San Luis Obispo County Coverage Initiative Planning Project

February 15, 2011

Goals of Low Income Health Program

- Get ready for 2014 by:
  - Phasing MIA's on to managed care
  - Providing Medi-Cal scope of services
  - Paying FQHCs at PPS rate
  - Drawing down federal match
  - Eliminating asset test for eligibility
  - Eliminating medical need for eligibility
  - Having continuous enrollment
- Enhancements:
  - Creating medical homes with care coordination
  - Adding mental health benefits to MIAs

Challenges of Low Income Health Program

- Maintenance of effort at 09-10 level (changing again)
- Estimating demand for program
- Estimating utilization/costs of program
- PPS payment to FQHCs
- Still must meet Welfare and Institutions Code Section 17000 indigent care obligation
- Reduced eligibility requirements – easier to get on program
- Longer periods of eligibility
- Must expend funds first and then get reimbursed

Current CMSP Program

- Enrollees: **2561** in FY 2009-10; 3779 in 2010
  - 80% <133% FPL; 14% between 133 and 200 FPL; 5% between 200 and 250% FPL
  - 25% growth from 2008 to 2009; 18% growth from 2009 to 2010.
- Total medical spending (09-10)
  - $5.4 million -- $2106 PMPY
    - Primary care: $384,000 (Medi-Cal FFS rates)
    - Specialty care: $900,000
    - Hosp/ER: $1.8 million
    - RX: $1.4 million
    - Mental health: $600,000
    - Other: $310,000
- Total administration (elig, UR, pymts, etc).
  - $835,000 -- $326 PMPY
- Total CMSP spending: $6.2 million

Scenario 1: Modify CMSP

- Enrollees: **2704**
  - Assume 10% growth (already surpassed)
  - Reduce eligibility to 200% FPL
- Total medical spending
  - $5.2 million -- $1932 PMPY
    - Primary care: $422,000 (Medi-Cal FFS rates – 10% increase)
    - Specialty care: $990,000 (10% increase)
    - Hosp/ER: $1.81 million (assume no incr in hospital)
    - RX: $1.0 million (shift from CHC to PBM)
    - Mental health: $660,000
    - Other: $340,000 (10% increase)
- Total administration (elig, UR, pymts, etc).
  - $835,000 -- $309 PMPY
- Total CMSP spending: $5.95 million

Scenario 2: LIHP @ Current Rates and Utilization + PPS

- Enrollees: **4419**
  - Max enrollment based on MOE and FFP
  - Reduce eligibility to 200% FPL
  - 73% increase from 09/10
- Total medical spending
  - $9.8 million -- $2223 PMPY
    - Primary care: $2.4 million (Medi-Cal PPS rates)
    - Specialty care: $1.7 million
    - Hosp/ER: $2.2 million (assume little incr in hospital)
    - RX: $1.7 million (shift from CHC to PBM)
    - Mental health: $1.1 million
    - Other: $600,000
- Total administration (elig, UR, pymts, etc).
  - $1.7 million -- $374 PMPY ($182 for DSS; $192 for CenCal)
- Total LIHP spending: $11.8 million

Scenario 3: LIHP @ CenCal Average for Disabled and IHSS + PPS

- Enrollees: **2042**
  - Max enrollment based on MOE and FFP
  - Reduce eligibility to 200% FPL
  - 20% decrease from 09/10
- Total medical spending
  - $11.1 million -- $5421 PMPY
- Total administration (elig, UR, pymts, etc).
  - $763,000-- $374 PMPY ($182 for DSS; $192 for CenCal)
- Total LIHP spending: $11.8 million

SUMMARY OF SCENARIOS

	Enrollment	Total Medical	Medical Per Capita	Total Admin	Admin Per Capita	Total program	Total Per Capita
CMSP	2561	$5.4 million	$2106	$835,000	$326	$6.2 million	$2432
Modify CMSP	2704	$5.1 million	$1891	$835,000	$309	$5.9 million	$2200
LIHP at CMSP utiliz. and rates	4419	$9.8 million	$2223	$1.7 million	$374	$11.5 million	$2611
LIHP at CenCal blended rate	2042	$11 million	$5421	$763,000	$374	$11.8 million	$5795

APPLICATION

- Decide if applying for HCCI -- YES
- Delivery system and provider network (including FQHC at PPS rates) – Cen Cal
- Medical home – YES
- Mental health carve out – YES (SLO County)
- FPL eligibility limits for MCE and HCCI – 200% FPL
- Estimate # of enrollees – 1736 MCE; 310 HCCI

APPLICATION

- Estimate maximum expenditure level for waiting list - $11.8 million
- Retroactive benefits: 1 month for MCE; 7 days for HCCI
- Reimbursement mechanism – CPE's or capitated rates? -- CPES
- Estimate of "Total Funds Expenditures" (TFE's) – feds will reimburse 50% --: $11.8 million
- Amount requested for HCCI: $2.95 million

APPLICATION

Moving Forward Collaboratively

APPENDICES

- Income rules for eligibility determinations: Same as Medi-Cal
- Add-on Health Care and Mental Health services, including substance abuse: None
- Cost sharing for enrollees: None
- Network adequacy numbers: Provided by Cen Cal
- Non-federal funding: Realignment, General Fund
- Mental health delivery system: SLO Behavioral Health
- LIHP eligibility and enrollment system: DSS – mirror Medi-Cal

NEXT STEPS

Moving Forward Collaboratively

- Continue to refine calculations
- Present options to BOS on March 29
- Review application with State
- Review alternative options with and without federal funding
  - e.g. no HCCI