



## CDCAN REPORT

**#008-2010 JANUARY 5, 2010 - TUESDAY**

**CALIFORNIA DISABILITY COMMUNITY ACTION NETWORK**

**ADVOCACY WITHOUT BORDERS: ONE COMMUNITY –**

**ACCOUNTABILITY WITH ACTION**

*California Disability Community Action Network Disability Rights News goes out to over 50,000 people with disabilities, mental health needs, seniors, traumatic brain & other injuries, veterans with disabilities and mental health needs, their families, workers, community organizations, including those in Asian/Pacific Islander, Latino, African American communities, policy makers and others across California.*

*To reply to this report write: MARTY OMOTO at [martyomoto@rcjp.com](mailto:martyomoto@rcjp.com) WEBSITE: [www.cdcan.us](http://www.cdcan.us) TWITTER: [www.twitter.com](http://www.twitter.com) - "MartyOmoto"*

### **Medi-Cal Update:**

## **Important Medi-Cal Meeting Thursday Jan 7 at 9:30 AM**

***Department of Health Care Services Stakeholder Advisory Committee Will Look At Schwarzenegger Administration's Proposal to Federal Government To Renew and Expand Section 1115 Medicaid Waiver That Could Dramatically Change How People With Disabilities, Mental Health Needs, the Blind & Seniors Receive Medi-Cal Services***

SACRAMENTO, CALIF (CDCAN) [Updated 01/06/10 10:00 PM (Pacific Time)] - Proposed dramatic and sweeping changes for the Medi-Cal program for children and adults with disabilities, mental health needs, the blind and seniors that will be submitted within the coming months to the federal government by the Schwarzenegger Administration is the focus of the first public meeting of an advisory stakeholder committee to the Department of Health Care Services, scheduled for Thursday morning (January 7) from 09:30 AM to 12:30 PM at the Sacramento Convention Center, 1301 L Street, Room 240 in Sacramento 95814-3900. The proposal is meant to be a large piece of the solutions to the State's ongoing budget crisis.

A copy of the agenda is below or can be viewed or downloaded from the CDCAN website at [www.cdcan.us](http://www.cdcan.us)

**Persons can also participate in the public meeting by calling:**

**Call In Toll Free Number: (800) 988-9526**

**Passcode: (verbal) 'DIRECTOR'**

The general public attending the meeting physically onsite or calling in will have the opportunity to make very brief comments or ask questions near the end of the meeting (see agenda below).

### **Department of Health Care Services Responsible for Submitting Final Proposal to Federal Government**

The Department of Health Care Services – the state agency that oversees the state's Medicaid program (called "Medi-Cal" in California), is authorized by budget related legislation (ABx4 6 – the "x4" stands for 4<sup>th</sup> special or extraordinary session) passed last July to draft and submit a proposal to the federal government that seeks to renew and

significantly expand a special Medicaid program – known as the Section 1115 Waiver Demonstration Project that currently deals narrowly with hospital financing and uninsured care, and is set to expire August 2010.

The State wants to renew and expand that waiver to include proposals to reduce costs by moving people with disabilities, the blind and seniors into new “organized delivery systems of care” and possibly in some instances, into existing Medi-Cal managed health care plans. A waiver allows the federal government to authorize a pilot or demonstration project that normally would not be allowed under Medicaid laws and regulations).

The details of the “organized delivery systems of care” and other specifics, including any needed changes to existing managed care plans, have not yet been fleshed out or finalized.

The proposal is meant to rein in the growing costs of the Medi-Cal program, which along with In-Home Supportive Services, regional center funded community based services, SSI/SSP, are among the fastest growing health and human service program in both spending and caseload.

#### **Stakeholder Advisory Group Required by Legislation**

ABx4 6 requires the Department of Health Care Services to convene and consult with a “stakeholder advisory group” in developing the waiver and the implementation plan and requires that group to remain in place to advise on the continued operation of the waiver.

It also requires this stakeholder group to include, but not be limited to persons with disabilities, seniors, legal services agencies, specialty care providers, physicians, hospitals, county government, and labor.

#### **State Drafted “Concept Paper” Submitted to Feds**

The Department of Health Care Services drafted in the fall, with input from stakeholders, a concept paper that it sent to the federal government in the fall that outlined the Schwarzenegger Administration proposal, but has not yet finalized any details or other specifics of the proposal.

That concept paper titled “*State of California’s Concept for a Comprehensive Section 1115 Waiver to Replace the Current Medi-Cal Hospital/Uninsured Care Demonstration Project*” was submitted to Centers on Medicare and Medicaid Services (CMS), the federal agency that is responsible for the nation’s Medicare and Medicaid programs.

[CDCAN Note: For more information about the Section 1115 Waiver renewal, go to the Department of Health Care Services website page for this at (including subscribing to free updates on the waiver renewal):

<http://www.dhcs.ca.gov/provgovpart/Pages/WaiverRenewal.aspx>

For specific questions on the waiver renewal, persons can email:

[WaiverRenewal@dhcs.ca.gov](mailto:WaiverRenewal@dhcs.ca.gov)

The copy of the 11 page concept paper can also be viewed or downloaded on the CDCAN website at [www.cdcan.us](http://www.cdcan.us) CDCAN will be scheduling a series of townhall telemeetings on this issue.

### **Proposal Calls For Shifting Medi-Cal Recipients Into “Organized Delivery Systems of Care” Over 5 Year Period**

The proposal – which at this point contains no details yet - calls for shifting, over a phased in period of five years, nearly all of the population of children and adults with disabilities, the blind, mental health needs and seniors currently who receive Medi-Cal under the “fee for service” program into an “organized delivery systems of care” that could use existing managed health care systems or create new systems, including newly developed “enhance medical home” models.

The Schwarzenegger Administration says – in the concept paper, that the Medi-Cal “fee for service” system is uncoordinated and does not bring together or integrate primary, acute, behavioral health, and social and long term care support needs – forcing Medi-Cal recipients to use a mix of services that are administered and paid for by different systems.

The original concept paper said that those persons enrolled in Medi-Cal managed care health plans face a similar problem when in need of specialty mental health services which currently is “carved out” of those plans – requiring those Medi-Cal recipients to seek help outside of those plans or not at all.

### **Major Impact To People With Disabilities, Seniors, Mental Health Needs**

The Section 1115 Waiver proposal is meant to impact nearly all children and adults with disabilities – including those with developmental disabilities, mental health needs and seniors because the idea is to dramatically change how Medi-Cal services are delivered to those individuals from the traditional “fee for service” model to an “organized delivery systems of care” where costs can be controlled while – the State policymakers hope – quality can be maintained and even improved.

The State’s original concept paper focused on the four major groups that are linked to the program’s highest needs for services and increases in spending:

- Seniors and children and adults with disabilities. The Senate Health Committee briefing paper and other papers and some testimony by managed care plans on this proposal refers to this group as “SPDs” which stands for seniors and people with disabilities. [*CDCAN Note: CDCAN urges that public policymakers, advocates and providers refrain from using this abbreviation because it makes the issue more confusing for others and inadvertently diminishes the population it refers to*]
- Dual eligibles, sometimes known as “Medi-Medis” – who are children and adults with disabilities or seniors who are eligible and receive services under both the Medicare and Medicaid programs, estimated at over 1 million in California.
- Children served by the California Children’s Services (CCS), approximately about 200,000 children
- Children and adults requiring specialty mental health care and services

### **Advocates Concerned About Implementation Details and “Plan Readiness”**

Many disability and senior advocates, while supporting the need for major reforms to the Medi-Cal program that would improve quality and delivery of services, are concerned on the details of the proposal – and the details of “organized delivery of systems of care” that could include existing managed health care plans.

Some advocates say some of those existing managed health care systems are not ready or prepared to provide services specifically for persons with disabilities or seniors. Some advocates have pointed out specific physical barriers and related access problems but also cultural and language issues.

Other advocates over the years have raised concerns about the readiness of existing managed health care plans – or newly developed plans – would address specific needs of persons with developmental disabilities or mental health needs

### **AGENDA FOR JANUARY 7<sup>th</sup> PUBLIC MEETING**

*California Hospital/Uninsured Care Demonstration Project  
Section 1115 Waiver Stakeholders Advisory Committee*

#### **AGENDA/DISCUSSION ITEMS**

1. *Welcome and Introductions*
2. *Legislative Intent of AB X4 6 (authorizing legislation) and Purpose of Stakeholder Advisory Committee*
3. *Today’s Environment: Upcoming State Budget Release and CMS 1115 Waiver Process and Timeline*
4. *Organization, Structure, Staffing, Roles, Funding, Timeline and Ground Rules for Stakeholder Advisory Committee*
5. *History of California’s Hospital Waivers, An Overview of Hospital Financing and Its Relation to the Sec. 1115 Waiver/Demonstration Project*
6. *Key Questions that the new Waiver Needs to Address and that the Stakeholder Advisory Committee will Review*
7. *Overview of Technical Workgroups: Purpose, Scope and Process for Feedback*
8. *Public Comment*
9. *Next Steps and Future Meetings to be Scheduled*
10. *Adjourn*

*A meeting summary will be posted on the DHCS Waiver Renewal Website approximately one week after the date of the meeting. Meeting conclusion time is an estimate; meeting may end earlier subject to completion of agenda items and/or approved motion to adjourn.*

*In order for the Committee to provide an opportunity for all interested parties to speak at the public meetings, individual public comment may be limited in time.*

*Written comments provided to the Committee must be made available to the public, in compliance with Gov. Code §11125.1 of the Bagley-Keene Open Meeting Act. Individuals who require accommodations for their disabilities (including interpreters and alternate*

*formats) are requested to contact Ms. Sandra Sabanovich of the Department of Health Care Services at (916) 440- 7871 at least five days prior to the meeting.*

## **NEXT STEPS**

- Proposal will be fleshed out and finalized by the Department of Health Care Services with comments, suggestions and input from the stakeholder advisory committee, and also from the general public. Additional meetings and next steps will be announced the January 7<sup>th</sup> stakeholder advisory committee meeting.
- The proposal requires review over the next several months by the Legislature but further approval is not needed for the Department of Health Care Services to move forward with the proposal. This could change if additional requirements or steps are put into budget related bills passed by the Legislature and approved by the Governor in next several months.
- The final proposal needs to be submitted to the federal government in the coming months.
- Approval by the federal government is expected to come sometime in the middle of this year – before the current waiver expires in August.
- Once approval is received from the federal government, the existing budget related bill passed by the Legislature and approved by the Governor in late July, gives the Department of Health Care Services the authority to implement the waiver by way of issuing “All County Letters” that go to county welfare directors and other county or local agencies, and not issue new state regulations – though it would require the department to “consult” with stakeholders prior to issuing such letters.

## **URGENT!!!!**

### **PLEASE HELP CDCAN CONTINUE ITS WORK!!!**

We need your help. CDCAN Townhall Telemeetings, reports and alerts and other activities cannot continue without your help.

To continue the CDCAN website, the CDCAN News Reports, sent out and read by over 50,000 people and organizations, policy makers and media across California and to continue the CDCAN Townhall Telemeetings which since December 2003 have connected thousands of people with disabilities, seniors, mental health needs, people with MS and other disorders, people with traumatic brain and other injuries to public policy makers, legislators, and issues.

Please send your contribution/donation (make payable to "CDCAN" or "California Disability Community Action Network):

### **CDCAN**

**1225 8th Street Suite 480 - Sacramento, CA 95814**

paypal on the CDCAN site is not yet working – will be soon.

MANY, MANY THANKS TO the CALIFORNIA ASSOCIATION OF ADULT DAY HEALTH CENTERS, Valley Mountain Regional Center, Toward Maximum Independence, Inc (TMI), Friends of Children with Special Needs, UCP of Los Angeles, Ventura and Santa Barbara Counties, Southside Arts Center, San Francisco Bay Area Autism Society of America, Hope Services in San Jose, FEAT of Sacramento (Families for Early Autism Treatment), RESCoalition, Sacramento Gray Panthers, Easter Seals of Southern California, Tri-Counties Regional Center, Westside Regional Center, Regional Center of the East Bay, UCP of Orange County, Alta California Regional Center, Life Steps, Parents Helping Parents, Work Training, Foothill Autism

Alliance, Arc Contra Costa, Pause4Kids, Manteca CAPS, Training Toward Self Reliance, UCP, California NAELA, Californians for Disability Rights, Inc (CDR) including CDR chapters, CHANCE Inc, , Strategies To Empower People (STEP), Harbor Regional Center, Asian American parents groups, Resources for Independent Living and many other Independent Living Centers, several regional centers, People First chapters, IHSS workers, other self advocacy and family support groups, developmental center families, adoption assistance program families and children, and others across California