



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

DATE: May 4, 2012

MMCD Policy Letter 12-002

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: NON-MONETARY MEMBER INCENTIVE GUIDELINES  
ADDENDUM TO POLICY LETTER 09-005

The purpose of this letter is to inform Medi-Cal managed care health plans (Plans) about the revised process for submitting requests for approval for member incentive programs and to provide Plans with new and revised forms. Plans must obtain Medi-Cal Managed Care Division (MMCD) approval prior to implementing a new member incentive program. MMCD, Policy Letter 09-005 remains in effect; only the submission process and forms have been modified in order to expedite the submission and approval process for the Plans. Additionally, as part of MMCD's on-going monitoring activities, a new "Member Incentive Program, Plan Update" form was developed that will enable Plans to easily report member incentive program evaluation results.

### REVISED SUBMISSION AND APPROVAL PROCESS

As of the date of this letter, please follow the steps outlined below when submitting member incentive requests (new or revised):

- Email all member incentive requests to:  
[MMCDHealthEducationMailbox@dhcs.ca.gov](mailto:MMCDHealthEducationMailbox@dhcs.ca.gov).
- Please allow a minimum of two weeks between the date of submission and the start of the member incentive program.
- Include your Plan's name and a short description of your request in the subject line of your email (e.g., Central Coast/Breast Cancer Screening Member Incentive).
- Copy your Plan's MMCD Contract Manager (CM) on all requests. The CM is responsible for the oversight of all contract deliverables.
- MMCD health education consultants will review all requests as soon as possible and send responses directly to the Plan with a copy to the CM.

- All questions about member incentives should be emailed to the Health Education Mailbox identified above. Be sure to include your Plan's name and a brief description of your question in the subject line of your email.

## **MEMBER INCENTIVE PROGRAM, REQUEST FOR APPROVAL FORM (REVISED FORM)**

Changes to the original form are outlined below:

### Top Section

- "Disease/Behavior Targeted" replaces title/name. Indicate the main focus of the incentive program (e.g. asthma education classes, breast cancer screening, diabetic eye screening, prenatal visits, postpartum visit within 21-56 days after delivery, well baby check-ups).
- The "start date" and "end date" was added as well as a checkbox to indicate whether the program will be on-going.
- The following statement about gift cards was added, "Gift cards cannot be used to purchase alcohol or tobacco." Indicate how you will communicate this information to the member. For example, explain that the statement will be included in the letter that is mailed with the gift card. If the gift card will be given to the member in-person, the request should indicate that the information will be included in the gift card sleeve or envelope.

### Main Section

- The "approximate dollar value of each incentive" was added. This is needed to evaluate whether the value of the incentive is appropriate for the desired behavior or action and the time commitment required by the member.
- The evaluation section asks for more detail. In this section, describe the evaluation plan, measures that will be used to determine whether the program met its objective, and any relevant baseline measures. For example, "By December 31, 2013, 70 percent of the Plan's female members between 40-69 years of age will have a completed mammogram that is verified by claims data."

### Approval Section

- The Request Approved/Denied and Reason for Denial section has been removed. Instead of denying an incentive request, MMCD's health education consultants will return the request to the Plan as an Additional Information Request (AIR). The email will include specific changes needed and/or

suggestions to improve the member incentive program request. Please be sure to submit revised requests in the same manner as the original request. After the request is approved, the form will be emailed to the Plan with the approval date and name.

## **MEMBER INCENTIVES PROGRAM, PLAN UPDATE (NEW FORM)**

The new form is divided into two major sections as outlined below:

### End of Program Evaluation

- As part of MMCD's on-going monitoring activities, Plans must submit a brief description of evaluation results within 30 days after the incentive program ends.

Please indicate whether or not the program was successful. Explanations about the success and effectiveness should be very brief and succinct.

- For example, "The incentive program increased member participation in the six-week healthy lifestyles class by 40 percent over a year ago when incentives were not offered. We awarded a total of 100 incentives."

Please indicate if an incentive was not successful by providing a brief explanation about why the incentive was not successful. Explanations should be brief and succinct.

- For example, "Offering the incentive did not increase participation in our asthma education classes. We discovered through a post-program phone survey with targeted members that our asthma classes were not offered at a convenient place and time. We are exploring the possibility of partnering with the local boys and girls center to offer classes at their site".

### Annual Update/On-going Incentive Program

- To justify the continuation of an on-going incentive program, Plans must provide a brief explanation of the effectiveness and/or success rate of the incentive, as well as the total number of incentives that were awarded in the previous year. This update must be submitted on an annual basis; the first update is due within one year of the original approval date.

MMCD strongly encourages Plans to work with their qualified health educators to develop and prepare member incentive requests. Their assistance and expertise in health education and program evaluation will enable Plans to develop member incentive program requests that comply with the guidelines outlined in MMCD Policy Letter 09-005. If needed, MMCD health education consultants can be contacted to provide technical assistance in revising a member incentive request that was returned to the Plan as an AIR.

Please send questions about this letter and/or specific questions about an individual request to: [MMCDHealthEducationMailbox@dhcs.ca.gov](mailto:MMCDHealthEducationMailbox@dhcs.ca.gov).

Sincerely,

ORIGINAL SIGNED BY MARGARET TATAR

Margaret Tatar, Chief  
Medi-Cal Managed Care Division

Enclosures:

Member Incentive Program, Request for Approval (*revised form*)\*  
Member Incentive Program, Plan Update (*new form*)\*

*\*Electronic fillable forms may be obtained from MMCD Contract Managers.*

## MEMBER INCENTIVE PROGRAM

### *Request for Approval*

Health Plan: \_\_\_\_\_ Date: \_\_\_\_\_

Contact Person: \_\_\_\_\_ E-mail: \_\_\_\_\_

Disease/Behavior Targeted: \_\_\_\_\_

Type of  Enrollment Fee  Monthly Membership  Gift  Other (specify) \_\_\_\_\_

Incentive:  Products/Merchandise  Tickets  Raffle  \*Gift Card/Certificate

*\* Gift cards must be provided with the following statement: "This gift card cannot be used to purchase alcohol or tobacco."*

Start Date: \_\_\_\_\_ End Date: \_\_\_\_\_  On-Going (Update due 1 year after approval date)

*Description of incentive(s), approximate dollar value of each, purpose and how it will be structured/implemented:*

*Description of health education intervention; how the use of incentive(s) supports the program goals/objectives:*

*Description of evaluation plan, measures used to determine whether program met its objectives, and oversight:*

**MMCD Approver's Name:** \_\_\_\_\_

**Date Approved:** \_\_\_\_\_

### MEMBER INCENTIVE PROGRAM

*Plan Update*     *End of Program Evaluation*  
 *Annual Update (On-Going)*

Health Plan: \_\_\_\_\_ Date: \_\_\_\_\_

Contact Person: \_\_\_\_\_ E-mail: \_\_\_\_\_

Disease/Behavior Targeted: \_\_\_\_\_

*Type of*     Enrollment Fee     Monthly Membership     Gift     Other (specify): \_\_\_\_\_

*Incentive:*     Products/Merchandise     Tickets     Raffle     \*Gift Card/Certificate

*\* Gift cards must be provided with the following statement: "This gift card cannot be used to purchase alcohol or tobacco."*

Approval Date: \_\_\_\_\_ End Date: \_\_\_\_\_     On-Going

**END OF PROGRAM EVALUATION:** Please submit to MMCD within 30 days of this incentive program's end date.

**Was the incentive program successful?**     Yes     No     Not sure    *If successful, please provide a brief explanation of the effectiveness and/or success rate of this incentive. If not successful (or not sure), please provide a very brief explanation below. Be sure to include the total number of incentives that were awarded.*

**ANNUAL UPDATE/ON-GOING PROGRAM:** Please submit to MMCD annually; beginning one year after the approval date.

*To justify the continuation of this incentive program, please provide a brief explanation of the effectiveness and/or success rate of this incentive with a total number of incentives that were awarded in the previous year.*

MMCD Approver's Name: \_\_\_\_\_

Approval Date: \_\_\_\_\_