



Accreditation of Medi-Cal, Healthy Kids and
Healthy Families Program.

Celebrating
15 Years
of Providing Health Care in Los Angeles County
1997-2012

LA's Duals Demonstration

Bringing Coordination to a Fragmented System



L.A. Care
HEALTH PLAN®

For a Healthy Life

Howard A. Kahn
National Dual Eligibles Summit
October 30, 2012

“If you don’t
have time
to do it right,
when will you have
time to do it over?”

- *John Wooden*



L.A. Care
HEALTH PLAN®

Overview of L.A. Care

- Largest public health plan in the nation
 - Over 1 million members
- Mission driven to serve low income people in LA County



Not Your Typical HMO

- Stabilize the Medicaid program
- Community accountable
 - Stakeholder board
 - Community advisory committees
 - Grants to support the safety net
- Raise the quality bar and increase transparency
- Partnership, partnership, partnership
- And still...challenge private competitors

Duals Pilot Expectations

- How big?

374,000 duals in LA County

X \$30,000 annual expenditure

= \$10 billion spent on duals in 2009

- Risks?

- Provider resistance
- Consumer fears
- Access to data



L.A. Care
HEALTH PLAN®

Why Are Health Plans and Groups Interested?

- Last untapped market
- Big money
- This is the right thing for patients...
in the long run

Keys to Success

- **Data** to understand patient utilization and identify historic providers
- **Early outreach** to patients and providers with clear messaging
- **Change** patterns of **care** and **incentives**
 - Continuity and coordination of care
 - Quality
 - Matching care provided to care needed
- Appropriate **rate setting** and avoiding adverse selection

The LA County Approach

- Each plan will:
 - Establish **program goals and standards** for providers
 - Contract with plans and providers that have **capacity** and programs that **add value**
 - Provide **wrap-around services** (case and medication management, centralized care coordination)
 - Ensure accountability for **quality outcomes** and **financial performance**



Collaborative Competition

- **Compete** where it makes sense:
 - Quality
 - Provider network
 - Customer service
- **Collaborate** where it makes sense:
 - Similar benefit packages
 - LTSS/ mental health
 - Rebalance funding away from institutional care and into home and community-based services



L.A. Care's Provider Network Strategy

- Higher need and higher bar
 - Capacity and expertise to serve the population
 - Will differ from our current network with some overlap
- Safety Net - LA County DHS, community clinics
- Subcontracted health plans
 - Care 1st Health Plan
 - CareMore
 - Kaiser Permanente
 - SCAN Health Plan

Common Questions

- What is the role of D-SNPs?
- Is this reasonable risk for plans and providers to undertake?
- Is this just Medi-Cal redux?
- How closed or open will the provider networks be?
- How do groups and IPAs participate in the pilot?
- When will we know more?