

**SUPPLEMENT TO INITIAL REPORT  
CALIFORNIA HEALTH ACCESS MODEL PROGRAM (“CHAMP”)  
September 4, 2014**

**Overview**

On June 28, 2012 the Governor signed into law Assembly Bill 1467, thereby establishing the California Health Access Model Program and codifying it under Government Code section 15438.10 (the “Statute”). CHAMP regulations were approved by the Office of Administrative Law, effective February 7, 2013.

CHAMP allows the California Health Facilities Financing Authority (the “Authority”) to, in its first phase, award grants to one or more demonstration projects up to a combined total of \$1.5 million. The purpose of the demonstration project phase is to support innovative methods to deliver health care services more effectively and improve access and health outcomes for vulnerable populations and communities by bringing services, including preventive services, to individuals where they live or congregate.

If the evaluation of the completed demonstration project(s) indicates it is warranted, CHAMP will launch a second phase to support additional grants up to a combined total of \$5 million so other California communities can implement the same improved ways of delivering services.

At the January 30, 2014 meeting, the Authority’s board made a formal award for the demonstration grant recommended by the Authority’s staff thereby completing the initial phase of the grant program.

**Selected Demonstration Program**

A single grant of \$1,426,089 was awarded to San Francisco Health Plan (“SF Health Plan”) demonstration project. SF Health Plan is a public Medi-Cal managed care plan serving San Francisco County with over 94,000 members - more than 17% of the entire population of San Francisco.

An initial disbursement of 25% of the grant award was released to SF Health Plan on July 16, 2014.

SF Health Plan’s partners in this demonstration project are San Francisco Department of Public Health and San Francisco General Hospital and Trauma Center. Among its supporters are University of California, San Francisco (“UCSF”) and UCSF Center for Excellence in Primary Care.

In order to complete the demonstration project SF Health Plan will leverage approximately \$2,000,000 from its own operating funds, including a \$560,000 supportive housing grant from San Francisco Department of Public Health.

## **Description of the Demonstration Project**

SF Health Plan's Community-Based Care Management pilot program ("Program") known as "CareSupport" serves vulnerable SF Health Plan members who are high utilizers of hospital inpatient and emergency departments and at extremely high risk for mortality and morbidity due to factors such as housing instability, mental illness, and addiction. Care managers, called community coordinators, are trained bachelor-level social workers or outreach workers and each have a panel of 30-35 members who they directly engage in the community where the members tend to live or congregate (shelters, bus stops, coffee shops, community agencies, and by cell phone) to help them improve their health, identify community resources and navigate through the fragmented health care and social services systems. The model appears to have promising sustainability: the cost of one saved hospital day per member per year for 30 members would cover the annual cost of a community coordinator.

Grant funding will allow the SF Health Plan to expand its existing pilot to serve an additional 300 high-risk, high-utilizing SF Health Plan members and to more rigorously evaluate the impact on clinical outcomes, member experience and costs through comparison with a control group. This comparison will quantify the savings of the intervention in contrast to the savings through the "regression to the mean", which occurs normally in high risk patients over a period of time. The Program will also integrate the "housing first" model that has been proven cost-effective and beneficial to health outcomes in vulnerable populations..

SF Health Plan will develop a manual to support the replication of the model by other public and nonprofit Medi-Cal managed care plans in California. The manual will include a guide to essential and preferred program features, a hiring guide, a training guide, a budget guide with cost justification methodology, a guide to developing key partnerships (including sample memoranda of understanding), and a guide on how to gather and report on key data elements to measure success and sustainability.

Since the model has upfront costs, SF Health Plan will not only report changes in service use and costs, it will also determine whether these changes cover the costs of the program itself and thereby indicate long-term sustainability. Considering the existing pilot and proposed Program hold the promise for savings of relevance to Medi-Cal managed care, it will be clear for potential adopters whether results are achievable within their payment structure, or if certain aspects of the program need to be changed. The project is flexible and can be adjusted and tailored to meet differing local needs and resources, which makes replication easier.

## **Outcomes Evaluation**

The Authority will monitor the outcomes of the Program and determine 18 months after the initial CHAMP grant allocation if the implementation of the second grant is warranted. Prior to the implementation of the second grant program, the Authority will prepare and provide a report to the Legislature and the Governor on the outcomes of the demonstration project.