

Proposition 56 Value Based Payment Program

April 11, 2019



OVERVIEW

Today, 1,330 community health centers (CHCs) in California provide high-quality comprehensive care to 6.9 million people – that’s roughly 1 in 6 Californians. Community health centers provide the full spectrum of care, from primary care to dental to behavioral health care and a variety of enabling and wraparound services.

PROPOSED 2019-20 STATE BUDGET

In the proposed January budget, the Administration invested in a variety of programs that support providers in Medi-Cal, who provide care to underserved populations. One area of significant investment is \$360 million (\$180 million from Prop 56) to incentivize Medi-Cal managed care providers in managing chronic disease, integrating behavioral health, and improving quality – referred to as the Value Based Payment (VBP) program. These added resources demonstrate the Administration’s commitment to assuring the needs of California’s vulnerable populations are met and that Medi-Cal providers are focused in the most important areas.

The Value Based Payment (VBP) Program aims to improve quality and lower total cost of care, specifically targeted at behavioral health integration, chronic disease management, and prenatal and postpartum care.

Incentivizing providers in Medi-Cal to integrate behavioral health care is a tall order and providing additional resources for objectives achieved will help to move the needle in this important area. Chronic disease management requires a tremendous amount of coordination with plans, specialists, and wrap around supports. The focus on pre- and post- natal is also vitally important as many vulnerable pregnant women need additional outreach and support post-delivery.

THE PROBLEM

Proposition 56 was approved by voters under the assumption that its revenues would benefit all Medi-Cal patients. However, to date the Department of Health Care Services (DHCS) has said that community health centers are not eligible to participate in the VBP program, and the current Budget Trailer Bill Language that will authorize the program does not expressly ensure that all Medi-Cal providers are eligible to participate in the program, but rather that DHCS will decide.

Community health centers are the health home for 4 million Medi-Cal patients and are also focused in all three areas targeted by the VBP Program. As the current budget trailer bill stands, health center patients will be excluded from the additional services these funds propose to support.

THE SOLUTION

Currently, there is no specific prohibition regarding which Medi-Cal providers and their patients can participate in programs available through Proposition 56. The overall goals of the VBP program, to improve quality and lower costs, specifically targeted at behavioral health integration, chronic disease management, and prenatal and postpartum care is a tremendous addition to the Medi-Cal program, and all Medi-Cal providers should be eligible to participate in the VBP program.

The Budget Trailer Bill Language needs to include language clearly articulating that all Medi-Cal providers are eligible to participate. This added language will help to ensure that all Medi-Cal patients will be eligible to receive the added support.

FOR MORE INFORMATION

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COMMUNITY HEALTH CENTER BACKGROUND

- Today, 1,330 community health centers (CHCs) in California provide high-quality comprehensive care to 6.9 million people – that’s roughly 1 in 6 Californians.
- Community health centers provide the full spectrum of care, from primary care to dental to behavioral health care and a variety of enabling and wraparound services.
- Community health centers have been effective conduits of care for very hard to reach, and underserved populations, including rural communities and migrant farmworkers.

VALUE BASED PAYMENT PROGRAM

- In the proposed January budget, the Administration invested \$360 million (\$180 million from Prop 56) to incentivize Medi-Cal managed care providers in managing chronic disease, integrating behavioral health, and improving quality – referred to as the Value Based Payment (VBP) program.
- An overall goal of the VBP program is to improve care quality and lower costs.
 - Chronic disease management requires a tremendous amount of coordination with plans, specialists, and wrap around supports.
 - The focus on pre- and post- natal is also vitally important as many vulnerable pregnant women need additional outreach and support post-delivery.

THE PROBLEM

- Incentivizing providers in Medi-Cal to integrate behavioral health care is a tall order and providing additional resources for objectives achieved will help to move the needle in this important area.
- The current Budget Trailer Bill Language does not clarify whether or not all Medi-Cal providers and patients are eligible to participate in the VBP program.
- The Department of Health Care Services has said that community health centers are not eligible to participate- thereby excluding the 4 million Medi-Cal beneficiaries cared for at CHCs.
- Proposition 56 was approved by voters under the assumption that its revenues would benefit all Medi-Cal patients.
 - Health centers currently serve 1/3 of the Medi-Cal patients, and should benefit from additional support from the VBP program.

THE SOLUTION

- We urge the Administration to add an amendment to the Budget Trailer Bill Language that ensures all Medi-Cal providers are eligible to participate in the VBP program.