

ITUP hosted two Regional Workgroups in Orange County. During the second Workgroup, ITUP received up to date information on the region's implementation of the §1115 Medicaid Waiver as it relates to the Delivery System Reform Incentive Pool, discussed priorities for transforming the Medi-Cal program in preparation for 2014, and informed participants of the ongoing development of the California Health Benefit Exchange. This summary will provide an overview of thoughts, concerns, and recommendations from the region.

§1115 Medicaid Waiver

Delivery System Reform Incentive Pool (DSRIP)¹

The Delivery System Reform Incentive Pool links existing hospital funds to an incentive program that focuses on quality improvements. The program provides an opportunity for California's 21 public hospitals to become more competitive in a reformed delivery system. DSRIP includes four categorical improvements: infrastructure development, innovation and redesign, population focused improvement, and urgent improvements in care.

The University of California Irvine Healthcare has focused on a number of goals within each category. Notable projects include establishing a patient navigation system that helps patients better navigate the hospital building and assists with chronic disease management. Urgent improvements for UCI Healthcare focus on improving sepsis detection and management and preventing central line-associated blood stream infections (CLABSI). Other projects work toward increasing primary care, developing risk stratification capabilities, improving the patient experience, and expanding medical homes.

Medi-Cal Transformation

In 2014, 1.4M Californians will be newly eligible for Medicaid expansion. Currently, California's Medi-Cal program serves 7.5M individuals. In order to accommodate the influx of new beneficiaries and ensure quality of care for all those enrolled, the program will need to undergo a number of transformations, namely in simplifying and streamlining enrollment processes, increasing provider reimbursement rates, and improving payment methods.

CalOptima estimates that an additional 130,000-150,000 individuals will be eligible for Medi-Cal in Orange County, with 50,000-60,000 people transitioning from the Medical Services Initiative (MSI) program into Medi-Cal. Participants recommended that Orange County adopt a "no wrong door" policy to help maximize enrollment in the County in 2014. Attendees also discussed outreach efforts and suggested the County utilize a number of venues to reach those who will be newly eligible, including family resource centers, food trucks, beauty salons, radio stations and promotoras.

Participants also listed provider capacity and payment methods as a priority for transformation. They suggested increasing reimbursement rates to improve provider retention, especially when considering the significant number of new beneficiaries that will be entering the Medi-Cal program. Participants requested utilization rates and the pharmacy data of current Medi-Cal beneficiaries from CalOptima. They believed this would provide a clearer picture of the service patterns of this population to better help the County improve on efficiencies and prepare for 2014.

California Health Benefit Exchange (HBEX)

Visions and Design Options

¹ Presentation by Jon Gilwee, University of California Healthcare on DSRIP can be accessed at http://itup.org/wp-content/uploads/downloads/2011/11/orange_county_dsrp.pdf

The California Health Benefit Exchange will be a virtual marketplace where 4M Californians will be eligible to purchase health coverage. Participants discussed the four visions for the Exchange as outlined by the California HealthCare Foundation, including the Exchange as a price leader, service center, change agent, and public partner.

As a price leader, the Exchange would offer the most competitively priced coverage by selectively contracting with plans that offer the lowest coverage. As a service center the Exchange would provide a great consumer experience by offering options, clear information, and high quality customer support to draw in consumers. As a change agent, the Exchange would initiate delivery reform by driving innovation, while as a public partner; HBEX would coordinate with Medi-Cal to guarantee continuity of care.

Discussions also focused on the development and design options of the Exchange's IT system. These include a distributive, partially integrated, fully integrated, or integrated partnership design. The Exchange Board will have to determine if and how to best integrate state and county IT systems. Participants preferred a standardized statewide system, as outline in the fully integrated option, which would allow the Exchange to determine eligibility for all health care coverage, including all Medi-Cal populations (MAGI and non-MAGI), CHIP, and health plans in the Exchange. The role of County Statewide Automated Welfare Systems (SAWS) would evolve to assist the Exchange with applications, enrollment, and ongoing case management for other human service programs. With this option, participants wanted county systems to have the ability to communicate locally with the state system and adjust information, such as income, if necessary.