Medi-Cal Managed Care Advisory Committee
February 26, 2018

GMC MODEL DISCUSSION: KEY POINTS FROM ARTICLES

Last meeting, members asked about articles on the topic of managed care models. Key points from a few articles are outlined below.

Sacramento: Powerful Hospital Systems Dominate a Stable Market (CHCF, July 2009)

- Mixed views on GMC.
- GMC added to care fragmentation.
- GMC increases burden on providers by requiring multiple contracts.
- GMC can increase access compared to fee-for-service.

Sacramento: Health Providers Collaborate and Weather Economic Downturn (CHCF, September 2012)

- Local initiative plans focus on including FQHCs in their networks. As GMC plans moved to capitated payments for physician services, they began contracting exclusively with IPAs. FQHCs struggled financially.
- Hospitals and FQHCs questioned the adequacy of care provided under the GMC model. Hospitals cite high ED utilization for primary care.
- Stakeholder advisory committee was convened to address concerns.
- Issues to track: 1) How will provider participation change under health reform? 2) Will the GMC model survive in Sacramento? What will be the impact on FQHCs?

Medi-Cal Landscape Assessment (Manatt Health, June 2016)

- Medi-Cal does not have a value-based purchasing program such as P4P. Plans may implement their own value-based arrangements.
- Some plans have created P4P programs, e.g. Inland Empire, Partnership, and SF Health Plan.
- State Auditor report (2015) – DHCS did not perform adequate oversight of managed care plans.
- Members satisfied with PCP, not satisfied with health plan and ability to get care quickly.

The Future of Delivery System Reform in Medi-Cal: Moving Medi-Cal Forward (Manatt, July 2016)

- Stakeholder vision for Medi-Cal: Coordinated systems of care, value and accountability, stable and adequate financing, and strong state leadership.
- Barriers:
    - Fragmented delivery system. Multiple layers of delegation.
    - Fragmented financing. Institutional subsidies, carve outs.
    - Lack of transparency and accountability. Plans report on HEDIS measures but subcontracted provider groups do not.
- Structural Transformation:
    - Is the current structure of managed care best suited to achieve the vision?
    - Should all plans have a direct contractual relationship with the state?
    - How can delegation be transformed to advance accountable systems of care?
    - Medi-Cal's financing system – Move to a value-based system? Revise the financing for serious mental healthcare to support integration?

We are not the only group engaged in this conversation. The topic of managed care models is currently being discussed around the state.

Presentation at the Assembly Select Committee on Health Care Delivery Systems and Universal Coverage, January 17, 2018 – *Medi-Cal Enrollees' Access to Care*, Chris Perrone, Director, CHCF

- Physician participation in Medi-Cal has not kept pace with enrollment.
- Quality in Medi-Cal managed care is similar to national average, but not improving.
- Public plans outperform commercial plans on quality where they compete head-to-head.
- Ideas for improving access: Value-based payment, delivery system transformation, etc.

ITUP Conference February 6, 2018 – *Managing Medi-Cal's Future*, Andrew Bindman, MD, Professor of Medicine, UC San Francisco

- Fragmented
  - Delegation
  - Carved out services
  - Beneficiary churn
  - Provider networks separate from those of other payers
- Displaced accountability
  - Variation in plan performance
  - Satisfaction lower than national average
  - Quality metrics not improving over time
- Manage better
  - Evaluate and promote best model. Manage sub-delegation.
  - Reward high performing plans. Auto-assignment incentive is inadequate.
  - Extend guaranteed enrollment period to 12 months for beneficiaries.
  - Invest in data systems.

Some Committee members requested data. See handouts for excerpts from the Medi-Cal Managed Care Dashboard and the CAHPS Survey Report.

Medi-Cal Managed Care Performance Dashboard – December 14, 2017

- Grievances by Plan Model – GMC members file the most grievances.
- Aggregated Quality Factor Scores (AQFS) – Based on 2017 HEDIS. Kaiser is the only high performing GMC plan. The other 3 Sacramento plans are below the statewide average.

CAHPS Medicaid Managed Care Survey Report – January 2018

- Based on consumer surveys administered from February to May 2016.
- Adults – Kaiser is high performing. Others are "significantly" below statewide average.
- Child – Kaiser is high performing. Others are below statewide average.