



# Organizations React to Medi-Cal Managed Care Procurement Draft RFP

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# Organizations React to Medi-Cal Managed Care Procurement Draft RFP

Webinar  
August 5, 2021

# Agenda

- Project Goals and Timeline
- Analysis of Feedback



Beth Waldman, JD, MPH,  
senior consultant, Bailit Health

- Panel Discussion



Kiran Savage-Sangwan, MPA,  
executive director, California  
Pan-Ethnic Health Network



Linnea Koopmans, MSW,  
chief executive officer, Local  
Health Plans of California



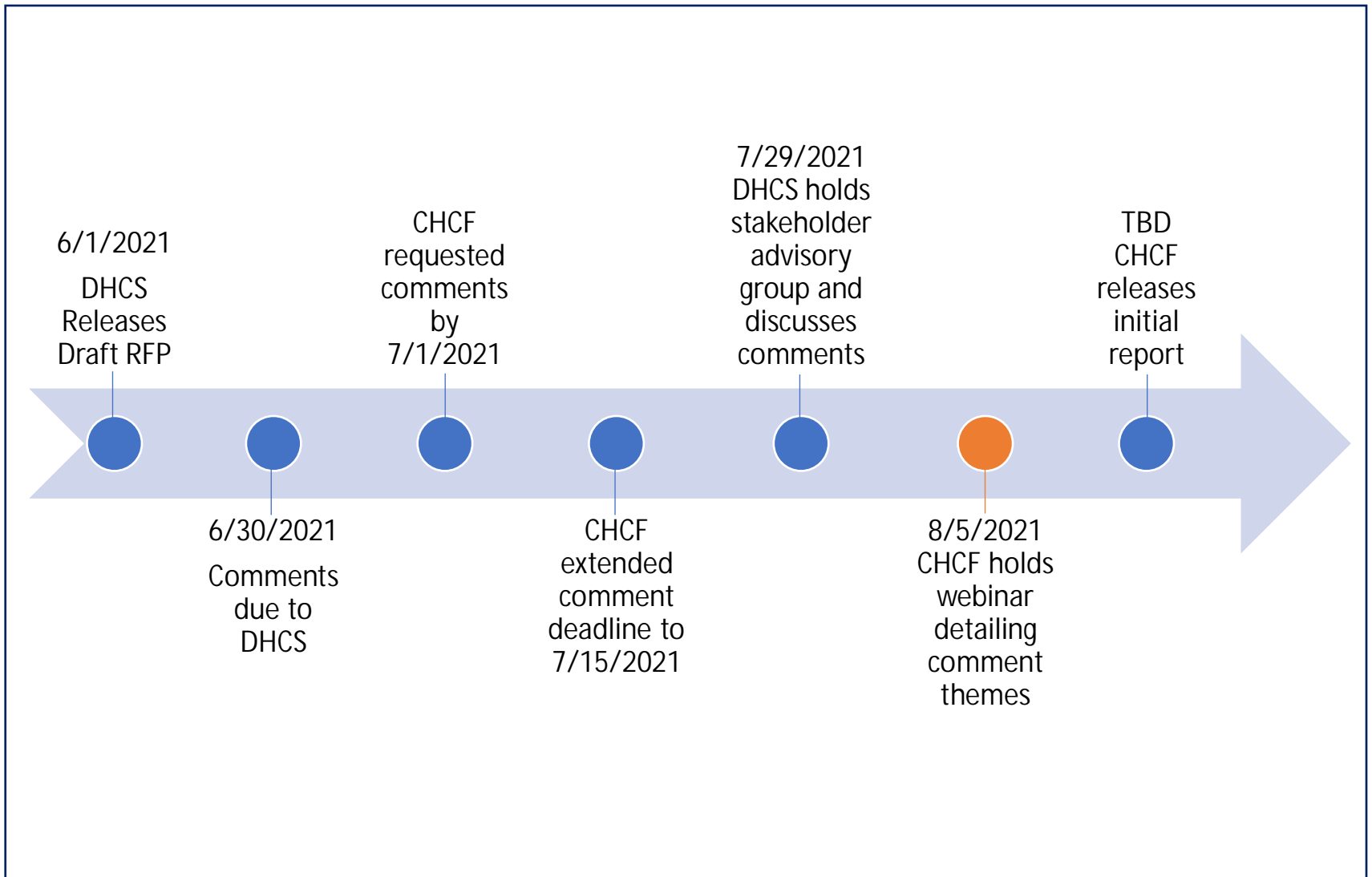
Mike Odeh, MPP, director,  
Health, Children Now

- Audience Q&A

# Project Goals

- Listen to and learn from others by soliciting feedback provided to DHCS
- Make feedback widely available by posting online
- Foster transparency and accountability by identifying and sharing common themes

# Project Timeline



# Response to CHCF's Call for Comments

- We received 19 responses to DHCS's request for comments; 15 are [posted on chcf.org](https://www.chcf.org)
- Organizations sharing their feedback included:
  - Consumer advocacy groups (8)
  - Provider and provider organizations (8)
  - Managed care plans (MCPs) and associations (3)
- Most responses to DHCS reflected feedback from several organizations, including one set signed by over 400 groups

# Analysis of Stakeholder Responses

Beth Waldman

*August 5, 2021*

bailit  
health

# Identifying Themes: Our Approach

- Categorized comments using DHCS's goals
- Identified 12 most common themes across commentors
- Grouped themes into three domains:
  1. Completeness and clarity of RFP
  2. MCP requirements: access, quality, and disparities
  3. Payment and partnership
- Considered additional comments that didn't rise to a theme but seemed important to call out



# Domain 1: RFP Completeness and Clarity

- Release complete draft RFP for review and comment
- Ensure that contract reflects full scope of MCP obligations
- Clarify MCP requirements

# Release Complete Draft RFP for Review & Comment

- DHCS should address gaps in draft procurement documents and reissue them for public review and comment
- DHCS should offer stakeholders the opportunity to review RFP evaluation questions
- Missing information includes CalAIM, additional equity requirements, schools and youth behavioral health programs
- Concern that there may be important additions to the final RFP that stakeholders have had no opportunity to review

# Ensure Contract Reflects Full Scope of Obligations

- All Plan Letters (APLs) should be incorporated into the MCP contract
- Other examples citing missing MCP obligations:
  - RFP must include more detail on recent Child and Youth Behavioral Health Initiative
  - RFP does not include stated intent to require clinical and claims data sharing participation from all MCPs and providers
  - Model contract does not reference existing requirements, including abortion care and compliance standards for dental care
  - DHCS should define what audits will consist of and the anticipated scope of such work

## Clarify MCP Requirements: *Examples Related to Care Coordination*

- Contract language should clarify and specify care coordination responsibilities
- Require MCPs to administer an individual risk assessment to those identified as low risk to help identify preventive services they may need
- Develop and implement strategies to improve care coordination and to increase rates of referral completion and member engagement in specialty services
- Utilize effective care coordination performance measures reflective of Early and Periodic Screening, Diagnostic, and Treatment (EPSDT)
- Require MCPs to include community health workers in care coordination or partner with community-based organizations (CBOs)

## Domain 2: MCP Requirements: Access, Quality, Disparities

- Enhance requirements for MCPs to have adequate networks and timely access to care
- Hold MCPs more accountable for performance
- Add contract requirements to hold MCPs more accountable for reducing disparities
- Enhance requirements for MCPs to provide culturally competent and linguistically appropriate care

## Enhance Requirements for MCPs to Have Adequate Networks and Timely Access to Care

- Increase MCP accountability for assuring adequate networks and timely access to care
- Before state waives network adequacy requirements, MCP should be required to demonstrate efforts to contract with existing providers
- Clarify MCP responsibilities for maintaining adequate networks and access to subacute facilities and other levels of step-down care
- Ensure MCPs have available and accessible substance use disorder treatment programs with proportionate capacity specifically for youth in service area
- RFP should define a comprehensive MCP network for long-term services and support

# Hold MCPs More Accountable for Performance

- Payments to MCPs should be more explicitly tied to performance; DHCS must ensure value and accountability
- Reflect administration's stated intention to hold MCPs accountable to benchmark measures
- Impose financial withholds for MCP failure to meet 50th percentile of performance
- Increase MCP oversight and contract requirements around delegation

## Add Contract Requirements to Hold MCPs More Accountable for Reducing Disparities

- Hold MCPs accountable for reducing behavioral health disparities and improving utilization rates
- Require MCPs to regularly report progress on reducing child and maternal health disparities
- Disparities should include age, disability, and sex in addition to race, ethnicity, language, and lesbian, gay, bisexual, transgender, and queer (LGBTQ) populations
- Require MCPs to set year-over-year targets for elimination of disparities for both physical and behavioral health



## Enhance Requirements for MCPs to Provide Culturally Competent & Linguistically Appropriate Care

- Add requirements for MCPs to actively recruit and retain culturally and linguistically competent providers and staff
- Expand eligible providers to include nonclinical workers to be more reflective of members' racial/ethnic, socioeconomic, cultural, and language backgrounds
- Ensure MCPs are aware of and complying with California's language access law
- Appreciate intent of requirement for MCPs and network providers to achieve the National Committee for Quality Assurance's Distinction in Multi-Cultural Care by 2026, but will be overly burdensome for some providers

## Domain 3: Payment and Partnership

- Ensure appropriate funding for MCPs and fair, timely payment to providers
- Require MCPs to support efforts to address social determinants of health (SDOH)
- Require MCPs to have a local presence and to engage in the communities they serve
- Require MCPs to make specific investments in the communities they serve
- Require MCPs to spend a minimum percentage of their revenue on primary care, prevention, addressing SDOH, or other areas

## Ensure Appropriate Funding for MCPs and Fair, Timely Payment to Providers (1/3)

- DHCS should undertake a comprehensive financial review of new requirements, discuss the impacts of those with MCPs, and commit to factoring them into the rate-setting process accordingly
- Require MCPs to support comprehensive telehealth coverage and payment
- Add provision to address MCPs' obligations to pay for emergency transportation
- Require MCPs to pay child-serving providers sufficient rates

## Ensure Appropriate Funding for MCPs and Fair, Timely Payment to Providers (2/3)

- Require MCPs to:
  - Develop and maintain an incentive program and compensate providers through financial incentive program payments
  - Align payments and measurements with those established by current prospective, risk-adjusted models in use in California and nationally
  - Transition their downstream payments from fee-for-service to alternative payment models
  - Require MCPs to provide physician practices the financial resources and data needed to support patient-centered, coordinated, comprehensive, equitable care that is central to successfully transitioning to alternative payment and delivery models

## Ensure Appropriate Funding for MCPs and Fair, Timely Payment to Providers (3/3)

- Require MCPs to report on:
  - The percentage of total spending and spending amount each applicant dedicates to support and incentivize primary care
  - The level of primary care participation and the results of the financial incentive programs offered

## Require MCPs to Support Efforts to Address SDOH (1/2)

- Strengthen focus on health-related social needs including stronger cultural competency training, publicly reporting population needs assessments, and capturing SDOH info in trauma-informed ways
- Incorporate 2021–22 state budget items that will have positive impacts on health of pregnant individuals, babies, and children; include reimbursement for community health workers, expanded access to dyadic care, and a new doula care benefit to promote birth equity

## Require MCPs to Support Efforts to Address SDOH (2/2)

- Require MCPs to ensure providers who serve children complete Adverse Childhood Experiences (ACEs) training and conduct ACEs screenings
- Require MCP partnerships with providers serving youth experiencing homelessness
- Fund street outreach including providing licensed clinical staff who can provide immediate mental health, life skills, and social-emotional needs assessments that are both age and culturally and linguistically appropriate

## Require MCPs to Have a Local Presence and to Engage in the Communities They Serve

- Require MCPs to develop a plan to spend a minimum percentage of medical loss ratio (MLR) on nonclinical services and coordination with CBOs
- Strengthen community engagement and representation of children and youth on advisory committees
- MCPs should have partnerships with school districts and county offices
- Require MCPs to get county letters of support as part of RFP process



# Require MCPs to Make Specific Investments in the Communities They Serve

- Expect significant investments in the safety-net delivery system
- Require MCPs to report on how they are supporting provider transition to advanced primary care models
- Invest in community health to fix access and capacity issues and to support integration efforts with behavioral health
- Require MCPs to contribute to a locally governed community wellness and equity fund

## Require MCPs Spend a Minimum Percent of Revenue on Primary Care, Prevention, Addressing SDOH, etc.

- Require MCPs to:
  - Report on percentage of total spending dedicated to support and incentivize primary care
  - Develop a plan to spend a minimum percentage of their MLR on preventive care, nonclinical services, and coordination with CBOs

## Other Draft RFP Comments of Note (1/2)

- There should be additional stakeholder engagement focused on reducing the number of MCPs in San Diego and Sacramento
- Clarify that a diagnosis is not needed for children to receive physical or behavioral health services in schools
- Use a deemed credentialing process

## Other Draft RFP Comments of Note (2/2)

- Identify and address bias in the use of risk stratification algorithms
- MCPs should be required to implement health information technology to support population health principles
- MCPs must submit complete, accurate, and timely encounter data
- Consider whether audit requirements are overly burdensome to MCPs

# Cross-Cutting Draft RFP Comments

In addition to the specific themes already noted, multiple comments from organizations noted that MCPs must be required to:

- Support access to high-quality **behavioral health** services and **maternal and child health** care
- Invest in **care for children** across services and providers, including in schools

# Conclusion

Those whose comments were shared with CHCF:

- Appreciated ability to provide feedback on the draft MCP procurement documents
- Provided thoughtful feedback to DHCS on a wide range of issues that should be considered as the procurement is finalized
- Believe that there was a significant amount of missing information and would like the opportunity to review and contribute to the missing pieces prior to DHCS's final publication of the MCP RFP