

Housing and Health Care

Housing and Services Summit
January 20, 2015

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Introduction

- CA Department of Health Care Services and MediCal
- New health care environment and old challenge
- Why housing and health care
- Challenges to overcome
- Initiatives to experiment

Title XIX Medicaid

- Medicaid is a federal, state, and local partnership to provide health care services to low income individuals;
- Target populations range from pregnant women, babies, children, adults, seniors; from healthy to the sick, disabled, developmentally disabled, frail;
- Covered services range from medical services, mental health, substance abuse, IHSS, day health care, home health, nursing facility, hospice;
- Medicaid is a payer of last resort. Many MediCal beneficiaries have Medicare and other insurance coverage as primary payers.

California MediCal

- Department of Health Care Services (DHCS) as the single Medicaid agency
 - Federal level: Center for Medicare and Medicaid Services (CMS)
 - State level: DSS, DDS, CDA, CDPH, DOR, DMHC
 - Local level: County Health Departments, County Mental Health Departments, County Social Services Department, Regional Centers, Health Plans, Providers
- 8 million beneficiaries growing to 10 million under Affordable Care Act

Old challenges and New Environment

- Continuous challenge of paying for the cost of health care and maintaining quality of care and life of our MediCal beneficiaries
- New drugs and technologies, expanding and aging population, chronic diseases and disabilities
- Responses
 - Price control, value purchasing, rate mechanisms, utilization management
 - Health Homes, Accountable Care Organizations, Managed Care Plans.

MediCal Managed Care

- DHCS contracts with managed care plans to provide services to MediCal beneficiaries.
 - 6.6 of the 8 million MediCal beneficiaries are in managed care plans in all 58 counties and growing;
 - Plans are responsible for an expanding population and expanding scope of MediCal services.
- Coordinated Care Initiatives in eight counties
 - Plans are responsible for all MediCal beneficiaries and their needs for covered medical and long-term services and support;
 - Plans are incentivized to minimize institutional care and seek community based care.

Housing and Health Care

- The high cost populations
 - Frequent utilizers of ED & Hospital;
 - Institutionalized populations.
- Who are they?
 - Chronic diseases, physical disabilities, developmental disability, cognitive impairment, mental illness, substance abuse;
 - Homeless, loss housing after extended institutionalization, limited family support;
 - Continuous care needs, involving multiple providers and ongoing management of their care or life;
 - For many, expensive hospitals and nursing facilities becomes the default, care settings, both inappropriate and violating Olmstead spirit.
- Why housing?
 - From experience, many can be cared for in community settings only if housing, in partnership with service providers, is available to these very low income MediCal beneficiaries.

Challenges

- Creating a new delivery systems for these individuals
 - Identifying target populations;
 - Organizing providers to reach a replicable and financially sustainable care systems;
 - Breaking down funding silos;
 - Shifting existing health care spending to support new models;
 - Emerging roles for Managed Care Plans.
- Supportive Housing, Housing with Services models
 - Promising examples;
 - Capital for housing development, ongoing rental subsidies, federal housing requirements.
- Long-term challenge: Saving in health care to finance housing development and operation

Housing and Health Care Initiatives

- De-institutionalizing Development Centers
- Mental Health Services Act
- County Department of Health initiatives
- Individual managed care plan efforts
- Assisted Living Waiver: services in publicly subsidized housing
- California Community Transition and 811 HUD-CMS partnership

Next Steps

- Using existing resources – local, MediCal and federal – to create initiatives among providers, managed care plans, and housing developers for target populations;
- Evaluating carefully these initiatives on health outcomes, quality and cost saving;
- Engaging at state and federal level policy discussion that brings HUD and CMS together;
- For DHCS,
 - facilitating managed care plans' integration of care;
 - utilizing MediCal waiver programs alongside managed care plans to create new delivery systems for target populations;
 - Pursuing federal and state funding for housing development and rental assistance.