

MESSAGE IN BRIEF

- Pennsylvania is postponing the implementation of Community HealthChoices (CHC) due to delays associated with the resolution of several bid protests.
- Phase 1 will now begin in January 2018 in the Southwest region of the state.
- Phase 2 will now begin in July 2018 in the Southeast region of the state.
- The January 2019 start date for the rest of the state remains unchanged.

We are writing to let you know that Pennsylvania is postponing the implementation of **Community HealthChoices (CHC)**. This decision is the result of delays relating to the resolution of several bid protests.

BID PROTESTS

Earlier this year, Pennsylvania announced the selection of the managed care organizations (MCOs) that would deliver health care coverage in CHC. That selection was protested. Consequently, the progress of critical components of CHC implementation was delayed, and we have been unable to confidently move forward with the current established start dates. Some of our impacted activities include:

- **Developing an adequate network.** DHS has not been able to engage with the selected offerors. Agreement and rate negotiations and finalization generally take six weeks, and agreements need to be largely finalized before the MCOs are able to engage in significant network development activities. The current delays means that MCOs will not have enough time to meet the network adequacy requirements by July 1, 2017.

- **Completing a readiness review.** Readiness review is a requirement for the MCOs before they are certified to be able to go live and provide services. Since protests prohibit MCO engagement for readiness review, the window to complete this certification continuously shrinks. New programs, based on other state and other program experience, require a minimum six months to complete readiness review.

- **Communicating.** Communication about selected MCOs and their available networks is a critical component to CHC education and outreach. Individuals who will be enrolling in CHC need to have complete information about the MCO provider network in order to be able to make an informed provider choice. That communication will not be able to take place until the agreements are largely finalized and the MCOs are in a position to provide network information.

ABOUT CHC

The Wolf Administration is committed to providing access to high-quality services to all Pennsylvanians and to serving more people in the community. In order to aid in that goal, we are implementing Community HealthChoices (CHC), the commonwealth's plan to coordinate health care coverage to improve the quality of the health care experience — serving more people in communities rather than in facilities, giving

them the opportunity to work, spend more time with their families, and experience an overall better quality of life. When implemented, this plan will improve services for hundreds of thousands of Pennsylvanians, including older Pennsylvanians and individuals with disabilities, and we need to be certain we get it right.

THANK YOU FOR YOUR SUPPORT AS WE ALL WORK TOGETHER TO MAKE THE COMMONWEALTH A BETTER PLACE FOR PENNSYLVANIANS WHO NEED TO ACCESS LONG-TERM SERVICES AND SUPPORTS IN ORDER TO AGE IN PLACE WITH INDEPENDENCE, CHOICE, AND DIGNITY.