



TOBY DOUGLAS
Director

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



EDMUND G. BROWN JR.
Governor

DATE: December 4, 2013

ALL PLAN LETTER 13-020

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: OPEN AUTHORIZATION AND SCHEDULED SERVICE INFORMATION FOR NEW BENEFICIARIES TRANSITIONING FROM THE LOW-INCOME HEALTH PROGRAM

PURPOSE:

The purpose of this All Plan Letter (APL) is to establish a process for Medi-Cal managed care health plans (MCPs) to receive critical information from Low-Income Health Programs (LIHPs) regarding LIHP beneficiaries who are transitioning into MCPs effective January 1, 2014. This data exchange is required pursuant to Assembly Bill 1 of the First Extraordinary Session (Perez, Chapter 3, Statutes of 2013), which added Welfare and Institutions Code, Section 14005.61(i):

“The county LIHPs and their designees shall work with the department and its designees during the 2013 and 2014 calendar years to facilitate continuity of care and data sharing for the purposes of delivering Medi-Cal services in the 2014 calendar year.”

This data includes open treatment authorizations and scheduled service information that LIHPs will make available to MCPs. This APL also establishes MCP requirements related to the timely retrieval and use of this information.

This information sharing process helps MCPs ensure seamless continuity of care for LIHP beneficiaries as they transition into MCPs. Applicable open treatment authorizations and scheduled service information include:

- Services that are scheduled to occur, or continue into 2014, when MCPs will assume responsibility for health care;
- Services for which the local LIHP authorization expires on December 31, 2013;
- Information for both approved and pending authorization requests for the applicable time period; and,
- Information regarding LIHP beneficiaries who will be receiving inpatient services at the time of their transition into MCPs on January 1, 2014.

BACKGROUND:

LIHP is a county-based, optional health care services program under the State's Section 1115 Medicaid Demonstration Waiver, "A Bridge to Reform." The program is operational from July 1, 2011 through December 31, 2013, and its purpose is to provide coordinated, comprehensive health care coverage to low-income adults who are not eligible for Medi-Cal or the Healthy Families Program, and who have limited or no other health care coverage. To the extent possible, the Department of Health Care Services (DHCS) is required to provide LIHP beneficiaries with a seamless transition into MCPs or into subsidized health coverage through California's health benefit exchange, Covered California, as authorized by the Affordable Care Act. Currently, over 600,000 individuals are enrolled in local LIHPs, approximately 95 percent will transition into Medi-Cal.

INFORMATION SHARING REQUIREMENTS:

MCPs shall immediately begin working with the LIHPs in the counties in which they operate to determine a process to transfer information regarding open treatment authorizations and scheduled services. MCPs and LIHPs should transfer information through a secure data transfer (in "bulk" if possible) and in a manner that complies with the Privacy and Security Rules of the Health Insurance Portability and Accountability Act. MCPs must have enforceable contracts in place with the local LIHPs that protect the privacy and security of health information to the same extent as what is required by DHCS's contracts with MCPs. MCPs may develop an alternate process in the event the transfer of "bulk" data is not possible, or is not possible for all open authorizations and scheduled services.

MCPs shall provide payment for those appropriate treatments that occur after December 31, 2013, as LIHPs are not required to schedule their authorizations to expire on December 31, 2013 (unless the MCP has information that the services are not medically necessary). MCPs shall also use the information provided by LIHPs to help them appropriately schedule, authorize, and pay for services in a manner that maximizes continuity of appropriate care for transitioning beneficiaries.

LIHPs may continue their standard process for determining and setting the duration of authorization approval and scheduled services regardless of whether they extend into 2014. However, MCPs should review any prior authorizations that end on December 31, 2013, and decide whether they need to contact a beneficiary to determine if the beneficiary needs additional service authorization.

As contracted business partners and agents of Medi-Cal, both the LIHPs and MCPs are responsible for ensuring access to services for LIHP beneficiaries who are transitioning to Medi-Cal.

DATA TRANSFER:

An MCP can begin the information transfer process when it learns that a LIHP beneficiary has enrolled. County-Organized Health System (COHS) MCPs will know which LIHP beneficiaries will enroll well in advance of the enrollment process, because each COHS is the only MCP operating in its respective county(ies). In non-COHS counties, MCP destination (i.e., the health plan the beneficiary is enrolled into) will be determined when the enrollment process begins (after 30-day beneficiary notices are mailed in the first week of December). The 30-day notices will indicate that DHCS enrolled the beneficiary into a specific plan. This process should continue as necessary into 2014.

In the first half of December, each MCP will receive a data file, sent via secure data transfer process, indicating which LIHP beneficiaries are being enrolled. A relatively small number of LIHP beneficiaries may obtain LIHP coverage after the 30-day notice process is complete. DHCS will notify MCPs of these late enrollees in late December 2013, or even into 2014. The open treatment authorizations and scheduled service information transfers begin for these late enrollees when MCPs learn that a LIHP beneficiary has enrolled.

The data transfer process developed by the MCPs and LIHPs will enable local LIHPs to provide MCPs with available open treatment authorizations and scheduled service information. An MCP initiates the process by requesting information from the LIHP for those LIHP beneficiaries the MCP has learned are being enrolled. Each LIHP will rely on information received from an MCP regarding which specific LIHP beneficiary is being enrolled into the MCP. The process goal is for LIHPs to share available open treatment authorization and scheduled service information with the MCPs as soon as possible and prior to January 1, 2014, to enable the MCPs to facilitate continuity of care after January 1, 2014.

For additional information about this APL, please contact your Medi-Cal Managed Care Division contract manager.

Sincerely,

Original Signed by Margaret Tatar

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