2020 L.A. Care Board of Governors Retreat

John Baackes
CEO
Two Epidemics

- **COVID-19 and Racial Inequity**

  - L.A. County
    - 241,768 total confirmed cases and 5,784 deaths
  - L.A. Care
    - 25,145 total confirmed cases, 956 reported deaths
  - Racial disparities in COVID-19 outcomes in L.A. County
    - Mortality rate per 100K:
      - Hispanic/Latino – 81
      - Black/African American – 60
      - Asian – 40
      - White – 29
      - L.A. County Total – 52

- Systemic racism and racial inequity have led to health disparities and disproportionate levels of food, housing, and income insecurity in the same communities where L.A. Care members live and work.

*L.A. Care has taken immediate action to help respond to the COVID-19 pandemic and combat racial inequity in our community – two urgent issues that will continue to guide our work over the next year and in the future.*

Data as of August 31 – September 1, 2020.
Two Epidemics

• **COVID-19**
  - CSC targeted outreach to members
  - $85M in accelerated provider payments
  - $6M in support – housing, food insecurity
  - COVID-19 Disparities Leadership Summit

• **Racial Inequity**
  - Statement of Principles
  - L.A. Care Equity Council Steering Committee
    • Members
    • Network and vendors
    • Staff
  - Equity and Resilience Initiative
# State of L.A. Care: Membership

<table>
<thead>
<tr>
<th>Product Line</th>
<th>Enrollment (August 2020)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medi-Cal</td>
<td>2,085,864</td>
</tr>
<tr>
<td>L.A. Care</td>
<td>1,100,694</td>
</tr>
<tr>
<td><strong>Subcontracted Plan Partners</strong></td>
<td></td>
</tr>
<tr>
<td>Anthem Blue Cross</td>
<td>453,159</td>
</tr>
<tr>
<td>Blue Shield Promise Health Plan</td>
<td>321,588</td>
</tr>
<tr>
<td>Kaiser Permanente</td>
<td>210,423</td>
</tr>
<tr>
<td>L.A. Care Covered</td>
<td>83,554</td>
</tr>
<tr>
<td>Cal MediConnect</td>
<td>17,757</td>
</tr>
<tr>
<td>PASC-SEIU</td>
<td>51,474</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,238,649</strong></td>
</tr>
</tbody>
</table>
Medi-Cal Landscape

• Market share continues to increase
  - L.A. Care – 69%
  - Health Net – 31%

• COVID-19
  - Still no significant enrollment surge for L.A. Care or California, but may still be forthcoming
  - Medi-Cal members with March 2020 renewal dates or later will not have coverage end during the COVID-19 emergency (through ~10/24/20)
  - CA requesting 12-month extension of current Medi-Cal waivers and putting CalAIM on hold

L.A. Care Covered Landscape

• Competitive price position for 2021 Open Enrollment
  - Largest rate decrease from 2020, at 4.6%
  - Lowest price position in Region 15 and second lowest in Region 16 (Molina secured the lowest)

• COVID-19
  - Special Enrollment Period
  - Grace period
Cal MediConnect Landscape

• L.A. Care maintains CMC market share leader position
• Cal MediConnect pilot sunsets December 31, 2022
• Medi-Cal plans required to stand up a D-SNP product by January 2023

• COVID-19
  - No change in the deeming/redetermination process
1 High Performing Enterprise
A high functioning health plan with clear lines of accountability, processes, and people that drive efficiency and excellence.

2 High Quality Network
A network that aligns reimbursement with member risk and provider performance to support high quality, cost efficient care.

3 Member-Centric Care
Member-centric services and care, tailored to the needs of our varied populations.

4 Health Leader
Recognized leader in improving health for low income and vulnerable communities.
An Equity-Focused Agenda

Adding value for and supporting our members, community, and providers with a focus on equity

- **Members**
  - Moving care management closer, providing high-touch care
  - Addressing social needs
  - Training home health care workers to be highly skilled caregivers
  - Expanding options for accessing care – telehealth
An Equity-Focused Agenda

Adding value for and supporting our members, community, and providers with a focus on equity

• Community
  - Supporting the next generation of safety net doctors and a more representative pipeline
  - Advocating for Medicaid funding support and the promise of the public option
  - Supporting regional efforts to manufacture needed PPE during the COVID-19 crisis
  - Funding support for community-based organizations
An Equity-Focused Agenda

Adding value for and supporting our members, community, and providers with a focus on equity

• Providers
  - Providing practices with actionable data to improve quality and reduce disparities
  - Offering provider recruitment and loan repayment assistance
  - Giving providers more options for contracting with us through the Direct Network
Current Status
Direct Network

- Eliminate unnecessary and poor performing IPAs/PPGs, MSOs
- Save on administrative expenses
- Have more direct dialogue with physicians who are critical to our mission
- Continue work to provide high quality management of previously delegated functions
  - Care management
  - Utilization management
  - Prior authorizations
  - Claims payment
- Build on significant membership growth
Moving Forward

• Implement our equity agenda internally and externally
• Marshal resources throughout L.A. Care to work towards eliminating disparities
• Support our members, providers, and staff as the COVID-19 pandemic evolves
• Continue to grow and support our Direct Network
• Increase our community presence by continuing our Community Resource Center expansion throughout Los Angeles County
• Advocate for protection and strengthening of Medicaid and the ACA
• Integrate social safety net services into individual care plans
Applying the Science of Toxic Stress to Transform Outcomes

September 3, 2020
Preventing ACEs could reduce a large number of health conditions.

- Up to 21 million cases of depression
- Up to 1.9 million cases of heart disease
- Up to 2.5 million cases of overweight/obesity
10 Categories of Adverse Childhood Experiences (ACEs)

**ABUSE**
- Physical
- Emotional
- Sexual

**NEGLECT**
- Physical
- Emotional

**HOUSEHOLD DYSFUNCTION**
- Mental Illness
- Incarcerated Relative
- Mother treated violently
- Substance Abuse
- Divorce

Image courtesy of the Robert Wood Johnson Foundation
62% Californians with ≥1 ACEs
16% have ≥ 4 ACEs

Californians on Medi-Cal
• 69% with ≥1 ACEs
• 23% have ≥ 4 ACEs

**ACEs dramatically increase risk for 9 out of 10 leading causes of death in US**

<table>
<thead>
<tr>
<th>Leading Causes of Death in US, 2017</th>
<th>Odds Ratio Associated with ≥ 4 ACEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heart Disease</td>
<td>2.1</td>
</tr>
<tr>
<td>Cancer</td>
<td>2.3</td>
</tr>
<tr>
<td>Accidents</td>
<td>2.6</td>
</tr>
<tr>
<td>Chronic Lower Respiratory Disease</td>
<td>3.1</td>
</tr>
<tr>
<td>Stroke</td>
<td>2.0</td>
</tr>
<tr>
<td>Alzheimer’s</td>
<td>11.2</td>
</tr>
<tr>
<td>Diabetes</td>
<td>1.4</td>
</tr>
<tr>
<td>Influenza and Pneumonia</td>
<td></td>
</tr>
<tr>
<td>Kidney Disease</td>
<td>1.7</td>
</tr>
<tr>
<td>Suicide (Attempts)</td>
<td>37.5</td>
</tr>
</tbody>
</table>

Source of causes of death: CDC, 2017\(^\text{16}\); Sources of odds ratios: Hughes et al., 2017\(^\text{12}\) for 1, 2, 4, 7, 10; Petrucelli et al., 2019\(^\text{9}\) for 3 (injuries with fracture), 5 Center for Youth Wellness, 2014\(^\text{17}\) for 6 (Alzheimer’s disease or dementia) Center for Youth Wellness, 2014\(^\text{17}\) and Merrick et al., 2019\(^\text{26}\) for 9
Cumulative ACEs & Mental Health\textsuperscript{1,2}

\textsuperscript{1}Data from the National Comorbidity Survey-Replication Sample (NCS-R).
ACE Score and Substance Use
ACE Score and Relation to Adult Homelessness

Proportion of Washington residents experiencing adult homelessness (among participants in Washington’s Behavioral Risk Factor Surveillance System).
Annual Cost of ACEs to CA

- Asthma
- Arthritis
- COPD
- Depression
- Cardiovascular disease
- Smoking
- Heavy Drinking
- Obesity

$112.5 \text{ B}$

ACEs are NOT destiny!

With EARLY detection and evidence-based intervention, we can transform health outcomes.
Death Rates for HIV Disease for all Ages

NOTE: HAART is highly active antiretroviral therapy.
SOURCE: CDC/NCHS, Health, United States, 2013, Figure 24. Data from the National Vital Statistics System.
The Biology of Adversity
Adapted from Bucci et al, 2016
Recognizing Risk Factors for Toxic Stress

- ACEs
- Social Determinants of Health
  - Poverty; housing and food insecurity
- Racism and Discrimination
- Pandemic
  - Secondary Impacts of COVID-19
Using the Science to Break the Cycle
<table>
<thead>
<tr>
<th>POSITIVE</th>
<th>TOLERABLE</th>
<th>TOXIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physiological response to mild or moderate</td>
<td>Adaptive response to time-limited stressor</td>
<td>Maladaptive response to intense and sustained</td>
</tr>
<tr>
<td>stressor</td>
<td></td>
<td>stressor</td>
</tr>
<tr>
<td>Brief activation of stress response</td>
<td>Time-limited activation of stress response</td>
<td>Prolonged activation of stress response in children</td>
</tr>
<tr>
<td>elevates heart rate, blood pressure, and</td>
<td>results in short-term systemic changes</td>
<td>disrupts brain architecture and increases risk of</td>
</tr>
<tr>
<td>hormonal levels</td>
<td></td>
<td>health disorders</td>
</tr>
<tr>
<td>Homeostasis recovers quickly through body’s</td>
<td></td>
<td>Prolonged allostasis establishes a chronic stress</td>
</tr>
<tr>
<td>natural coping mechanisms</td>
<td></td>
<td>response</td>
</tr>
<tr>
<td><strong>Tough test at school, playoff game</strong></td>
<td><strong>Immigration, natural disaster</strong></td>
<td><strong>Abuse, neglect, household dysfunction</strong></td>
</tr>
</tbody>
</table>

**Fig. 2.** Spectrum of the stress response: positive, tolerable, and toxic.

Buffering the Toxic Stress Response

**Neurologic**: MRI studies found that institutionalized children randomized to high quality nurturant caregiving showed normalization of the developmental trajectory of white matter structures.

**Immunologic**: Meditation was associated with decreased IFN-γ and NK cell production of IL-10 with increased T cell production of IL-4 (anti-inflammatory). Social support protected against the rise in infection risk associated with increasing frequency of conflict.

**Endocrine**: Oxytocin inhibits the stress response, enhances bonding, protects against stress-induced cell death, has anti-inflammatory effects, enhances metabolic homeostasis and protects vascular endothelium.

**Epigenetic**: Meany and colleagues found that nurturant caregiving was associated with epigenetic changes that led to greater stress tolerance, more normal functioning of the stress response, improved cognitive performance in increased caregiving.

Buffering the Toxic Stress Response

For stress relief tools visit: https://covid19.ca.gov/

Improved Health Outcomes

• Regardless of the presence of ACEs, buffering care is associated with better health outcomes.

• In those with > 4 ACEs, the presence of all buffering care assets **reduced the prevalence of total childhood poor health** (including asthma, allergies, headaches, digestive disorders, and school absenteeism) **from 59.8% to 21.3%**.

Source: Bellis et al., “Adverse Childhood Experiences and Sources of Childhood Resilience”
Cut ACEs and Toxic Stress in \textbf{HALF} in one generation.
Figure 1: 30 Day Prevalence of Daily Use of Cigarettes, by Grade, 1976-2018

Maternal Mortality Rate, California and United States; 1999-2013

Source: State of California, Department of Public Health, California Birth and Death Statistical Master Files, 1999-2013
Individual experiences within systems vary dramatically based on racial, cultural, or other personal characteristics. The effects of these systemic factors are by no means individually deterministic, but they do help set the odds, and when different odds play out over time, they generate systematically different health outcomes.

A health equity approach requires systems to change in ways that improve opportunities for good experiences and reduce the odds of adverse exposures.
Recommendation 8-2:

Adopt and implement screening for trauma and adversities early in life to increase the likelihood of early detection. This should include creating rapid response and referral systems that can quickly bring protective resources to bear when early-life adversities are detected, through the coordination of cross-sector expertise.
California’s Approach – \(1^\circ, 2^\circ & 3^\circ\) Prevention

- Establish primary prevention by **addressing systemic and structural factors** and raising public awareness.

- Systematically deploy **broad scale screening** to enable early detection (secondary prevention) and early intervention of ACEs and toxic stress.

- **Interrupt vertical transmission** of ACEs by advancing screening in children and adults – with special focus on the prenatal and early parenting years.

- Coordinate and strengthen the **network of referral and treatment systems** (tertiary prevention) to make them more effective, accountable and easy to navigate for children, adults and providers.

- **Advance the science of toxic stress**, identify potential therapeutic targets and improve efficacy of interventions.
Coordinated Public Health Approach

Public Awareness

Cross Sector Training and Competency

County and Local Network of Care Coordination

Trauma-Informed Clinical Care

Primary Care ACEs Screening

Toxic Stress Research

Coordinated Public Health Approach
California’s Investment

• **Routine Screening in Primary Care – approximately $141.5 million over two fiscal years:**
  • More than $63 m for ACEs screenings of children and adults receiving Medi-Cal
    • DHCS will provide a supplemental payment to Medi-Cal providers
  • More than $78 m (plus match) to train providers on how to screen and respond with trauma-informed care

• **California Initiative to Advance Precision Medicine: $9 million for research** demonstration projects that address health impacts of ACEs using precision medicine approaches.

• **Cross Sector Coordination:**
  • ACEs Reduction Leadership Team: A collaborative effort of leader across the Newsom administration convened by OSG
The ACEs Aware initiative is committed to empowering clinical and social innovations, providing support and solutions for clinicians and community leaders to combat ACEs and Toxic Stress and deliver the care that works best for their populations.
ACEs Aware Implementation Phased Approach

Phase 1 – Minimum Requirements for Reimbursement

- 2-hour online training that covers the basics of what billing providers need to know to appropriately screen and treat patients for ACEs and toxic stress, and how to participate in the program.
- Training provides Continuing Medical Education (CME) and Maintenance of Certification (MOC) credits.

Phase 2 – Provider Engagement and Training

- Partnering with organizations to provide additional certified training opportunities that are targeted to specific provider specialties and/or offered in different modalities (such as in-person).
- All trainings will need to meet CA-OSG/DHCS-developed curriculum criteria.
- 150 ACEs Aware grants awarded to 100 organizations
Provider Training
California is providing training and clinical protocols to screen children and adults for ACEs and respond with trauma-informed care to improve patient health and well-being.

Get Updates from ACEs Aware >
ACEs Aware Implementation Phased Approach

Phase 3 – Learning and Quality Improvement

- Learning and Quality Improvement (LQI) Collaborative created on Jan. 1 to implement a data-driven, iterative evaluation and quality improvement process.
- Drawing on inputs from diverse hospitals and clinics across California, and provide technical assistance in identifying, improving upon, and implementing evidence-based best practices.
- The LQI Collaborative will work to disseminate these best practices to health systems across the state.
Key Principles of Trauma-Informed Care

**Understanding** the prevalence of trauma and adversity and their impacts on health and behavior,

**Recognizing** the effects of trauma and adversity on health and behavior,

**Responding** by incorporating trauma-informed principles throughout clinical practices and community support systems,

**Training** leadership, providers and staff on best-practices for TIC,

**Integrating** knowledge about trauma and adversity into policies, procedures, practices, and treatment planning, and

**Resisting** re-traumatization, including for staff.
ACEs COVID-19 Responses


• Question/Answer on billing Medi-Cal for ACE screenings conducted via telehealth. https://www.dhcs.ca.gov/Documents/COVID-19/Telehealth_Other_Virtual_Telephonic_Communications_V3.0.pdf

• California Surgeon General’s Playbooks: Stress Relief during COVID-19.

• Emotional health resources, including hotlines
Benefits of Screening

By screening for ACEs, providers can:

1. Better determine the likelihood a patient is at increased health risk due to a toxic stress response.
2. Better identify ACE-Associated Health Conditions that may benefit from a trauma-informed intervention.
3. Identify which patients may be at risk of vertical transmission of ACEs and toxic stress and target prevention efforts.
4. Empower patients to achieve better health by addressing potential toxic stress physiology.
Coming Soon:

California Surgeon General’s Report on ACEs and Toxic Stress

Fall 2020
Information, materials, and training opportunities are available at www.ACEsAware.org

Contact
ACEsAware@dhcs.ca.gov