



News Release

NUMBER: 13-2
FOR IMMEDIATE RELEASE
February 28, 2013

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STATE SELECTS HEALTH PLANS FOR EXPANSION OF MEDI-CAL MANAGED CARE TO 28 RURAL COUNTIES

SACRAMENTO – Department of Health Care Services (DHCS) Director Toby Douglas today announced that the state has chosen four health plans to provide managed care services to more than 400,000 Medi-Cal members in 28 rural counties, expanding Medi-Cal managed care to all of California’s 58 counties. The selections are contingent upon each plan meeting stringent readiness criteria established by the state.

“We are pleased to take this important step toward partnerships with these counties and health plans to expand managed care to our rural Medi-Cal members,” said Douglas. “Our new managed care enrollees will now have a medical home to coordinate all of their health care needs and a primary care physician to better manage health conditions. Statewide managed care will help ensure timely access to physicians and better management of services for our members.”

The plans include Anthem Blue Cross and California Health and Wellness Plan, which received Notices of Intent to Award for the expansion of Medi-Cal managed care to the counties of Alpine, Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Inyo, Mariposa, Mono, Nevada, Placer, Plumas, Sierra, Sutter, Tehama, Tuolumne and Yuba.

The state is also planning an exclusive Medi-Cal managed care contract with Partnership HealthPlan of California for expansion in Del Norte, Humboldt, Lassen, Modoc, Shasta, Siskiyou and Trinity counties. In addition, Lake and San Benito counties would become County Organized Health System managed care counties served by Partnership HealthPlan of California and Central California Alliance for Health, respectively. DHCS is currently working with Imperial County on its managed care plan selection process.

The 2012-13 state budget authorized the expansion of Medi-Cal managed care to rural California counties in which members currently receive services on a fee-for-service (FFS) basis. Beginning June 1, 2013, approximately 410,000 Medi-Cal members will make the transition to managed care in these counties.

“Managed care increases patient satisfaction and delivers higher quality care and more positive health outcomes,” said Douglas. “Connection to a medical home also reduces emergency room and inpatient visits and promotes better self-management of chronic conditions.”

The cost of this expansion will not exceed the total amount that DHCS estimates it would pay for services under the FFS Medi-Cal program. DHCS has the authority to set the rates, terms and conditions of managed care health plan contracts and contract amendments under this expansion. DHCS will seek and receive all necessary federal approvals before the expansion is implemented.