and compliance while providing options to the growing senior population.” Participation in the ALW program, or whatever iteration it becomes after the anticipated reforms are in place, says Cimino, is “a way to tell our story... the story of Assisted Living... to tens of thousands of people who would otherwise never know.” ■