



Legislation Text

File #: 22-1091, **Version:** 1

Recommendation to authorize City Manager, or designee, to execute an agreement, and all necessary documents and any subsequent amendments, including amendments to the amount of the award, with LA Care Health Plan and Health Net to accept and expend grant funding in the amount of \$810,808 for capacity building support to develop Enhanced Care Management and Community Supports under California Advancing and Innovating Medi-Cal's (CalAIM) Incentive Payment Program for a one-year period estimated to begin in October 2022, with the option to extend the agreement for an additional one-year period, at the discretion of the City Manager; and

Increase appropriation in the Health Fund Group in the Health and Human Services Department by \$810,808, offset by grant revenue. (Citywide)

CalAIM is a new initiative by the California Department of Health Care Services (DHCS) to improve the quality of life and health outcomes of Medi-Cal members by implementing a broad delivery system, program, and payment reform across the Medi-Cal program. The initiative seeks to: establish a population-health management framework to address social determinants of health and improve health equity statewide; focus on an Enhanced Care Management (ECM) approach; and, fund Community Supports (CS) which will serve as cost-effective alternatives to covered services in the Medi-Cal managed care delivery system.

CalAIM is comprised of interdisciplinary approaches to care that address the clinical and non-clinical needs of high-cost and/or high-need populations (populations of focus) in Medi-Cal through a systematic coordination of services and comprehensive, community-based care management. Populations of focus are defined as high-utilizers of emergency services, people experiencing homelessness, and adults with serious mental illness or substance use disorder who are impacted by complex social factors. CalAIM is unique as it has an enhanced focus on and the incorporation of services that address the social determinants of health among high-risk and high-need populations.

Incentive Payment Program (IPP) funding supports the development of local infrastructure that aligns with CalAIM's ECM and CS efforts by helping providers build compliance and oversight capabilities to ensure populations of focus are effectively served. The funds can be used for hiring staff to meet ECM and CS requirements, training ECM and CS staff in providing core competencies, and offering local service providers opportunities to access technical assistance around billing, reporting, data, workflows, and other aspects essential to meet CalAIM's requirements.

The Health and Human Services Department will use IPP funding to build out the CalAIM

infrastructure in a staggered method, starting with Phase 1 funding to build the infrastructure necessary to successfully meet CalAIM's requirements, create new workflows, and equip the team to screen individuals to determine eligibility for enrollment in ECM and CS services. This initial round of capacity building funding will also be leveraged to better understand opportunities to align electronic records for improved population health data monitoring, tracking for health management, and to develop appropriate reporting and billing capabilities for long-term program sustainability and funding. Future rounds of capacity building funding will be pursued to support the subsequent phases involved in launching the CalAIM initiative in Long Beach.

This matter was reviewed by Deputy City Attorney Taylor M. Anderson on August 22, 2022 and by Budget Analysis Officer Greg Sorensen on August 23, 2022.

City Council action is requested on September 13, 2022, to provide program services without interruption.

The City will receive funding in the amount of \$810,808 for a one-year period estimated to begin in October 2022. An appropriation increase in the amount of \$810,808 is requested in the Health Fund Group in the Health and Human Services Department, offset by grant revenue. No match or in-kind service mandate is required. Any indirect costs that might not ultimately be eligible for grant funds will be funded by the Health Operating Fund, General Fund, or other eligible grant funds. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

KELLY COLOPY
DIRECTOR
HEALTH AND HUMAN SERVICES

APPROVED:

THOMAS B. MODICA
CITY MANAGER