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To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.

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October 20, 2011

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: Mitchell H. Katz, M.D.
Director of Health Services

Jonathan E. Fielding, M.D., M.P.H.
Director and Health Officer, Public Health

Marvin J. Southard, D.S.W.
Director, Mental Health

SUBJECT: **ENSURING CONTINUITY OF CARE FOR RYAN WHITE BENEFICIARIES**

On September 20, 2011 your Board directed the Departments of Health Services (DHS), Public Health (DPH) and Mental Health (DMH) to 1) Notify the Board of Supervisors (Board) before any provider agreements or amendments are finalized; 2) Provide bi-weekly reports to the Board on the status of County efforts to obtain a Medicaid Waiver amendment to offset the additional County costs; and 3) Provide the Board offices with a written Ryan White patient care transition plan and monthly reports on efforts to ensure continuity of care.

PROVIDER AGREEMENT NOTIFICATION

On September 30, 2011, DHS notified your Board of its intent to execute amendments to existing Healthy Way LA (HWLA) agreements and enter into new HWLA agreements with seven Ryan White (RW) providers that are not currently part of the HWLA network. DPH and DMH will also notify your Board in advance of executing provider agreements related to this matter.

EFFORTS TO OBTAIN MEDICAID WAIVER AMENDMENT

Since our last report on October 4, 2011, the California Department of Health Care Services (DHCS) had a second conference call with staff from the Centers for Medicaid and Medicare Services (CMS) about the Waiver amendment the week of October 10th. The Waiver amendment would provide supplemental payments to Low Income Health Programs (LIHPs) which develop specific HIV Transition Plans that assure the careful management of HIV clients into LIHPs to avoid disruption of care. Financing would come from

an estimated increase in available Waiver budget neutrality room. Based on the second conference call, CMS has asked DHCS to develop further background on details of the financing mechanism for the amendment proposal. On October 18, 2011, DHCS convened a conference call with DHS, the San Francisco Department of Public Health, and the California Association of Public Hospitals and Health Systems to discuss the requested materials, and agreed to develop them by October 28, 2011.

RYAN WHITE PATIENT CARE TRANSITION PLAN

Transition Timing

At this time, it is not clear when the California State Office of AIDS, through its AIDS Drug Assistance Program (ADAP), will adjust its eligibility screening process to include LIHP eligibility. It is our understanding that patients will be transitioned on a monthly basis, according to birth month, as part of their annual redetermination of eligibility for ADAP.

Although it is likely that transition will not begin for a few months, DHS, DPH and DMH are putting transition plan elements in place now to avoid disruption in care when implementation does begin.

DHS Healthy Way LA Contracts

HWLA contracts for current Community Partners (CPs) have been updated to include HIV services and add the pharmacy dispensing fee approved by your Board on September 20, 2011. In addition, HWLA contracts have been offered to the seven RW providers that are not currently HWLA CPs. DHS has provided the amendments and contracts to current and potential CPs and asked them to sign for execution by November 1, 2011. DHS, DPH and DMH staff are hosting a third meeting with RW providers on October 20, 2011 to answer questions and provide additional information on HWLA contracts and other aspects of the transition.

Ensuring Access to Pharmaceuticals

Under the leadership of its Chief Pharmacy Officer (CPO), DHS is taking several steps to ensure that medication access is not disrupted for RW patients transitioning to HWLA.

1. *Pharmacy Administrator Contract* - DHS is working with County Counsel to negotiate an agreement, to be presented to your Board for approval as soon as possible, with a contract pharmacy administrator (PA). This arrangement will assist HIV patients, HIV CPs and DHS by:
    - Providing more pharmacy access points to patients
    - Providing pharmacy access to clinics currently lacking an onsite pharmacy or contract arrangement with an offsite pharmacy
    - Streamlining billing and reimbursement for CPs with onsite pharmacies, to mitigate cash flow issues that can arise for providers purchasing expensive HIV medications

Providers interested in using the PA mechanism will also need to have a contract with the PA. As part of DHS' provider outreach, it is informing providers of this option, soliciting interest among providers in participation, and connecting them to the PA. Providers that do not wish to use the PA will have the opportunity to bill for pharmacy under the current HWLA process of submitting claims for reimbursement.

Phase I of the pharmacy administrator contract will be targeted to HIV providers, to mitigate issues associated with HIV medications. However, Phase II of this effort will expand access to all HWLA providers and expand the role of the pharmacy administrator to a Pharmacy Benefits Management (PBM) role.

2. *Provider Outreach* – The CPO has worked with DPH staff to determine providers that do not have onsite pharmacies or contract pharmacy arrangements capable of managing the needs of the transitioning RW patients. CPO staff is providing outreach to those providers to make arrangements for any pharmacy access needed until the pharmacy administrator contract is accessible. It is anticipated that this will involve very few patients, if any, depending on the ultimate implementation date determined by the State for transition.

   Approximately 630-1050 patients are seen by non-DHS providers that do not currently have a pharmacy or pharmacy contract arrangement for HIV medications. If transition begins before the PA agreement is in place, approximately 50-90 patients per month would have to be redirected to the nearest DHS pharmacy for prescriptions. Prescriptions filled at Multi-Service Ambulatory Care Centers (MACCs) and Comprehensive Health Centers (CHCs) would present increased costs to DHS until 340B applications for those locations are approved by the Health Resources and Services Administration (HRSA).

3. *Ensuring Capacity at DHS Pharmacies* - Historical data is being analyzed for DHS pharmacy sites against the proposed volume of transitioning HIV patients, to assess impact to operations, and resources required to accommodate those patients.

   340B program applications were submitted for High Desert MACC, MLK MACC, Hudson CHC, Humphrey CHC and Long Beach CHC during September 2011 by CPO staff. A request was forwarded to 340B Coalition legal counsel, to provide assistance with HRSA in expediting these applications. HRSA has been in contact with DPH to confirm receipt of these applications and to verify Ryan White grantee status of each site. Approval of 340B status for those sites is expected by January 2012.

4. *Formulary Assessment* – The CPO has completed a comparison of the DHS drug formulary and the AIDS Drug Assistance Program (ADAP) formulary and discussed results with the medical director for DPH's Division of HIV and STD Programs (DHSP). Necessary HIV agents are being added to the DHS formulary, and a review process has been determined to review future pharmaceutical formulary requests.

5. *Dispensing Fee* – The dispensing fee included with new HWLA contracts will help to support pharmacy services by community providers and continuity for patients accessing medications at those sites. For drugs dispensed by a licensed pharmacy, CPs can be reimbursed up to $9, with the exception of drugs commonly available for $4.

Ensuring Continuing Access to Specialty Care

Currently RW patients access specialty care in the following ways: 1) referral to DHS; 2) through a network of specialists known as the CHAIN network, funded by DHSP and managed by AIDS Healthcare Foundation (AHF); and 3) onsite at RW provider sites.

DHS has constructed revised HWLA Matched contracts to allow HIV providers to continue to access specialty care through these mechanisms to ensure continuity of care. Specialty allocations for CPs are based on recent utilization through DHSP RW contracts.

HWLA referrals to the CHAIN network will be managed through DHSP RW contracts (with billing to HWLA), and will be governed by the same referral protocols and utilization review procedures currently in place for RW contracts. Only HIV-related specialty needs will be referred to CHAIN, which is consistent with the current RW system.

In addition, DHS continues to decompress DHS specialty clinics and increase access for all patients, including those transitioning from RW.

Eligibility Screening and Enrollment for RW Patients

DHS and DPH have developed a process to streamline eligibility screening and enrollment for HWLA-eligible RW patients. Patients will be screened for HWLA during their annual ADAP eligibility screenings, which usually take place at their HIV provider location or an AIDS service organization. These providers will receive training from DPH and DHS on HWLA screening and enrollment. This process facilitates HWLA transition for the patient using providers and processes they are already familiar with.

HWLA resources are available immediately to providers via DHS' HWLA website www.ladhs.org/hwla, including training videos and materials, all necessary forms and documentation, HWLA brochures, FAQs, and the weekly HWLA enrollment call for all providers and staff. DPH and DHS will facilitate a focus group with ADAP eligibility screeners in November to assess the group's readiness to process HWLA applications. DHS will provide an in-person training for providers in December with an additional follow-up training within the first few months after ADAP eligibility workers have gained some experience doing HWLA enrollment. The month of December is targeted because it is anticipated that State implementation of the transition will not occur until at least January, and training will be more effective closer to implementation. There are approximately 100 staff identified that will be doing screening and enrollment for this population that will likely need this training.

Mental Health

DHSP, DMH and DHS are working closely to minimize the overlap of mental health services to be covered under HWLA, and those covered as part of the RW-funded service continuum. This involves clearly defining the populations to be served under HWLA. The Departments jointly reviewed eligibility requirements and the service package for Tier 2 HWLA specialty mental health services, including the diagnostic profiles, treatment protocols, and service delivery needs of the clients served by RW funding. DMH and DHSP have since exchanged additional data to determine the nexus between the RW clients' mental health service needs and HWLA Tier 2 eligibility criteria and service package.

DHSP is using this information to modify applicable RW-funded contracts to ensure continuity of mental health services not covered by HWLA, as well as compliance with the RW payor of last resort requirement.

DMH is contacting RW providers that are not yet CPs to offer them DMH CP Mental Health Agreements to deliver specialty mental health services to HWLA-eligible clients.

RW-Funded Contracts

DHS and DPH have determined that a significant portion of Angelenos living with HIV will continue to rely on a mix of HWLA and RW-supported services in order to thrive. To this end, DHSP will amend relevant contracts to deploy linkage and care coordination services not covered under HWLA. These services will be deployed in the medical homes chosen by patients seeking HWLA/RW-supported HIV medical services.

Community Communication Strategy

DPH has developed a communication strategy to ensure that stakeholders are able to access information regarding the HWLA transition. The communication strategy includes the following:

- Patients: DPH is working in collaboration with the Commission on HIV to develop materials for patients who will be impacted by the transition to HWLA;
- Non-Medical Providers: DPH plans to host a meeting for non-medical support providers (case managers) in November to explain the transition and to share materials that providers can share with patients;
- Medical Providers: DPH has set up an e-mail account for medical providers to submit their HWLA transition questions. Questions will be answered weekly via a Frequently Asked Questions document.
- DPH, DHS and DMH have hosted three meetings with providers and will schedule future meetings as necessary.

NEXT STEPS

DHS, DPH and DMH will continue working together, and with HIV community providers, to ensure continuity of care for patients transitioning from RW to HWLA; and will provide ongoing status updates to your Board.

If you have any questions or require additional information, please let me know, or you may contact Wendy Schwartz, Director of Board Relations, at 213-240-8104.

MHK:ws

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors