

Two Choices

L.A. County makes the switch to a new Medi-Cal model • by Valerie J. Nelson

Its detractors liken it to the Titanic—a craft that would never live up to its unsinkable billing. Supporters see it as a much-needed life raft that's keeping Medi-Cal afloat in Los Angeles County, and in turn, the state. The vehicle in question? The plan to convert the county's Medi-Cal patients to one of two managed care plans by the end of July.

■ Sinking or swimming?

The naysayers express concern that the conversion of more than 600,000 Medi-Cal beneficiaries since January is happening too fast. "It is a disaster waiting to happen," said Jim Lott, senior vice president for policy development and advocacy for the Healthcare Association of Southern California, which represents hospitals and physician groups.

Providers who have agreed to give care below cost and consumers who are unsure

of what they are signing up for also will make the boat rockier, Lott and other critics say. Still, the conversion has been handled better in Los Angeles County than anywhere else in the state, he admits.

Lessons learned in other regions have smoothed the conversion process in Los Angeles, said Ken August, a spokesperson for the California Department of Health Services. Enrollment materials have been simplified and translated into several more languages—in addition to English and Spanish—and a marketing campaign that uses radio and billboards is trying to get the word to Medi-Cal beneficiaries that they now must make a choice.

The Medi-Cal plan is aimed at beneficiaries who are enrolled in Aid to Families With Dependent Children. They must choose between a private or public managed care plan, August said, and those who don't

choose end up in the public plan automatically. The default rate is running at about 29 percent, which is half what the Healthcare Association of Southern California expected, Lott said.

■ The public plan

The county's public alternative, L.A. Care Health Plan, has 326,000 members and expects that number to reach the half-million mark by July 1, said Keith Malone, a plan spokesperson. The plan's contract with the state stipulates automatic enrollment will reach 575,000.

Once matched with L.A. Care, new members are taken through a two-step process. If a physician they have seen before is part of the plan, they remain with that care provider. If not, they are matched with a physician within five miles of home.

"We are seeing less turmoil and a much calmer process," Malone said. "We are seeing high choice rates here in the county because people were educated." The plan also is not seeing high rates of disenrollment either, he added.

■ The private plan

The enrollment numbers for Foundation Health, the private plan, are lower than expected, said David Friedman, vice president of California health programs at Foundation Health. He partly attributed the lower numbers—the private plan has about 285,000 members so far—to the slimmer overall pool of Medi-Cal beneficiaries. When Foundation Health signed the contract in 1995 to provide services, about 1.2 million people in the state

were eligible; that number is now closer to 900,000, Friedman said.

One way Foundation Health is distinguishing itself from the public plan is through its outreach programs. "Our goal is to provide access to those who would have primary care," Friedman said. "We do a lot of grassroots outreach, working schools and fairs to educate and inform potential beneficiaries. That is all new to these people."

Translation, Please

The enrollment packets for the state's Medi-Cal managed care program now come in these languages:

- Armenian
- Cantonese
- Khmer
- Russian
- Vietnamese
- Cambodian
- English
- Korean
- Spanish

SOURCE: L.A. Care Health Plan

■ Never perfect

Malone points out that the two-plan model could be considered a misnomer, because beneficiaries actually choose from 11 plans that subcontract with the public and private options. The layers of plans within plans is one of the elements that makes the process so confusing, said Lynn Kersey, MPH, director of Maternal and Child Health Access, a nonprofit foundation in downtown Los Angeles.

"It would have been nice to have all this in place and tested slowly, then take a little while to fix these problems. There was a rush to implement this," she said. Kersey has seen problems with pregnant women who were defaulted away from their providers and people who had to choose one physician they were familiar with—such as a gynecologist—over another—such as a cardiologist. "They had to make a choice—which body part are they going to protect?" she said.

Lott predicts the county's plan will either change the way it is structured or collapse within 18 months. He said the quick pace of implementation, which doesn't leave time for each enrollee to have a face-to-face consultation, and the problems with skimpy provider contracts will come together to bring down the ship.

August is more upbeat. "For many Californians, the term *managed care* may cause them to raise their eyebrows," he said. "But when you mention this means receiving care through a health plan, and we mention well-known names of health plans, people say, 'I understand what that means.'" ■