

# Care and Case Management Stabilization

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The purpose of this report is to provide an update on funding provided to support Care and Case Management Stabilization. In total, \$23.4 million total funds were provided to the Department for this purpose, including \$11.7 million in General Fund, in FY 2023-24; \$6.4 million total funds, including \$2.4 million General Fund, in FY 2024-25; and \$2.2 million total funds, including \$0.3 million General Fund, in FY 2025-26. Three initiatives were supported through these funds:

1. Case Management Agency Stabilization Funding
2. Department Staff
3. Care and Case Management System Funding

This report provides an update on the implementation of these three initiatives.

## Executive Summary

The Department identified an urgent need for funding to stabilize care and case management services that are experiencing extraordinary workload and financial challenges due to: (1) implementation of the new care and case management information technology system; (2) the transition to conflict-free case management; and (3) the public health emergency unwind.

To mitigate the problems and stabilize the case management system funding was approved for three initiatives:

1. Case Management Agency stabilization funding to help agencies stabilize financially and deal with the unexpected workload.
2. Two term-limited Department staff to accelerate the Department's response to the crisis.
3. Care and case management system funding for contract programming resources to design, develop, and implement system changes.

Since receiving approval for these funds, the Department has quickly leveraged them by making direct payments to case management agencies to ensure their financial stability, moving the two term-limited positions through the hiring process, and working with the Care and Case Management IT vendor to identify the urgent needs that can be addressed with the additional funding.

## Background

Due to challenges related to the launch of the new Care and Case Management (CCM) and other Information Technology (IT) system changes, the transition to conflict-free case management and the unwind of the public health emergency, the Department of Health Care Policy and Financing (the Department) identified an urgent need for financial support in the spring of 2024. Funds were approved to support the stabilization of case management agencies that are dealing with capacity concerns and resulting in disruptions to members, for internal staff to assist in addressing the issues, and funds to design, develop and implement system changes required in the new IT system for stabilization.

The Department has swiftly implemented the three initiatives outlined utilizing the funding provided.

## Progress

### 1. Case Management Agency Stabilization Funding

Case Management Agencies (CMAs) received notification from the Department on May 7, 2024, of the amount of funding the agency will receive and expectations for reducing backlogs.

The Department distributed \$23,351,593.25 in CMA stabilization funds on May 10, 2024, to seven case management agencies who transitioned as a part of [Case Management Redesign](#) in Phase 1 (November 2023) comprising nine Defined Service Areas (DSA) and seven case management agencies who transitioned in Phase 2 (March 2024) comprising of seven DSAs. The remaining \$4,199,995.55 will be distributed to four Phase 3 agencies consisting of four DSAs after the start of the State Fiscal Year once the CMA Contracts have been executed July 1, 2024. Several case management agencies participated in multiple phases due to have contracts in multiple DSAs. All 15 new case management agencies will receive funding.\*

As part of the distribution of these funds, CMAs are required to provide data to demonstrate they are moving towards stabilization. All case management agencies are submitting case management performance data metrics to the Department on a monthly basis and reviewing this data during a monthly

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meeting with the Department. The data metrics continue to be refined in collaboration with case management agencies, so it accurately reflects stabilization at an agency level and is collected consistently statewide.

Additionally, the Department has required case management agencies with a backlog, to submit a reduction plan which identifies how the agency will eliminate their backlog of case management activities, achieve and maintain caseload ratio requirements, and meet contractual timelines. Each of these agencies were required to submit a draft backlog reduction plan by June 10, 2024. Department leadership held individual in-person meetings with the case management agencies to review their draft backlog reduction plans in June 2024. A finalized backlog reduction plan for each agency will be in place no later than July 1, 2024, with all activities completed by December 31, 2024.

*\*Several agencies provide case management services to multiple catchment areas. There are 15 agencies serving 20 catchment areas.*

## 2. Department Staff

The Department received \$169,888 total funds, including \$63,707 General Fund in FY 2024-25 and \$195,654 total funds, including \$73,369 General Fund in FY 2025-26 for two term-limited staff to support stabilization of the case management system. The Department is currently in the recruitment process for the two term-limited positions. These new FTEs are expected to be hired in August 2024.

The Case Management Stabilization Policy Advisor position will sit in the Office of Community Living, Case Management & Quality Performance Division. The position will be responsible for case management stabilization initiatives related to Case Management Redesign (CMRD) transitions, Care & Case Management system (CCM) implementation, and Public Health Emergency (PHE) unwind. The position serves as the staff authority on the development, implementation, aggregation, analysis, and reporting of Case Management Stabilization within the Office of Community Living. Information generated from this position is submitted to Department executive leadership to determine overall stabilization of the case management ecosystem.

The second term-limited position is the Care and Case Management System

Manager. This position will sit within the Health Information Office on the

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Health Plan Payer Unit. This role will manage interfaces and reporting for the CCM through the creation of strategic information technology plans, programmatic goals and objectives, and allocation of business analysts and fiscal resources. This position is a manager overseeing eleven staff and is the staff authority responsible for the training, communication, and management of resources across offices as it relates to the CCM.

### 3. Care and Case Management System Funding

Since the approval of the additional funds, the Department has been working with the CCM vendor to determine the most urgent needs to quickly stabilize the system. An agreement between the vendor and the Department has been made as to how best to leverage these resources. The funds will go to support the following: additional vendor project management and coordination resources, enhanced technology services related to case management redesign, CCM program data updates to address accuracy of system data, professional services to support CCM training needs, and expansion of the CCM call center.

### Next Steps

The Department has been working diligently to implement the three initiatives supported through the Care and Case Management Stabilization Funds. In the new fiscal year, the Department anticipates hiring the two term-limited FTE to provide further assistance and build capacity internally to accelerate this work. Additionally, the final case management agency payment will be distributed to the 4 remaining phase 3 case management agencies. The Department will continue to monitor data provided by each case management agency, provide individualized technical assistance and monitor the backlog reduction plans required for case management agencies who were required to submit plans. This oversight is coupled with partnership and collaboration to identify additional supports that agencies may need to overcome the challenges facing the network. Finally, the CCM vendor will continue to execute on the activities agreed upon with the Department to expedite the stabilization of the CCM system.

