



STATE OF WASHINGTON

February 12, 2016

Dear Interested Parties:

SUBJECT: Critical Milestones in Pathway to Fully-Integrated Managed Care

The following timeline provides key timeframes related to the procurement and implementation of the Apple Health Fully-Integrated Managed Care program. In the last legislative session, E2SSB 6312 directed the State to fully integrate the purchasing of physical and behavioral health services through a managed care health system in the Medicaid program statewide by 2020.

Southwest Washington Regional Service Area elected to become an early adopter of integrated purchasing, and in April, 2016 Medicaid beneficiaries in Clark and Skamania counties will be among the first in the State to receive the full continuum of physical and behavioral health services through one of two managed care plans, Molina Healthcare of Washington and Community Health Plan of Washington (CHPW).

Regional Service Areas interested in expediting the transition to whole-person care may elect to implement the Apple Health – Fully Integrated Managed Care program in their region prior to 2020. The following timeframes represent key milestones for regions that are interested in pursuing full-integration between now and 2020.

The launch of integrated managed care in a region depends on the following developmental milestones, some of which can be conducted concurrently:

1. Up to six months of community readiness preparation on the implications of changing local systems, during which the Health Care Authority (HCA) will assist county officials, Accountable Communities of Health, and providers with design work to ensure that:
 - Regional officials and providers have the opportunity to learn about the current integration design and how it would affect their current system operations;
 - State officials gather information about the local system of delivering mental health and substance use disorder services; and
 - Agreement is reached among county officials on submitting a non-binding letter of intent.
2. Up to six months of design work between the submission of a non-binding letter of intent and a binding letter of intent, which allows:
 - The Counties to identify key staff to participate on an Implementation Committee to meet with state staff on a weekly basis through the launch date;
 - HCA and the Implementation Committee to negotiate any changes to the design of the integration model;

- HCA staff to incorporate any changes to the procurement and contracts for Medicaid/non-Medicaid services with Implementation Committee input; and
 - A binding letter of intent to be submitted by county officials.
3. Approximately five months for HCA to complete health plan procurement, which includes:
- The release of the Request for Procurement (RFP) for Managed Care Organization (MCO) and Administrative Services Organization (ASO) contracts;
 - The bidder responses;
 - Evaluation of network adequacy, crisis system, and managed care operations, with Implementation Committee participation in evaluation;
 - Announcement of successful bidders; and
 - Negotiations with Apparently Successful Bidders to complete contracts.
4. In the several months after contracts are signed but prior to go-live, the following must be completed for readiness review and transition:
- Implementation Committee conducts local provider education and provides knowledge transfer on local systems to MCOs/ASO;
 - HCA makes needed adjustments to system design and provides communication with Medicaid clients;
 - The Department of Social and Health Services plans for termination of Behavioral Health Organizations, including plans for spending down reserves.

Regions may choose from three potential effective dates for the coverage of their Medicaid members by integrated managed care: July 1, 2017; July 1, 2018; or January 1, 2020. The dates below assume a July 2017 effective date and are provided for planning purposes, but are subject to modification as needed.

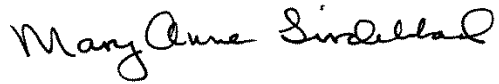
Apple Health – Fully Integrated Managed Care Implementation and Engagement Timeline for July 2017 Launch

Activity: Mid-Adopter Fully Integrated Contracts	Key Milestone for Completion
HCA/Regional Service Area Engagement Begins	Now
Non-Binding Letter of Intent Due	May 1, 2016
Continued County Engagement/Model Discussion/Finalize Model	July 1, 2016
Binding Letter of Intent Due	August 1, 2016
Release RFP(s)	September 1, 2016
RFP Responses Due	November 1, 2016
Announce Apparently Successful Bidders	January 1, 2017
Sign Contracts with Successful Bidders	February 1, 2017
Readiness Review/Transition	February through July, 2017
Contract Start Date	July 1, 2017

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Should you have any questions or concerns, please contact me by telephone at 360-725-1827 or via email at MaryAnne.Lindeblad@hca.wa.gov.

Sincerely,



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By email