State of California—Health and Human Services Agency
Department of Health Care Services

Department of Health Care Services (DHCS)
Managed Care Advisory Group
Meeting Notes
December 13, 2018

1. Introductions

Brian Keefer, Chief, Plan Oversight Section, Managed Care Quality and Monitoring Division (MCQMD), called the Managed Care Advisory Group (MCAG) meeting to order at 10:05 a.m. and welcomed all in attendance including those on the webinar.

2. Updates

A. *Transitions and Implementations*

i. *Whole Person Care*

Oksana Meyer, Chief, Coordinated Care Programs Section, MCQMD, provided an update on the Whole Person Care (WPC) program. The WPC program is currently in a maintenance phase. DHCS has issued Corrective Action Plans (CAPs) to seven out of 25 pilots. Triggers for the CAPs include expenditure patterns and low enrollment. DHCS has seen satisfactory progress on these CAPs. The pilots are working on increasing community outreach and engagement. DHCS is actively working with University of California, Los Angeles on the first set of reports which will be released in the spring. DHCS is also collaborating with a consulting partner to gather success stories from the pilots.

ii. *Health Homes Program*

Oksana Meyer, Chief, Coordinated Care Programs Section, provided an update on the Health Homes Program (HHP). The program was successfully launched in its first county, San Francisco. The program will expand within the county to include members with Serious Mental Illness or Serious Emotional Disturbance on January 1, 2019.

DHCS is expanding the program to Riverside and San Bernardino counties on January 1, 2019. DHCS is working extensively with Molina Healthcare and Inland Empire Health Plan in these counties. DHCS is also planning on expanding HHP to several counties, including Los Angeles on July 1, 2019.

DHCS estimates that 240 members are currently enrolled and is expecting to see approximately 250 enrollees by December 31, 2018. A revised implementation schedule for HHP may be found here.

iii.   Diabetes Prevention Program

Dana Durham, Chief, Policy and Medical Monitoring Branch, MCQMD, gave an update on the Diabetes Prevention Program (DPP). DHCS has recently published All Plan Letter (APL) 18-018 that outlines the DPP. DPP is designed to promote realistic lifestyle changes that emphasize weight loss through interventions for those who are pre-diabetic. The Centers for Disease Control and Preventions Guidelines for Beneficiary and Provider Eligibility may be found here. Beneficiary notices are still being worked on.

DPP will launch January 1, 2019.

B. Timely Access
Brian Keefer, Chief, Plan Oversight Section, MCQMD, announced that Medi-Cal managed care health care plans' (MCP) timely access surveys will be sent in January 2019. For Year 2, the timely access study will test language access at provider offices, as well as MCPs' member services' knowledge of language assistance benefits. Attendees expressed support of the new additions to the timely access survey.

C. Ombudsman Report
Michelle Retke, Chief, Managed Care Systems & Support Branch, Managed Care Operations Division (MCOD), addressed the July-September Ombudsman reports that are available on the MCAG website. 30-40% of the Ombudsman calls were Fee-for-Service related and transferred to areas outside of Medi-Cal managed care.

D. Request for Proposal (RFP)/Request for Application (RFA) Timeline
Michelle Retke, Chief, Managed Care Systems & Support Branch, MCOD, reported that there were no significant updates to the RFP and RFA timeline at the time of the meeting. Any future updates will be provided to the MCAG.

E. Sanctions
Nathan Nau, Chief, MCQMD, announced that Health Plan of San Joaquin (HPSJ) was sanctioned $135,000 on a 2017 Quality CAP. HPSJ was sanctioned $5,000 for the first violation and $10,000 for every subsequent violation. The sanction letter may be found here. Two other sanctions are being appealed.

3. Annual Network Certification Updates

A. Managed Care

Cortney Maslyn, Health Program Specialist I, MCQMD, provided an overview of the revisions and additions to the Network Certification Requirements APL. The APL will revise the Network Certification MCP submission and DHCS review process; and align policy guidance with other APLs. MCPs will be required to appropriately categorize the network providers in the 274 based on instructions in the revised APL, unless the MCP does not have a 274 file. DHCS will use the MCP's 274 file submission instead of the previously requested network certification templates. The APL will outline the timely access survey and include the survey as a network certification component. Additionally, the APL revision outlines the CAP process along with associated mandates and describes DHCS' monitoring process of provider validations.

Hannah Robins, Chief, Compliance Unit, MCQMD, gave an update on the nine MCPs that received Annual Network Certification CAPs. MCPs have six months to rectify the deficiencies outlined in its CAPs. If the CAP deadline is not met, DHCS has the option to impose additional compliance actions, including sanctions. As of December 13, 2018, six of the nine MCPs closed its CAPs.

Cassandra Lashmett, Chief, Network Adequacy Unit, MCQMD, summarized the Alternative Access Standards (AAS) process and gave an update on the AAS granted to MCPs. Over 18,000 AAS requests have been reviewed and decisioned by DHCS for the 2018 Annual Network Certification. DHCS staff is currently reviewing the less than 1,000 remaining AAS requests. Requests are sent for a variety of reasons, including, but not limited to, MCPs serving geographically remote regions, limited pediatric specialists in rural areas, and providers only willing to contract with one MCP over others in the same service area.

B. *Specialty Mental Health Services (SMHS)*
Autumn Boylan, Chief, Program Monitoring and Compliance Branch, Mental Health Services Division, informed attendees on the network certification efforts of specialty mental health services (SMHS). There are currently 56 county mental health plans (MHPs) which were required to submit documentation to DHCS demonstrating its compliance with the network adequacy standards as outlined in Information Notice (IN) 18-011 found here. DHCS looked at time and distance standards as well as timely access in its certification of the county MHPs.

DHCS acknowledged that network adequacy is a new requirement for MHPs and that the Department and counties were still learning. Many of the findings were attributed to the learning process and reporting errors. The certification process focused on outpatient networks for the initial certification periods.

Due to the smaller geographic locations, DHCS did not receive many AAS requests. Counties submitted its own maps and DHCS validated the counties' networks based on data submitted. DHCS only granted 17 AAS standards for four MHPs. The majority

of these requests related to the seasonal conditions of locations that limited the plans' ability to meet time and distance requirements.

MHPs that did not meet the certification requirements had a CAP issued. Any MHP under a CAP must permit and cover out-of-network access for as long as the Plan's provider network is under a CAP. DHCS monitors the CAPs on a monthly basis. DHCS is actively working on publishing a report that details all of the CAPs for the 28 MHPs under a CAP. The MHPs were required to complete the CAPs by December 31, 2018.

The next SMHS annual certification cycle is due to the Centers for Medicare and Medicaid Services in July 2019.

C. *Drug Medi-Cal Organized Delivery System (DMC-ODS)*
Marco Zolow, Health Program Specialist II, Substance Use Disorder – Program, Policy, and Fiscal Division, gave an update on the annual network certification process for DMC-ODS. DMC-ODS plans, in operation prior to July 1, 2017, were required to go through the certification process. IN 18-011 outlined Plan requirements to submit documentation that demonstrated its capacity to serve the expected enrollment in each service area.

Riverside, Marin, San Mateo, Santa Clara, Contra Costa, and San Francisco counties were certified. Plans were required to submit a completed network adequacy certification tool, AAS requests, GeoAccess maps, grievances and appeals related to access, policies and procedures, language line utilization, and provider agreements and subcontracts. DHCS and counties used time and distance standards and guidance from IN 18-011 to certify networks. DHCS utilized various data sources to validate county data submissions, analyze infrastructure, validate geographic maps, and review AAS requests. Three counties submitted AAS requests. AAS were approved based on geographic location.

CAPs related to youth utilization and incomplete or insufficient policies and procedures were distributed in July 2018. Counties are being given until March 2019 to respond and complete its CAPs. One of the six CAPs has been closed and the other five are on track to be closed.

D. *Dental Managed Care (DMC)*
Jeanette Fong, Health Program Specialist II, Dental Managed Care Unit, gave an overview of the DMC certification process. Only two California counties provide DMC services. Participation in DMC is mandatory in Sacramento and optional in Los Angeles. Both counties have contracts with Access Dental Plan, Health Net of California, and Liberty Dental Plan.

DMC plans must have at least one Primary Care Dentist (PCD) per two thousand members. MCPs must have at least one dentist per one thousand two hundred members. Although there are no mandatory requirements for specialist counts, specialist dentists are incorporated into the total provider count. All dental MCPs' reported provider networks met and far exceeded the required provider to member ratios.

DMC plans must have at least one active PCD (for adults and children) every 10 miles or thirty minute travel distance from a member. DHCS used Geographic Information Systems (GIS) software to validate the geographic distribution of PCDs for adults and children. CAPs were issued to all three plans for not meeting these time and distance standards. CAPs have been closed since October 2018 due to additional provider contracts secured and/or approved alternate access standards.

CAPs were issued to Health Net and Liberty for not being able to substantiate timely access to specialist appointments. The Plans were not following up with providers who were non-responsive to surveys. The CAPs have been closed since September 2018.

4. Medical Audits Process Overview

Luis Galvez, Chief, Medical Review North I, Audits and Investigations (A&I) Division, provided an overview of the medical audits process. The multi-disciplinary team consists of an on-site audit manager, a lead auditor, two additional auditors, a medical consultant, and a nurse evaluator. MCPs are audited annually and each process takes approximately six months. Around that time, pre-audit documentation is requested. Plans are given 45 days to produce and submit the required documentation. Forty-five days prior to the on-site visit, A&I teams will look over the submitted documents. Lead auditors will work with the MCP compliance lead to ensure that the MCP has provided all necessary documentation. A&I conducts a conference call two weeks before the onsite visit with MCOD and MCQMD and will take into consideration both MCOD and MCQMD's concerns.

By the time of the on-site interview, the MCP's policies, including but limited to, grievances, prior authorizations and other relevant documents, are reviewed. A&I utilizes the contracts, APLs, and federal and state regulations for guidance during this review.

A&I strives to issue an audit report in 90 days after the audit. During the first month after the audit, A&I will have a first draft. At the end of the second month after the audit, A&I will schedule a conference to share preliminary findings. MCPs have 15 days to provide clarifications or rebuttals. After 15 days, A&I will review the responses from MCPs and draft the report. Final audit reports are issued and published on the MCQMD website. MCQMD takes over to make sure corrective actions are implemented.

Attendees expressed interest in submitting audit documentation electronically. A&I Deputy Director, Bruce Lim, assured the group that DHCS will consider this request, although there are challenges that may affect this transition.

5. **Status on APLs and Dual Plan Letters (DPLs)**

   Estelle Champlain, Chief, Policy and Regulatory Compliance Unit, MCQMD, provided an update on APLs and DPLs issued from September to December 2018.

   A list of APLs can be found here and a list of DPLs can be found here.

6. **Open Discussion**

   Attendees requested to receive agendas for upcoming meetings more in advance to allow them to prepare for the meetings.

7. **Next Meeting**

   The next MCAG is scheduled for Thursday, March 7, 2018 at 1700 K Street, Sacramento, CA 95814 from 10 a.m. to 1 p.m. To request future agenda items or topics for discussion please submit to advisorygroup@dhcs.ca.gov.