under this domain in the current DY;

C. A description of the pilot projects selected for award; including but not limited to their specific strategies, target populations, payment methodologies, annual budget, and expected duration, the performance metrics with which they will be measured; as well as the goals they intend to achieve;
D. An assessment of the pilot projects selected for award, including their performance and outcomes, replicability, any challenges encountered, actions undertaken to address those challenges, as well as information on payments made to each pilot project by the Department;
E. A descriptive assessment of the impact of this aspect of the demonstration on achieving the goals in domains one (1) through three (3); and
F. A descriptive analysis of any program integrity challenges generated by this aspect of the demonstration, and how those challenges have been, or will be, addressed.

e. Financing. DHCS will issue payments to pilot providers only on the basis of an approved application pursuant to (a) above. No single pilot may receive more than twenty-five (25) percent of the annual funding amounts listed in STC 105. The incentive funding available for payments will not exceed the amount apportioned from the DTI pool to this domain for the applicable PY, except as provided for in STC 105.

f. Evaluation Local dental pilot projects will be evaluated consistent with the performance metrics of the aforementioned dental domains and the goals outlined in the individual proposals. DHCS reserves the right to suspend or terminate a pilot at any time if the enumerated goals are not met.

110. **Whole Person Care Pilots.** The overarching goal of the Whole Person Care (WPC) Pilots is the coordination of health, behavioral health, and social services, as applicable, in a patient-centered manner with the goals of improved beneficiary health and wellbeing through more efficient and effective use of resources. WPC Pilots will provide an option to a county, a city and county, a health or hospital authority, or a consortium of any of the above entities serving a county or region consisting of more than one county, or a health authority, to receive support to integrate care for a particularly vulnerable group of Medi-Cal beneficiaries who have been identified as high users of multiple systems and continue to have poor health outcomes. Through collaborative leadership and systematic coordination among public and private entities, WPC Pilot entities will identify target populations, share data between systems, coordinate care real time, and evaluate individual and population progress – all with the goal of providing comprehensive coordinated care for the beneficiary resulting in better health outcomes.

The investment in this localized effort will build and strengthen relationships, and improve collaboration among participating WPC Pilot entities. The results of these WPC Pilots will also provide learnings for potential future local efforts beyond the term of this waiver. The specific strategies, target populations, payment methodologies, and

participating entities shall be established by the entity submitting the application in consultation with participating entities. Each WPC Pilot is intended to be in operation from the date of approval through the end of the demonstration. Additional funds for existing WPC Pilots or new WPC Pilots may be approved by the state after the initial application period if additional funds are available. DHCS will issue guidance to WPC Pilot Lead Entities in the form of guidance and policy letters to implement the Pilot program and structure, as needed.

111. **Whole Person Care Pilot Programs Target Population(s).** WPC Pilots shall identify high-risk, high-utilizing Medi-Cal beneficiaries in the geographic area that they serve and assess their unmet need. WPC Pilots must define their target populations and interventions to provide integrated services to high users of multiple systems. The target population shall be identified through a collaborative data approach to identify common patients who frequently access urgent and emergent services often times across multiple systems. Target populations may include but are not limited to individuals:

a. with repeated incidents of avoidable emergency use, hospital admissions, or nursing facility placement;
b. with two or more chronic conditions;
c. with mental health and/or substance use disorders;
d. who are currently experiencing homelessness; and/or
e. individuals who are at risk of homelessness, including individuals who will experience homelessness upon release from institutions (hospital, sub-acute care facility, skilled nursing facility, rehabilitation facility, IMD, county jail, state prisons, or other)

Individuals who are not Medi-Cal beneficiaries may participate in approved WPC Pilots, but funding in support of services provided to such individuals is not eligible for Federal financial participation. These individuals shall only be included in the Pilot at the discretion of the WPC Pilot and as approved during the application process. The non-Federal funds expended providing services to individuals who are not Medi-Cal beneficiaries may exceed the funding limits described in STCs 132 and 133.

112. **WPC Strategies.** WPC Pilots shall include specific strategies to:

a. Increase integration among county agencies, health plans, and providers, and other entities within the participating county or counties that serve high-risk, high-utilizing beneficiaries and develop an infrastructure that will ensure local collaboration among the entities participating in the WPC Pilots over the long term;
b. Increase coordination and appropriate access to care for the most vulnerable Medi-Cal beneficiaries;
c. Reduce inappropriate emergency and inpatient utilization;
d. Improve data collection and sharing amongst local entities to support ongoing case management, monitoring, and strategic program improvements in a sustainable fashion;
e. Achieve targeted quality and administrative improvement benchmarks;
f. Increase access to housing and supportive services (optional); and
g. Improve health outcomes for the WPC population.

113. **Whole Person Care Pilot Payments**. Subject to the funding limits in STCs 132 and 133, DHCS shall review, approve, and make payments for WPC Pilots in accordance with the requirements in this STC. WPC Pilot payments shall be paid in accordance with STCs 132 and 133. WPC Pilot payments shall support 1) infrastructure to integrate services among local entities that serve the target population; 2) services not otherwise covered or directly reimbursed by Medi-Cal to improve care for the target population such as housing components; and 3) other strategies to improve integration, reduce unnecessary utilization of health care services, and improve health outcomes.

114. **Housing and Supportive Services**. WPC Pilots may target the focus of their Pilot on individuals at risk of or are experiencing homelessness who have a demonstrated medical need for housing or supportive services. In these instances, WPC Pilots would include local housing authorities, local Continuum of Care (CoCs) programs, community based organizations, and others serving the homeless population as entities collaborating and participating in the WPC Pilot. Housing interventions may include:

a. Tenancy-based care management services. Tenancy-based care management supports to assist the target population in locating and maintaining medically necessary housing. These services may include individual housing transition services, such as individual outreach and assessments; individual housing and tenancy sustaining services, such as tenant and landlord education and tenant coaching; and housing-related collaborative activities, such as services that support collaborative efforts across public agencies and the private sector that assist WPC entities in identifying and securing housing for the target population.

b. County Housing Pools. WPC Pilot entities may include contributions to a county-wide housing pool (Housing Pool) that will directly provide needed support for medically necessary housing services, with the goal of improving access to housing and reducing churn in the Medicaid population. The Housing Pool may be funded through WPC Pilot funds or direct contributions from community entities. These services may include those identified in the June 26, 2015 CMCS Informational Bullentin, "Coverage of Housing-Related Activities and Services for Indivuduals with Disabilities".State or local government and community entity contributions to the Housing Pool are separate from Federal financial participation funds, and may be allocated to fund support for long-term housing, including rental housing subsidies. The Housing Pool may leverage local resources to increase access to subsidized housing units. The Housing Pool may also incorporate a financing component to reallocate or reinvest a portion of the savings from the reduced utilization of health care services into the Housing Pool. As applicable to an approved WPC Pilot, WPC investments in housing units or housing subsidies including any payment for room and board are not eligible for Federal financial participation. Room and board would not include those housing –related activities or services recognized as reimbursable under CMS policy.

115. **Lead and Participating Entities.** DHCS will accept applications for WPC Pilots from a county, a city and county, a health or hospital authority, or a consortium of any of the above entities serving a county or region consisting of more than one county. Each WPC Pilot application shall designate a "Lead Entity" that will be either a county agency, designated public hospital as identified in Attachment D or district municipal public hospital as identified in Attachment D that will coordinate the WPC Pilot and be the single point of contact for DHCS.

The WPC Pilot application shall identify other entities that shall participate in the WPC Pilot. Participating entities must include a minimum of one Medi-Cal managed care health plan (MCP) operating in the geographic area of the WPC Pilot to work in partnership with the Lead Entity when implementing the Pilot specific to Medi-Cal managed care beneficiaries. Participating entities shall also include both the health services and specialty mental health agencies or department, and at least one other public agency or departments, which may include county alcohol and substance use disorder programs, human services agencies, public health departments, criminal justice/probation entities, and housing authorities (regardless of how many of these fall under the same agency head within a county.) WPC Pilots must also include at least two other key community partners that have significant experience serving the target population within the participating county or counties geographic area such as physician groups, clinics, hospitals, and community-based organizations. If a Lead Entity cannot reach agreement with a required participant, it may request an exception to the requirement.

116. **Whole Person Care Pilot Beneficiary Participation.** Receipt of WPC Pilot services is voluntary and eligible beneficiaries must opt-in to the Pilot; they may also opt out at any time. Lead Entities may identify an enrollment cap for the Pilot during the application approval process. A Lead Entity must notify the State within 90 days prior to imposing an enrollment cap and obtain approval to do so. Lead Entities must develop wait lists when a cap is imposed.

117. **WPC Pilot Application Process**

a. Timing. Lead Entities shall submit WPC Pilot applications to DHCS by May 15, 2016, or 45 days after DHCS issues the WPC Pilot Request for Application (RFA), whichever is later. Additional funds for existing WPC Pilots or applications for new WPC Pilots may be accepted by the state after the initial application period if additional funds are available. The state shall establish a process to consider additional funding and applications in consultation with CMS. All initial applicant requirements separate from timelines would remain applicable.

b. Application Contents. WPC Pilot applications must include:
   i. Identification of the WPC Pilot Lead Entity;
   ii. Identification of participating entities including a description of each and the role in the WPC Pilot;
   iii. A background description of the geographic area in which the WPC Pilot will operate and the need for the WPC Pilot;

119. **Learning Collaboratives.** The WPC Pilot Lead Entity shall agree to help develop and participate in regular learning collaboratives to share best practices among Pilot entities. The state will provide CMS its plan for holding learning collaboratives, and give CMS the opportunity to comment.

120. **Termination.** DHCS may suspend or terminate a WPC Pilot if corrective action has been imposed and persistent poor performance continues.
    a. The state must develop a termination procedure protocol for CMS comment.
    b. The state must also include in its protocol the requirements and process by which the WPC Pilot Lead Entity will notify affected beneficiaries in the event a WPC Pilot is suspended or terminated, including the content of said notices.

121. **Progress Reports**. The WPC Pilot shall submit mid-year and annual reports in a manner specified by DHCS. The WPC Pilot payments shall be contingent on timely submission of the mid-year and annual reports.

122. **Universal and Variant Metrics**. DHCS will categorize Pilots, as appropriate, and will create a list of category-specific performance metrics that the WPC Pilot entities in each category must report mid-year and annually, with reporting to start no later than one year following Pilot implementation after completion of any start-up period. Metrics may be reported partially during the initial implementation period due to data lags. These metrics will allow DHCS to measure progress consistently across Pilots, and allow flexibility for reflecting the variety of strategies. These will be sent to CMS for approval before Pilot applications are accepted. WPC Pilots will report on additional metrics which may vary between Pilots. These metrics will be approved through the application process and will be specific to the structure of the Pilot and target population. Metrics will be described in Attachment GG.

123. **Mid-Point and Final Evaluations.** Comprehensive mid-point and final evaluations will be conducted for WPC Pilot sites as described in Attachment GG. The mid-point evaluation will be due to DHCS one year prior to the expiration of the Demonstration, and the final evaluation will be due to DHCS no later than six months following the expiration of the Demonstration. The purpose of the evaluations will be to understand the extent to which the WPC Pilot interventions:
    a. Improve coordination across participating entities including data and information sharing;
    b. Improve beneficiary health outcomes;
    c. Reduce avoidable utilization of emergency and inpatient services (ED, hospital and psychiatric inpatient);
    d. Increase access to social services;
    e. Improve care coordination across participating entities;
    f. Improve housing stability, if applicable;

124. **WPC Pilot Protocols.**
    a. Within 60 days of CMS approval of the terms and conditions for Medi-Cal 2020, CMS and the State will, through a collaborative process, develop and finalize WPC Pilot

Requirements and Metrics, WPC Pilot Requirements and Application Process, and WPC Reporting and Evaluation. These documents will be incorporated into the STCs as Attachments MM, HH, and, GG respectively).

b. After the state has received a Pilot application, but prior to the state's approval of any proposal, the state will submit to CMS its proposed list of Variant Metrics. CMS reserves the right to propose additional metrics. The Universal and Variant Metrics approved by CMS (including measure specifications) will be incorporated into a revised WPC Reporting and Evaluation (Attachment GG). The state may not approve any application prior to CMS approval of the revised Attachment GG.

125. **WPC Pilot Payment Structure** For purposes of the WPC Pilots, the WPC Pilot year shall begin on January 1 and end on December 31. Beginning in PY1 until the end of the Demonstration, up to $300 million in Federal financial participation shall be made available to fund the WPC Pilots as described in the WPC Pilot Special Terms and Conditions and Attachment HH.

126. **WPC Pilot Payments** Payments from the WPC Pool are available to approved Lead Entities. Funding from the WPC Pool (total computable) shall not exceed $3 billion in the aggregate over five years.

a. Each WPC Lead Entity or other entities as specified in the approved WPC Pilot application will provide the non-federal share of payment through an intergovernmental transfer (IGT). The funding entity shall certify that the funds transferred qualify for federal financial participation pursuant to 42 C.F.R. part 433 subpart B, and are not derived from impermissible sources such as recycled Medicaid payments, federal money excluded from use as state match, impermissible taxes, and non-bona fide provider-related donations. The state must have permissible sources for the non-federal share of WPC expenditures, which may include permissible IGTs from government-operated entities and state funds. Sources of non-federal funding shall not include provider taxes or donations impermissible under section 1903(w), impermissible intergovernmental transfers from providers, or federal funds received from federal programs other than Medicaid (unless expressly authorized by federal statute to be used for claiming purposes, and the federal Medicaid funding is credited to the other federal funding source). For this purpose, federal funds do not include PRIME payments, patient care revenue received as payment for services rendered under programs such as the Designated State Health Programs, Medicare, or Medicaid.

b. Funding for PY1 shall be made available to approved applications. Funding will support the initial identification of the target population, and other coordination and planning activities necessary to submit a successful application. Funding for PY1 shall be distributed and shall not exceed 300 million dollars in Federal funds.

c. Funding for PY2 through PY5 shall be made available based on the activities and interventions described in the approved WPC Pilot application. This amount may not exceed the total budget for each year as it appears in the approved application.

iv. A general description of the WPC Pilot, its structure, and how it will address the needs of the target population;
v. A collaboration plan that describes how communication amongst participating entities and the Lead Entity will occur, how integration will be promoted and silos minimized, details about how decisions will be made in consultation with the WPC Pilot participating entities, and a schedule of regular meetings that will be convened;
vi. A description of the methodology used to identify the target population(s), including data analyses and a needs assessment of the target population;
vii. A description of services that will be available to beneficiaries under the WPC Pilot including medical, behavioral, social and non-medical services;
viii. A description of how care coordination will be implemented administratively including what each participating entity will be responsible for and how they will link to other participating entities, as appropriate, to provide wrap around care coordination to the beneficiary;
ix. Detail of the specific interventions, including how Plan-Do-Study-Act will be incorporated to modify and learn from the interventions during the WPC Pilot;
x. A description of how data sharing will occur between the entities including what data will be shared with which entity and how infrastructure and sharing will evolve over the life of the demonstration;
xi. A description of other strategies that will be implemented to achieve the goals of the WPC Pilot;
xii. Performance measures for each type of participating entity and the WPC Pilot itself, including short-term process measures and ongoing outcome measures; these measures should be grouped by Demonstration Year and include an annual target benchmark;
xiii. Transferring entity(ies) of the non-federal share for payments under the WPC Pilot;
xiv. A plan for the Lead Entity to conduct ongoing monitoring of the WPC Pilot participating entities and make subsequent adjustments should any issues be identified. This should include a process to provide technical assistance, impose corrective action, and termination from the Pilot, if poor performance is identified and continues;
xv. A plan for data collection, reporting, and analysis ongoing of the Pilot's interventions, strategies, and participant health outcomes letters of support from participating providers and other relevant stakeholders in the geographic area where the WPC Pilot will operate;
xvi. Letters of participation agreement from WPC participating entities
xvii. A financing structure including a description of WPC Pilot payments, how they will be distributed, and any financing or savings arrangements;
xviii. A funding diagram illustrating the flow of requested funds from DHCS to the Lead Entity and participating entities;
xix. A total requested annual dollar amount, which shall specify budgeted pre-set payment amounts for each element for which funding is proposed including: infrastructure, baseline data collection, interventions, and outcomes, such that a specific dollar amount is linked in each year to specific deliverables, e.g, the

performance of specific activities, interventions, supports and services, and/or outcomes. Budgets should not include costs for services reimbursable with Medi-Cal or other federal funding resources. Available funding in PYs 1 and 2 may be weighted more heavily towards infrastructure design, and baseline data collection, assessment and development activities;

xx. A description of any requirement exceptions requested;

xxi. An estimated number of beneficiaries to be served annually; and

xxii. A proposed enrollment cap, if applicable.

c. DHCS & CMS Review Process DHCS will review all WPC Pilot applications according to the following guidelines and timeline:

i. The selection criteria for WPC Pilot applications must be submitted for CMS approval before the state approves any applications. CMS shall approve or provide clarifying questions to DHCS in response to the submitted criteria within fifteen (15) business days of receipt.

ii. DHCS shall approve applications that meet the requirements of this [WPC Section paragraph __ – paragraph --] and that further the goals of the WPC Pilot.

iii. By April 1, 2016, or within 90 days following CMS approval of WPC Pilot Requirements and Metrics Attachment MM, WPC Pilot Requirements and Application Process , Attachment HH, and WPC Reporting and Evaluation, Attachment GG, whichever is later, DHCS will publish via an RFA the application process, detailed timelines, and selection criteria. The criteria shall include sufficient detail to allow applicants to understand what makes a strong application.

iv. DHCS shall review each application to verify that it conforms to the relevant requirements as described in Attachment HH (WPC Pilot Requirements and Application Process) and meet the selection criteria in the RFA. Within 60 days after submission of the application, DHCS will complete its review of the application, and will respond to the WPC Pilot Lead Entity in writing with any questions, concerns or problems identified. The Lead Entity will respond to DHCS' questions and concerns in writing within 5 business days.

v. Within 30 days after submission of final responses to questions about the application, DHCS will take action on the application and promptly notify the applicant and CMS of that decision. No WPC Pilot shall be awarded more than 30 percent of the total funding available in a given year unless additional funds are available after all initial awards are made and approval is provided by DHCS through an application process.

vi. Within 10 days of DHCS' notification to CMS of DHCS approval of WPC Pilot applications, CMS shall notify DHCS of any concerns or questions regarding final approval.

118. Lead Entity Agreement. The WPC Pilot Lead Entity shall enter into an agreement with DHCS which specifies general requirements of the WPC Pilot including a data sharing agreement.

d. Notwithstanding the annual limits set forth in g. (General Overview of Payments), in the event that the number of approved WPC Pilots results in unallocated funding for a given Demonstration year, participating Lead Entities may submit applications to the state in a manner and timeline specified by DHCS proposing that the remaining funds be carried forward into the following PY, or to expand Pilot services or enrollment for which such unallocated funding will be made available. Additional applicants not approved during the initial application process may also submit an application for consideration.

e. If a selected applicant fails to substantially comply with any of the terms of the approved application, DHCS may terminate the contract and redirect remaining funds to other selected applicants or to other applicants whose programs were not previously selected for funding.

f. Payments for WPC Pilots are based on the approved WPC amounts and will be contingent upon specific deliverables, e.g., encounters or persons served, the performance of specific activities, interventions, supports and services, or achievement of Pilot outcomes, as described in the approved WPC application. WPC Pilot Lead Entities will be accountable to DHCS and CMS to demonstrate that WPC Pilot funds were received for the interventions and in the manner agreed upon. The annual progress reports must document how the Lead Entity satisfied the requirements for receiving funding for each component as described in the application. If the Lead Entity cannot demonstrate completion of a deliverable or outcome as described in the application DHCS shall withhold or recoup the WPC funds linked to that deliverable.

g. <u>WPC Pilot Payments Are Not Direct Reimbursement for Expenditures or Payments for Services.</u> Payments from the WPC Pool are intended to support WPC Pilots for infrastructure and non-Medicaid covered interventions that support increased integration among county agencies, health plans, and providers, and other entities within the participating county or counties, increased coordination and appropriate access to care for the most vulnerable, and improved data collection and sharing among local entities to support ongoing case management, monitoring, and strategic program improvements. The payments are not direct reimbursement for expenditures incurred by participating entities in implementing reforms. WPC Pilot payments are not for services otherwise reimbursable under the Medi-Cal program, and therefore providers may continue to bill Medi-Cal and/or the Medi-Cal managed care plan for all State Plan covered services. The WPC Pilot payments are not reimbursement for health care services that are recognized under these Special Terms and Conditions or under the State plan. WPC Pilot payments should not be considered patient care revenue and should not be offset against the certified public expenditures incurred by government-operated health care systems and their affiliated government entity providers for health care services, disproportionate share hospital payments or administrative activities as defined under these Special Terms and Conditions and/or under the State plan. The payments do not offset payment amounts otherwise payable to and by MCPs for Medi-Cal beneficiaries, or supplant provider payments from MCPs