



**Long Term Care Integration Project *and*
Healthy San Diego**



DECEMBER 2001

INTRODUCTION

San Diego County is pleased to present this overview concept paper to provide:

- historical information on the evolution of San Diego's Long Term Care Integration Project (LTCIP) and stakeholder planning process;
- the underlying rationale for evaluating the feasibility of expanding Healthy San Diego as a delivery model option for the LTCIP;
- proposed components of the long term care integration delivery model, and
- proposed timelines and action items in conjunction with the State Department of Health Services and Office of Long Term Care.

Key stakeholders from the community have demonstrated their commitment to the vision and guiding principles of San Diego's LTCIP over the last two and a half years. There has been broad support and active participation from health plans, long term care providers, community advocates and consumers.

San Diego is at a critical point in the planning process and recognizes the essential role of Department of Health Services staff in identifying options and respective timelines for any amendments or waiver application requirements for Healthy San Diego expansion. As the San Diego planning initiative seriously considers Healthy San Diego as the service delivery model for LTCIP, together with a concurrent 1915(c) waiver, it is important to plan for the future of Healthy San Diego and LTCIP together.

IMPETUS FOR THE LTCIP

The State of California and San Diego County are seeking better ways to deliver care to the elderly and disabled population, and over the past few years, there has been a tremendous effort and commitment by the state and the county to restructure and integrate existing long term care programs.

AB 1040

In 1995, state legislation was enacted to authorize and implement the Long Term Care Integration (LTCI) Pilot Program to develop demonstration projects to improve the delivery system for long term care services for frail elderly and disabled residents in participating counties throughout the state. By integrating the delivery system for medical, social and supportive services, consolidating the funding of these services, and adopting a

capitated payment system, the state pilot program seeks to empower counties to:

- Build an integrated system out of the currently fragmented public services available;
- Overcome the built-in cost shifting incentives in the current payment structures; and
- Provide services in the most appropriate setting and the most cost-effective manner.

LOCAL GRASSROOTS COMMUNITY PLANNING PROCESS

What is unique about California's LTCI Pilot Program, is its "bottom up" or "grass roots" approach to the design of the demonstration projects. Interested counties, rather than state government, are responsible for designing a system of care with the participation of local stakeholders, taking into account the unique constellation of local resources and infrastructure, consumer characteristics, and geographic considerations.

In order to facilitate development and implementation efforts at the local county level, the state has awarded several planning grants to interested counties. San Diego County is currently one of six participating counties and has been successfully awarded a series of three one-year planning grants from the state.

One of the unique features of the setting for the San Diego LTCIP is that it is under the authority of the recently organized Health and Human Services Agency. The "HHSA" was formed from the combining of the former Departments of Health, Social, Children's, Aging, and Veterans Services. Aging and Independence Services (AIS) has been delegated lead responsibility for the LTCIP initiative within the county. With broad aging network and home and community-based care experience, AIS's lead has provided assurance to stakeholders that the project will not be built upon the traditional medical model.

Stakeholder Participation and Administrative Structure and Process

As a result of enabling legislation, over the past 26 months San Diego County has been working collaboratively with a group of over 400 key stakeholders to design an integrated system of acute and long term care services for aged, blind and disabled (ABD) Medi-Cal beneficiaries in San Diego.

Included as Attachment A is a listing of the key stakeholders that have been involved in the planning process. The vision of the San Diego LTCIP

is to develop a program that provides a continuum of medical, social, and supportive services, pools associated funding, is consumer driven and responsive, expands access to care, improves quality and promotes cost effectiveness for elderly and disabled residents.

San Diego's local LTCIP planning process includes broad and active participation of key stakeholders, providers and consumers involved with the care of the frail elderly and disabled in San Diego. An administrative structure and process has been established for the local LTCIP to:

- facilitate development and implementation efforts at the local level
- facilitate communication, outreach and active participation by key stakeholders in the planning process and
- to develop a plan for a comprehensive integrated system of acute and long term care services.

In addition, an Advisory Group, Planning Committee and self-directed workgroups have been created to guide the LTCIP planning process and to develop a plan for San Diego. Included as Attachment B is a flow chart which illustrates San Diego LTCIP's administrative structure and decision-making process.

The Planning Committee of the LTCIP has been meeting since April 1999 and functions as the primary focal point to discuss key issues around long term care integration. To date, the Planning Committee has:

- educated members about issues and options for integration by identifying the most appropriate options, and objectively assessing the feasibility of alternative models for the integration of acute and long term care services for the aged, blind and disabled Medi-Cal population in San Diego;
- identified and discussed critical program elements and success factors for successful implementation and realization of the vision;
- reached consensus on exploring the expansion of the Healthy San Diego model as a service delivery system for LTCIP.

LTCIP Mission Statement and Guiding Principles

The Planning Committee also developed and approved a mission statement and set of guiding principles for the LTCIP during Planning Phase I (July 1999-June 2000) which has served as a guide for the planning, consensus building and decision making process.

LTCIP Mission Statement:

To develop a comprehensive, consumer-centered, integrated continuum of care (health, social and supportive services) that maintains individual

dignity, and allows consumers of long term care services to remain an integral part of their family and community life, and pools funding to minimize process and maximize resources.

LTCIP Guiding Principles:

- Enhanced consumer participation and self-direction and the right to choice
- Single and seamless point of entry
- Expand home and community-based options
- Assure continuity of care
- Maintain or enhance consumers' quality of life
- Provide family caregivers with the full range of affordable and accessible support services, including respite and counseling
- Provide training and education
- Meaningful involvement of consumers, providers, advocacy groups and other key stakeholders in the process (planning, monitoring and evaluation)
- Enhanced flexibility in the use of existing funds to maximize resources and eliminate duplication and fragmentation of services
- Care provided in the most appropriate, cost effective and least restrictive setting
- Commitment to quality assurance principles
- Assure services are culturally and linguistically appropriate
- Accountability and measurement of outcomes
- Stakeholder involvement to develop necessary services to meet the needs of consumers
- Innovative approaches to financial and/or delivery system integration
- Use existing providers and assure fair compensation for services
- Provide reliable and easily accessible information and referrals about long term care services
- Determine necessary information systems and technologies required to decrease service fragmentation and better coordinate care.

LTCIP Planning Phases I, II and III

The following is a summary of San Diego's planning efforts and key milestones over the past 26 months.

Planning Phase I (July 1999 to June 2000)

The focus of the initial planning phase was on the development of an administrative structure to ensure a broad-based grassroots community-planning process to accomplish the goals and objectives of Phase I.

An Advisory Group, Planning Committee and four self-directed workgroups were established to accomplish the specific scope of work and, more importantly, to ensure broad consumer and stakeholder involvement in planning and development. A Web site was developed to share progress (www.co.san-diego.ca.us/cnty/cntydepts/health/ais/ltc).

The following objectives were accomplished during Phase I:

- Formed an active Advisory Group that is representative of the consumers, providers, advocates and other interested parties to guide the LTCIP planning process.
- Determined which services, programs and funding are recommended for integration during the first phase.
- Worked with key stakeholders and the State Office of Long Term Care to develop the data set needed for actuarial analysis.
- Identified governance options for the LTCIP.
- Assessed the capacity of the long term care provider network in San Diego County.
- Established linkages with health plans that currently provide primary and acute care services to the long term care population.

Planning Phase II (July 2000 to June 2001)

Activities and the scope of work for the second planning grant period built upon the outcomes and recommendations of Planning Phase I. The following are objectives achieved during Planning Phase II:

- Increased awareness and understanding of San Diego's Long Term Care Integration Project with broad participation of consumers, providers and key stakeholder groups in the planning process.
- Maintained the organizational structure (e.g. Advisory Group, Planning Committee, and workgroups) that was developed in the initial planning phase to ensure ongoing participation and involvement of key stakeholder groups in the LTCIP planning process.
- Continued work to select a governance model structure to administer San Diego County's integrated long term care delivery system.

- Identified key components of a case management model that supports integration across the continuum of care and includes a single point of entry to ensure easy access to care and services.
- Worked with the State Office of Long Term Care to develop county specific information to complete a financial feasibility analysis, and methodology for developing a capitation rate for San Diego County.
- Identified the information and technology requirements needed to support a long term care integrated delivery system.
- Determined consumer protection, quality assurance standards and requirements for the LTCIP Program.

Planning Phase III (July 2001 to June 2002)

The goal of Planning Phase III is to evaluate the feasibility of Healthy San Diego as the service delivery model and options for program components and to develop an implementation plan to further the project toward a potential phase-in start-up date of October 2003. Much activity has taken place over the last four months with the Healthy San Diego Health Plans and the Data/Finance Workgroup toward this goal.

RECOMMENDED LONG TERM CARE INTEGRATION DELIVERY MODEL

Over the past two years, key stakeholders of the San Diego Long Term Care Integration Project (LTCIP) have carefully reviewed and considered a myriad of approaches and strategies to integrate acute and long term care services for the elderly and disabled population in San Diego County. Key stakeholders of the LTCIP have evaluated the various options ranging from developing a separate demonstration project under an 1115 waiver to just better coordination between long-term care services and programs.

In determining the best approach, members of the LTCIP took into consideration the target population for Long Term Care Integration, existing delivery systems and administrative infrastructure already in place, as well as other local planning initiatives that may interface with or be included in the LTC model. In addition, the State Office of Long Term Care also directed counties to evaluate the feasibility of using existing Medi-Cal managed care programs and waivers.

After thorough examination of various service delivery options, in January 2001 by consensus decision, LTCIP stakeholders recommended exploring the feasibility of using San Diego County's existing geographic Medi-Cal managed care program, Healthy San Diego (HSD) as the preferred delivery system model to explore for the LTCIP.

The LTCIP proposes expanding Healthy San Diego to include the Aged, Blind and Disabled (ABD) population in mandatory enrollment and home and community based services through an amendment to the state Medicaid plan 1915(b) and adding a concurrent 1915(c) waiver.

Rationale for HSD as the Model for LTCIP

The underlying rationale for evaluating the feasibility of expanding Healthy San Diego is based on many factors, as described below.

- Healthy San Diego already successfully serves approximately 8,000 ABD beneficiaries on a voluntary basis (10 percent of the target LTCIP population). Note: for CY2000 there were 95,000 ABD eligibles in San Diego and the average number of users per month is 83,000.

Inclusion of the ABD population under Healthy San Diego allows for a more streamlined, non-fragmented system that provides the following benefits:

- Opportunity for prevention, education, and early intervention to improve outcomes and promote wellness.
- Administrative efficiencies and cost savings at the state and local level which leaves more money for direct client services.
- Enhanced continuity of care due to ability to manage care over time in a single system across the full continuum of services.
- Similar to the LTCIP, Healthy San Diego underwent a community-wide planning process which continues to have the infrastructure and advisory committees in place to ensure community, provider and consumer involvement and buy-in, which is critical to the success of the LTCIP.
- Because it builds upon an existing system and administrative infrastructure, this option would be much more cost effective and take less time to implement, therefore directing more dollars to direct services.
- It meets the State Office of Long Term Care's requirement to evaluate the feasibility of utilizing existing Medi-Cal managed care programs and waivers.
- A Governance structure for Healthy San Diego is already in place (Joint Professional and Consumer Advisory Committee) that would meet the requirement of AB 1040 and the State Office of Long Term Care. Committee membership has already been augmented to better reflect the LTCIP target population (AARP, disabled advocate and consumer, and nursing facility representatives).

- The County would be insulated from financial risk of the program. Under Healthy San Diego, the state contracts directly with participating health plans.
- The County would continue to have local oversight under Healthy San Diego to assure access to quality care.
- Healthy San Diego would allow the LTCIP to build upon its existing 1915(b) waiver but would need to add home and community based services through a concurrent 1915(c) waiver.

Benefits

The expansion of Healthy San Diego to include the ABD population and home and community-based services provides benefits to the State as well.

- An integrated and coordinated acute and long term care program addresses costs associated with the projected increase in the number of old and very old California residents. In San Diego County. The overall population 75 and older is estimated to increase by 81 percent between 1990 and 2010.
- A primary goal of the LTCIP is to address the issues of administrative and financial fragmentation. The lack of coordination between aging, health and social services agencies for the various programs and restrictive funding sources have resulted in the inefficient use of resources, consumer confusion and barriers to care.
- San Diego's proposed LTCIP model could be readily replicated as an option for other Counties that have a Medi-Cal managed care infrastructure in place. The administrative costs to the State to develop, implement and administer the waivers would be minimal since it builds upon the existing 1915(b) waiver versus implementing a new 1115 waiver.
- The LTCIP has broad support from health plans, long term care providers, community advocates and consumers and builds upon a proven and successful Medi-Cal managed care model.

KEY ELEMENTS OF THE LONG TERM CARE INTEGRATION DELIVERY MODEL

The following section is a high level overview of the recommended key elements of the integrated delivery model. The proposed elements and health plan participation options are based upon:

- stakeholder input and feedback

- recommendations from the LTCIP workgroups, Planning Committee and Advisory Group
- research of a variety of integrated long term care service delivery models in the country, and
- direct experience from other states who have successfully implemented similar managed long term care programs.

It is expected that the proposed elements of the LTCI delivery model discussed below will be reviewed, finalized and approved within the next 3 months, as a Development Plan is formulated for the state Office of Long Term Care in response to their Request for Applications. Information on the approved elements planned for the delivery model will be forwarded for additional review and consideration on an on-going basis during development and implementation.

Target Population

The target population for the San Diego LTCIP is defined as those persons who reside in San Diego County and are:

- Adult (over 21 years of age); and
- Eligible under the Aged, Blind, and Disabled (ABD) Medi-Cal aid codes.

The inclusion of all ABD eligible persons in San Diego's LTCIP allows for a more streamlined, non-fragmented system that provides the following benefits:

- Provides the opportunity for prevention, education, and early intervention to improve outcomes and maintain wellness;
- Provides administrative efficiencies and cost savings at the state and local level which leaves more money for direct client services (e.g. functional eligibility assessment cost is saved);
- Provides enhanced continuity of care due to ability to manage care over time in a single system, rather than creating the potential for intermittent eligibility due to changes in functional status; and
- Makes the county rate setting process and methodology more simplified, less expensive and timely by eliminating the need to extract a subset of data and making risk-bearing more feasible.

Enrollment

Enrollment into Healthy San Diego *Plus* shall be mandatory for all eligible beneficiaries, as decided through the decision-making structure described

above. There is currently discussion regarding an initial “carve-out” of persons with developmental disabilities, until further recommendations can be formulated in conjunction with local stakeholders.

Health Plan Participation/Contracting Options

A minimum of two health plans must be available in all areas of San Diego County to provide choice to consumers. Qualified Healthy San Diego health plans shall have the option to renew and/or expand their current Healthy San Diego contract to include the expanded population or not. Health plans may also have the option to delegate any administrative functions for a menu of *Plus* services. In addition, new health plan entrants shall have the opportunity to participate through a RFSQ process.

Three options for health plan participation have been identified and include:

- Healthy San Diego (current TANF enrollees only)
- Healthy San Diego (current TANF enrollees only) and Healthy San Diego *Plus* (managed acute and long term care services for Aged, Blind and Disabled enrollees) or
- Healthy San Diego *Plus* Only (managed acute and long term care services for Aged, Blind and Disabled enrollees).

Healthy San Diego Plus Covered Services (see Attachment C)

Acute Care Services:

Health plans participating in the Healthy San Diego Plus Program will be responsible for providing or arranging for the full scope of basic, covered Medi-Cal and long term care services to eligible ABD enrollees. The health plan shall be responsible for providing Medi-Cal services that are currently required as basic coverage as specified in the Healthy San Diego model contract.

Long Term Care Services:

In addition to providing Medi-Cal services specified in the Healthy San Diego model contract, the health plan shall also be responsible for providing the following Medi-Cal long term care services:

- Long term care services (skilled nursing facility services, intermediate care facility services, sub-acute services)
- In-Home Supportive Services/Personal Care Services
- Adult Day Health Care

Home and Community-Based Waiver Services:

- Home modification, repairs, maintenance
- Translation/communication/emergency response devices
- Home health/personal and respite care above regular Medi-Cal scope
- Counselling
- Money Management
- Adult day care
- Emergency moves/temporary shelter
- Nutrition
- Assistive devices
- Legal assistance
- Transportation
- Dental services not covered by Medi-Cal.

Case Management

Contracting Healthy San Diego *Plus* health plans shall be responsible for providing member-centered case management services that encompasses medical and social services and utilizes an inter-disciplinary team of individuals. The integrated care management model shall include comprehensive risk assessments, development of care plans, on-going monitoring, care coordination, and service authorizations that supports integration across the continuum of care.

Provider Network

Contracting Healthy San Diego *Plus* health plans shall be required to maintain an adequate provider network that meets the needs of enrollees across the entire continuum of care.

Quality Management and Quality Assurance Program

The LTCIP will build upon Healthy San Diego's current quality management and assurance infrastructure and processes. Medi-Cal Managed Care requirements must be met and local QI oversight and requirements for acute and LTC/HCBC providers will be built into the local designation process.

Capitation Rates and Risk Adjusters

The goal is to develop a reimbursement and payment methodology that maximizes managed competition and assures equitable provider compensation in order to assure consumer choice and quality of care. To

that end, local LTCIP staff will work collaboratively with health plans, Office of Long Term Care, the Center for Long Term Care Integration, and Rate Setting and Managed Care Divisions of the State Department of Health Services to build an appropriate set of assumptions and risk adjustment methodologies for capitated reimbursement to health plans.

TIMELINES

San Diego County is committed and well positioned to move forward with the development and implementation of the LTCIP. Over the next several months, we will be working together with the key stakeholders to complete the necessary feasibility analysis, finalize the key components of the delivery model, and simultaneously work on amending the current 1915(b) waiver and requesting a 1915(c) waiver application. The following are some key tasks and tentative timelines for completing this work. Information is needed from the State Department of Health Services Office of Long Term Care and Medi-Cal Managed Care Division to determine additional action steps and timelines for the waiver amendments and applications.

November 2001

- Continue to work collaboratively with the HSD health plans, Finance/Data Workgroup, Office of Long Term Care and the Center for LTCI to analyze local data (target population, utilization and cost data).
- Continue to work with the HSD health plans, Finance/Data Workgroup, State Office of Long Term Care and the Center for LTCI to develop appropriate reimbursement methodologies. Note: in San Diego 60% of the ABDs are dually eligible for Medicare and Medi-Cal. This percentage is 91% for those who are age 65 and over.

December 2001

- Hold discussions with the Department of Health Services Office of Long Term Care and Medi-Cal Managed Care Division to better understand the waiver application process and timelines. Outline a support strategy, work plan, action items and timelines as an outcome of this meeting.
- Provide briefing to the County of San Diego Chief Administrative Officer on the status of San Diego's LTCIP, and the recommendation to expand Healthy San Diego to meet the vision of the LTCIP with proposed project timelines.

- Obtain additional feedback and input from key stakeholders on the recommended key components of the LTCIP/Healthy San Diego *Plus* delivery model and obtain consensus on key elements.

January 2002

- Present final recommendations on key components of the LTCIP/Healthy San Diego *Plus* delivery model to the LTCIP Planning Committee and Advisory Group for consideration and approval.
- Brief San Diego County Board of Supervisors on the status of San Diego's LTCIP and request approval of a development plan to forward for grant dollars from the Office of Long Term Care.

February-March 2002

- Prepare proposal for a \$150,000 state development grant to further LTCIP program development and implementation efforts.

April—June 2002

- Continue fleshing out vision and working with state staff and local stakeholders.

July—October 2002

- Work in collaboration with the California Department of Health Services Office of Long Term Care and Medi-Cal Managed Care Division to begin work on the federal 1915(b) waiver renewal for Healthy San Diego and Healthy San Diego *Plus*.

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