

# CalAIM, Enhanced Care Management (ECM), and In Lieu of Services (ILOS): A Primer for Counties

## Introduction

California Advancing and Innovating Medi-Cal (CalAIM) is a multi-year initiative led by the California Department of Health Care Services (DHCS) to improve the quality of life and health outcomes of Medi-Cal Members by implementing broad delivery system, program, and payment reforms across the Medi-Cal program. One of CalAIM’s primary objectives is to identify and manage Member risk and need by using a whole person approach and addressing social determinants of health.

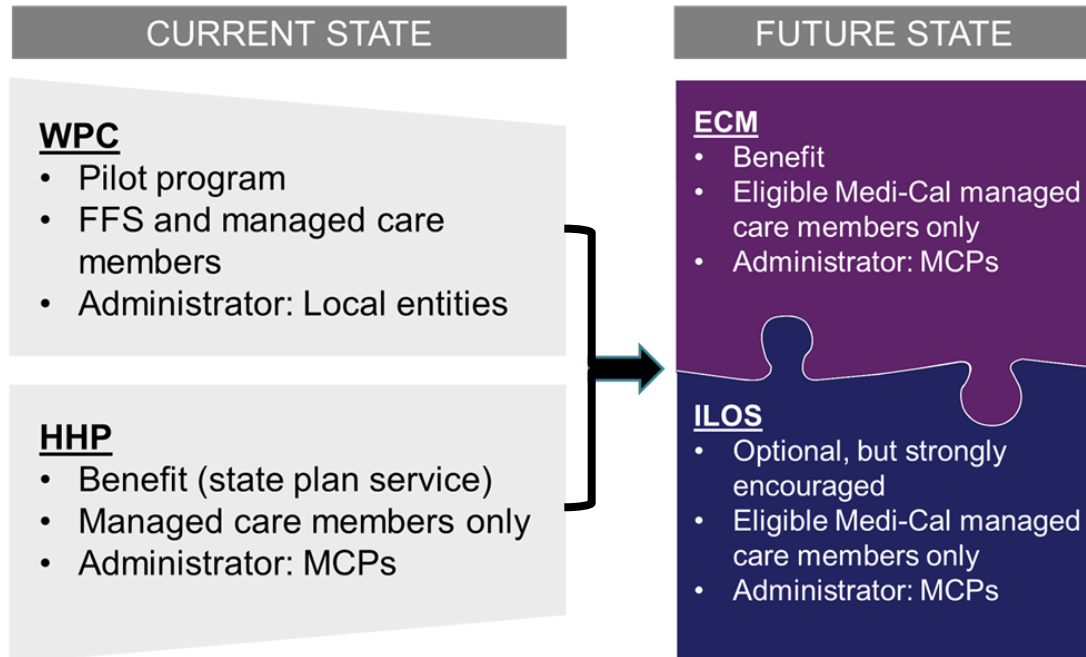
Key CalAIM initiatives include **Enhanced Care Management (ECM)**, a new Medi-Cal managed care benefit that will address clinical and non-clinical needs of high-need Members through coordinated services and comprehensive care management, and **In Lieu of Services (ILOS)**, which Medi-Cal managed care plans have the option to provide “in lieu of” or to help avoid utilization of other high-cost services. ECM and ILOS are designed to work together to deliver interdisciplinary, person-centered care and are part of the state’s broader strategy to address health-related social needs and homelessness. The following chart provides details on ECM core services, ILOS optional services, and populations of focus for these initiatives.

ECM Core Services	ILOS Optional Services
<ul style="list-style-type: none"> <li>• Outreach and Engagement</li> <li>• Comprehensive Assessment and Care Management Plan</li> <li>• Enhanced Coordination of Care</li> <li>• Health Promotion</li> <li>• Comprehensive Transitional Care</li> <li>• Member and Family Supports</li> <li>• Coordination of and Referral to Community and Social Supports</li> </ul>	<ul style="list-style-type: none"> <li>• Housing Transition Navigation Services</li> <li>• Housing Deposits</li> <li>• Housing Tenancy and Sustaining Services</li> <li>• Short-Term Post-Hospitalization Housing</li> <li>• Recuperative Care (Medical Respite)</li> <li>• Respite Services</li> <li>• Day Habilitation Programs</li> <li>• Nursing Facility Transition/Diversion to Assisted Living Facilities</li> <li>• Community Transition Services/Nursing Facility Transition to a Home</li> <li>• Personal Care and Homemaker Services</li> <li>• Environmental Accessibility Adaptations (Home Modifications)</li> <li>• Meals/Medically Tailored Meals</li> <li>• Sobering Centers</li> <li>• Asthma Remediation</li> </ul>

Medi-Cal Managed Care Members who are in one of the [ECM Populations of Focus](#) will be eligible to receive ECM. If eligible, a Member may receive ECM, ILOS, or both. A Member does not need to be in ECM to receive ILOS.

## Transition from the Health Homes Program (HHP) and Whole Person Care (WPC) Pilots to Enhanced Care Management (ECM) and In Lieu of Services (ILOS)

ECM and ILOS will build on the design and learnings from California's Whole Person Care (WPC) Pilots and Health Homes Program (HHP) and will replace both models to scale interventions to a statewide care management approach. **HHP and WPC will end on December 31, 2021 and ECM and ILOS will begin on January 1, 2022.** The following graphic illustrates how functional dynamics will change as part of the transition. Importantly, both ECM and ILOS will be administered by Medi-Cal managed care plans (MCPs).



### Critical Role of Counties

While MCPs will be responsible for administering ECM and ILOS, counties are critical partners in implementing and ensuring the success of ECM and ILOS. Counties, including public clinics and public hospitals, may serve as direct providers of ECM and ILOS services, and may also function as a contracting hub, leveraging established relationships and processes. Close coordination between MCPs and counties that have operated HHP and WPC Pilots will be particularly important and necessary to ensure the smooth transition of Members to ECM and ILOS. ***Avoiding disruption of services and maintaining and improving supports for eligible Medi-Cal enrollees will depend on effective collaboration between counties and MCPs.*** Between now and December 31, 2021, it is important that counties work with MCPs to:

- Negotiate and finalize contracts with MCPs
- Complete readiness activities including system and staff preparation for billing
- Support HHP and WPC enrollee transitions to ECM/ILOS or alternative programs as appropriate

## **ECM and ILOS Implementation Timeline**

ILOS will launch statewide on January 1, 2022 and MCPs will have the option to offer additional ILOS every six months. ECM will begin for certain populations in HHP and WPC counties on January 1, 2022 and additional counties and populations will be phased in over a two-year period. Please see attached timeline for additional details. The implementation timeline is set by DHCS and is unlikely to change. ***It is essential that counties and MCPs work together to meet deadlines and ensure individuals receiving services through HHP/WPC continue to get the care and support they need as HHP/WPC sunset and ECM/ILOS begins.***

### *Managed Care Plan (MCP) Deadlines*

To meet implementation dates, MCPs will be required to submit a Model of Care (MOC) to DHCS outlining how they will provide ECM/ILOS services. The MOC will outline the MCP's overall approach to ECM and ILOS; its detailed Policies and Procedures with regard to ECM and ILOS Provider contracting and oversight; its ECM and ILOS Provider network capacity; and the contract language that will define key aspects of its arrangements with ECM and ILOS providers. The MOC is due in three parts:

- Part 1 (due July 1, 2021) will outline ILOS election, initial ECM and ILOS provider capacity, and strategy for transitioning WPC and HHP members to ECM/ILOS.
- Part 2 (due September 1, 2021) will outline Policies and Procedures describing how ECM and ILOS will be administered with contracted ECM and ILOS Providers.
- Part 3 (due October 1, 2021) will outline detailed ECM and ILOS provider capacity and ECM and ILOS Provider Contract language.

## **Resources for Additional Information**

### *ECM and ILOS Policy Documents*

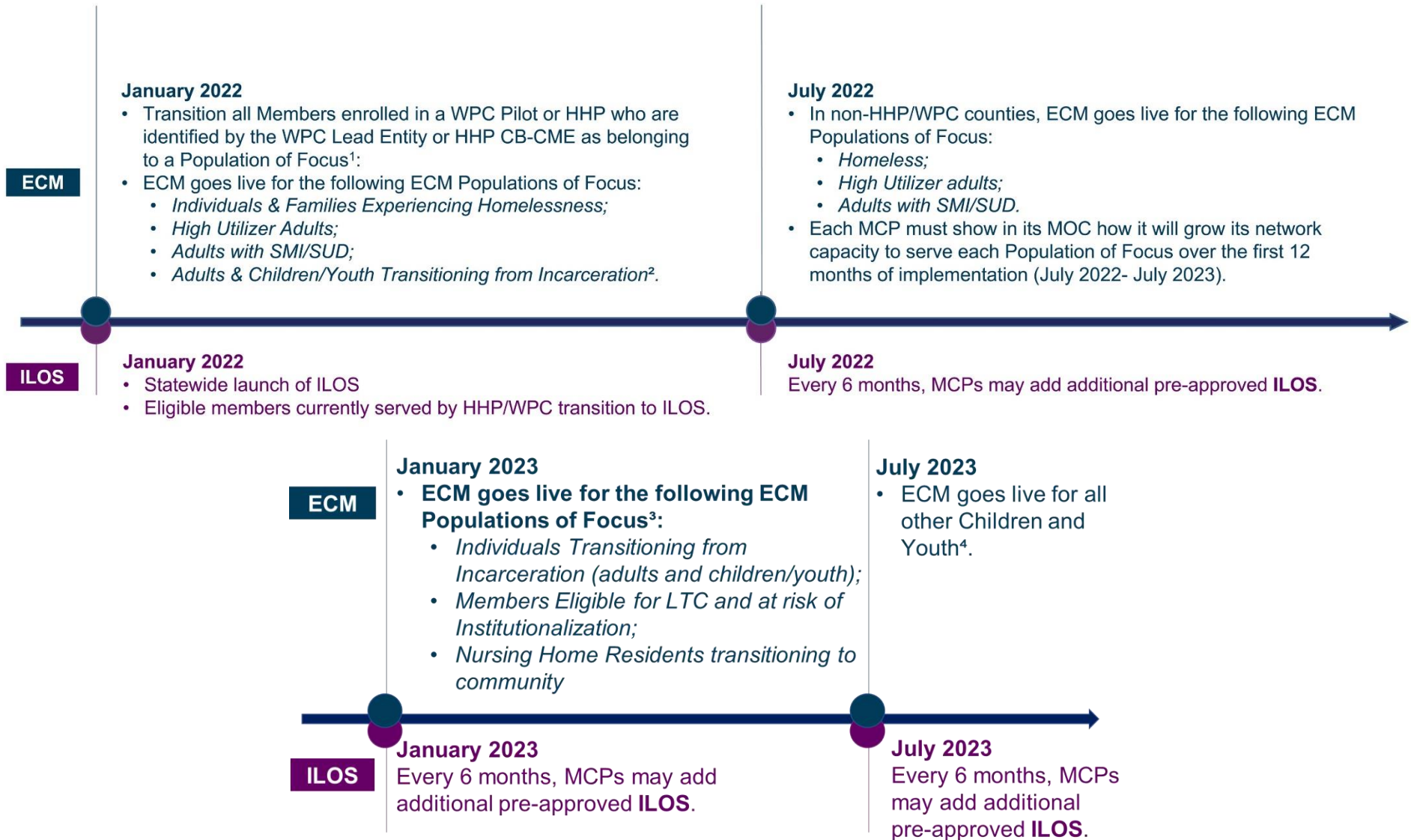
- [DHCS-MCP ECM and ILOS Contract Template](#)
- [ECM and ILOS Standard Provider Terms and Conditions](#)
- [CalAIM ECM and ILOS Model of Care \(MOC\) Template](#)
- [ECM Key Design Implementation Decisions](#)
- [Finalized ECM & ILOS Coding Options](#)

### *Additional Resources*

- [ECM and ILOS Model of Care \(MOC\) Cover Note](#)
- [ECM and ILOS Change Memo](#)
- [FAQ on Providing Access and Transforming Health \(PATH\) Supports](#)
- [ECM/ILOS FAQs](#)
- [CalAIM's Commitment to Addressing California's Homeless Crisis – Fact Sheet and Letter](#)
- [ECM Fact Sheet](#)
- [ILOS Fact Sheet](#)

Additional guidance and resources will be posted to the [DHCS website](#). Questions can be submitted to [CalAIMECMILOS@dhcs.ca.gov](mailto:CalAIMECMILOS@dhcs.ca.gov).

## Attachment 1: ECM and ILOS Implementation Timeline



1. Includes children and youth currently served by HHP or WPC; 2. In WPC Pilot counties only, where the services provided in the Pilot are consistent with those described in the ECM Contract; 3-4. MCPs may begin offering ECM to these Populations of Focus earlier than the indicated start dates; however, rates will not be adjusted to reflect these Populations of Focus until the indicated start dates.