



## Legislation Details (With Text)

**File #:** 21-0278      **Version:** 1

**Type:** Agenda Item      **Status:** Approved

**File created:** 2/11/2021      **In control:** Board of Supervisors

**On agenda:** 4/13/2021      **Final action:** 4/13/2021

**Title:** Health and Human Services Agency recommending the Board:  
 1) Receive and file a presentation on the current Regional Medi-Cal Managed Care Two-Plan model (commercial), and proposed changes thereto;  
 2) Approve and authorize the Chair to sign a Letter of Intent to transition to the established Health Plan of San Joaquin Local Initiative Two-Plan public/commercial Medi-Cal Managed Care Plan model.

**FUNDING:** There are no funding requirements related to County operations or associated activities.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. A - EDC Letter of Intent 4/13/21, 2. B - Barton Letter of Support 4/13/21, 3. C - EDCHC Letter of Support 4/13/21, 4. D - MMC Letter of Support 4/13/21, 5. E - Regional Counties Readiness Requirements 4/13/21, 6. F - BH Letter of Support 4/13/21, 7. G - HPSJ Presentation, 8. H - Memo to BOS re MMC Program 040521

Date	Ver.	Action By	Action	Result
4/13/2021	1	Board of Supervisors	Approved	Pass

Health and Human Services Agency recommending the Board:  
 1) Receive and file a presentation on the current Regional Medi-Cal Managed Care Two-Plan model (commercial), and proposed changes thereto;  
 2) Approve and authorize the Chair to sign a Letter of Intent to transition to the established Health Plan of San Joaquin Local Initiative Two-Plan public/commercial Medi-Cal Managed Care Plan model.

**FUNDING:** There are no funding requirements related to County operations or associated activities.

**DISCUSSION / BACKGROUND:**

California’s Medicaid program, Medi-Cal, is the largest state Medicaid program in the nation. Insuring almost one-third of California’s roughly 40 million residents, Medi-Cal is a key source of health coverage for low-income children, adults, and people with disabilities, while also providing wrap-around coverage for many elderly Medicare beneficiaries. California was the first state to pilot managed care in Medicaid, beginning in the early 1970s, and from that the Medi-Cal Managed Care (MMC) program has developed a unique structure that grew out of the different health care delivery and financing systems in different counties of the state. Over time, California has transitioned progressively more Medi-Cal beneficiaries into MMC, and through this Medi-Cal providers who wish to provide services to managed care enrollees must participate in the managed care plan’s provider network. A distinguishing feature of the MMC program is that different managed care models operate in different counties, largely shaped by the historical role of the counties in the financing and delivery of primary care, public hospital services, mental health services, and certain long-term services and supports to low-income and medically indigent residents. Today, in total, six different managed care

models operate across California's 58 counties: County Organized Health System (COHS), Two-Plan Model, Geographic Managed Care (GMC), Regional Expansion Model, Imperial Model, and San Benito Model.

Recently, the California Department of Health Services (DHS) offered an opportunity for rural counties to have greater local influence and control over the MMC delivery system serving local community membership. After being notified of this opportunity, El Dorado County Public Health leadership facilitated a series of meetings with El Dorado's local hospital and healthcare providers to discuss the opportunity and to consider what MMC delivery model could best meet the needs of the local resident membership and healthcare providers. These meetings were held to ensure that the perspective of key stakeholders including Barton Health, Marshall Medical, El Dorado Community Health Center, Alpine County, and the Health and Human Services Agency were all at the table to consider what model would best serve this community. After holding a series of meetings with these organizations and their respective leadership, all healthcare partners unanimously agreed that one specific MMC model would best serve El Dorado County, and that would be to join an established local initiative (LI) in partnership with the Health Plan of San Joaquin (HPSJ).

With 25 years of MMC experience, and success improving the health of Central Valley Medi-Cal enrollees with major socioeconomic and health challenges relative to enrollees in other parts of the state through offering an LI model, HPSJ can offer significant advantages for El Dorado County residents and healthcare providers. The advantage stems from this potential partnership changing the current availability of two commercial health plans for consumers to one public plan (non-profit) and one commercial plan. Other benefits of an LI model through HPSJ for the County include direct participation in the design strategies, local priority setting, benefit scope, service quality, and general management of the public plan through local representation on a governing council. It is important to note that current research indicates superior membership satisfaction with public plan benefits over current commercial products, and a clear trend for a more robust community investment by the partnering plan. HPSJ can provide El Dorado with these advantages, and with the endorsement of El Dorado County Public Health, as well as unanimous endorsement from Barton Health, Marshall Medical, El Dorado Community Health Center, and Alpine County, HPSJ recommends that the Board approve and authorize the Chair to sign a Letter of Intent to transition to the established HPSJ Local Initiative Two-Plan public/commercial Medi-Cal Managed Care Plan model. El Dorado's regional healthcare partners believe HPSJ is uniquely qualified to support El Dorado Medi-Cal membership by making available both their public and commercial plan, all while being able to maintain their reputation as a plan devoted to providing health care for its members that is timely, of high quality, equitable, patient-centered, and culturally and linguistically fitting.

**ALTERNATIVES:**

Should the Board elect to forgo joining the San Joaquin LI or by intent fail to confer a letter of intent (LOI) by April 30, 2021, DHS will interpret this as a decision to remain in the two-plan model (commercial). This status quo position does not guarantee that the currently operating commercial plans in the County will remain the same. This would thereby reduce local control and input to our MMC, including the loss of direct participation in MMC design strategies, local priority setting, benefit scope, service quality, and general management of the public plan through local representation on a governing council.

**PRIOR BOARD ACTION:**

N/A

**OTHER DEPARTMENT / AGENCY INVOLVEMENT:**

Approved by County Counsel, Information Technologies, and Risk Management.  
County Counsel for review for review of ordinance development by October 2021 should the County elect joining the HPSJ LI through LOI by 4/30/2021

**CAO RECOMMENDATION:**

Approve as recommended.

**FINANCIAL IMPACT:**

There is no cost associated with this Agenda Item, and therefore no impact to General Fund.

**CLERK OF THE BOARD FOLLOW UP ACTIONS**

- 1) Clerk of the Board to obtain signature of Chair on attached Letter of Intent.
- 2) Clerk of the Board to return one (1) fully signed Letter of Intent immediately so HHSA may submit to the State prior to the April 30, 2021 deadline.

**STRATEGIC PLAN COMPONENT:**

Healthy Communities

**CONTACT**

Don Semon, Director, Health and Human Services Agency