

Holding Payors Accountable: Behavior Health Delivery in California

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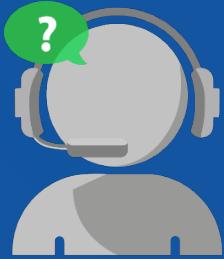
California Hospital Association
Behavioral Health Care Symposium
December 5, 2022

Mary Watanabe, Director

DMHC Mission Statement

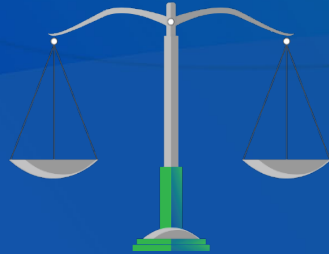
The California Department of Managed Health Care protects consumers' health care rights and ensures a stable health care delivery system.

Our Accomplishments



**2.6 MILLION
CONSUMERS ASSISTED**

The DMHC Help Center educates consumers about their rights, resolves consumer complaints, helps consumers navigate and understand their coverage, and ensures access to health care services.



\$86.3 MILLION

dollars assessed against health plans that violated the law

140
LICENSED
HEALTH PLANS



94 FULL SERVICE



46 SPECIALIZED



\$296.1 MILLION

dollars saved on Health Plan Premiums through the Rate Review Program since 2011

**28.4 MILLION
CALIFORNIANS' HEALTH CARE RIGHTS
ARE PROTECTED BY THE DMHC**



96%

of state-regulated commercial and public health plan enrollment is regulated by the DMHC



**\$38.5
MILLION** dollars recovered from health plans on behalf of consumers



**\$177.8
MILLION**

dollars in payments recovered to physicians and hospitals

Approximately

68%

of consumer appeals (IMRs) to the DMHC resulted in the consumer receiving the requested service or treatment from their health plan

June 2021

What is the DMHC?

Regulator of full service and specialized health plans

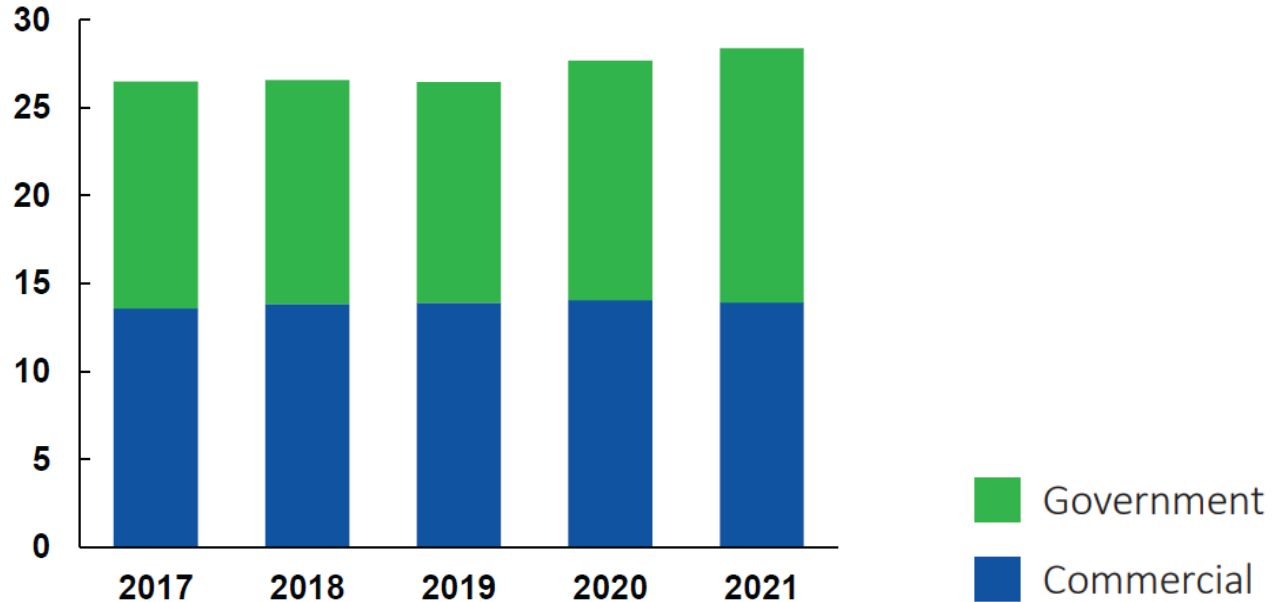
- All HMO and some PPO/EPO products
- Some large group and most small group & individual products
- Most Medi-Cal Managed Care plans
- Dental, vision, behavioral health, chiropractic and prescription drug plans
- Medicare Advantage (for financial solvency only)

DMHC Regulates

- All HMO products
- PPO & EPO products
- Specialized plans (vision, dental, behavioral, chiropractic)
- Prescription drug plans
- Some large group and most small group & individual products
- **96%** of the commercial and public health plan enrollment

DMHC Enrollment Over Time

Full-Service Enrollment (In Millions)



How Does the DMHC Regulate Plans?

- License plans and approve products
- Analyze provider networks
- Ensure basic health care services and mandated benefits are provided
- Monitor financial solvency
- Evaluate plan policies and procedures
- Resolve grievances and appeals
- Track enrollee complaints
- Enforce the law

How Does DMHC Oversee Providers?

- The DMHC does not license providers
- The DMHC monitors Risk Bearing Organizations (RBO):
 - Review RBO financial reports
 - Monitor RBO solvency
 - Ensure claims are paid timely
 - Resolve provider disputes
- Goal is to prevent failures that could harm enrollees, plans and other providers

Behavioral Health Oversight

- Mental Health Parity Addiction and Equity Act (MHPAEA) Compliance
- Medical Surveys
- Non-Routine Surveys
- Monitor Consumer Complaints
- Enforcement Action

Behavioral Health Initiatives

- SB 855, Mental Health/Substance Use Disorder Coverage Requirements
- SB 221, Timely Access
- Behavioral Health Investigations
- Children and Youth Behavioral Health Initiative
- Health Equity and Quality Initiative

Help Center

Assists consumers with health care issues and ensures that managed care patients receive the medical care and services to which they are entitled.

- Contact Center
- Division of Legal Affairs and Policy
- Independent Medical Review/Complaint Branch
- Provider Complaint Unit

HELP CENTER

122,666 CONSUMERS ASSISTED⁹

106,641 TELEPHONE INQUIRIES

10,771 CONSUMER COMPLAINTS¹⁰

3,747 IMRS CLOSED¹¹

\$2.4 M RECOVERED FOR CONSUMERS

1,507 NON-JURISDICTIONAL REFERRALS

6,350 PROVIDER COMPLAINTS

\$10.2 M RECOVERED PROVIDER PAYMENTS

22 NON-EMERGENCY SERVICES IDPR CASES COMPLETED

Provider Complaint Categories

The Provider Complaint Unit reviews provider complaints related to:

- Claims Payment Disputes
- Contract Issues
- Payor's Dispute Resolution Problems
- Non-Contracted Providers
- Overpayment/Refund Requests

DMHC Help Center

Consumer Complaints:

1-888-466-2219

[HealthHelp.ca.gov](https://www.healthhelp.ca.gov)

Provider Complaints:

1-877-525-1295

providercomplaintunit@dmhc.ca.gov

Questions

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California Hospital Association Behavioral Health Symposium

December 5, 2022

Behavioral Health Quality and Equity Strategy

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Thinking big:

BOLD GOALS: 50x2025

STATE LEVEL



Close racial/ethnic disparities in well-child visits and immunizations by 50%



Close maternity care disparity for Black and Native American persons by 50%



Improve maternal and adolescent depression screening by 50%



Improve follow up for mental health and substance use disorder by 50%



Ensure all health plans exceed the 50th percentile for all children's preventive care measures

Specific Measures

Infant, child and adolescent well-child visits
Childhood and adolescent vaccinations

Prenatal and postpartum visits
C-section rates

Prenatal and postpartum depression screening
Adolescent depression screening and follow up

Follow up after ED visit for SUD within 30 days
Depression screening and follow up for adults
Initiation and engagement of alcohol and SUD treatment

Infant, child and adolescent well-child visits
Childhood and adolescent vaccinations
Blood lead & developmental screening
Chlamydia screening for adolescents

BOLD GOALS: 50x2025

STATE LEVEL



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Ensure all health plans exceed the 50th percentile for all children's preventive care measures

New Mental Health Plan accountability measures to support CQS goals

#	MEASURE NAME	Measure Steward	Target (MPL)
1	Follow-Up After Emergency Department Visit for Mental Illness	NCQA	1 st year baseline reporting followed by > 50 th percentile (or 5% increase over baseline if < 50 th percentile)
2	Follow-Up After Hospitalization for Mental Illness	NCQA	As above
3	Antidepressant Medication Management	NCQA	As above
4	Use of First-Line Psychosocial Care for Children and Adolescents on Antipsychotics	NCQA	As above
5	Adherence to Antipsychotic Medications for Individuals with Schizophrenia	NCQA	As above

New DMC-ODS Plan accountability measures to support CQS goals

#	MEASURE NAME	Measure Steward	Target (MPL)
1	Follow-Up After Emergency Department Visit for Alcohol and Other Drug Abuse or Dependence	NCQA	1 st year baseline reporting followed by >50 th percentile (or 5% increase over baseline if <50 th percentile)
2	Pharmacotherapy of Opioid Use Disorder	NCQA	As above
3	Use of Pharmacotherapy for Opioid Use Disorder	CMS	As above
4	Initiation and Engagement of Alcohol and Other Drug Abuse or Dependence Treatment	NQF	As above

Additional Areas of Synergy: Transitional Care Services Requirements

Starting in 2023, MCPs will be phasing in "Transitional Care Services to all Members transferring from one setting, or level of care" as required by the Amended 2024 MCP contract.

Population Health Management Program Requirements for MCPs

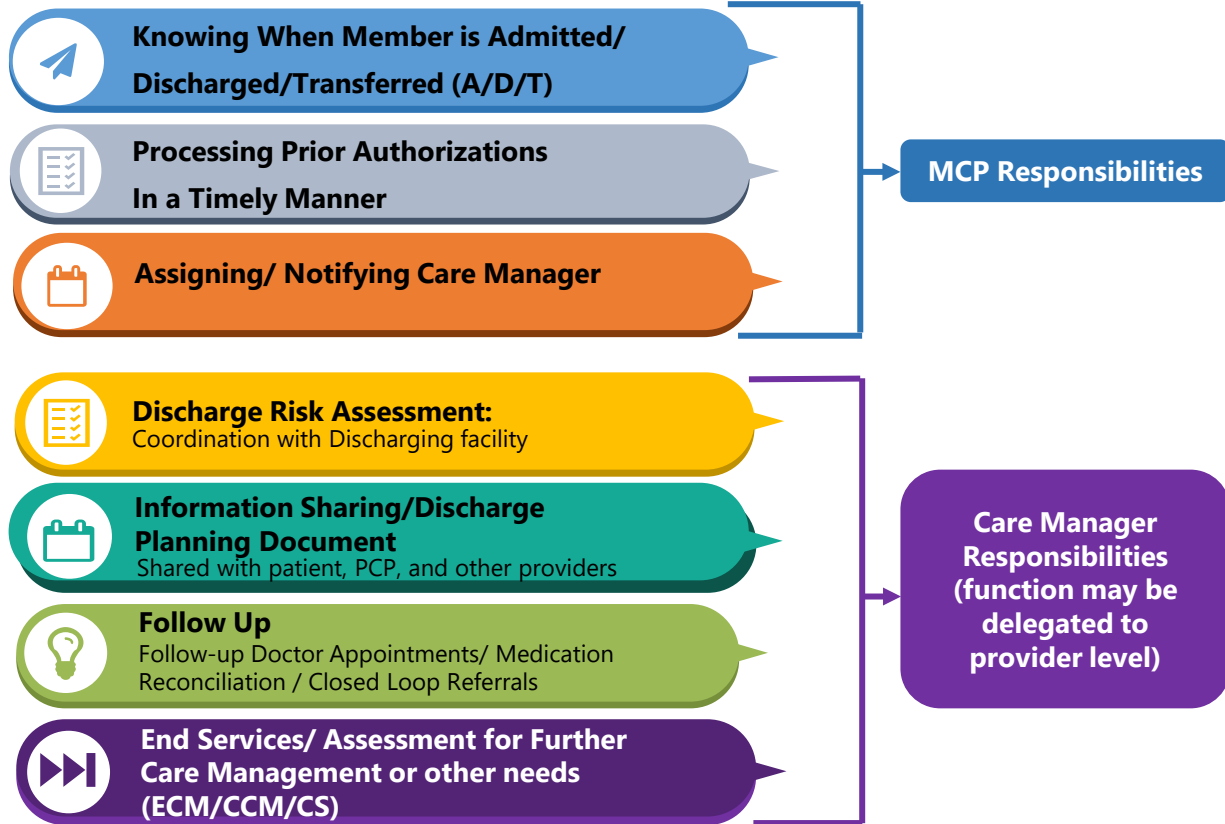
By January 2023:

- MCPs must develop and **execute a plan to ramp up** transitional care services.
- MCPs must implement **timely prior authorizations** and **know when members are A/D/T for all members**.
- MCPs must ensure **all transitional care services are complete (including having a care manager/single point of contact) for all high-risk members** as defined in the PHM Policy Guide, including the following populations:

By January 2024:

- MCPs are required to ensure **all transitional care services are complete for all members**. As noted in the PHM Policy Guide. MCPs are strongly encouraged to contract with hospitals, ACOs, PCP groups, or other entities to provide transitional care services, particularly for lower- and medium-rising- risk members.

MCP PHM Requirements on Transitional Care Services



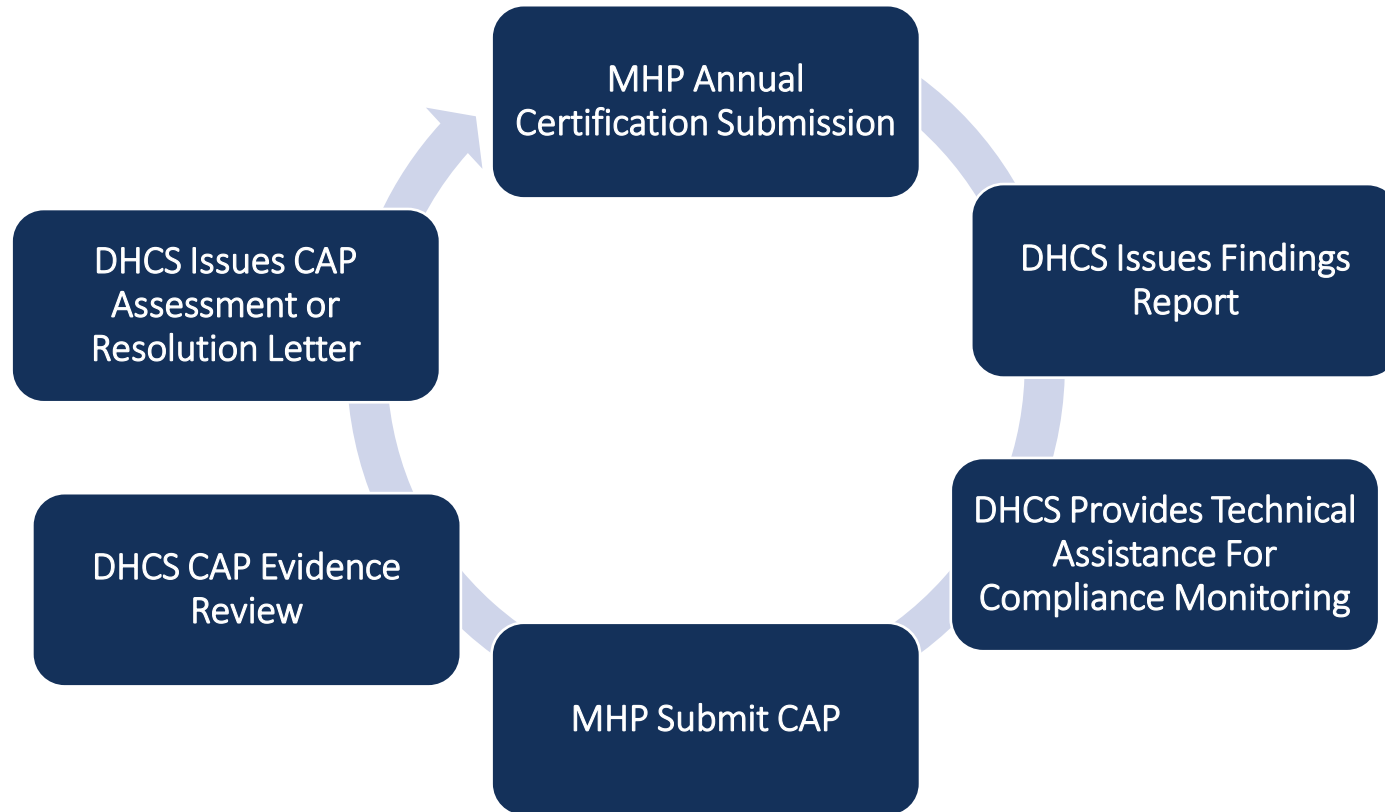
County Mental Health Plans

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Mental Health Plan (MHP) Compliance

- Triennial Reviews for Contract Compliance
 - » Audit cycle reviews one-third of MHPs annually → Shifting to biennial reviews and ultimately to annual reviews.
- Annual County Monitoring Activities
 - » Formally review resource materials made available to beneficiaries.
- Monthly meetings with MHPs
 - » Provide technical assistance for policy implementation support
 - » Monitoring progress of completion of Corrective Action Plans (CAPs)
- Targeted CalAIM policy compliance review through [CalAIM Behavioral Health Quality Improvement Program](#)

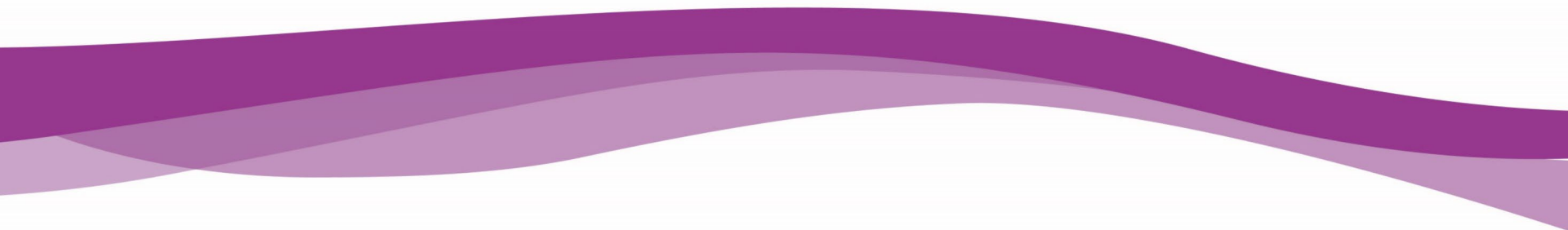
Annual Network Adequacy Reviews CAP Cycle



New Aligned Sanctions Policy

- In August 2022, DHCS published [BHIN 22-045](#) to describe administrative and monetary sanctions policy
 - » Aligns with [APL 22-015](#).
- Clarifies DHCS' authority to take enforcement actions, including imposing administrative and monetary sanctions on MHPs that violate applicable laws, regulations, and contractual obligations.
 - » Temporary withhold of federal financial participation (FFP) and realignment payments
 - » Monetary sanctions
 - » Temporary suspension or termination of personnel or contractors
 - » Contract termination

Medi-Cal Managed Care Health Plans



Annual Medical Audits

- Performed by Audits and Investigations (A&I) Division
- Six audit categories:
 - » Utilization Management
 - » Continuity of Care
 - » Access and Availability
 - » Member Rights
 - » Quality Management
 - » Administrative and Organizational Capacity
- Audit scope:
 - » Review policies and procedures
 - » Interview MCP staff
 - » Conduct verification studies
 - » Visit provider sites

Monitoring Activities

- Quarterly monitoring
 - » Continuity of care
 - » Grievances
 - » Access to care
 - » State Fair Hearings
 - » Department of Managed Health Care (DMHC) Complaints and Independent Medical Reviews
 - » Managed Care Performance [Dashboard](#)
- Monthly Data Submission Requirements
 - » Encounter data
 - » Provider network data

DHCS Enforcement Levers

- If the MCP fails to meet the requirements of the MCP contract, DHCS may impose any or a combination of the following financial and non-financial enforcement actions:
 - » CAPs
 - » Financial sanctions
 - » Payment withholds
 - » Auto assignment withholds for new enrollment
 - » Liquidated damages
 - » Temporary suspension orders (e.g. suspension of new enrollment or marketing activities)
 - » Termination of specified personnel and/or subcontractor for good cause
 - » Imposition of temporary management
 - » Contract termination

Aligned Sanctions Policy

- All Plan Letter [APL 22-015](#) guidance mirrored [BHIN 22-045](#), which clarifies DHCS sanction authority established in Welfare and Institutions Code Section 14197.7
- Sanctioned violations for failing to:

• Meet contractual obligations	• Meet quality benchmarks
• Meet data quality and reporting requirements	• Demonstrate an adequate network to meet anticipated utilization
• Comply with state and federal regulations and laws	• Meet CAP requirements
• Comply with State Plan or approved waivers	• Comply with network adequacy standards
• Submit timely and accurate network provider data	• Provide adequate delivery of health care services
• Meet operational standards	• Timely and accurately process grievances or appeals

Network Adequacy Enforcement

- DHCS imposes CAPs on MCPs that are out of compliance with the annual network certification requirements (i.e., time or distance, including non-specialty mental health providers; provider-to-member ratios; timely access to appointments; and mandatory provider types, including Federally Qualified Health Centers, Rural Health Centers, and Indian Health Facilities).
- MCPs have six months to rectify their CAP deficiencies and are required to report on their progress monthly until all deficiencies are resolved.
- While under a CAP, MCPs are subject to providing out-of-network access, including transportation, in addition to the CAP mandates.

Quality Enforcement

- Through its existing contract, DHCS requires MCPs to conduct quality improvement activities and submit targeted Performance Improvement Projects (PIPs).
- In the new 2024 MCP contract, MCPs failing to meet quality metrics will face financial sanctions and be subject to a CAP.
- Further, MCPs with positive net income will be required to surrender a portion of their profits – an additional 7.5 percent of their annual net income – to community reinvestment, in addition to the potential imposition of CAPs, sanctions, and liquidated damages.

External Quality Review Organization (EQRO)

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EQRO Monitoring

- DHCS enforces the EQRO requirements specified in 42 Code of Federal Regulations (CFR), Section 438 for MHPs.
- These rules require an on-site review, or desk review, of each MHP and DMC-ODS plan.
- Per 42 CFR Section 438.330, each MHP/DMC-ODS plan is contractually required to submit two active Performance Improvement Projects (PIPs) via the EQRO for review.
- For 2023, plans are focusing on follow up from ED for mental health/SUD and treatment for opiate use disorder for PIP projects.

EQRO Monitoring (cont.)

- The EQRO produces one annual technical report and four quarterly PIP reports for each MHP and DMC-ODS plan.
- The reports are submitted per the Centers for Medicare & Medicaid Services' EQRO requirements by April 1 of each year for the prior year review period.
- The EQRO continuously provides ongoing training and technical assistance to the behavioral health plans throughout the year, as needed.

Medi-Cal Transformation

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California Advancing and Innovating Medi-Cal (CalAIM)

CalAIM is a multi-year commitment to transform and strengthen Medi-Cal, offering Californians a more equitable, coordinated, and person-centered approach to maximizing their health and life trajectory.

CalAIM Goals

- » Implement a whole-person care approach and address social drivers of health.
- » Improve quality outcomes, reduce health disparities, and drive delivery system transformation.
- » Create a consistent, efficient, and seamless Medi-Cal system.

CalAIM Behavioral Health Initiatives Schedule

Policy	Go-Live Date
Specialty Mental Health Services - Criteria for Services	January 2022
Behavioral Health No Wrong Door	July 2022
Behavioral Health Standard Screening and Transition Tools	January 2023
Contingency Management	January 2023
Behavioral Health Payment Reform	July 2023
Behavioral Health CPT Code Transition	July 2023
California Behavioral Health Community-Based Care Waiver	2023 (Earliest to CMS) 2024 (Starts)
Administrative Integration of SMHS and SUD	January 2022 January 2027 (Fully Integrated)
DMC-ODS Traditional Healers and Natural Helpers	TBD

CaAIM Providing Access & Transforming Health

Providing Access and Transforming Health (PATH) is a five-year, \$1.85 billion initiative to build up the capacity and infrastructure to implement CaAIM. PATH can be leveraged to support efforts to address the housing-related needs of Medi-Cal members.

Collaborative Planning and Implementation Initiative

- Support planning to promote readiness for ECM and Community Supports
- Expected to launch in 2022

Stakeholders may identify and address housing related issues as part of a collaborative

Capacity and Infrastructure Transition, Expansion and Development (CITED) Initiative

- Grants to build ECM and Community Supports provider capacity and infrastructure
- Applications for Round 1 have closed, funding anticipated in Winter 2022

Housing-related Community Supports providers may receive CITED funding to support capacity and infrastructure development including to serve new population types (e.g., individuals with chronic, complex medical conditions)

Technical Assistance (TA) Marketplace Initiative

- TA for providers, community-based organizations, county agencies, public hospitals, tribal partners, and others
- Launches in 2023

Housing-related Community Supports providers may access TA to help them participate in Community Supports

Overview: Medi-Cal Mobile Crisis Services Opportunity

Mobile crisis teams offer community-based intervention to individuals in need wherever they are, including at home, work, or anywhere else in the community where the person is experiencing a behavioral health crisis.



Under the American Rescue Plan Act (ARPA), **states are eligible for an 85% enhanced FMAP for qualifying mobile crisis services** for 12 quarters between April 2022 and April 2027.*



DHCS will **submit a State Plan Amendment (SPA) that establishes a new Medi-Cal mobile crisis benefit**, effective as soon as January 2023. DHCS released the draft SPA for stakeholder feedback in August 2022.



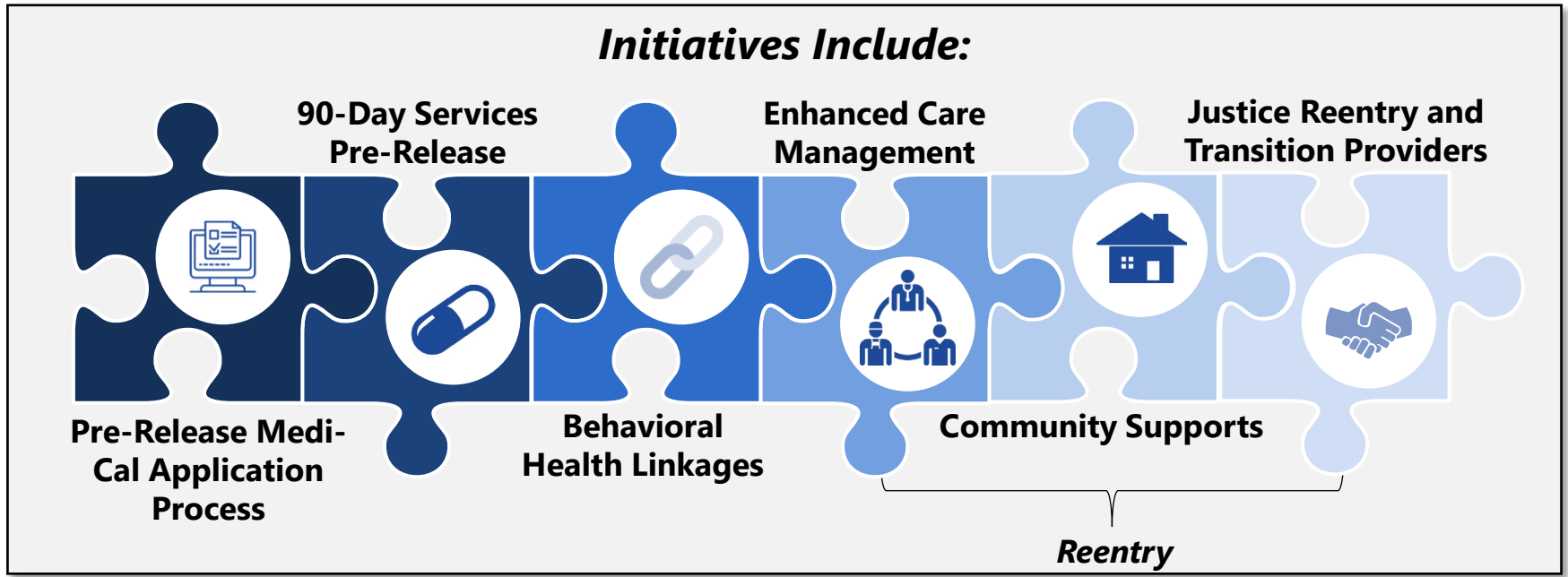
DHCS envisions that its mobile crisis service will **align with the state's other efforts** to support individuals experiencing a behavioral health crisis.



DHCS is designing a mobile crisis services benefit to ensure all Medi-Cal members have access to **coordinated crisis care 24 hours a day, 7 days a week, 365 days per year.**

CalAIM Initiatives to Support Justice-Involved Populations

CalAIM justice-involved initiatives support justice-involved individuals by providing key services pre-release, enrolling them in Medi-Cal coverage, and connecting them with behavioral health, social services, and other providers that can support their reentry from prisons, jails, and youth correctional facilities.



Behavioral Health Continuum Infrastructure Program

- Passed in FY 2021-22 State budget
- \$2.1B total
- Amends [Welfare and Institutions Code](#)
- Provides competitive grants for counties, tribal entities, non-profit and for-profit entities to build new or expand existing capacity in the continuum of public and private BH facilities
- Funding will be **only** for new or expanding infrastructure (brick and mortar) projects and not BH services

Behavioral Health Bridge Housing

- The \$1.5B Behavioral Health Bridge Housing (BHBH) program will fund clinically enhanced bridge housing settings for people experiencing unsheltered homelessness who have serious behavioral health conditions (mental health and/or substance use disorders)
- Will provide community-based care and housing aimed at preventing institutionalization and incarceration
- One-time grant funding administered by DHCS
- Qualifying entities are counties and tribal entities

California Behavioral Health Community-Based Continuum Demonstration

- DHCS' intent to apply for a new [Medicaid Section 1115 demonstration](#). The proposed demonstration would expand access to and strengthen the continuum of community-based mental health services for Medi-Cal beneficiaries living with serious emotional disturbance or mental illness. It would also amplify California's ongoing behavioral health initiatives, and be informed by findings from DHCS' 2022 [Assessing the Continuum of Care for Behavioral Health Services in California](#).

Demonstration: Vision, Objectives & Approach

DHCS' vision for the California Behavioral Health Community-Based Continuum (CalBH-CBC) Demonstration is to ensure a robust continuum of community-based behavioral health care services is available to all Medi-Cal beneficiaries living with SMI and SED across the state.

OBJECTIVES

1

Amplify the state's ongoing investments in behavioral health and further strengthen the continuum of care.

2

Meet the specific mental health needs of children, individuals who are justice-involved, and individuals experiencing homelessness.

3

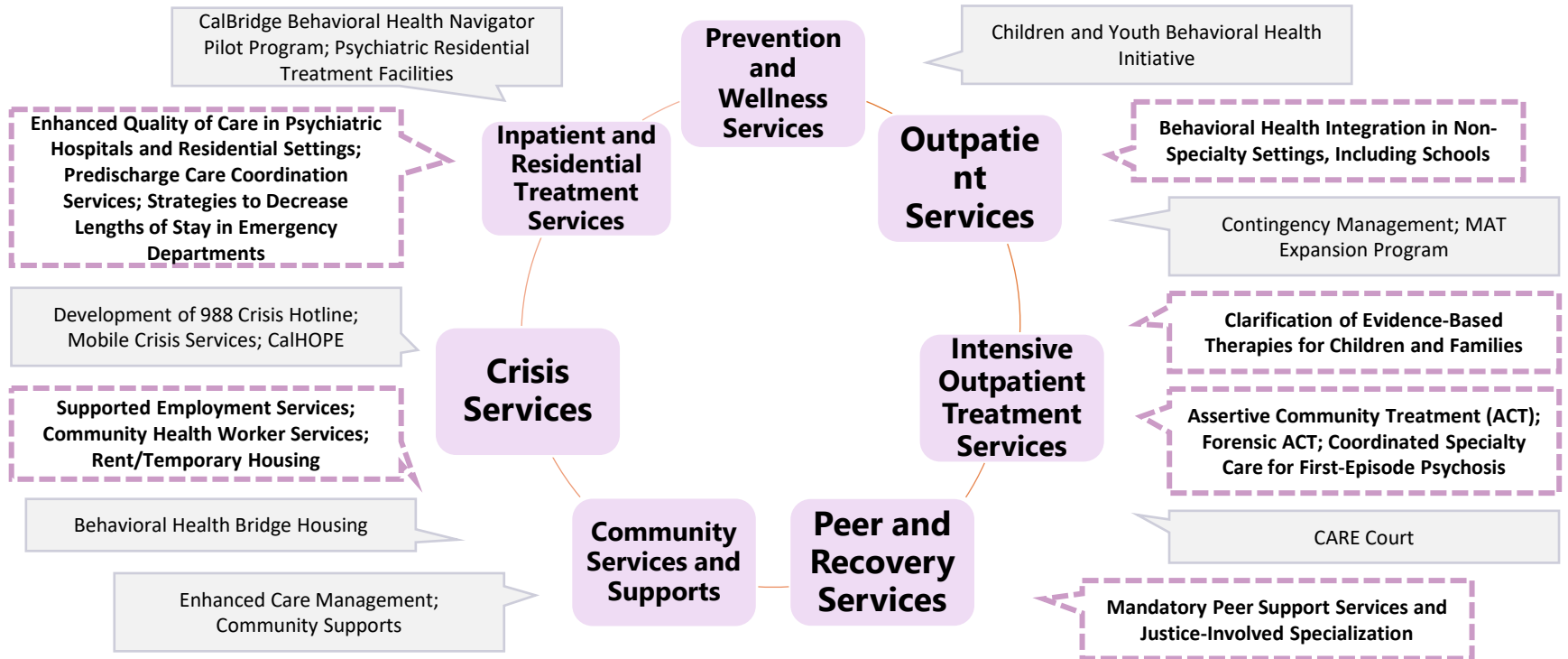
Ensure care provided in institutional settings is high-quality and time-limited.

APPROACH

- **Strengthen the statewide continuum of community-based services** and evidence-based practices available through Medi-Cal, leveraging concurrent funding initiatives.
- **Support statewide practice transformations** and improvements in the county-administered behavioral health system to better enable counties and providers to strengthen the continuum of community-based services; to improve the quality of care delivered in residential and inpatient settings; and to strengthen transitions from these settings to the community.
- **Improve statewide county accountability** for meeting service improvement requirements and implementing new benefits through incentives, robust technical assistance, and oversight.
- **Establish a county option to cover community-based services** that reduce the need for institutional care and improve outcomes.
- **Establish a county option to receive FFP for services provided during short-term stays in IMDs**, contingent on counties meeting robust accountability requirements; ensuring that care is provided in an institutional setting only when medically necessary; offering a full array of enhanced community-based services; and reinvesting new Medi-Cal funding into community-based care.

Demonstration: Continuum of Care

The demonstration is designed to complement and amplify the state's existing initiatives to build out the continuum of care for individuals living with SMI/SED.



Demonstration: Populations of Focus

In identifying the key elements of the demonstration, DHCS dedicated particular attention to the needs of populations that experience a disproportionate impact of behavioral health conditions. Some components will be implemented statewide, while others will be available at county option.



Children and Youth

- ✓ Clarify statewide service coverage requirements and issue guidance for specific evidence-based family and in-home therapies.
- ✓ Strengthen statewide, cross-agency coordination for youth in child welfare through a joint CW/SMH behavioral health assessment and cross-sector incentive pool.
- ✓ Promote activity stipends for youth in child welfare to promote social and emotional well-being.



Individuals Experiencing or at Risk of Homelessness

- ✓ Establish new benefits to help beneficiaries find and keep employment and housing, including Community Health Worker services and Rent/Temporary housing*.
- ✓ Incentivize counties to reduce homelessness among beneficiaries with SMI/SED.
- ✓ Coordinate with MCPs to connect beneficiaries to Community Supports, ECM and other initiatives.
- ✓ Strengthen behavioral health services for beneficiaries with severe impairments.



Individuals who are Justice-Involved

- ✓ Offer new services for individuals who are justice-involved, including Forensic Assertive Community Treatment, Peer Support Services with forensic specialization, and six months of rent/temporary housing.
- ✓ Provide technical assistance to increase collaboration with law enforcement and collaborative courts, including CARE courts.
- ✓ Coordinate with other initiatives to support individuals who are justice-involved.

**for up to six months for high-need members with behavioral health and housing needs, such as individuals transitioning from institutional care, individuals at risk of or experiencing homelessness, and youth transitioning out of the child welfare system*

Approach: Key Demonstration Components

The demonstration may include the following initiatives. Many may be statewide while others may be implemented as part of a county option to offer an enhanced continuum of care and receive FFP for short-term stays in IMDs.



Strengthen Statewide Continuum of Community-Based Services

- ✓ Clarification of Coverage Requirements for Evidence-Based Practices for Children and Youth
- ✓ Cross-Sector Incentive Pool
- ✓ Activity Stipends
- ✓ Initial Child Welfare/Specialty Mental Health Assessment



Support Statewide Practice Transformations

- ✓ Statewide Centers of Excellence
- ✓ Statewide Incentive Program Statewide Tools to Connect Beneficiaries Living with SMI/SED to Appropriate Care
- ✓ Promotion and Standardization of Quality of Care in Residential and Inpatient Settings



Improve Statewide County Accountability for Medi-Cal Services

- ✓ Transparent Monitoring Approach
- ✓ Establishment of Key Performance Expectations and Accountability Standards in County Mental Health Plan Contract
- ✓ Streamlined Performance Review Process



County Option to Enhance Community-Based Services

- ✓ Assertive Community Treatment
- ✓ Forensic Assertive Community Treatment
- ✓ Supported Employment
- ✓ Coordinated Specialty Care for First Episode Psychosis
- ✓ Community Health Worker Services
- ✓ Rent/Temporary Housing*



County Option to Receive FFP for Short-Term Stays in IMDs

- ✓ FFP for Short Term Stays in IMDs
- ✓ Requirement to Provide All Enhanced Community-Based Services for Beneficiaries Living with SMI/SED
- ✓ Incentive Program for Opt-In Counties
- ✓ Other CMS Requirements

**for up to six months for high-need members with behavioral health and housing needs, such as individuals transitioning from institutional care, individuals at risk of or experiencing homelessness, and youth transitioning out of the child welfare system*

Thank you

2022

CHA

BEHAVIORAL HEALTH CARE
SYMPOSIUM RIVERSIDE



Questions

Thank you

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