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GOVERNOR

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TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: INTERMEDIATE CARE FACILITY FOR DEVELOPMENTALLY
DISABLED TRANSITION TO MANAGED CARE

The purpose of this correspondence is to provide information on the upcoming Intermediate Care Facility for Developmentally Disabled (ICF/DD) transition to managed care, also known as the ICF/DD Carve-In, and how regional centers can assist individuals who live in ICF/DDs and providers. The carve-in applies to ICF/DD, ICF/DD-Nursing and ICF/DD-Habilitative homes, collectively referred to here as ICF/DDs. Currently, most individuals living in ICF/DDs are not enrolled in Medi-Cal Managed Care, and most homes receive payment through Medi-Cal Fee for Service (FFS). However, effective January 1, 2024, most individuals will be enrolled in Medi-Cal managed care plans (MCPs) in their county, and homes will receive payment from the MCPs. This represents a significant change for all involved and regional center assistance is important to support the transition.

Background

The Department of Health Care Services (DHCS) is leading the [CalAIM](#) initiative, which is part of a broad transformation of Medi-Cal with the intent to provide a more coordinated, person-centered and equitable health system. Under CalAIM, Medi-Cal MCPs will cover and coordinate Long-Term Care (LTC) services, which includes facilities that provide skilled nursing, subacute, pediatric subacute and intermediate care services. The goal is to better integrate care across all settings and make the LTC delivery system consistent across all counties.

How does the carve-in affect individuals who live in an ICF/DD home?

Enrollment into a Managed Care Plan

As of January 1, 2024, most individuals¹ who live in an ICF/DD home will be enrolled into an MCP. Earlier this month, initial notices were sent informing individuals of the upcoming change and deadline for selecting an MCP, or indicating the MCP in which they will be enrolled in if a choice isn't made. Depending on the county and other factors, in some instances the notice simply indicated which MCP the individual will be enrolled in (e.g., the plan that matches their Medicare Advantage Plan.)

Continuity of Care

Enrollment in managed care does not change the services received from the home, nor the services and supports provided by the regional center. Individuals will automatically receive 12 months of continuity of care, meaning that they will continue to reside in their home while MCPs brings the home into their networks. Individuals may also request to continue seeing their other out-of-network health care providers, if they have a pre-existing relationship, by contacting their new MCP and making a request. MCPs will be reaching out to the FFS providers that have served individuals in the last year to invite them to join their networks.

How does the carve-in affect ICF/DD homes?

Starting on January 1, 2024, ICF/DD homes currently receiving payment through FFS Medi-Cal will receive payment for services through an MCP. While existing authorizations will remain in place, ICF/DD homes will need to contract with the MCP(s) in which the individuals residing in the homes are enrolled. Contracting with MCPs, in some cases multiple plans for each home, represents a significant change². Support from the regional center, including what is outlined below, will be helpful during this transition.

¹ some individuals who live in an ICF/DD may continue to receive coverage through Medi-Cal Fee-for-Service in a non-COHS or non-Single Plan county, if they:

- Are an American Indian/Alaska Native.
- Receive assistance under Foster Care, the Adoption Assistance Program, or Child Protective Services.
- Already have an approved medical exemption from the requirement to join a Medi-Cal MCP.
- Get a medical exemption from the requirement to join a Medi-Cal MCP.

² Please see the county lookup tool to identify the MCP operating in the county effective January 1, 2024

Regional centers support for the carve-in

Regional centers' assistance and support for individuals who live in ICF/DD homes and all providers is important to help during the carve-in period. This support includes the following:

- **Assistance to ICF/DD home residents** – As communicated previously, regional centers must connect with all individuals residing in ICF/DD homes and, in coordination with the individual, their family and the ICF/DD home, verify they have the supports to choose and enroll in an MCP, by December 15, 2023. The notices referenced above informing individuals of the upcoming MCP enrollment were sent to the Member and the Medi-Cal authorized representative (AR) identified in the Medi-Cal Eligibility Data System (MEDS) if one was identified. Therefore, the notices may have been sent to the ICF/DD, a family member, conservator or the regional center if any of those were identified as a Medi-Cal authorized representative in MEDS. As such, the regional center should coordinate with the ICF/DD home to provide information to the individual and family regarding the carve-in and transition to managed care to assist as needed with enrollment into managed care. There are a number of resources for individuals and families available on the DHCS website to assist with this including:
 - A high level [overview](#) of the carve-in.
 - Notice of Additional Information, including some frequently asked questions is available [here](#).
 - General information regarding the carve-in, including notices sent to individuals is available at [here](#), and
 - Listing of [managed care plans](#) available by county.

It is important to note that it is not necessary to have received a notice to get information and/or to make a choice to enroll in an MCP, nor may there be a need to actively enroll in an MCP if the individual/family is satisfied with the plan that they will be enrolled in. If there are questions regarding plan choices, options or how to enroll in a MCP, please contact DHCS' Health Care Options via phone at (800) 430-4263 /TTY: (800) 430-7077 or on-line at <https://www.healthcareoptions.dhcs.ca.gov/en>. Health Care Options has a process in place to allow an Enrollment Assistant to help choose a Managed Care Plan for the member. A representative, such as the ICF/DD home or regional center representative, a family member, even if not the individual's legal representative, may assist the individual if needed to enroll in an MCP when contacting Health Care Options.

- **Assistance to ICF/DD home providers** – The move from FFS Medi-Cal to managed care for ICF/DD services requires significant changes for providers. Included in these changes will be the need for the homes to contract with MCPs and planning for the continuation of services (e.g., physicians working with the homes) other than those covered under the ICF/DD per diem rates. Information and resources to assist in these efforts are available on the [DHCS website](#). This information includes model contract language for MCPs and ICF/DD homes, billing and invoicing guidance, frequently asked questions and webinars and trainings (past and upcoming) regarding the carve-in. Regional centers should confirm that all providers are aware of the upcoming carve-in and recommend they be in contact with the MCPs in their county, including the availability of assistance from liaisons at each MCP. The most recent listing of these liaisons will be sent separately. Additionally, contact information for the MCP liaisons can be obtained by emailing LTCtransition@dhcs.ca.gov

Payment assistance

Claims for ICF/DD services are to be paid by MCPs within 30 days of receipt. However, it is possible that due to a variety of factors there may be instances in which ICF/DD homes do not receive reimbursement within 30 days of submitting claims. To prevent potential disruption in services due to delays in payments, regional centers may temporarily reimburse, using purchase of service funds, the cost of ICF/DD services if:

- The ICF/DD home has submitted claims to an MCP and has not been reimbursed after 30 days.
- The ICF/DD home agrees to reimburse the regional center within 15 days of receipt of payments from the MCP.

These payments by regional centers are not a replacement for MCP funding but are a temporary “safety net” if there are payment delays during the initial carve-in period as MCPs and ICF/DD homes work together on setting up billing/invoicing protocols. A standard agreement for use between regional centers and ICF/DD homes is in development and will be sent separately.

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Regional center support for consumers and ICF/DD homes will play an important part in helping during this transition. If you have questions regarding this letter, please email healthfacilities@dds.ca.gov.

Sincerely,

Original signed by

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