Center for Health Care Strategies

Opportunities to Advance Health Equity for Seniors and People with Disabilities in California and Beyond

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California's new Medicaid reform, called California Advancing and Innovating Medi-Cal (CalAIM), is a statewide effort to improve and align care for all Medi-Cal (California's Medicaid program) enrollees, including over two million seniors and people with disabilities (SPDs) enrollees. Among SPDs who will be impacted, 710,000 have Medi-Cal only, and 1.65 million are dually eligible for Medi-Cal and Medicare. Within the statewide CalAIM reform strategy, there are many opportunities to improve health equity for Medi-Cal enrollees, with a particular focus on people with complex health and social needs.

This Center for Health Care Strategies (CHCS) *Policy Cheat Sheet* explores several CalAIM initiatives that specifically impact SPDs and the opportunities they present to address health equity for this population. It also raises additional opportunities for the state to address health equity. Lessons from California can help inform other states seeking to improve care and address health equity for these populations.

Seniors and people with disabilities are particularly vulnerable to health disparities.

Medi-Cal SPDs, including people who are dually eligible for Medicare and Medi-Cal, are increasingly diverse, live in poverty, and have unmet social needs. As California becomes older, the fastest growth is among Latino/a and Asian populations. Medi-Cal's SPDs have complex care needs and are very likely to have multiple chronic conditions, live with disabilities, and have unmet needs for long-term services and supports (LTSS). Almost all people enrolled in Medi-Cal have very low incomes — under 138 percent of the federal poverty level, which in 2022 equaled $18,755 annually for a single adult. Additionally, nearly one million older Californians living alone cannot afford basic necessities such as housing, food, health care, and transportation, with even more pronounced economic insecurity among older adults of color.

There are racial disparities in access to and quality of LTSS. In California and states across the nation, racial disparities persist in the types of services and settings used by SPDs — especially for people with functional impairment, cognitive impairment, and those who need LTSS. For example, Black and Latino/a residents in nursing facilities have higher hospital readmission rates compared to white residents. There are also racial disparities in access to home- and community-based services. Furthermore, lower quality of care is reported in long-term care (LTC) facilities with a higher proportion of residents of color.

Care for SPDs who are dually eligible for Medi-Cal and Medicare is often fragmented, resulting in worse health outcomes. In California, only eight percent of people who are dually eligible are enrolled in models such as the Program of All Inclusive Care for the Elderly or Cal MediConnect plans, which integrated Medicare and Medicaid through one program.

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Many CalAIM initiatives offer opportunities to improve health equity for SPDs.

Many CalAIM initiatives, detailed below, offer the potential to reduce health care disparities experienced by Medi-Cal SPDs and improve health equity, particularly by better addressing health-related social needs.

The Institutional LTC Carve-In is a CalAIM initiative that launched in January 2023. It requires all Medi-Cal managed care plans (MCPs) to assume financial risk and coordinate care for their members living in institutional setting such as nursing homes. While about half of California counties had previously carved in LTC into MCPs, this was expanded into all counties in January 2023. People living in institutions can be among the most impacted by health disparities based on race, language, sexual orientation/gender identity, and geography. There are many opportunities to address health equity in institutional settings, including:

- **State agencies and departments responsible for care in institutional settings can:**
  - Update data collection and reporting on race and ethnicity to ensure that inequities and disparities are identified and remediated.
  - Provide enhanced oversight of facilities that have a higher proportion of residents of color and with a history of poor performance on quality measures, neglect or abuse.
  - Leverage state direct care workforce development initiatives to help ensure that all LTC facilities are staffed adequately by workers making a living wage, and nurse-to-resident ratios are enforced.
- **Managed care plans carving in LTC can:**
  - Examine publicly available LTC facility quality data to ensure that the facilities included in their provider networks offer high quality care to all residents and offer targeted support to facilities through quality improvement initiatives to improve racial and ethnic disparities in care.
  - Use financial flexibilities such as value-based payment to incentivize higher quality of care and adequate staffing in LTC facilities they contract with.
  - Partner with LTC Ombudsman programs to train care managers to identify and address poor quality of care.
  - Explore opportunities to incorporate workforce and equity-oriented approaches such as the Good Jobs Measures, developed by the Center for Advancing Racial Equity and Job Quality in Long-Term Care, into LTC facility contracts.

Medicare-Medi-Cal Plans (MMPs) — a type of aligned dual eligible special needs plan — is another newly created CalAIM initiative that will be available to all individuals who are dually eligible for Medicare and Medi-Cal in California by 2026. People who are dually eligible and enroll in MMPs will have more integrated care because their Medicare and Medi-Cal plans will be operated by the same parent company that will have more integrated payment, model of care, and grievance and appeals procedures. As MCPs create these new products, many will be developing Medicare provider networks for the first time. There are many opportunities for plans to address equity as they develop these products, including:

- **Engage a broad selection of Medicare primary care and specialty providers** in MMP provider networks and across rural areas and geographies that have a history of poor access.
- **Closely track provider demographic information** in the required annual Group Needs Assessment and ensure the composition of the provider network reflects the diversity of the people they serve;
- **Strive for 100 percent overlap** between their Medicare and Medi-Caid provider networks;
- **Ensure clear, accessible, and culturally responsive communication** about any changes to health plan, delivery system, or benefits for dually eligible individuals to avoid confusion and delays in care.

- **Engage dually eligible consumers in developing these new MMPs.** Plans can use Member Voices Programs to conduct focus groups, surveys, and advisory groups with consumers with lived experience accessing and navigating care through Medicare and Medi-Cal so that the new MMPs reflect the needs of the people they serve.
- **Seek out technical assistance.** For example, in partnership with CMS, state agencies can provide technical assistance and support to MMPs to implement many of the Special Supplemental Benefits for the Chronically Ill, including subsidies for rent.

Enhanced Care Management and Community Supports provided by MCPs can address the health and social needs of the most vulnerable. Under CalAIM, MCPs in California are currently offering members a new Enhanced Care Management (ECM) benefit. SPDs who are experiencing homelessness and have serious mental health or substance use disorders were eligible for the ECM benefit in 2022, and those at risk for institutionalization and those eligible for long-term care seeking to transition from a nursing home into the community are eligible in 2023. Furthermore, new Community Supports are non-medical services that MCPs can provide to address health-related social needs and help individuals remain living in their homes and communities. Both ECM and Community Supports are delivered by community-based organizations that contract with the MCP. To address equity for SPDs served by Medi-Cal:

- **MCPs should contract with community-based organizations (CBOs)** that reflect and serve communities of color and non-English speakers to provide culturally appropriate ECM and Community Supports.
- **State agencies can promote MCP-CBO partnerships** by providing start-up funding and technical assistance to smaller, lower-resourced CBOs that are serving more diverse clients as they develop the business acumen to contract with MCPs as providers.

Additional Opportunities to Advance Health Equity Among SPDs

In addition to CalAIM initiatives, other actions can be taken to promote health equity for all Medi-Cal enrollees, including those who are SPDs. Following are examples of efforts underway in California as well as other activities for consideration that can inform other states in promoting health equity for this population.

Consider health equity accreditation for MCPs. Ensuring uniform care standards across all health plans can help set the foundation for promoting health equity. California will require that all Medi-Cal managed care plans obtain Health Plan Accreditation from the National Committee for Quality Assurance (NCQA) by January 2026. The goal of this accreditation is to streamline Medi-Cal managed care plan oversight and increase standardization across plans. MCPs may also consider NCQA's Health Equity Accreditation to ensure they are doing everything possible to provide equitable care for all Medi-Cal enrollees, particularly populations such as SPDs who are more likely to have complex health and social needs.

Implement more robust data reporting to identify, monitor, and remediate health and social disparities. As older adults and people with disabilities encounter many changes through CalAIM, it is a logical time for state agencies and MCPs to improve data collection to ensure that programs can consistently analyze, identify, and measure disparities in care related to race, ethnicity, sexual orientation and gender identity, disability, geography and other social factors. While racial disparities have long been documented in health outcomes and acute care utilization, less is known about the extent of disparities in access to long-term services and supports, home- and community-based services, and other social services that allow older adults and people with disabilities to live in the setting of their choice. As the state implements the Institutional LTC Carve-in, ECM, Community Supports, and aligned Dual Eligible Special Needs Plans, it is an opportune time to ensure plans and providers collect more accurate data on racial and ethnic disparities related to: (1) transition to new programs; (2) ongoing access to needed services; and (3) impacts these new programs have on health and well-being of SPDs.

Identify opportunities to involve SPDs in designing and refining programs. Meaningfully improving health equity will require more than simply data collection, but will also require regular monitoring, analysis of data, and incorporating the input and voices of SPDs who use these services to design system improvements.

NEED MORE INFORMATION? Please see these related resources:

- *Easing Transitions: CalAIM's Changes for California's Older Adults and People with Disabilities*, California Health Care Foundation, August 2022.
- *In Alignment: CalAIM's Plan to Coordinate Care for Dual Enrollees in Medicare and Medi-Cal*, California Health Care Foundation, November 2022.
- *CalAIM and Institutional Long-Term Care: Lessons for Medi-Cal Managed Care*, California Health Care Foundation, March 2022.
- *Creating Robust Provider Networks to Support Older Adults and People with Disabilities: Considerations for Medicaid Health Plans in California and Nationwide*, Center for Health Care Strategies, December 2022.

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