Driving Quality Improvement in Managed Care

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Presentation Overview

1. Background on California’s Medicaid Program (Medi-Cal)
2. California’s Quality Improvement Focuses
3. Challenges
4. Future Endeavors
Medi-Cal Managed Care Expansion

2011
- Medi-Cal only Seniors and Persons with Disabilities (SPDs) (Aged, Blind, Disabled (ABDs)) transitioned

2012
- Community Based Adult Services (CBAS) became a managed care benefit

2013
- Healthy Families Program transitioned (SCHIP)
- Expansion into 28 rural counties

2014
- Medicaid optional expansion implemented
- Coordinated Care Initiative (duals demonstration & LTSS) implemented
- Transition of SPDs in 28 rural counties
Trend In Medi-Cal Enrollment and Month Over Month Growth
(October 2012 through September 2014)

-0.2% -0.3%
3.4%
0.7%
1.9%
3.9%
0.8%
0.3%
1.6%
0.0%
0.2%
-0.2%
0.1%
-2.0%
0.0%
2.0%
4.0%
6.0%
8.0%
10.0%
12.0%
14.0%
16.0%

Certified Eligibles in Millions

Source: Medi-Cal eligibility data as of October 2014

Between October 2013 and September 2014, Medi-Cal enrollment grew by over 2.7 million.

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Trends in Medi-Cal Enrollment in FFS vs Managed Care

<table>
<thead>
<tr>
<th>Year</th>
<th>Fee-for-Service</th>
<th>Managed Care</th>
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</thead>
<tbody>
<tr>
<td>2004</td>
<td>51%</td>
<td>49%</td>
</tr>
<tr>
<td>2011</td>
<td>40%</td>
<td>60%</td>
</tr>
<tr>
<td>2014</td>
<td>29%</td>
<td>71%</td>
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<tr>
<td>2016</td>
<td>22%</td>
<td>78%</td>
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</tbody>
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Trend in Medi-Cal Managed Care Enrollment by Age Distribution (as of July 2014)

- 2009:
  - 0-21: 71%
  - 22-44: 18%
  - 45-64: 4%
  - 65+: 5%

- 2014:
  - 0-21: 58%
  - 22-44: 16%
  - 45-64: 21%
  - 65+: 5%

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California’s Diverse Medi-Cal Managed Care Population

- White: 19%
- Hispanic: 10%
- African-American: 10%
- Asian/Pacific Islander: 10%
- Other/Unknown: 7%

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California’s Diverse Medi-Cal Population

13 threshold languages in the Medi-Cal program

- Arabic
- Armenian
- Cambodian
- Chinese
- English
- Farsi
- Hmong
- Khmer
- Korean
- Russian
- Spanish
- Tagalog
- Vietnamese

Beneficiaries and areas served

- Seniors and Persons with Disabilities; single, childless adults; parents and kids; rural and urban areas
Quality improvement is a key component in helping California achieve the Three Linked Goals:

- Improving the health of populations
- Reducing the per capita cost of health care
- Improving the patient experience of care

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California Focuses on Quality Improvement

- Develop and implement the Medi-Cal Managed Care Quality Strategy
- Improve HEDIS performance
- Improve encounter data quality
- Strengthen monitoring efforts
- Increase accountability and transparency
- Develop meaningful consumer protections
- Offer performance-based incentives
1. Develop and implement the Medi-Cal Managed Care Quality Strategy

- Aligned the Medi-Cal Managed Care Quality Strategy with California’s Department of Health Care Services (DHCS) Quality Strategy and the DHCS Strategic Plan

- Of the seven priorities of the DHCS Quality Strategy, five are objectives of the Medi-Cal Managed Care Quality Strategy (in **bold**):
  - Improve patient safety;
  - Deliver effective, efficient, affordable care;
  - Engage persons and families in their health;
  - Enhance communication and coordination of care;
  - Advance prevention;
  - Foster healthy communities; and
  - Eliminate health disparities.
Quality Improvement Focuses

1. Develop and implement the Medi-Cal Managed Care Quality Strategy

• Of the five DHCS Strategic Plan goals, three goals are included in the Medi-Cal Managed Care Quality Strategy (in **bold**):
  - Advance prevention
  - Improve patient safety
  - Treat whole person by coordinating, integrating services
  - Hold DHCS, Plans, providers, and partners accountable for performance
  - Maintain effective, open communication
Quality Improvement Focuses

2. Improve HEDIS performance

- Speeding up and intensifying DHCS’s response by using rapid cycle quality improvement (QI)
- Imposing Corrective Action Plans (CAP) on the lowest performing plans, with the possibility of financial penalties if milestones are not met
- Identifying best practices across the nation for implementation
- Significantly increasing our data analyses:
  - Creation of a Quality Factor Score which ranks health plans across all audited HEDIS measures
  - Analysis of HEDIS measures by demographic factors
Quality Improvement Focuses

3. Improve encounter data

- Implemented the Encounter Data Improvement Project (EDIP) over two years ago to improve the overall quality of encounter data
- Implementing the Quality Measures for Encounter Data (QMED) which will be used to measure compliance with reporting complete, accurate, reasonable and timely encounter data
  - Will create a quarterly report card based on thirty measures
  - Included on our Medi-Cal Managed Care Performance Dashboard
  - Plans with low scores for three consecutive quarters will be placed under a CAP and financial penalties will be imposed, if needed
Quality Improvement Focuses

4. Strengthen our monitoring efforts

- Amend health plan contracts to include stronger contract language to easily impose sanctions
- Standardize reporting to make data comparable across plans
  - For example, beneficiary-level data reporting to monitor grievances and appeals by age, threshold language, and other demographics.
- Corrective Action Plans (CAPs) for medical audits/surveys, HEDIS quality, encounter data, and other
Quality Improvement Focuses

5. Increase accountability and transparency

- All HEDIS and CAHPS reports are publicly posted on the DHCS website: [http://www.dhcs.ca.gov/dataandstats/reports/Pages/MMCDQualPerfMsrRpts.aspx](http://www.dhcs.ca.gov/dataandstats/reports/Pages/MMCDQualPerfMsrRpts.aspx)
- Post all health plan Medical Audits and Surveys and Corrective Action Plans
- Medi-Cal Managed Care Performance Dashboard
  - Continually evolving – each release features new themes, metrics, and/or modifications to existing metrics
  - Helps target areas of needed improvement for plans
  - Allows for plan comparison to better observe and understand plan performance statewide
  - Ability to look at trends across plan model types and over time
Medi-Cal Managed Care Performance Dashboard

HEDIS 2013 Aggregated Quality Factor Score

Note: The Aggregated Quality Factor Score (AQFS) is a single score that accounts for plan performance on all DHCS-selected Health Effectiveness Data and Information Set (HEDIS) indicators. It is a composite rate calculated as percent of the National High Performance level (HPL).

The High Performance Level is 100%. The Minimum Performance Level is 40%. The Weighted Average is 60%.

http://www.dhcs.ca.gov/services/Pages/MngdCarePerformDashboard.aspx

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Quality Improvement Focuses

6. Develop meaningful consumer protections

• Provide automatic Continuity of Care for transitioning populations
• Issued guidance to address Continuity of Care for beneficiaries
  • Up to 12 months post transition if:
    • Plan and provider agree to a rate
    • The beneficiary and provider have a pre-existing relationship
    • Provider has no quality of care issues
• Collect data from health plans to ensure compliance with requirements
• Collaborated with stakeholders in developing a webpage on the DHCS website that explains, in plain language, continuity of care rights and simple step-by-step instructions on how beneficiaries can maintain their continuity of care
Continuity of Care Webpage

http://www.dhcs.ca.gov/services/Pages/ContinuityOfCare.aspx

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Quality Improvement Focuses

7. Other performance-based incentives

• Performance-based auto-assignment algorithm recognizes plans with superior performance relative to other plans in the county
  • Creates QI incentive among plans by assigning more members to higher performing plans
• Annual Quality Awards for HEDIS & CAHPS
  • Award for plans scoring the highest in all required HEDIS measures
  • Award for plan with the most improved HEDIS rates from last year to current year
• Potential for new Payment/Delivery Reform Incentive Payments structure under the 1115 Waiver Renewal
Challenges

• Ensuring network adequacy
  • Increased number of enrollees
    • California’s Exchange – Covered California
    • Optional expansion
  • Many competing markets for same providers
  • Specialist shortages
• Rural counties
  • Mental health, in particular
    • Psychiatrist shortages
Challenges

• Diversity of California’s Medi-Cal population
  • Preferences for care vary across cultures
  • Rural and urban coverage areas

• Physical and behavioral health integration
  • Barriers to data exchange
    • State HIPAA laws are more restrictive
  • Financing structure in California
Future Endeavors

- Develop formal process for administering sanctions
- Quarterly health plan report cards
- Creating consistency in health plan requirements across all plan models
- Continued collaboration with our plan partners, stakeholders, sister agencies, and other governmental entities
Questions and Discussion