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## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair

2021 - 2022 Regular Session

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### **SB 279 (Pan) - Medi-Cal: delivery systems: services**

**Version:** April 19, 2021

**Urgency:** No

**Hearing Date:** May 17, 2021

**Policy Vote:** HEALTH 11 - 0

**Mandate:** No

**Consultant:** Karen French

**Bill Summary:** Requires the Department of Health Care Services (DHCS) to implement the State Plan Dental Improvement Program component of the California Advancing and Innovating Medi-Cal (CalAIM) initiative. Authorizes DHCS to require Medi-Cal managed care plans to be accredited by National Committee for Quality Assurance, as a component of CalAIM initiative, as specified. Requires DHCS to sunset operation of the Health Homes Program when DHCS receives federal approval to implement the CalAIM initiative waiver.

#### **Fiscal Impact:**

- This bill includes statutory provisions directly related to CalAIM implementation and funding being determined through the budget process.

**Background:** According to the author, CalAIM is an ambitious proposal that seeks to enact long-needed system reforms in the Medi-Cal program and provide a whole-person approach to serving Medi-Cal beneficiaries. CalAIM includes many innovative and bold proposals, crafted in a framework to draw down federal funding through both the 1115 and 1915(b) waivers. While implementation of CalAIM was halted due to COVID-19 last year, DHCS has released, as part of the 2021-22 budget proposal, extensive trailer bill language (TBL) and accompanying Budget Change Proposals to begin implementation of CalAIM this year. Due to the scope, complexity, amount of detail, and number of proposals in CalAIM, this and four other bills have been introduced to provide additional opportunities for the Legislature and stakeholders to weigh in on specific provisions of CalAIM before they are finalized. This bill addresses the DIP, NCQA accreditation, and transition of HHP components of the CalAIM waiver.

**Proposed Law:** See Senate Health Committee Analysis for complete details.

**Related Legislation:** SB 256 (Pan) establishes the CalAIM Act in order to require DHCS to seek federal approval for, and implement, waivers for the CalAIM initiative in accordance with the CalAIM Terms and Conditions and consistent with existing federal law. Requires DHCS to implement the Population Health Management, Enhanced Care Management, In Lieu of Services, and Incentive Payments components of the CalAIM initiative. Authorizes DHCS to implement the mandatory managed care enrollment population and regional rate-setting components of the CalAIM initiatives, subject to additional requirements. SB 256 is set for hearing on May 10, 2020 in this Committee.

AB 875 (Wood) requires DHCS to implement the county inmate prerelease program and extension of the GPP components of the CalAIM initiative. Requires DHCS to issue

guidance for and expand performance-based quality incentives related to programs established by the Medi-Cal 2020 waiver. *AB 875 is set for hearing in the Assembly Committee on Appropriations on May 19, 2021.*

AB 942 (Wood) requires DHCS to implement behavioral health components of the CalAIM initiative, including the medically necessity standard modifications, Behavioral Health Quality Improvement Program, continuation of the Medi-Cal SHMS program and DMC-ODS, and the transition to a intergovernmental transfer methodology for reimbursing certain Medi-Cal behavioral health claims. *AB 942 is set for hearing in the Assembly Committee on Appropriations on May 19, 2021.*

AB 1132 (Wood) requires DHCS to implement long-term services and supports integration components of the CalAIM initiative, including the sunseting of the Coordinated Care Initiative and requirement for MCMC to operate aligned Dual Eligible Special Needs Plans (DSNP). *AB 1132 is set for hearing in the Assembly Committee on Appropriations on May 19, 2021.*

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