



MARIPOSA COUNTY

Health and Human Services • (209) 966-2000



RESOLUTION - ACTION REQUESTED 2021-217

MEETING: April 20, 2021
TO: The Board of Supervisors
FROM: Shannon Gadd, Health and Human Services Agency Director
RE: Approve Medi-Cal Managed Care Plan Transition Letter of Intent (LOI)

RECOMMENDATION AND JUSTIFICATION:

Approve Medi-Cal Managed Care Plan Transition Letter of Intent (LOI); and authorize the Health and Human Services Agency Director to sign the letter.

BACKGROUND:

2021, the California Department of Health Care Services (DHCS) is beginning a statewide procurement of commercial Medi-Cal managed care plans (MCPs). Some counties have expressed interest in transitioning to a model that includes a local plan. DHCS is requesting a Letter of Intent from the counties interested in pursuing a local plan.

The purpose of the Letter of Intent is for the county to

- demonstrate understanding of the MCP's obligations as a new local plan,
- describe county engagement underway, and
- outline the necessary steps in order to meet the preliminary requirements prior to the finalization of the commercial plan procurement RFP in 2021.

This Letter of Intent was initially due March 31, 2021 but has been extended to April 30, 2021.

Currently, Anthem Blue Cross and California Health and Wellness Plan provide Medi-Cal managed care services in Mariposa County. Over the past several months, HHSA staff have engaged in conversation with the Health Plan of San Joaquin and Central California Alliance for Health (CAAH) about interest in Mariposa County joining their local plans. HHSA has also participated in discussions with peer counties through the County Health Executives Association of California (CHEAC) and the Central California Area Social Services Consortium (CCASSC). As a result of these discussions, HHSA decided to pursue a Letter of Intent jointly with CCAH.

This Letter of Intent requires approval by the Mariposa County Board of Supervisors and by the CCAH Board of Directors. This Letter of Intent is an acknowledgement to DHCS that Mariposa County and CCAH will continue discussions to determine if

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Medi-Cal managed care services provided by CCAH will be of greater benefit to Mariposa County.

The Letter of Intent *does not*

- bind, encumber, or promise the Mariposa County Medi-Cal managed care services contract to CCAH,
- bind, encumber, or promise CCAH to provide Medi-Cal managed care services to Mariposa County, or
- bind, encumber, or promise DHCS to allow Mariposa County to change its Medi-Cal managed care plan model or service provider(s).

The Board of Supervisors' approval of the Letter of Intent *does*

- allow Mariposa County to continue to explore what Medi-Cal managed care plan and provider(s) can best meet the needs of Mariposa County,
- allow Mariposa County to engage stakeholders (i.e. community members, health services providers) in discussion about the possibility of changing Medi-Cal managed care plan and provider(s), and
- allow Mariposa County and CCAH to determine if CCAH is best positioned to address the needs of Mariposa County *and* the mission and goals of CCAH.

DHCS's timeline for finalization of the counties included in the procurement Request for Proposal (RFP) is October 2021. The implementation date for commercial plans procured in the RFP, and any new local plans, is January 1, 2024.

HISTORY OF BOARD ACTIONS:

There is no known history of Board actions related to exploring the possibility of changing the Medi-Cal managed care plan model or provider(s).

FINANCIAL IMPACT: There is no financial impact to approving the Letter of Intent.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

If the Board of Supervisors chooses not to approve the Letter of Intent, Mariposa County will not have the ability to explore Medi-Cal managed care plan options that may better meet the needs of the community.

ATTACHMENTS:

County Managed Care Transition to Local Plan - LOI Instructions 2-2-21 (PDF)
LOI Mariposa County - CCAH_FINAL (PDF)

RESULT: ADOPTED [UNANIMOUS]

MOVER: Rosemarie Smallcombe, District I Supervisor

SECONDER: Wayne Forsythe, District IV Supervisor

AYES: Smallcombe, Sweeney, Long, Forsythe, Menetrey



April 20, 2021

Ms. Bambi Cisneros
Acting Deputy Director
Health Care Delivery Systems
Department of Health Care Services
1501 Capitol Avenue, MS 4400
Sacramento, CA 95899-7413

RE: Letter of Intent - Mariposa County/Central California Alliance for Health

Dear Ms. Cisneros,

On behalf of the County of Mariposa (the County) and the Central California Alliance for Health (the Alliance), we are pleased to submit this non-binding Letter of Intent to express our mutual interest in a County/Health Plan partnership to expand the Alliance Service Area to include its County Organized Health System (COHS) model of Medi-Cal managed care to eligible Medi-Cal beneficiaries in Mariposa County.

The County and the Alliance first began discussions regarding the feasibility a partnership in 2012 and again most recently, the County contacted the Alliance in 2019 regarding its interest in exploring the possibility of working with the Alliance towards an expansion of the Alliance's COHS Medi-Cal managed care plan services. The Alliance's history of successful operations in the region and its emphasis on access, quality, member engagement and provider support are all factors in the County's interest in working with the Alliance.

The County will include key stakeholders, in the discussions regarding the change to a Medi-Cal managed care model and will ensure local buy-in and interest in pursuing the opportunity to bring the COHS model into the county health care delivery system. All parties' interests are mutual and aligned in their appreciation of the opportunity to meet the health care needs of Mariposa county Medi-Cal beneficiaries through local governance.

Based on current shared knowledge, available information, and mutual intent, the County and the Alliance attest to having a reasonable expectation that the following requirements will be met.

1. The Alliance remains in good financial standing, has a working capital ratio of at least 1:1, and is able to assume financial risk for Medi-Cal managed care plan services for Medi-Cal members in the county assuming revenue rates developed for the expansion area are determined to be adequate by the Alliance.

2. The County and the Alliance will work together to self-fund all pre-implementation activities, including readiness requirements, and will not require funding from DHCS related to the cost of these activities.
3. The Alliance will meet financial readiness requirements that are similar to those included in the Alliance current Medi-Cal contract in Section 2 “Financial Information”, Section 8 “Provider Compensation Arrangements”, and Section 20 “Budget Detail and Payment Provisions”.
4. The Alliance will meet non-financial readiness requirements and timelines that are similar to those included in the Alliance current Medi-Cal contract
5. The Alliance will meet network capacity requirements for 100% of the Eligible Beneficiaries in the county.
6. The Alliance will implement all applicable Medi-Cal managed care plan requirements that are added through new legislation or other guidance, including but not limited to, all elements of the final CalAIM proposal (California Advancing and Innovating Medi-Cal).
7. By September 2021, the Alliance will describe preliminary planning for a network contracting strategy and ongoing negotiations to support the increased capacity necessary for the new local plan responsibility for January 2024.
8. The County is not aware of any new state statute requirement necessary to implement this managed care model transition. If it were to be determined that such statutory authority was necessary, the County would work to develop and enact the requisite legislation.
9. The County Board of Supervisors will consider enacting local ordinances by October 2021 authorizing the shift to a County Organized Health System model through the Central California Alliance for Health.

Following are the County and Plan contacts for related to this discussion.

Mariposa County	Central California Alliance for Health
Primary: Shannon Gadd Director Health & Human Services Agency 5362 Lemee Lane, PO Box 99, Mariposa CA 95338 209-966-2000 sgadd@mariposacounty.org	Primary: Stephanie Sonnenshine Chief Executive Officer 1600 Green Hills Road, Suite 101 Scotts Valley, CA 95066 831-430-5530 ssonenshine@ccah-alliance.org
Secondary: Eric Sergienko Mariposa County Health Officer 5362 Lemee Lane, PO Box 99, Mariposa CA 95338 209-966-2000 esergienko@mariposacounty.org	Secondary: Danita Carlson Government Relations Director 1600 Green Hills Road, Suite 101 Scotts Valley, CA 95066 831-212-1602 dcarlson@ccah-alliance.org

The County and the Alliance submit this non-binding Letter of Intent to expand the Alliance's COHS model of Medi-Cal managed care, to Medi-Cal beneficiaries in Mariposa County, contingent on state and federal approval and upon adequate revenue to support the expansion, as determined by the Alliance and approved by the Alliance governing board. To that end, the Alliance must receive sufficient pre-expansion utilization data to evaluate revenue rates and support provider network development. Further, final approval by the Alliance board is subject to confirmation of federal statutory authority and/or waiver requirements related to COHS enrollment limits, to ensure the long-term financial viability and sustainability of the Alliance's operations in its existing tri-county service area.

The County shares in the Alliance's mission to provide accessible, quality health care guided by local innovation and thanks the Department of Health Care Services for this opportunity to bring the Alliance mission, vision and values to its residents.

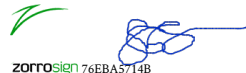
Sincerely,

 Shannon Gadd

zorrosign 76EBA57137

Shannon Gadd
Director Health and Human Services
Mariposa County

Date: 04/21/2021



zorrosign 76EBA5714B

Stephanie Sonnenshine
Chief Executive Officer
Central California Alliance for Health

Date: 04/29/2021

Approved as to Legal Form:

 Steven W. Dahlem

zorrosign 76EBA5712D

Steven W. Dahlem, County Counsel

Exhibit B: Readiness Planning

The Santa Cruz - Monterey - Merced Managed Medical Care Commission (dba: Central California Alliance for Health) or “the Alliance”, operates a County Organized Health System (COHS) pursuant to State and federal statutes. (Welfare & Institutions Code §14087.54 and CFR § 42 U.S.C. § 1396u-2(a) (3) (c) serving over 370,000 eligible enrolled Medi-Cal beneficiaries in Santa Cruz county since 1996, Monterey county since 1999 and Merced county since 2009. As a COHS plan successfully operating for over 25 years and having twice previously successfully implemented county expansions the Alliance is well-positioned to expand its service area to encompass the Medi-Cal enrollees in Mariposa County, which borders all three of the Alliance current counties. *(Separately, the Alliance submits a parallel letter of intent to expand its service area to San Benito County.)*

The Alliance provides the following information to demonstrate its readiness planning and ability to meet all readiness requirements in each of the following areas.

Service Utilization

The Alliance has the demonstrated ability to provide reliable service utilization and cost data, including but not limited to, all required quarterly financial reports, audited annual reports, utilization reports of medical services, and encounter data.

The Alliance maintains an information system that collects and reports encounter and claims data in compliance with managed care plan contractual requirements regarding the provision of timely, accurate, reasonable and complete encounter and claims cost data.

The Alliance Finance Department complies with contractual requirements regarding periodic financial reporting, including quarterly and annual financial statements, rate development templates and all supplemental data requests.

Network Adequacy

The Alliance maintains a provider network adequate to provide all medically necessary Covered Services to 100% of the eligible enrollees in its service area. The Alliance’s provider network includes primary care physicians, non-physician medical practitioners, specialists, pharmacies, hospitals and ancillary providers that are based on the population makeup and geographic needs within its service area. The Alliance contracts with Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs) as well as American Indian Health Programs and Freestanding Birthing Centers (FBCs) where available. In addition, the Alliance offers telehealth services to complement its provider network and address access to care.

The Alliance provider network complies with accessibility and availability requirements, including standards for time and distance as reflected in the plan’s annual network certification submission.

Quality Monitoring

The Alliance administers robust quality improvement and utilization management programs which include prospective and retrospective review of services, patterns of practice review

and review of drug prescribing practices. In addition, the Alliance has mechanisms in place to review for and detect both over-utilization and under-utilization of services.

The Alliance maintains a Quality Improvement (QI) System to monitor, evaluate, and take effective action to address any needed improvements in the quality of care delivered by all providers rendering services on its behalf, in any setting. The Quality Improvement and Population Health (QI/PH) Department monitors the quality of health care services provided and is able to review quality of care at the individual member level, as well as for the Alliance's member population as a whole. This includes leading the Alliance's effort to improve effectiveness and preventive care measures for members through the National Committee for Quality Assurance (NCQA) HEDIS/MCAS measures and the Alliance Care Based Incentives (CBI) program. The QI/PH Department manages the clinical safety program, including review of Potential Quality Issues, Facility Site Review audits, and on-going monitoring activities. To support providers with clinical improvement efforts, QI/PH provides technical assistance through quality practice coaching, learning collaboratives, practice transformation academy, CBI Forensic visits, and academic detailing. In addition, QI/PH provides health education and cultural and linguistic programs to support members with preventive care and chronic care management interventions.

Accessibility Standards

The Alliance has established accessibility standards in compliance with contractual and regulatory requirements including procedures for timely access to appointments within standards for timely appointments for urgent, non-urgent primary care, specialty and ancillary services as required.

The Alliance offers a 24/7 Nurse Advice Line service available to members with a registered nurse available to answer health care questions and assist members and connect them with services.

Additional Efforts

The Alliance is able to submit required deliverables to the Department, including but not limited to, quality improvement systems, utilization management, access and availability, member services and member grievance systems.

The Alliance will use its approved Member Handbook and member informing materials to provide information to new enrollees and will ensure that provider sites and facilities are reviewed in compliance with contractual requirements.

The Alliance has policies and procedures in place in compliance with standards and guidelines established by the Department which demonstrate its readiness to provide services to members and can provide additional information in any of the above areas upon request.

The County and the Alliance have no health-related financial sanctions or Corrective Action Plans in place.