

## LEGISLATIVE COUNSEL'S DIGEST

Bill No.  
as introduced, \_\_\_\_\_.  
General Subject: Coordinated Care Initiative.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing federal law provides for the federal Medicare program, which is a public health insurance program for persons who are 65 years of age or older and specified persons with disabilities who are under 65 years of age.

Existing law requires the department to seek federal approval pursuant to a Medicare or Medicaid demonstration project or waiver, or a combination thereof, to establish a demonstration project, known as the Coordinated Care Initiative, that enables beneficiaries who are dually eligible for the Medi-Cal program and the Medicare Program to receive a continuum of services that maximizes access to, and coordination of, benefits between these programs. Existing law requires the department to enter into a memorandum of understanding (MOU) with the federal Centers for Medicare and Medicaid Services in developing the process for selecting, financing, monitoring, and evaluating the health care models for the demonstration project, and requires the department to negotiate the terms and conditions of the MOU, including reimbursement methods for a capitated payment model.

This bill would require the department to evaluate the reimbursement methodology, and to add an assisted living rate category for purposes of testing the efficacy of a diversion and transition project that relocates dual eligible beneficiaries from a skilled nursing facility to either a residential care facility for the elderly or an adult residential care facility. The bill would require the department, in collaboration with stakeholder and consumer advocacy groups, to implement the diversion and transition project pursuant to specified requirements, including quality control and quality improvement measures for licensed residential care facilities for the elderly and adult residential care facilities. The bill would provide that the project be implemented to the extent of specified requirements, including that the department obtain federal approvals and federal matching funds, and would require the department to start implementing these provisions on January 1, 2020, or after all necessary federal approvals are obtained, whichever date is later.

