



**Contra
Costa
County**

To: Board of Supervisors
From: Anna Roth, Health Services Director
Date: September 7, 2021
Subject: County Organized Health System

RECOMMENDATION(S):

INTRODUCE Ordinance No. 2021-31 authorizing the Contra Costa Health Plan to serve as the single local plan for Medi-Cal managed care enrollees in the County commencing on January 1, 2024, WAIVE READING and FIX September 14, 2021 for adoption.

FISCAL IMPACT:

Conversion to a single plan model will increase CCHP's Medi-Cal membership from 200,000 to approximately 238,000. The net income impact is expected to be positive and in the 2% to 4% of gross revenue.

BACKGROUND:

The State Department of Health Care Services (DHCS) has begun the procurement process for Commercial Medi-Cal Managed Care plans. As part of the procurement process counties now have the option to request a change in the local plan model.

The Contra Costa Health Plan (CCHP) currently operates in a "Two-Plan Model" county. The two plans are CCHP and Anthem Blue Cross. Currently CCHP has approximately 84% of the Medi-Cal membership and Anthem Blue Cross has approximately 16%.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **09/07/2021** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: September 7, 2021

Monica Nino, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Patrick Godley,
925-957-5405

An option for CCHP is to convert to a single plan model known as a County Organized Health System (COHS). The COHS model provides a number of benefits for the County's Medi-Cal population: (a) enhances the probability of success in the State's CalAIM initiatives (b) provides the pathway for full Medi-Cal population health initiatives (c) opens possibilities for better management for those transitioning out of incarceration (d) allows for consideration of a fully integrated model inclusive of behavioral health and long-term care and (e) the single plan structure is a cost effective alternative.

The Contra Costa County Board of Supervisors is currently the governing body of CCHP. Conversion to a COHS is expected to have no impact on the current governance or organizational structure.

Conversion from a two plan to a single plan model requires the State Department of Health Care Services (DHCS) approval, a new County Ordinance, Federal approval of a section 1115 Waiver or other waiver for the creation of a new COHS, and execution of the implementing single plan model managed care plan (MCP) contract with DHCS.

The State timeline for model conversion consideration is as follows:

BACKGROUND: (CONT'D)

- a. Letter of intent approved by the Board by April 30, 2021 (approved by the Board on April 27, 2021 and submitted to the State).
- b. CCHP to submit documentation for preliminary planning for a network contracting strategy and ongoing negotiations to support the increased capacity necessary for the local plan responsibility for January 2024 by September 1, 2021 (completed and submitted on August 16, 2021). Please see attached CCHP Network Contracting Strategy Attachment.
- c. County Ordinance adoption by October 1, 2021 (as requested in this Board action).
- d. State legislative action, if needed, by September 10, 2021 (this step is not required for CCHP).
- e. After October 19, 2021 Final Commercial Plan RFP release.
- f. 2021-2022 DHCS will work with federal Centers for Medicare and Medicaid Services (CMS) for necessary waiver amendments and other approvals.
- g. January 2024 new contracts and plans begin.

On March 12, 2021 the Contra Costa Health Plan Joint Conference Committee received and reviewed the option for a CCHP conversion to a single plan model. Supervisors Andersen and Glover are voting members on the Committee, which approved the concept and recommended forwarding the submission to the full County Board of Supervisors for approval.

On April 27, 2021 the County Board of Supervisors accepted the concept introduced by the Contra Costa Health Plan at the March 12, 2021 Joint Conference Committee Meeting to convert CCHP from a Medi-Cal two plan model to a single plan model known as a County Organized Health System (COHS), and authorized the Chair of the Board and the Contra Costa Health Plan (CCHP) CEO to sign a non-binding letter of intent to the State of California.

As a condition of moving forward to a single plan model the State is requiring an ordinance for any County that is seeking a model change. The State considers the public review process and other aspects of an ordinance important for the interests of Medi-Cal beneficiaries regarding a potential change of this type. Accordingly, an ordinance has been drafted to comply with the State's requirement. The ordinance stipulates that the *"Contra Costa Health Plan is authorized to serve as the single local plan for Medi-Cal managed care enrollees in the County upon approval of the California Department of Health Care Services"*.

The County's obligation to implement the single plan model ultimately is dependent upon DHCS' acceptance of CCHP's submitted documentation and network contracting strategy, the receipt of all necessary federal approvals, and execution of the Medi-Cal MCP contract with DHCS for a single plan model.

On August 31, 2021, the State conditionally approved the County's request to move to a

single model. Additional information can be found in the attached DHCS Conditional Approval Decision Letter.

CONSEQUENCE OF NEGATIVE ACTION:

Failure to approve the ordinance, will prevent CCHP from meeting the State requirements for further model conversion consideration.

CLERK'S ADDENDUM

**Speaker: Les Ybarra, President of California Medicaid, Anthem Blue Cross.
Written remarks attached.**

ATTACHMENTS

Ordinance No. 2021-31

CCHP Network Contracting Strategy

DHCS Conditional Approval Decision Letter