



FY 2021-22 Budget Workshop

May 4, 2021



Workshop Outline

- Fiscal Year 21-22 Workshops
- State Budget Outlook
- Accountability-Based Budgeting
- FY 21-22 Department Funding Requests
- California Advancing & Innovating Medi-Cal (CalAIM)
- Operational Changes to Create Efficiencies
- CEO Recommendation
- Workshop Board Direction

Fiscal Year 21-22 Budget Workshops

- March 9, 2021
- May 4, 2021
- June 8-9, 2021 Budget Hearing
- November 9, 2021 First Quarter Adjustment

State Budget Outlook

- Broadband Access
- Homelessness and Housing
- Disaster Recovery and Resilience
- Public and Behavioral Health
- Sustainable Local Transportation
- County-Run Elections

Disaster Preparation

- Drought-Feasibility Study
- PSPS

Accountability-Based Budgeting

California Government Code Section 29121

- Except as otherwise provided by law, obligation incurred or paid in excess of the amounts authorized in the budget unit appropriations are not a liability of the county or dependent special district, but a personal liability of the official authorizing the obligation.

FY 21-22 Department Funding Requests

Attachment A

California Advancing and Innovating Medi-Cal (CalAIM)

Multi-year initiative by DHCS to improve the quality of life and health outcomes of our population by implementing broad delivery system, program and payment reform across the Medi-Cal program.

Allows the state to take a population health, person-centered approach to providing services and puts the focus on improving outcomes for all Californians.

CalAIM Primary Goals

1

Identify and manage member risk and need through whole person care approaches and addressing Social Determinants of Health

2

Move Medi-Cal to a more consistent and seamless system by reducing complexity and increasing flexibility

3

Improve quality outcomes, reduce health disparities, and drive delivery system transformation and innovation through value-based initiatives, modernization of systems, and payment reform

CalAIM Overreaching Goals

- Development of a statewide population health management strategy and require plans to submit local population health management plans
- Implement a new statewide enhanced care management benefit
- Implement in lieu of services
- Implement incentive payments to drive plans and providers to invest in the necessary infrastructure
- Pursue participation in the Serious Mental Illness (SMI)/Serious Emotional Disturbance (SED) demonstration opportunity
- Require screening and enrollment for Medi-Cal prior to release from county jail
- Develop a long-term plan for improving health outcomes and delivery of healthcare for foster care children and youth

CalAIM Continued

- Population Health Management - Patient-centered population health strategy, which is a cohesive plan of action for addressing member needs across the continuum of care based on data driven risk stratification, predictive analytics, and standardized assessment processes.
- Moving to a More Consistent and Seamless System - Standardize and reduce complexity by implementing administrative and financial efficiencies across the state and aligning delivery systems to provide more predictability and reduce county-to-county differences.
- NCQA Accreditation - Require all Medi-Cal managed care plans and subcontractors to achieve National Committee for Quality Assurance (NCQA) accreditation by 2026.
- Regional Rates - DHCS proposes to shift the development of Medi-Cal rates from a county-based model to a regional rate model.
- Enhanced Care Management - Provide a whole-person approach to care that addresses the clinical and non-clinical circumstances of high-need individuals.

Children & Youth with Complex Health Needs	Homelessness	High Utilizers
Individuals at Risk of Institutionalization	Individual Transitioning from Incarceration with Significant Health Needs	

CalAIM Continued

In Lieu of Services & Incentive Payments - Flexible wrap-around services that a Medi-Cal managed care plan will integrate into its population health strategy. These services are provided as a substitute to, or to avoid, other covered services, such as a hospital or skilled nursing facility admission or a discharge delay.

Housing Transition/Navigation	Recuperative Care (Medical Respite)	Meals/Medically Tailored Meals	Sobering Centers
Housing Deposits	Respite Services	Personal Care & Homemaker Services	Asthma Remediation
Housing Tenancy & Sustaining Services	Day Habilitation Programs	Environmental Accessibility Adaptations	
Short-term Post-Hospitalization Housing	Nursing Facility Transition/Diversion to Assisted Living Facilities	Community Transition Services/Nursing Facility Transition to Home	

Behavioral Health Payment Reform - DHCS will transition counties from a cost-based reimbursement methodology to a structure more consistent with incentivizing outcomes and quality over volume and cost.

Revisions to Behavioral Health Medical Necessity - Update behavioral health medical necessity criteria to more clearly delineate and standardize requirements and to improve access for beneficiaries to appropriate services statewide

Operational Changes to Create Efficiencies

- Fiscal Consolidation
 - Budget Process
 - Department Payroll Function
 - Property Tax System
 - Grant Tracking System
 - Office 365

Workshop Board Direction

- Discussion on Accountability-based Budget
- Discussion on Department Funding Requests
- Discussion on CalAIM/Public Health Infrastructure

Direction