

Revised Pages for:  
CALIFORNIA MEDICAID STATE PLAN  
Under Transmittal of  
STATE PLAN AMENDMENT (SPA)  
**08-016\***

All new pages will have this SPA\* number identified as the new TN No., so it will not be repeated for each new insert pages.

<b>Remove Page(s)</b>	<b>Insert Page (s)</b>
<b>Attachment 3.1-F, pages 1-25 (TN No 08-001)</b>	<b>Attachment 3.1-F, pages 1-26</b>

State: California

Citation	Condition or Requirement
1932(a)(1)(A)	<p data-bbox="462 430 1047 462">A. <u>Section 1932(a)(1)(A) of the Social Security Act.</u></p> <p data-bbox="519 493 1433 913">The State of <b>California</b> enrolls Medicaid beneficiaries on a mandatory basis into managed care entities (managed care organization (MCOs) and/or primary care case managers (PCCMs)) in the absence of section 1115 or section 1915(b) waiver authority. This authority is granted under section 1932(a)(1)(A) of the Social Security Act (the Act). Under this authority, a state can amend its Medicaid state plan to require certain categories of Medicaid beneficiaries to enroll in managed care entities without being out of compliance with provisions of section 1902 of the Act on statewideness (42 CFR 431.50), freedom of choice (42 CFR 431.51) or comparability (42 CFR 440.230). This authority may <i>not</i> be used to mandate enrollment in Prepaid Inpatient Health Plans (PIHPs), Prepaid Ambulatory Health Plans (PAHPs), nor can it be used to mandate the enrollment of Medicaid beneficiaries who are Medicare eligible, who are Indians (unless they would be enrolled in certain plans—see D.2.ii. below), or who meet certain categories of “special needs” beneficiaries (see D.2.iii. - vii. below)</p> <p data-bbox="519 955 1433 1060"><b>The various models have been in operation as follows: Sacramento Geographic Managed Care (GMC) as of April 1, 1994, Two-Plan Model as of January 22, 1996, and Healthy San Diego Geographic Managed Care as of October 16, 1998. Placer GMC will become operational on June 1, 2009.</b></p>
1932(a)(1)(B)(i) 1932(a)(1)(B)(ii) 42 CFR 438.50(b)(1)	<p data-bbox="462 1092 1120 1123">B. <u>General Description of the Program and Public Process.</u></p> <p data-bbox="519 1155 1177 1186">For B.1 and B.2, place a check mark on any or all that apply.</p> <p data-bbox="519 1218 917 1249">1. The State will contract with an</p> <ul data-bbox="576 1270 1339 1375" style="list-style-type: none"><li><input checked="" type="checkbox"/> i. MCO</li><li><input type="checkbox"/> ii. PCCM (including capitated PCCMs that qualify as PAHPs)</li><li><input type="checkbox"/> iii. Both</li></ul> <p data-bbox="690 1396 1433 1648"><b>This program is called Medi-Cal Managed Care (MMC). The program is being implemented in select counties and ZIP Codes throughout California. All Medicaid beneficiaries, depending on the beneficiaries’ geographic location, and Medi-Cal eligibility-related aid code, as described in Section D, are required to enroll in a managed care organization (MCO). Those Medicaid beneficiaries as described in Section G, are not subject to mandatory enrollment, but are permitted to voluntarily enroll in a MCO. Regardless of model, all MCOs are risk-comprehensive contracts.</b></p>
42 CFR 438.50(b)(2) 42 CFR 438.50(b)(3)	<p data-bbox="519 1680 1161 1711">2. The payment method to the contracting entity will be:</p> <ul data-bbox="576 1711 868 1764" style="list-style-type: none"><li><input type="checkbox"/> i. fee for service;</li><li><input checked="" type="checkbox"/> ii. capitation;</li></ul>

State: California

Citation	Condition or Requirement
	<p><input type="checkbox"/> iii. a case management fee; <input type="checkbox"/> iv. a bonus/incentive payment; <input type="checkbox"/> v. a supplemental payment, or <input checked="" type="checkbox"/> vi. other. (Please provide a description below).</p>
1905(t) 42 CFR 440.168 42 CFR 438.6(c)(5)(iii)(iv)	<p><b>Former Agnews Residents:</b> The managed care health plans that the Department contracts with to provide services to Former Agnews Residents will be paid under a non-risk arrangement as described in 42 CFR 438.2 and 42 CFR 447.362. The Department's payments to the health plans will not exceed what the Department would have paid on a fee-for-service basis for services furnished to health plan enrollees plus the net savings of administrative costs the Department achieves by contracting with the health plans instead of purchasing the services on a fee-for-service basis.</p> <p>3. For states that pay a PCCM on a fee-for-service basis, incentive payments are permitted as an enhancement to the PCCM's case management fee, if certain conditions are met.</p>
	<p>If applicable to this state plan, place a check mark to affirm the state has met <i>all</i> of the following conditions (which are identical to the risk incentive rules for managed care contracts published in 42 CFR 438.6(c)(5)(iv)).</p> <p><input type="checkbox"/> i. Incentive payments to the PCCM will not exceed 5% of the total FFS payments for those services provided or authorized by the PCCM for the period covered.</p> <p><input type="checkbox"/> ii. Incentives will be based upon specific activities and targets.</p> <p><input type="checkbox"/> iii. Incentives will be based upon a fixed period of time.</p> <p><input type="checkbox"/> iv. Incentives will not be renewed automatically.</p> <p><input type="checkbox"/> v. Incentives will be made available to both public and private PCCMs.</p> <p><input type="checkbox"/> vi. Incentives will not be conditioned on intergovernmental transfer agreements.</p> <p><input checked="" type="checkbox"/> vii. Not applicable to this 1932 state plan amendment.</p>

State: California

---

Citation	Condition or Requirement
CFR 438.50(b)(4)	<p>4. Describe the public process utilized for both the design of the program and its initial implementation. In addition, describe what methods the state will use to ensure ongoing public involvement once the state plan program has been implemented. <i>(Example: public meeting, advisory groups.)</i></p> <p><b>On an ongoing basis, DHCS employs many methods to ensure public involvement:</b></p> <ul style="list-style-type: none"><li>• <b>The Medi-Cal Managed Care Advisory Group:</b> DHCS Medi-Cal Managed Care Division (MMCD) Advisory Group was formed in December 1998, as a vehicle to facilitate active communication between the Medi-Cal managed care program and all interested parties and stakeholders. The MMCD Advisory Group membership consists of advocacy groups, health plan representatives, medical associations, and the State's enrollment broker. The Advisory Group meetings are held in Sacramento and are chaired by the MMCD Division Chief. This group is routinely advised about issues relevant to Medi-Cal managed care, and is often solicited for feedback on issues such as informing materials and the State Quality Strategy.</li><li>• <b>Tribal input is/will be solicited by direct inquiry to tribal councils and the California Rural Indian Health Board (CRIHB) regarding any future changes to the managed care program.</b></li><li>• <b>Public input is/will be solicited in the future through published news articles produced by DHCS Public Information Office.</b></li></ul>
1932(a)(1)(A)	<p>5. The state plan program will ___/will not <u>X</u> implement mandatory enrollment into managed care on a statewide basis. If not statewide, mandatory <u>X</u>/ voluntary ___ enrollment will be implemented in the following county/area(s):</p> <p>i. county/counties (mandatory)</p> <p><b><u>Medi-Cal Managed Care/ Two-Plan Model:</u></b></p> <ul style="list-style-type: none"><li>• Los Angeles, except (*see list of excluded ZIP Codes)</li><li>• Kern, except (**see list of excluded ZIP Codes)</li><li>• San Bernardino, except (***)see list of excluded ZIP Codes)</li><li>• Riverside, except (***)see list of excluded ZIP Codes)</li><li>• Tulare</li><li>• Fresno</li><li>• Santa Clara</li><li>• Stanislaus</li><li>• San Joaquin</li><li>• San Francisco</li><li>• Alameda</li><li>• Contra Costa</li></ul>

State: California

Citation Condition or Requirement

**Excluded ZIP Codes**

**\*The Los Angeles Region includes Los Angeles County with the exclusion of the following ZIP Code, which covers Santa Catalina: -- 90704.**

**\*\*Kern County—93555 and 93556 Ridgecrest. Effective April 1, 2009, Health Net will be withdrawing from one zip code in Kern County, 93560. Due to this withdrawal, this zip code will be voluntary for Kern Family Health or fee-for-service.**

**\*\*\*The San Bernardino/Riverside Region includes San Bernardino County and Riverside County with the exclusion of the following rural ZIP Codes in these counties:**

EXCLUDED MEDI-CAL ZIP CODES IN RIVERSIDE AND SAN BERNARDINO COUNTIES		
ZIP CODE	PREFERRED CITY NAME	COUNTY
92225	Blythe	Riverside
92226	Blythe	Riverside
92239	Desert Center	Riverside
92275	Salton City	Riverside
92280	Vidal	Riverside & San Bernardino
92242	Earp	San Bernardino
92252	Joshua Tree	San Bernardino
92256	Morongo Valley	San Bernardino
92267	Parker Dam	San Bernardino
92268	Pioneer Town	San Bernardino
92277	Twenty-Nine Palms	San Bernardino
92278	Marine Base Corp	San Bernardino
92284	Yucca Valley	San Bernardino
92285	Landers	San Bernardino
92286	Yucca Valley	San Bernardino
92304	Amboy/Cadiz	San Bernardino
92305	Angelus Oaks	San Bernardino
92309	Baker	San Bernardino
92310	Fort Irwin	San Bernardino
92311	Lenwood/Barstow	San Bernardino
92312	Barstow	San Bernardino
92314	Big Bear City	San Bernardino
92315	Big Bear lake	San Bernardino
92317	Blue Jay	San Bernardino
92319	Cadiz	San Bernardino
92321	Cedar Glen	San Bernardino
92322	Cedarpines Park	San Bernardino

TN No. 08-016  
Supersedes:  
TN No. 08-001

Approval Date MAR 11 2009

Effective Date: June 1, 2009

State: California

Citation Condition or Requirement

92323	Cima	San Bernardino
92325	Crestline	San Bernardino
92326	Crest Park	San Bernardino
92327	Daggett	San Bernardino
92332	Essex	San Bernardino
92333	Fawnskin	San Bernardino
92338	Ludlow (Newberry Springs)	San Bernardino
92339	Forrest Falls	San Bernardino
92341	Green Valley Lake	San Bernardino
92342	Helendale	San Bernardino
92347	Hinkley	San Bernardino
92352	Lake Arrowhead	San Bernardino
92356	Lucerne Valley	San Bernardino
92363	Needles	San Bernardino
92364	Nipton	San Bernardino
92365	Newberry Springs	San Bernardino
92366	Mountain Pass	San Bernardino
92368	Oro Grande	San Bernardino
92372	Pinon Hills	San Bernardino
92378	Rimforest	San Bernardino
92397	Wrightwood	San Bernardino
92382	Running Springs	San Bernardino
92385	Skyforest	San Bernardino
92386	Sugarloaf	San Bernardino
92391	Twin Peaks	San Bernardino
92398	Yermo	San Bernardino
93528	Johannsburg	San Bernardino
93554	Johannsburg	San Bernardino
93558	Red Mountain	San Bernardino
93562	Trona	San Bernardino
93592	Trona	San Bernardino

**Medi-Cal Managed Care/Geographic Managed Care (GMC):**

- Sacramento
- San Diego
- Placer (effective June 1, 2009)

EXCLUDED MEDI-CAL ZIP CODES IN PLACER COUNTY		
95602	Auburn	Placer
95603	Auburn	Placer
95604	Auburn	Placer
95631	Foresthill	Placer
95658	Newcastle	Placer
95681	Sheridan	Placer
95701	Alta	Placer
95713	Colfax	Placer

TN No. 08-016  
Supersedes:  
TN No. 08-001

Approval Date MAR 11 2009 Effective Date: June 1, 2009

State: California

Citation Condition or Requirement

95714	Dutch Flat	Placer
95715	Emigrant Gap	Placer
95717	Gold Run	Placer
95722	Meadow Vista	Placer
95736	Weimar	Placer
95747	Roseville	Placer
96140	Carnelian Bay	Placer
96141	Homewood	Placer
96143	Kings Beach	Placer
96145	Tahoe City	Placer
96146	Olympic Valley	Placer
95648	Lincoln	Placer
95703	Applegate	Placer
96148	Tahoe Vista	Placer

- ii. county/counties (voluntary) see Section B item 5 i above
- iii. area/areas (mandatory) see Section B item 5 i above
- iv. area/areas (voluntary) see Section B item 5 i above

C. State Assurances and Compliance with the Statute and Regulations.

If applicable to the state plan, place a check mark to affirm that compliance with the following statutes and regulations will be met.

- 1932(a)(1)(A)(i)(I)  
1903(m)  
42 CFR 438.50(c)(1)
  - 1.  The state assures that all of the applicable requirements of section 1903(m) of the Act, for MCOs and MCO contracts will be met.
- 1932(a)(1)(A)(i)(I)  
1905(t)
  - 2.  The state assures that all the applicable requirements of section 1905(t) of the Act for PCCMs and PCCM contracts will be met.

**Not Applicable**
- 42 CFR 438.50(c)(2)  
1902(a)(23)(A)  
1932(a)(1)(A)  
42 CFR 438.50(c)(3)
  - 3.  The state assures that all the applicable requirements of section 1932 (including subpart (a)(1)(A)) of the Act, for the state's option to limit freedom of choice by requiring recipients to receive their benefits through managed care entities will be met.
- 1932(a)(1)(A)  
42 CFR 431.51  
1905(a)(4)(C)
  - 4.  The state assures that all the applicable requirements of 42 CFR 431.51 regarding freedom of choice for family planning services and supplies as defined in section 1905(a)(4)(C) will be met.
- 1932(a)(1)(A)
  - 5.  The state assures that all applicable managed care requirements of

TN No. 08-016  
Supersedes:  
TN No. 08-001

MAR 11 2009

Approval Date \_\_\_\_\_ Effective Date: June 1, 2009

State: California

Citation	Condition or Requirement
42 CFR 438 42 CFR 438.50(c)(4) 1903(m)	42 CFR Part 438 for MCOs and PCCMs will be met.
1932(a)(1)(A) 42 CFR 438.6(c) 42 CFR 438.50(c)(6)	6. <input checked="" type="checkbox"/> The state assures that all applicable requirements of 42 CFR 438.6(c) for payments under any risk contracts will be met.
1932(a)(1)(A) 42 CFR 447.362	7. <input checked="" type="checkbox"/> The state assures that all applicable requirements of 42 CFR 447.362 for payments under any nonrisk contracts will be met.
42 CFR 438.50(c)(6) 45 CFR 74.40	<p><b>Former Agnews Residents:</b> The managed care health plans that the Department contracts with to provide services to Former Agnews Residents will be paid under a non-risk arrangement as described in 42 CFR 438.2 and 42 CFR 447.362. The Department's payments to the health plans will not exceed what the Department would have paid on a fee-for-service basis for services furnished to health plan enrollees plus the net savings of administrative costs the Department achieves by contracting with the health plans instead of purchasing the services on a fee-for-service basis.</p> 8. <input checked="" type="checkbox"/> The state assures that all applicable requirements of 45 CFR 92.36 for procurement of contracts will be met.

D. Eligible groups

1932(a)(1)(A)(i)

1. List all eligible groups that will be enrolled on a mandatory basis.

**Title XIX of the Social Security Act applicable sections:**

- A. 1925
- B. 1905 (u)(2)
- C. 1931
- D. 1902(a)(10)(A)(i)(III)
- E. 1902(a)(10)(A)(i)(IV)
- F. 1902(a)(10)(A)(i)(VI)
- G. 1902(a)(10)(A)(i)(VII)

**Enrollment will be mandatory for beneficiaries who meet the criteria for A-G above, and are not ineligible to participate because they fail to meet any of the following additional criteria listed in a-c below:**

- a. Are eligible to receive Medi-Cal services that are not limited in scope. If services are limited in scope, the beneficiary is not eligible to enroll. Limited scope means a subset of the scope of benefits as described in the state plan with or without a share-of-cost.



State: California

Citation	Condition or Requirement
	<p>b. <b>Have been determined to have a share-of-cost equal to zero. If the share of cost is greater than zero, the beneficiary is not eligible to enroll.</b></p> <p>c. <b>Have been found by their county welfare department to be eligible under one of the following programs (Section D 2i-2vii) and do not qualify for an exemption to mandatory enrollment.</b></p>
	<p>2. <b>Mandatory exempt groups identified in 1932(a)(1)(A)(i) and 42 CFR 438.50.</b></p> <p>Use a check mark to affirm if there is voluntary enrollment in any of the following mandatory exempt groups.</p>
1932(a)(2)(B) 42 CFR 438(d)(1)	<p>i. <input checked="" type="checkbox"/> Recipients who are also eligible for Medicare.</p> <p><b>In the case of a beneficiary who is in a mandatory aid code whose eligibility is subsequently changed to a voluntary aid code, the individual would be allowed to exercise their right to disenroll from a managed care plan. Individuals are informed of their rights by the enrollment broker at the time they become eligible for Medicare.</b></p>
1932(a)(2)(C) 42 CFR 438(d)(2)	<p>ii. <input checked="" type="checkbox"/> Indians who are members of Federally recognized Tribes except when the MCO or PCCM is operated by the Indian Health Service or an Indian Health program operating under a contract, grant or cooperative agreement with the Indian Health Service pursuant to the Indian Self Determination Act; or an Urban Indian program operating under a contract or grant with the Indian Health Service pursuant to title V of the Indian Health Care Improvement Act.</p> <p><b>Members of Federally recognized tribes, Native American Indians, Alaskan Native, or qualified non-Indian (means the immediate family member), or a non-Indian who has been verified by the Indian Health Service Center as receiving services there, may choose to disenroll and receive health care services from an Indian Health Service Center. Alternatively, American Indians and Alaskan Natives may choose to enroll on a voluntary basis.</b></p>
1932(a)(2)(A)(i) 42 CFR 438.50(d)(3)(i)	<p>iii. <input checked="" type="checkbox"/> Children under the age of 19 years, who are eligible for Supplemental Security Income (SSI) under title XVI.</p>
1932(a)(2)(A)(iii) 42 CFR 438.50(d)(3)(ii)	<p>iv. <input type="checkbox"/> Children under the age of 19 years who are eligible under 1902(e)(3) of the Act.</p>
1932(a)(2)(A)(v) 42 CFR 438.50(3)(iii)	<p>v. <input checked="" type="checkbox"/> Children under the age of 19 years who are in foster care or other out-of-the-home placement.</p>

TN No. 08-016  
Supersedes:  
TN No. 08-001

Approval Date MAR 11 2009 Effective Date: June 1, 2009

State: California

Citation	Condition or Requirement
	<p><b>For children who cannot be immediately identified as foster care by Medi-Cal's unique identifier, upon obtaining concurrence of the child's caretaker, a county director of social services, his/her designee in one of the designated counties, or the Probation Officer in the case of a foster child who is a ward of the court, a foster child may be enrolled voluntarily into an available managed care plan. Similarly, an adoptive parent may voluntarily enroll an Adoption Assistance Program (AAP) child into an available managed care plan.</b></p>
1932(a)(2)(A)(iv) 42 CFR 438.50(3)(iv)	vi. <u>  X  </u> Children under the age of 19 years who are receiving foster care or adoption assistance under title IV-E.  <b>See comment in Section D item v. above</b>
1932(a)(2)(A)(ii) 42 CFR 438.50(3)(v)	vii. <u>      </u> Children under the age of 19 years who are receiving services through a family-centered, community based, coordinated care system that receives grant funds under section 501(a)(1)(D) of title V, and is defined by the state in terms of either program participation or special health care needs.  <b>Children receiving services through the California Children's Services (CCS) program in geographic areas served by the Two Plan, San Diego GMC, Sacramento GMC, or Placer GMC models of managed care will be mandatorily enrolled into a Two-Plan or GMC model MCO under a separate Section 1915(b) waiver.</b>
	<b>E. <u>Identification of Mandatory Exempt Groups</u></b>
1932(a)(2) 42 CFR 438.50(d)	1. Describe how the state defines children who receive services that are funded under section 501(a)(1)(D) of title V. <i>(Examples: children receiving services at a specific clinic or enrolled in a particular program.)</i>  <b>The State's definition includes all children receiving services through the CCS program.</b>  <b>Children receiving services through the CCS program in geographic areas serviced by the Two-Plan , San Diego GMC, Sacramento GMC, or Placer GMC models of managed care will be mandatorily enrolled into a Two Plan or GMC model MCO under a separate Section 1915(b) waiver. Identification of this population is possible by:</b> <ul style="list-style-type: none"><li>• A Medi-Cal unique identifier on the eligibility file.</li><li>• CMS Net-an automated case management system that includes the CCS programs' demographic data, or</li></ul>

State: California

Citation	Condition or Requirement
	<ul style="list-style-type: none"><li>• <b>For those counties not on CMS Net, a manual report is prepared by the county and distributed to each managed care plan the recipient is enrolled in.</b></li></ul>
1932(a)(2) 42 CFR 438.50(d)	2. Place a check mark to affirm if the state's definition of title V children is determined by:  <input checked="" type="checkbox"/> i. program participation, <input type="checkbox"/> ii. special health care needs, or <input type="checkbox"/> iii. Both
1932(a)(2) 42 CFR 438.50(d)	3. Place a check mark to affirm if the scope of these title V services is received through a family-centered, community-based, coordinated care system.  <input checked="" type="checkbox"/> i. yes <input type="checkbox"/> ii. no
1932(a)(2) 42 CFR 438.50 (d)	4. Describe how the state identifies the following groups of children who are exempt from mandatory enrollment: <i>(Examples: eligibility database, self-identification)</i>  i. Children under 19 years of age who are eligible for SSI under title XVI;  <b>By Medi-Cal or other unique identifier or by self identification</b>  ii. Children under 19 years of age who are eligible under section 1902 (e)(3) of the Act;  <b>Not applicable</b>  iii. Children under 19 years of age who are in foster care or other out-of-home placement;  <b>By Medi-Cal or other unique identifier or by self identification</b>  iv. Children under 19 years of age who are receiving foster care or adoption assistance.  <b>By Medi-Cal or other unique identifier or by self identification</b>
1932(a)(2) 42 CFR 438.50(d)	5. Describe the state's process for allowing children to request an exemption from mandatory enrollment based on the special needs criteria as defined in the state plan if they are not initially identified as exempt. <i>(Example: self-identification)</i>

TN No. 08-016  
Supersedes:  
TN No. 08-001

Approval Date MAR 11 2009 Effective Date: June 1, 2009

State: California

Citation	Condition or Requirement
1932(a)(2) 42 CFR 438.50(d)	<p><b>Children not otherwise identified by unique identifiers are allowed to self-identify to the State and be exempt from mandatory enrollment.</b></p> <p>6. Describe how the state identifies the following groups who are exempt from mandatory enrollment into managed care: <i>(Examples: usage of aid codes in the eligibility system, self-identification)</i></p> <p>i. Recipients who are also eligible for Medicare.</p> <p><b>There is a unique other health coverage code on the Medi-Cal Eligibility Data System (MEDS) record.</b></p> <p>ii. Indians who are members of Federally recognized Tribes except when the MCO or PCCM is operated by the Indian Health Service or an Indian Health program operating under a contract, grant or cooperative agreement with the Indian Health Service pursuant to the Indian Self Determination Act; or an Urban Indian program operating under a contract or grant with the Indian Health Service pursuant to title V of the Indian Health Care Improvement Act.</p> <p><b>By self identification</b></p>
42 CFR 438.50	<p>F. <u>List other eligible groups (not previously mentioned) who will be exempt from mandatory enrollment</u></p> <p>1. The following populations may be excluded from mandatory enrollment upon filing an exemption with the State's enrollment broker, and receive services through traditional Fee-For-Service (FFS).</p> <p>A. <b><u>Non-Medical:</u></b> Enrolled in a waiver for skilled nursing services in their home.</p> <p>B. <b><u>Medical:</u></b> Beneficiaries being treated for a complex condition from a physician, who is participating in the Medi-Cal program but is not a contract provider of the managed care plans in the service area, may request exclusion from mandatory enrollment upon filing an exemption with the State's enrollment broker and receive services through traditional FFS. Complex conditions include:</p> <ol style="list-style-type: none"><li>1. Pregnancy;</li><li>2. Cancer;</li><li>3. Organ transplant (except Kidney) – or are scheduled for one;</li></ol>

State: California

Citation	Condition or Requirement
	<ol style="list-style-type: none"><li>4. Renal disease and have dialysis at least two times a week;</li><li>5. A disease that affects more than one organ system (such as diabetes);</li><li>6. HIV positive;</li><li>7. A neurological disorder (such as multiple sclerosis); and</li><li>8. Other conditions as determined by the State.</li></ol>
	<ol style="list-style-type: none"><li>2. The following populations are excluded from enrollment in an MCO under this state plan:<ol style="list-style-type: none"><li>A. If another health coverage code indicates Medicare coverage, the beneficiary will be excluded from enrollment unless they are enrolled in Medicare in the same plan or their plan partners approved Medicare Advantage Special Needs Plan.</li><li>B. Individuals eligible for Medicaid after paying a share of cost.</li><li>C. Individuals already residing in a Long Term Care (LTC) (includes: nursing facility, sub-acute, pediatric, and intermediate care facilities) facility at the time Medicaid is approved.</li><li>D. Individuals who have an eligibility period that is less than 3 months.</li><li>E. Individuals who have an eligibility period that is only retroactive.</li><li>F. Individuals eligible for Limited Services (See page 7).</li><li>G. Members of a commercial health plan through private insurance that are identified as having specific "other health coverage" at the time of initial enrollment eligibility. If an individual acquires other health coverage after enrollment in a plan, the State will allow the member to remain enrolled on a voluntary basis in the plan.</li></ol></li></ol>
42 CFR 438.50	<ol style="list-style-type: none"><li>G. <u>List all other eligible groups who will be permitted to enroll on a voluntary basis</u><ol style="list-style-type: none"><li>1. Enrollment in a plan shall be voluntary for eligible beneficiaries who meet all of the following criteria as described in section 2 of the California State Plan, including related attachments and supplements:<ol style="list-style-type: none"><li>A. Are eligible to receive services that are not limited in scope.</li><li>B. Have been determined to have a share of cost equal to zero.</li><li>C. Have been determined by their county welfare department to be eligible for one of the following programs:<p style="margin-left: 40px;">Title XIX of the Social Security Act applicable sections:</p><ol style="list-style-type: none"><li>1. 1902(a)(10)(A)(ii)(XVIII)</li><li>2. 1902(a)(10)(A)(i)(I)</li><li>3. 1902(a)(10)(C)</li><li>4. 1902(a)(10) (A)(ii)(X)</li></ol></li></ol></li></ol></li></ol>

State: California

---

Citation	Condition or Requirement
	<ol style="list-style-type: none"><li>5. 1902(a)(10)(A)(i)(II)</li><li>6. 1902(a)(10)(A)(ii)(XVII)</li><li>7. 1634</li></ol>
	<p>D. Beneficiaries enrolled in one of the following forms of other health coverage, obtained after enrollment in a Medi-Cal managed care plan, shall be allowed to remain enrolled:</p> <ol style="list-style-type: none"><li>1. Medicare HMO (subject to restrictions on Page 12, Section F 2-A).</li><li>2. Tricare HMO.</li><li>3. Kaiser HMO.</li><li>4. Any other HMO, or prepaid health plan in which the enrollee is limited to a prescribed panel of providers for comprehensive services.</li></ol>

---

H. Enrollment process.

**Use of an enrollment broker:**

**Process:**

The enrollment broker will conduct in-person enrollment sessions in each county with all Medicaid eligible beneficiaries that voluntarily choose to attend.

Beneficiaries are informed of these sites through the presentation schedule included in the enrollment packets. Referrals are also made by eligibility workers and the enrollment broker's call center staff.

The State assures the information will be presented to non-English speaking participants in a culturally competent manner. Accommodations for the visually and hearing impaired, and the physically disabled are made available.

**\*GMC exception: In San Diego County, county employees will conduct in-person enrollment sessions with all Medicaid eligibles that voluntarily choose to attend.**

**Content:**

The content of the enrollment sessions includes information as follows:

- A. Description of what is a Medi-Cal MCO;
- B. Who must vs. who may join a MCO;
- C. Those who are not eligible to join a MCO;

State: California

---

Citation	Condition or Requirement
	<ul style="list-style-type: none"><li>D. Those who may be exempt from mandatory participation in a MCO;</li><li>E. Service and items covered by the MCO;</li><li>F. Benefits outside the managed care contract, and how participants may access these services;</li><li>G. How to change Primary Care Providers (PCPs) or MCOs; and</li><li>H. Grievance and appeal rights provided by the MCOs and the State Hearing process, and the procedures for using them.</li></ul>

---

**Enrollment Packets:**

The population subject to the initial process includes those Medi-Cal beneficiaries in mandatory aid codes who are eligible for enrollment in a managed care plan.

Beneficiaries who are newly eligible for enrollment in a mandatory aid code managed care plan are mailed an Intent to Assign (IA) Packet. The IA process is as follows:

- A. The enrollment broker receives the newly eligible list and an IA record is generated;
- B. The IA records are sent and received by the enrollment broker mail house, which has three days to process them;
- C. The enrollment broker prepares the IA packet and mails it to the newly eligible. Five days are allowed for mail time;
- D. The newly eligible has 30 days to decide on a plan and respond with his/her decision; and
- E. When the newly eligible's response is received, a transaction is processed and he/she is enrolled in the plan. The enrollment packet contains the directive that eligible beneficiaries may change plans at any time after this selection.

**Annual Renotification Process:**

Managed Care enrollees are again informed of their right to change health plans at any time during the Annual Renotification process. This process includes sending a notice to each enrollee that has been in the same plan for ten consecutive months. The notice includes a "tear off" postcard that can be mailed back requesting materials for changing health plans.

Should a beneficiary request disenrollment from their current plan during the renotification process or at any other time, the request will be

State: California

---

Citation	Condition or Requirement
	<p><b>processed no later than the end of the month following the month in which the request to disenroll is received by the enrollment broker.</b></p>
	<p>(H. Enrollment Process Continued)</p>
1932(a)(4) 42 CFR 438.50	<p>1. Definitions</p> <p>i. An existing provider-recipient relationship is one in which the provider was the main source of Medicaid services for the recipient during the previous year. This may be established through state records of previous managed care enrollment or fee-for-service experience, or through contact with the recipient.</p> <p>ii. A provider is considered to have "traditionally served" Medicaid recipients if it has experience in serving the Medicaid population.</p>
1932(a)(4) 42 CFR 438.50	<p>2. State process for enrollment by default.</p> <p>Describe how the state's default enrollment process will preserve:</p> <p>i. the existing provider-recipient relationship (as defined in H.1.i).</p> <p><b>Enrollment will be based upon maintaining a prior family-plan relationship, or where not possible, a default algorithm will be used. Assignments made for continuity of care are not considered to be default assignments.</b></p> <p><b>The State will use an enrollment broker, and the criteria for assigned enrollment are described below.</b></p> <p><b>When a beneficiary is assigned to a plan, a weighted assignment method shall be used to determine the plan to be assigned. Considerations that apply include, but are not limited to, the following:</b></p> <p><b>A. A beneficiary shall only be assigned to a managed care plan with a primary care service site in the same ZIP Code as the beneficiary's residence;</b></p> <p><b>B. A beneficiary shall be assigned to the same managed care plan as:</b></p> <ol style="list-style-type: none"><li><b>1. that in which he/she was previously enrolled;</b></li><li><b>2. that in which a head of household (case head) is enrolled</b></li></ol>



State: California

---

Citation	Condition or Requirement
	<p data-bbox="760 426 1409 485">3. if the case head is not enrolled in a plan, then that in which another family member is enrolled.</p> <p data-bbox="683 520 1398 638"><b>However, provided at least one family member has maintained managed care assignment history, and in order to preserve continuity of care, the following considerations shall be taken into account for each assignment:</b></p> <ul style="list-style-type: none"><li data-bbox="683 669 1398 697">A. Continuity of care is maintained at a case/household level;</li><li data-bbox="683 701 1422 789">B. At least one member of the household must remain continuously eligible within the county for continuity of care to be assigned to someone within that case;</li><li data-bbox="683 793 1386 911">C. If a member of the case loses eligibility for more than 120 days, the case history is archived; however, should the member re-establish eligibility, continuity of care will be restored based on the case;</li><li data-bbox="683 915 1414 974">D. If all members of the case lose eligibility for more than 120 days, the case is archived, and continuity of care is lost; and</li><li data-bbox="683 978 1349 1037">E. If the entire case moves out of the county of eligibility, continuity of care is lost.</li></ul>
	<p data-bbox="586 1066 1325 1125">ii. the relationship with providers that have traditionally served Medicaid recipients (as defined in H.2.ii).</p> <p data-bbox="683 1157 1422 1367"><b>Two-Plan and GMC plans are required to contract with traditional and safety net providers and they must make a reasonable effort to maintain the ongoing participation of these types of providers. Plans are required to ensure that these providers are proportionately included in the assignment process for members who do not voluntarily select a primary care physician.</b></p>
	<p data-bbox="586 1398 1422 1577">iii. the equitable distribution of Medicaid recipients among qualified MCOs and PCCMs available to enroll them, (excluding those that are subject to intermediate sanction described in 42 CFR 438.702(a)(4)); and disenrollment for cause in accordance with 42 CFR 438.56 (d)(2). <i>(Example: No auto-assignments will be made if MCO meets a certain percentage of capacity.)</i></p> <p data-bbox="683 1612 1406 1761"><b>A formula, based on eight performance measures, six of which come from Health Effectiveness Data and Information Set (HEDIS) and two safety net measures, determines the equitable distribution of Medi-Cal beneficiaries. The State's default process is based on health plan performance with a greater</b></p>

---

State: California

---

Citation	Condition or Requirement
1932(a)(4) 42 CFR 438.50	<p data-bbox="678 426 1382 575"><b>number of beneficiaries being assigned to higher performing Two-Plan and GMC health plans. A cap is placed on auto assignments preventing one plan from capturing a hundred percent of the defaults should one plan perform exceptionally well and another perform poorly.</b></p> <p data-bbox="678 611 1438 821"><b>The two safety net measures ensure that plans are given credit for using traditional and safety net providers in their network. All distributions of beneficiaries to plans are checked by the State each month to determine that all auto-assignments are done correctly according to the formula. If a health plan is at capacity or cannot take enrollments for a particular period, the beneficiaries are distributed to the other health plans.</b></p> <p data-bbox="678 852 1406 882"><b>Calculating auto-assignment allocation for entry of new plan(s):</b></p> <p data-bbox="678 913 1419 1003"><b>When a new plan(s) enters a county, it receives the percentage of allocations equal to the other plan (Two-Plan County) or the County mean (GMC County).</b></p> <p data-bbox="678 1045 1398 1136"><b>To adjust for the new plan(s) in GMC counties, the other plans' allocations are normalized so the total allocation equals 100 percent.</b></p> <p data-bbox="521 1171 1438 1682">3. As part of the state's discussion on the default enrollment process, include the following information:</p> <ul style="list-style-type: none"><li data-bbox="581 1262 1357 1291">i. The state will ___/will not <b>X</b> use a lock-in for managed care.</li><li data-bbox="581 1325 1438 1444">ii. The time frame for recipients to choose a health plan before being auto-assigned will be within:  <b>30 days of receiving the enrollment packet.</b></li><li data-bbox="581 1478 1438 1682">iii. Describe the state's process for notifying Medicaid recipients of their auto-assignment. <i>(Example: state generated correspondence.)</i>  <b>Medicaid recipients who are subject to mandatory enrollment, but fail to make a choice within 30 days of receiving an enrollment packet, shall be automatically enrolled (defaulted) into a MCO as follows:</b></li></ul>

State: California

Citation	Condition or Requirement
	<p>A. <b>If no response is received within 20 days of the mailing of the enrollment packet, an Intent to Default (ID) letter is mailed.</b></p> <ul style="list-style-type: none"><li>o <b>The ID letter will address:</b><ul style="list-style-type: none"><li>1. <b>A reminder that unless the eligible responds to the IA packet, he/she will be assigned to a MCO by default, and the effective date of assignment, and;</b></li><li>2. <b>Reiterates the date in which he/she must respond by in order to preclude assignment.</b></li></ul></li></ul> <p>B. <b>If still no response is received, a default transaction is created and sent to Medi-Cal Eligibility Data System (MEDS).</b></p> <p>C. <b>Then a confirmation letter is generated and mailed to the beneficiary informing them of the name of the plan assigned and the effective date of the assignment.</b></p>
iv.	<p>Describe the state's process for notifying the Medicaid recipients who are auto-assigned of their right to disenroll without cause during the first 90 days of their enrollment. <i>(Examples: state generated correspondence, HMO enrollment packets etc.) How are they notified of this right to change plans?</i></p> <p><b>If no response is received within 20 days of the mailing of the enrollment packet, an ID letter is mailed to the beneficiary. This letter informs the beneficiary that should they not be satisfied with the plan assigned to them, they are able to change plans by completing a choice form.</b></p> <p><b>The beneficiary may choose to change plans at any time after receiving the official default notification from the enrollment broker. If the beneficiary decides to change plans, the beneficiary may call the enrollment broker's toll-free telephone number for additional assistance.</b></p>
v.	<p>Describe the default assignment algorithm used for auto-assignment. <i>(Examples: ratio of plans in a geographic service area to potential enrollees, usage of quality indicators.)</i></p> <p><b>The enrollment broker shall adhere to the State's algorithm for a performance-based auto-assignment of beneficiaries to the various managed care plans in Two-Plan and GMC Model counties, pursuant to State regulations (California Code of Regulations, Title 22, Section 53820), and written directives.</b></p>

State: California

---

Citation Condition or Requirement

---

**A description of the most significant parameters is as follows:**

- A. The distribution of auto-assignments will be determined based on an assessment of comparative plan performance on eight measures.**
- B. Six of the measures come from HEDIS: Childhood Immunizations: Combination 2, Well-Child Visits: 3rd – 6th Years of Life, Adolescent Well-Visits, Timeliness of Prenatal Care, Appropriate Medications for People with Asthma, and Cervical Cancer Screening. DHCS used the first five measures for the first two years, and for Year three added one additional HEDIS measure, Cervical Cancer Screening. There are also two safety net provider support measures that were created through collaboration among MCOs and DHCS: Members Assigned to Safety Net Provider PCPs and Discharges at Disproportionate Share Hospital (DSH) Facilities.**
- C. For the HEDIS measures, a health plan will be awarded two points for a score that is statistically and significantly better than those of its competitor. If there is no statistical difference in rates, each plan will get one point.**
- D. For each of the safety net provider support measures, a plan will be awarded one point if its rate is 5 percent higher than that of its competitor, with an additional 0.25 (1/4) points awarded for each additional 5 percent difference, up to a maximum of two points being awarded for a difference of 25 percent or more.**
- E. When a new health plan enters a county, it receives the percentage of allocations equal to the other health plan (Two-Plan County) or the county mean (GMC County) until it can generate HEDIS and safety net measures. At that time they are subject to the same policy compendium rules that apply to the existing health plans. For Year 4, beginning December 2008, the cap is currently at 20% (the maximum amount a plan can gain or lose based on their score) for all health plans, but is subject to change each year.**
- F. Beginning in the second year, plans were awarded one point for demonstrating statistically significant improvement for each measure relative to prior year performance, with the possible loss of one point for a**

---

TN No. 08-016  
Supersedes:  
TN No. 08-001

Approval Date MAR 11 2009 Effective Date: June 1, 2009

State: California

Citation	Condition or Requirement
	<p>statistically significant decline in performance as well. Those plans determined by DHCS to have exceptionally strong performance automatically earn a point and are not required to demonstrate statistically significant improvement.</p> <p>G. Eliminates the minimum enrollment level for the Local Initiative (LI).</p> <p>H. Calculating auto-assignment allocation for entry of new plan(s):</p> <p>When a new plan(s) enters a county, it receives the percentage of allocations equal to the other plan (Two-Plan County) or the County mean (GMC County).</p> <p>To adjust for the new plan in GMC counties, the other plans' allocations are normalized so the total allocation equals 100 percent.</p>
vi.	<p>Describe how the state will monitor any changes in the rate of default assignment. <i>(Example: usage of the Medical Management Information System (MMIS), monthly reports generated by the enrollment broker)</i></p> <p>The default rates are monitored through a reporting process. Health Care Options (HCO) receives daily, weekly, and monthly reports from the enrollment broker that are required for monitoring the default process. Monitoring is done as follows:</p> <ul style="list-style-type: none"><li>A. Review the Daily Status Report- provides a breakdown of enrollment into the Two-Plan and GMC plans in each managed care county and the default ratios for each county.</li><li>B. Review the Monthly Managed Care Maximum Enrollment Report – provides information on the maximum and minimum beneficiary enrollment capitations of all Two-Plan and GMC managed care plans.</li><li>C. Review the Monthly Enrollment Default Percentages Report –provides county specific default percentages for all managed care counties.</li><li>D. Review the MSC-B-M02 Monthly Enrollment summary – provides formula determined default percentage rates for the Two-Plan and GMC.</li></ul>

State: California

Citation	Condition or Requirement
1932(a)(4) 42 CFR 438.50	<p><b>E. Review the Monthly Progress Report – provides a summary of the MSM-B-M22 Monthly Cumulative Medical Beneficiaries Assigned to Two-Plan and GMC plans.</b></p> <p><b>F. Random sampling of the processed enrollment forms.</b></p> <p><b>The default rates are monitored daily and determined on a monthly basis for plan accuracy.</b></p> <p><b>I. <u>State assurances on the enrollment process</u></b></p> <p>Place a check mark to affirm the state has met all of the applicable requirements of choice, enrollment, and re-enrollment.</p> <p>1. <input checked="" type="checkbox"/> The state assures it has an enrollment system that allows recipients who are already enrolled to be given priority to continue that enrollment if the MCO or PCCM does not have capacity to accept all who are seeking enrollment under the program.</p> <p>2. <input checked="" type="checkbox"/> The state assures that, per the choice requirements in 42 CFR 438.52, Medicaid recipients enrolled in either an MCO or PCCM model will have a choice of at least two entities unless the area is considered rural as defined in 42 CFR 438.52(b)(3).</p> <p>3. <input type="checkbox"/> The state plan program applies the rural exception to choice requirements of 42 CFR 438.52(a) for MCOs and PCCMs.</p> <p><input checked="" type="checkbox"/> This provision is not applicable to this 1932 State Plan Amendment.</p> <p>4. <input type="checkbox"/> The state limits enrollment into a single Health Insuring Organization (HIO), if and only if the HIO is one of the entities described in section 1932(a)(3)(C) of the Act; and the recipient has a choice of at least two primary care providers within the entity. (California only.)</p> <p><input checked="" type="checkbox"/> This provision is not applicable to this 1932 State Plan Amendment.</p> <p>5. <input type="checkbox"/> The state applies the automatic reenrollment provision in accordance with 42 CFR 438.56(g) if the recipient is disenrolled solely because he or she loses Medicaid eligibility for a period of 2 months or less.</p> <p><input checked="" type="checkbox"/> This provision is not applicable to this 1932 State Plan Amendment.</p>
1932(a)(4)	<p><b>J. <u>Disenrollment</u></b></p>

TN No. 08-016  
Supersedes:  
TN No. 08-001

Approval Date MAR 11 2009 Effective Date: June 1, 2009

State: California

Citation	Condition or Requirement
42 CFR 438.50	<ol style="list-style-type: none"><li>1. The state will ___/will not <u>X</u> use lock-in for managed care. <b>Not Applicable</b></li><li>2. The lock-in will apply for ___ months (up to 12 months).</li><li>3. Place a check mark to affirm state compliance.  <u>X</u> The state assures that beneficiary requests for disenrollment (with and without cause) will be permitted in accordance with 42 CFR 438.56(c).</li><li>4. Describe any additional circumstances of "cause" for disenrollment (if any).  <b>The State does not limit disenrollment. The enrollee may request to switch plans at any time. However, actual disenrollment does not take effect until the first day of the following month.</b></li></ol>
1932(a)(5) 42 CFR 438.50 42 CFR 438.10	<p>K. <u>Information requirements for beneficiaries</u></p> <p>Place a check mark to affirm state compliance.</p> <p><u>X</u> The state assures that its state plan program is in compliance with 42 CFR 438.10(i) for information requirements specific to MCOs and PCCM programs operated under section 1932(a)(1)(A)(i) state plan amendments. (Place a check mark to affirm state compliance.)</p>
1932(a)(5)(D) 1905(t)	<p>L. <u>List all services that are excluded for each model (MCO &amp; PCCM)</u></p> <p><b>All services included in the approved California Medicaid State Plan are provided by the MCOs under this State Plan Amendment, with the following exceptions:</b></p> <ul style="list-style-type: none"><li>• <b>Services for major organ transplant procedures that are Medi-Cal benefits (except for kidney transplant).</b></li><li>• <b>Long Term Care (LTC) services in a facility for longer than the month of admission plus one month.</b><ul style="list-style-type: none"><li>○ <b>For former Agnews residents, LTC is defined as care in a facility for longer than the month of admission plus three months.</b></li></ul></li><li>• <b>Home and Community Based Services (HCBS) waiver program services authorized under section 1915 (c) of the Social Security Act, and Department of Developmental Services (DDS) Administered Medicaid Home and Community Based Services Waiver.</b></li></ul>

State: California

---

Citation	Condition or Requirement
	<ul style="list-style-type: none"><li>• <b>Services authorized by the California Children Services (CCS) program.</b></li><li>• <b>Mental health services which are outside the scope of PCPs. (Except in the cases of Western Health Advantage in Sacramento County, and Kaiser in Sacramento and Placer counties. Kaiser is responsible for all mental health services (including inpatient and outpatient specialty mental health services), and Western Health Advantage is responsible for all outpatient mental health services, up to the level of defined Short-Doyle mental health services).</b></li><li>• <b>Services provided by psychiatrists; psychologists; licensed clinical social workers; marriage, family, and child counselors; or other specialty mental health providers, with the exceptions listed above for Western Health Advantage in Sacramento County and Kaiser in Sacramento and Placer counties.</b></li><li>• <b>Alcohol and substance abuse treatment services available under the Drug Medi-Cal program as defined in CCR, Title 22, Section 51341.1 and outpatient heroin detoxification services defined in CCR, Title 22, Section 51328.</b></li><li>• <b>Fabrication of optical lenses provided through Prison Industry Authority optical laboratories.</b></li><li>• <b>Directly observed therapy for treatment of tuberculosis provided by local health departments.</b></li><li>• <b>Dental services as specified in CCR, Title 22, Section 51307 and Early Periodic Screening Diagnosis and Treatment (EPSDT) supplemental dental services as described in CCR, Title 22, Section 51340.1(a). However, Contractor is responsible for all Covered Services that are within the scope of the PCP regarding dental services.</b></li><li>• <b>Acupuncture services as specified in CCR, Title 22, Section 51308.5 (Two-Plan model only).</b></li><li>• <b>Chiropractic services as specified in CCR, Title 22, Section 51308 (Two-Plan model only).</b></li><li>• <b>Prayer or spiritual healing as specified in CCR, Title 22, Section 51312 (Two-Plan model only).</b></li></ul>

---

TN No. 08-016  
Supersedes:  
TN No. 08-001

Approval Date MAR 11 2009 Effective Date: June 1, 2009



State: California

---

Citation	Condition or Requirement
	<ul style="list-style-type: none"><li>• <b>Local Education Agency (LEA) assessment services as specified in CCR, Title 22, Section 51360(b)(1) provided to a member who qualifies for LEA services based on CCR, Title 22, Section 51190.1(a).</b></li><li>• <b>Any LEA services as specified in CCR, Title 22, Section 51360 provided pursuant to an Individualized Education Plan (IEP) as set forth in Education Code, Section 56340 et seq., or an Individualized Family Service Plan (IFSP) as set forth in Government Code Section 95020, or LEA services provided under an Individualized Health and Support Plan (IHSP), as described in CCR, Title 22, Section 51360.</b></li><li>• <b>Laboratory services provided under the State serum alphafetoprotein-testing program administered by the Genetic Disease Branch of DHCS.</b></li><li>• <b>Adult Day Health Care.</b></li><li>• <b>Pediatric Day Health Care.</b></li><li>• <b>Personal Care Services.</b></li><li>• <b>State supported Services.</b></li><li>• <b>Targeted case management services as specified in CCR, Title 22, Sections 51185(h) and 51351. Except that the MCO shall be responsible for: 1) coordinating health care with the Targeted Case Management (TCM) provider and for determining medical necessity of diagnostic and treatment services recommended by the TCM provider, and 2) ensuring access to services comparable to EPSDT TCM services for those members under age 21 who are not accepted for TCM services.</b></li><li>• <b>Childhood lead poisoning case management provided by county health departments.</b></li><li>• <b>Specific psychotherapeutic drugs and psychotherapeutic drugs classified as Anti-Psychotics and approved by the Federal Food and Drug Administration (FDA) after July 1, 1997. (Except in the case of Western Health Advantage in Sacramento County, and KP Cal, LLC in Sacramento and Placer counties. KP Cal, LLC is responsible for the provision of all psychotherapeutic drugs and psychotherapeutic drugs classified as Anti-Psychotics, and Western Health Advantage covers these drugs for outpatient specialty mental health services only).</b></li><li>• <b>Specific Human Immunodeficiency Virus (HIV) and Acquired Immunodeficiency Syndrome (AIDS) drugs and HIV/AIDS drugs</b></li></ul>

---

TN No. 08-016  
Supersedes:  
TN No. 08-001

Approval Date MAR 11 2009 Effective Date: June 1, 2009

State: California

---

Citation	Condition or Requirement
1932 (a)(1)(A)(ii)	<p data-bbox="570 428 1409 638"><b>classified as Protease Inhibitors, Nucleoside Reverse Transcriptase Inhibitors, Non-nucleoside Reverse Transcriptase Inhibitors, and Nucleoside Analog Reverse Transcriptase Inhibitor Combination approved by the FDA after July 1, 1997 and any future category of drugs for the treatment of HIV and AIDS, not previously classified and those classified as Fusion (Entry) Inhibitors, approved by the FDA after March 1, 2003.</b></p> <p data-bbox="467 667 1078 701">M. <u>Selective contracting under a 1932 state plan option</u></p> <p data-bbox="521 730 1438 789">To respond to items #1 and #2, place a check mark. The third item requires a brief narrative.</p> <ol data-bbox="521 823 1438 1096" style="list-style-type: none"><li data-bbox="521 823 1438 882">1. The state will <u> X </u> /will not _____ intentionally limit the number of entities it contracts under a 1932 state plan option.</li><li data-bbox="521 915 1438 974">2. <u> X </u> The state assures that if it limits the number of contracting entities, this limitation will not substantially impair beneficiary access to services.</li><li data-bbox="521 1008 1438 1096">3. Describe the criteria the state uses to limit the number of entities it contracts under a 1932 state plan option. <i>(Example: a limited number of providers and/or enrollees.)</i></li></ol> <p data-bbox="570 1129 773 1163"><b><u>Two-Plan Model:</u></b></p> <p data-bbox="570 1188 1419 1281"><b>The State will contract with two MCOs in each county to provide services, and beneficiaries will have a choice between these two plans* (See exceptions below for Stanislaus, Tulare, and Fresno Counties).</b></p> <p data-bbox="570 1314 1419 1554"><b>In general, the State will contract with one MCO, referred to as the Local Initiative health plan and one MCO, referred to as the Commercial Plan. The Local Initiative is a locally developed comprehensive managed care system, developed under the leadership of the County Board of Supervisors. It is essentially a public-private partnership that will have a contractual obligation to include traditional and safety net providers in its network. If there is no Local Initiative in a particular county, the State may seek to contract with two Commercial Plans.</b></p> <p data-bbox="570 1587 1438 1675"><b>*In Stanislaus and Tulare, the County has designated a Commercial Plan to act as the Local Initiative. In Fresno County, there are two Commercial Plans.</b></p> <p data-bbox="570 1709 1386 1764"><b>The Commercial Plan contractors in the Two-Plan Model are awarded through the competitive bid process in accordance with Title 22, CCR</b></p>

---

State: California

---

Citation	Condition or Requirement
	<p data-bbox="573 426 1427 730"><b>(California Code of Regulations), Section 53800(b)(1). The Request for Proposal (RFP) bidding method is used due to the highly complex nature of the services to be provided. The resulting contracts are generally entered into for a period of up to eight years, having an original term of five years with three one-year extensions. The average RFP process takes approximately 18 months to complete. Therefore, it should begin at least 18 months prior to end of the eight-year period. Since contracts for the Two-Plan contractors were executed at various dates, the RFP process is staggered so that various geographic areas are solicited during each proposal cycle.</b></p> <p data-bbox="573 762 1427 909"><b>For former Agnews residents: Services will be provided by the Medi-Cal managed care health plans that are operating as Local Initiatives in Santa Clara and Alameda counties, based on their networks' readiness to serve the health care needs of this population, if consumers, where applicable, choose to enroll.</b></p> <p data-bbox="573 915 651 940"><b>GMC:</b></p> <p data-bbox="573 972 1344 1035"><b>The State will contract with multiple MCOs to provide services and beneficiaries will have a choice of no less than two plans.</b></p> <p data-bbox="573 1066 1398 1092"><b>The selective contracting provision is not applicable to the GMC model.</b></p> <p data-bbox="524 1123 1354 1148">4. <input type="checkbox"/> The selective contracting provision is not applicable to this state plan.</p>