



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



EDMUND G. BROWN JR.  
GOVERNOR

DATE: January 19, 2017

TO: ALL MEDI-CAL DENTAL MANAGED CARE PLANS

SUBJECT: **APL 16-020: Final Rule Notice of Modernized Managed Care Regulation 42 C.F.R. § 438.3(f): Compliance with Applicable Laws and Conflict of Interest Safeguards**

The Department of Health Care Services (Department) issues this All Plan Letter (APL) under Exhibit E, Additional Provisions, Provision 5, section d, of the Medi-Cal Dental Geographic Managed Care and Prepaid Health Plan contracts (Contracts). This APL is incorporated into the Contracts, shall be complied with by Contractor. As set forth under Exhibit E, Provision 5, section d, "APLs issued by MDSO subsequent to the effective date of this Contract shall provide clarification of Contractors obligations pursuant to this contract, and may include instructions to the Contractor regarding implementation of mandated obligations pursuant to changes in State or federal statutes or regulations, or pursuant to judicial interpretation."

Due to the publication of the Medicaid and Children's Health Insurance Program (CHIP) Managed Care Final Rule (CMS-2390-F, 81 FR 27498) on May 6, 2016 ("final rule"), the Department issues this APL, which is part of a series of APLs, to provide guidance and direction to the Medi-Cal Dental Managed Care Plans (Plans). In accordance with the law, Plans are required to comply with these managed care regulations effective July 5, 2016. The below-identified final rule provisions are incorporated by reference into the Contracts.

Section 1557 of the Patient Protection and Affordable Care Act prohibits discrimination on the basis of race, color, national origin, sex, age, or disability in certain health programs or activities, to include the extension of discrimination protection to individuals participating in:

- Any health program or activity any part of which received funding from HHS
- Any health program or activity the HHS itself administers
- Health Insurance Marketplaces and all plans offered by issuers that participate in those Marketplaces

The Department holds the Plans responsible for ensuring that the contractors and providers comply with the non-discrimination clauses. For the entire text pertaining to the regulations above, refer to the [Medicaid federal register](http://www.denti-cal.ca.gov).

If you have any questions, please contact the Medi-Cal Dental Services Division at [dmcdeliverables@dhcs.ca.gov](mailto:dmcdeliverables@dhcs.ca.gov).

Sincerely,



Eric Mayes, Chief  
Contract Management and Policy Unit  
Medi-Cal Dental Services Division  
Department of Health Care Services