

"Setting the standard in health care excellence"

Meloney Roy, LCSW
Chief Deputy Director

May 7, 2015

Joan R. Araujo
Deputy Director
VCMC Ambulatory Care Administrator
Compliance Officer

Andy Slavitt, Administrator
Centers for Medicare & Medicaid Services (CMS)
Department of Health and Human Services
Room 445-G, Hubert H. Humphrey Building
200 Independence Avenue SW
Washington, D.C. 20201

Elaine Crandall
Behavioral Health Director

Kimberley S. Milstien
Deputy Director
VCMC/SPH Chief Executive Officer

Subject: California's Section 1115 Medicaid Waiver

Sheila Murphy
Public Information Officer

Dear Administrator Slavitt,

Dee Pupa
Deputy Director
Managed Care/ Patient Accounting
Health Care Plan Administrator

On behalf of Ventura County, we are writing in support of California's 2020 Waiver Renewal Proposal. As you know, more than 12 million low-income Californians and 184,306 residents of Ventura County rely on Medicaid (Medi-Cal) for their health coverage. But we know coverage is only the first step. Significant payment and delivery system reform are also needed to advance patients' care experience, improve the health of populations, and reduce costs. For this reason, and for California to maintain the momentum that has helped lead the nation's Affordable Care Act implementation efforts, we urge CMS to approve the renewal of the State's 1115 Medicaid Waiver.

Narcisa Reyes-Egan
Interim Chief Financial Officer

Tim Rhyme
Health Care Agency
Human Resources Director

Jon J. Smith, MD
Medical Examiner

Terry Theobald
Information Technology Director

Rigoberto Vargas
Public Health Director

The Ventura County Health Care Agency is comprised of six divisions. These divisions include the Medical Examiner's office; the Ventura County Health Care Plan, a Knox-Keene licensed HMO; the Public Health Department; the Behavioral Health Department; the Ambulatory Care clinic system and two hospitals, Ventura County Medical Center (VCMC) and Santa Paula Hospital (SPH). The care of patients most closely tied to the 1115 Waiver include the in-patient care delivered at VCMC and SPH together with the Ambulatory Care Clinic system. VCMC is the Ventura County Level II Trauma Center, there is an associated in-patient psychiatric unit, NICU and PICU. The licensed bed capacity is 180, with 43 Psychiatric beds. The Santa Paula Hospital is a 49-bed acute care facility. The Ambulatory Care system is a network of Federally Qualified Health Centers and Licensed Clinics spread throughout the cities of Simi Valley, Thousand Oaks, Moorpark, Camarillo, Oxnard, Santa Paula, Fillmore, Piru and the city of Ventura. These clinics provide approximately 500,000 primary, preventive and specialty care visits annually. The strength of the out-patient system has kept Emergency Room visits and hospitalization at a consistent level despite the Medi-Cal assigned lives population rising from approximately 40,000 lives pre-ACA to a current 78,000 lives.

The current "Bridge to Reform" waiver has been critical to the state's early success with expanding coverage under the Affordable Care Act. Understanding the importance of the ACA, in Dec 2006, Ventura was one of ten California Counties selected to participate in the Coverage Initiative (CI) as part of the 1115 waiver proposal. Ventura named their initiative Access, Coverage, and Enrollment (ACE) Program. This program was instrumental in providing access to

health care for thousands of people who would have not otherwise received the needed services and care. In February 2011, the County received approval from the state to implement a Low Income Health Program (LIHP) as an extension of the 1115 waiver. During the 7-year period, Ventura:

- Successfully implemented and grew the ACE/LIHP program
- Successfully enrolled and assigned a medical home to 30,000 members since inception
- Reduced costs Per Member Per Month by an estimated 30%
- Reduced Emergency Room visits by an estimated 50%
- According to an evaluation performed by UCLA Center for Health Policy Research, compared to the aggregate of the LIHPs, Ventura had lower ER and Inpatient utilization by 30%-40%
- The Ventura County system provided the following from Sept 1, 2007 to June 30, 2013:
 - 214,616 Clinic Visits
 - 30,359 Dental Visits
 - 17,120 Emergency Room Visits
 - 4,476 Out-patient surgeries
 - 268,892 Prescriptions

In mid-2012, Ventura began planning for the December 31, 2013, transition to Medi-Cal. Ventura worked closely with our Human Services Agency partners as well as Gold Coast Health Plan, the Managed Medi-Cal plan for Ventura County. As a result of this eighteen-month collaboration, Ventura experienced a seamless transition of nearly 9,000 Adult Expansion eligible enrollees.

The Bridge to Reform waiver also enabled the Ventura County Health Care Agency and other public healthcare systems to lead the nation in delivery system transformation, through the country's first of its kind pay-for-performance incentive program, the Delivery System Reform Incentive Payment (DSRIP) program. The DSRIP launched the Ventura County Health Care Agency on an ambitious journey to transform their systems to be more integrated, cost effective and patient-centered. The DSRIP projects included both in-patient and out-patient improvements. Some highlights were the integration of Behavioral Health services into the Primary Care setting, the reduction of Central Line Blood Stream Infections or CLABSI, and enhanced interpretation services for patients. Because of the Health Care Agency's long standing commitment to Graduate Medical Education, the Family Medicine Residency program and training of Fellows was expanded allowing further long-term access to patients in quality primary care.

The next 1115 Medicaid waiver offers California an historic opportunity to again lead the nation in meeting the challenge and promise of health care reform, by testing payment and delivery system reforms that can help both the state and federal government achieve success. A renewed waiver is needed in 2015 in order to best leverage California's coverage expansion with significant payment reforms and delivery system improvements that will help patients utilize their coverage in cost-effective, patient-centered settings.

For these reasons, Ventura County strongly supports California's proposal to renew the 1115 Medi-Cal waiver, especially:

1. A Public Safety Net Transformation and Improvement Program that Rewards Continued Improvement, Health and Value

The current DSRIP has helped the Ventura County Health Care Agency lay sturdy and stable groundwork for our delivery system improvement efforts and the next five years are critical to more fully transform our health care system so that we can provide everyone

with timely access to high-quality and effective care. The state's inclusion of a Public Safety Net Transformation and Improvement Program will allow us to continue to advance our care delivery model to a health care team, thus decrease the demand on the physicians while increasing access to care to the underserved. This care, through the use of data, protocols and advancements of the newly implemented electronic health record, will improve compliance with preventive health measures, medication management and patient education.

2. Public Safety Net System Global Payment for the Remaining Uninsured

We strongly support the state's proposed Public Safety Net System Global Payment for the remaining uninsured, which would reform uncompensated care payments to public health care systems to support access to more cost-effective care for the remaining uninsured. Such a pilot would create incentives for the Ventura County Health Care Agency to redirect funds to lower-cost and more patient-friendly outpatient and primary care settings, and utilize alternate modalities that make health care more convenient for the patient.

3. Regional Integrated Whole Person Care Pilots

Regional Integrated Whole Person Care pilots would provide comprehensive services to high-risk Medi-Cal beneficiaries, seeking to support each "whole person" through the integration of physical and behavioral health services, along with robust care coordination with social, housing, vocational training and other services that are critical to comprehensively addressing the needs and care of high-risk patients. It would allow for higher value use of limited resources; contain costs, and coordinate care beyond traditional health services.

4. A Federal Investment that Supports California's 2020 vision

The "Bridge to Reform" waiver positioned California to help lead the national efforts to prepare for and implement the Affordable Care Act. However, much more work is needed to build upon this foundation and ensure that the Affordable Care Act can be sustained for the long-term. We believe that the innovative payment and delivery system reforms mentioned above will help us achieve our vision of becoming truly integrated, cost-effective models of care. Accomplishing this goal will require a renewed investment at the same level, and will allow California's Medi-Cal population the opportunity for improved health, not just coverage.

A renewed waiver with these elements will improve the health care services – and as a result, the overall health – of the Medi-Cal and remaining uninsured populations in California, while continuing to support the success of the Affordable Care Act in California.

For these reasons, we strongly support the state's proposal for a renewed Section 1115 Waiver.

Sincerely,



Barry R. Fisher, MPPA
Health Care Agency Director