



Medi-Cal Managed Care Procurement

Presentation to Mono County Board of Supervisors
February 16, 2021



What is Medi-Cal Managed Care?

- Medi-Cal (California's Medicaid program) is the largest payer for health care services in the State, covering one-third, or 14 million, of California's residents.
- Of that number, nearly 80% (10.6 million) of Medi-Cal beneficiaries receive their care through a managed care delivery system.
- In Mono County, **approximately 3,500 residents are enrolled in Medi-Cal**. Most receive care from Anthem Blue Cross while California Health and Wellness (Health Net) serves the rest.*
- The California Department of Health Care Services (DHCS) is California's Medicaid Agency, and is responsible for procuring the health plans offered in Mono County and administering the contracts, including setting performance standards and measuring performance.

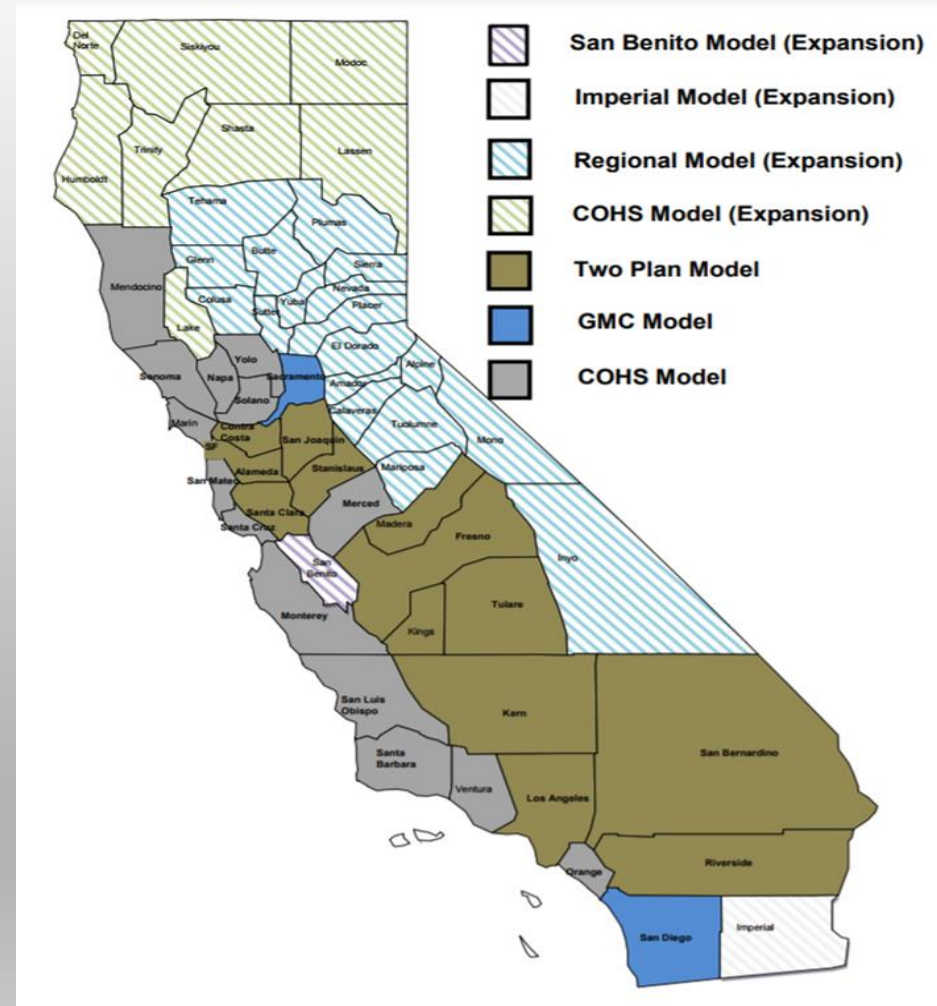
*some enrollees are fee for service

Medi-Cal Managed Care

Six Models of Managed Care

1. County Organized Health System (COHS)
2. Geographic Managed Care (GMC)
3. Two-Plan
4. Regional
5. Imperial
6. San Benito

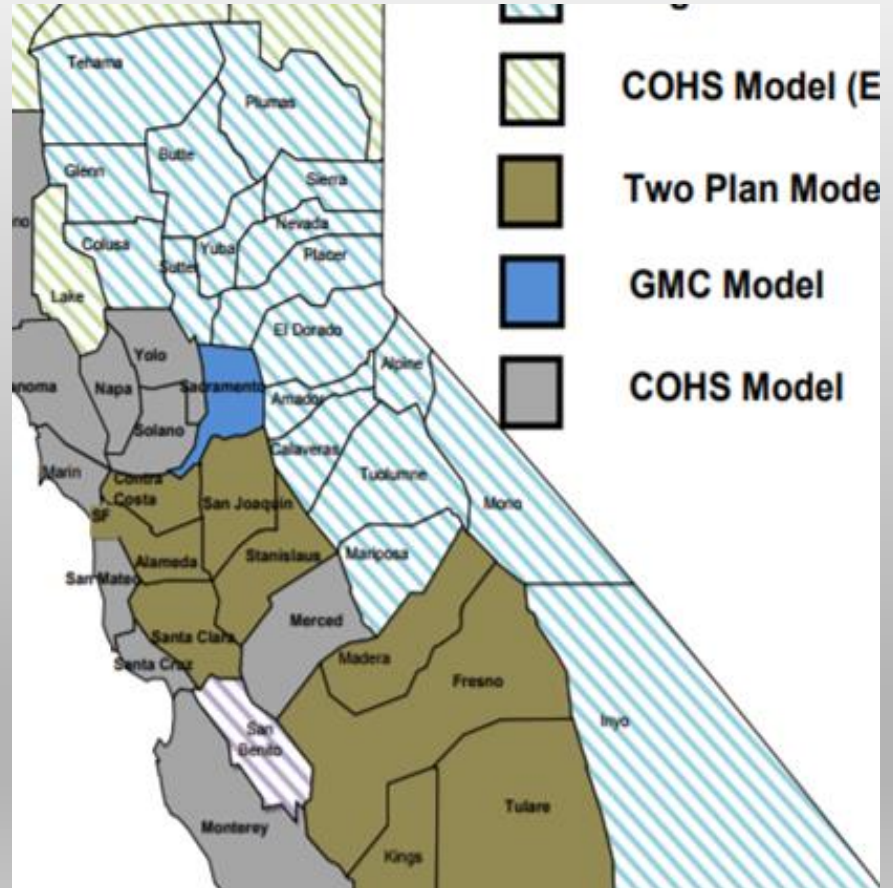
(plus special plans: PACE)



Regional Model Counties



In preparation for the 2021 RFP, Regional Model Counties are holding exploratory conversations with local health plans including COHS and 2-plan local initiatives.



Rural Health Care in California: A Unique Challenge



- Rural Californians struggle with health care challenges unique to their setting.
- Rural areas tend to have fewer health care providers, and many patients need to travel long distances in order to obtain certain types of specialty care.
- Rural beneficiaries also tend to be older, lower income, more likely to be unemployed, and in poorer health, making them more expensive to cover.
- Health plans have trouble distributing the risk and cost of health care across a smaller population because there are insufficient numbers of healthy enrollees to offset higher-cost enrollees.
- Building a comprehensive provider network that meets standards is very difficult, and lack of competition can mean that health plans don't have leverage when negotiating prices, further driving up the cost of care in rural areas.

2013 – 2020: Initial Outcomes

- Medi-Cal enrollees' access to primary care in Regional model counties is comparable to that in other rural regions.
- Access to specialty care is difficult for Medi-Cal enrollees in Regional model counties.
- The quality of care provided to Medi-Cal enrollees in Regional model MCPs was worse, on average, than for Medi-Cal enrollees of MCPs in other rural counties.
- Overall Medi-Cal enrollee satisfaction with MCP performance was lower in Regional model counties relative to other rural regions of the state.
- Many providers and county officials in Regional model counties are concerned with the performance of the two Regional model MCPs.
- Representatives of the two MCPs serving the Regional model counties said they were taking steps to address the concerns that had been raised by stakeholders.

Procurement: What does it Mean?

- All commercial Medi-Cal plans will be re-procured. This impacts many urban and rural areas, including Inyo, Mono, Alpine, and other small rural Sierra counties.
- Both Anthem and California Health and Wellness contracts will be re-procured.
- Rural Counties are taking this opportunity to evaluate potential plans and models that will best serve their counties, providers, and beneficiaries.
- The current Regional Model counties are likely to be split up to different plans and models.





Next Steps

- Counties interested in weighing in on their model and/or plan partner need to submit a letter to DHCS by March 31, 2021.
- Continue to monitor the decisions of other Counties in the Regional Model. Gain an understanding of what could happen to us if other Counties move proactively to another model and a few of us are left.
- Continue exploratory conversations with potential plan partners.
- Inland Empire Health Plan provided a presentation to the Inyo County Board of Supervisors on February 9, 2021.
- Inyo HHS will facilitate a meeting with IEHP and Medi-Cal providers in the region.

Upcoming Decision Points:

- Some Regional Model Counties are taking an active approach to soliciting new plan partners, others are letting DHCS take the lead. *Do we want to take an active approach to finding a plan and/or models that work for us?*
- Many Regional Model Counties are interested in going to a COHS model, in which a single public health plan provides all of the Medi-Cal managed care. This is because COHS models have been shown to work well in rural areas by increasing plan investment and engagement, efficiency, and spread of financial risk among more enrollees. *Are we interested in exploring a COHS model?*
- Whether we move to a COHS model or stick to a model that includes 2 plans, most counties find benefit from having a **nonprofit, publicly run plan partner**. *Should we continue to explore a public plan option?*
- *Other questions, concerns, or feedback?*