

# A Guide to CalAIM for Behavioral Health Agencies

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# 1. Introduction: What is CalAIM?

**Per the California Department of Health Care Services (DHCS), the new framework for upcoming waiver renewals is called CalAIM.**

It includes a broader, more effective delivery system and program and payment reform across the Medi-Cal program.

This white paper explores the purposes, installation timelines, and overall effects of CalAIM with behavioral health organizations in mind. We'll cover specific points related to care delivery across multiple agencies, emergency care, changes to billing, and more.

## **What Does CalAIM Mean?**

CalAIM stands for California Advancing and Innovating Medi-Cal. Its purpose is to leverage Medicaid as a tool to address many of the complex challenges faced by California's most vulnerable residents.

Per DCHS, it is "a long-term commitment to transform and strengthen Medi-Cal, offering Californians a more equitable, coordinated, and person-centered approach to maximizing their health and life trajectory."

These changes only affect California organizations and residents.

# 2. Issues Addressed by CalAIM

According to the CalAIM High-Level Summary provided by DCHS, issues addressed by CalAIM include:

- Assistance for displaced or unhoused individuals
- Insufficient access to behavioral health care, especially in the state's medical deserts
- Extra attention for children with complex medical conditions
- More care for the increasing number of justice-involved individuals who are experiencing increasing clinical needs
- And better health care for the growing aging population in California



### 3. CalAIM Initiatives

As of February 2023, DCHS says CalAIM focuses on three main initiatives. They are as follows:

1. Identify and manage comprehensive needs via whole-person care approaches and attention to social drivers of health.
2. Improve quality outcomes, reduce health disparities, and transform the delivery system through modernization, value-based initiatives, and payment reform.
3. Make Medi-Cal a seamless and more consistent system for enrollees by reducing complexity and increasing flexibility.

For consumers, the goal is to "break down the walls of health care." More services and support will be available for individuals in need, those who cannot access hospitals or clinical care easily, those with known behavioral health needs, and at-risk populations.

CalAIM provides Medi-Cal enrollees with coordinated care for their physical, behavioral, dental, developmental, and long-term care needs throughout their whole lives. In the behavioral health care field, we expect to see significant improvement in outcomes for some of the state's most at-risk groups and communities. Taking a more granular approach, we expect individual patients to receive better care, particularly when moving from one county to another or from one provider to the next.

In other areas of medicine, we expect better communication among all organizations and closely managed care plans. CalAIM will provide a more seamless healthcare experience for patients, who may ultimately feel more satisfied with their care, and more likely to seek medical attention when needed.





## 4. How CalAIM Will Directly Affect Behavioral Health Organizations

CalAIM's multi-year plan will require changes in how organizations interact and store patient information. At Exym, we view CalAIM as a positive change and are excited about it. It will likely improve outcomes for your Medi-Cal-enrolled patients and should improve your billing and collections processes.

While every organization is unique, here are some ways these initiatives will likely impact your company or practice.

### Standardized Enrollment

CalAIM will expand the use of managed care plans, and benefits will be consistent throughout the state. Enrollees will have more consistency in their treatment options, even if they become unhoused or relocate. This is particularly beneficial to:

- Justice-involved individuals who may get shuffled among correctional facilities and find themselves released in an unfamiliar area
- Individuals living with behavioral health challenges in very remote locations and medical deserts
- Seniors and aging adults who will benefit from managed care

DHCS will standardize which aid code groups require mandatory Fee-For-Service enrollment and should streamline your organization's billing and reporting processes.

### Population Health Management (PHM)

PHM is a cornerstone of the CalAIM initiative, and you may already be familiar with some of these practices. Medi-Cal's Managed Care Plans will offer a patient-centered population health plan for addressing their needs based on their health data and assessment.

The goal of PHM is to establish a comprehensive, accountable action plan to address member needs and preferences across the continuum of care, and requires plans to:

- Build trust and engage with members.
- Gather, share, and assess data on member needs and preferences.
- Link public health and social services to support members' health through wellness and prevention services.
- Provide care management, care coordination and care transitions across delivery systems, settings, and life circumstances.
- And identify and mitigate social drivers of health to reduce disparities among California's most affected communities and individuals.

Note that as of 2023, all plans must meet the National Committee for Quality Assurance's standards for PHM and additional DHCS standards, which are aligned with the above points.

## Enhanced Care Management

Beneficiaries with complex and/or serious health needs will have a Lead Care Manager (LCM) to help coordinate services and ensure beneficiaries get the care they need. This affects:

- Children with complex health conditions (developmental, physical, behavioral, etc.)
- Foster children
- Enrollees who are unhoused, or at risk of becoming unhoused
- Individuals at risk of institutionalization
- Nursing facility residents transitioning to a more independent lifestyle
- Individuals transitioning from incarceration
- Patients with frequent hospital visits
- And others

This added, more personalized approach will help ensure no at-risk individual "falls through the cracks" of California's health care systems.

Behavioral health organizations should take advantage of the opportunity to build relationships with local LCMs, who sometimes act as liaisons between patients and providers. For your organization, this could lead to fewer missed/canceled appointments, more accurate records, and better communication from one provider to the next as clients relocate

## Strategy to Support Health and Opportunity for Children and Families

CalAIM focuses on better coverage and care for children, health plan accountability, behavioral health investments, and streamlined access to pediatric vaccinations.

CalAIM's child and adolescent health investments may have the most significant impact on behavioral health organizations. You will likely have more youth appointments and frequent referrals through primary physicians and LCMs. Your organization will deal more with family groups and siblings, as this strategy takes a "whole family approach." Here at Exym, we believe this will improve outcomes for children and their families.



## Substance Use Disorder (SUD) Care Improvements

Another CalAIM initiative is to improve substance use disorder services. Before CalAIM, Medi-Cal mental health and substance use disorder (SUD) treatment specialty services were administered through separate structures at the county level. This system created various challenges for beneficiaries, counties, service providers, and behavioral health organizations.

SUD care specialists and enrollees will benefit from the "No Wrong Door & Co-Occurring Treatment" policy, which ensures beneficiaries receive mental health services regardless of where they seek care (via Medi-Cal Managed Care Plan, County Behavioral Health, or the Fee for Service delivery system).

Per DHCS, "This policy allows beneficiaries who directly access a treatment provider to receive an assessment and mental health services, and to have that provider reimbursed for those services by their contracted plan, even if the beneficiary is ultimately transferred to the other delivery system due to their level of impairment and mental health needs."

- Sometimes, beneficiaries receive coordinated services in multiple delivery systems. For instance, a beneficiary may have an established relationship with a psychiatrist or psychologist in one delivery system while requiring medical services in another.
- This policy clarifies that patients with co-occurring mental health and SUD conditions may be treated by providers in each behavioral health delivery system as long as the services are not duplicative.

## Mobile Crisis Services

Mobile crisis services will provide immediate de-escalation and relief to individuals experiencing a behavioral health crisis when they are not physically in care. Services include assessment, aid, de-escalation, follow-up, and coordinating the necessary health care solutions. This reduces unnecessary law enforcement and dependency on emergency department resources.





## Behavioral Health Payment Reform

This CalAIM initiative aims to move counties from cost-based reimbursement to value-based reimbursement to reward better outcomes, thus benefiting the care provider and patient.

Arguably, this initiative may impact your organization the most, and the current target date is July 1, 2023.

The three main points of the BH payment reform are as follows:

1. The reimbursement structure will change. Rather than claiming reimbursement on an interim basis for each service rendered, county BH plans claim fee-for-service reimbursement at rates established in a BH plan fee schedule.
2. Financing mechanisms will change. Providers must transition to Intergovernmental Transfers (IGTs) to finance Medi-Cal county BH plan payments.
3. Provider billing will change and transition to CPT coding.

Our clients will see updates to Exym's billing module, which will be launched on time for your company to remain compliant.

## 5. Other CalAIM Initiatives to Consider

Other points of CalAIM will benefit some behavioral health organizations, depending on their patient base and geodemographics. We'll explore them here.

### Providing Access and Transforming Health (PATH)

Per DHCS, CalAIM will improve infrastructure and the capacity of on-the-ground partners — including community-based organizations (CBOs), county agencies, public hospitals and tribal providers — to participate in the Medi-Cal delivery system as the state implements Enhanced Care Management, Justice Involved Services, and Community Support.



## More Funding and Streamlined Services for Justice-Involved Individuals

For behavioral health care providers who focus on incarcerated individuals or those at risk of incarceration, you will surely notice a significant increase in referrals because ongoing treatments will be part of a condition for release. While the extra work may seem intimidating, the good news is that your organization will appreciate reduced and streamlined paperwork because many incarcerated individuals will now be enrolled in Medi-Cal before release.

This should result in reduced gaps in care, improved outcomes, and prevention of unnecessary admissions to hospitals, psychiatric hospitals, nursing homes, and emergency departments. Hopefully, it will also reduce instances of overdose, suicide, homelessness, and recidivism among incarcerated individuals.

If your organization does not currently cater to this demographic, know there will likely be overflow and opportunities available in the next few years.

## 6. CalAIM Timelines

CalAIM policy changes take effect at different times, and the first was launched on January 1, 2022. Moving forward, the extended rollout of CalAIM is a moving target, and dates may change.

Exym has been updating our software to help you stay compliant with CalAIM. We will continue to update our product and inform our clients, as we do for changes for other local, state, and HIPAA compliance requirements.

We regularly attend county meetings and are in close communication with representatives to stay well-informed on new requirements as they evolve. New requirements crop up quickly, and our team gets to work immediately, so updates and new features are always live by compliance deadlines.



## 7. About Exym: Spend More Time with Your Clients & Less Time Managing Your Work

Exym is a leader in EHR software for schools, behavioral health, foster care, residential, and substance use agencies and providers. Our clients serve 45,000+ individuals monthly, supported by Exym's EHR software. Our EHR software will simplify your billing, documenting, and case management tasks.

Exym EHR software is easy to learn and simple to train, so it empowers providers with more time to spend with clients and less time managing their work. Our EHR software connects you with Medi-Cal and other payers so you can get reimbursed quickly while improving your claims acceptance rates.

Our staff has decades of experience in mental health, case management, and social services. We designed Exym with clean interfaces to streamline tasks like note management, patient scheduling, and activity tracking.

**Most importantly, as CalAIM initiatives progress and take effect, our customers rest easy knowing their EHR software is always up-to-date and fully compliant.**

We pride ourselves in our white-glove service, providing the utmost care and attention to Exym customers. Many of our team members formerly worked in the field of behavioral health, so we understand your pain points and what exactly you need in order to improve outcomes for families.

If you'd like to learn more about CalAIM, our software, or how easy it is to learn and train, request a discovery call at [exym.com/book-a-demo](https://exym.com/book-a-demo).



# Resources

[Medicaid.gov](https://www.Medicaid.gov)

[NIH: Surgical Deserts in California: an Analysis of Access to Surgical Care](#)

[CHCF.org: How California Can Build on CalAIM to Better Integrate Physical and Behavioral Health Care](#)

[Dhcs.ca.gov: California Advancing and Innovating Medi-Cal \(CalAIM\) 1915b Waiver Overview April 2021](#)