



DAVID MAXWELL-JOLLY
Director

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



ARNOLD SCHWARZENEGGER
Governor

11/16/10

Jane Doe
123 Healthcare Dr.
Sunnyland, CA 12345

Subject: Provider Network Evaluation

Dear Jane Doe:

The Department of Health Care Services (DHCS) is in the process of implementing recently passed legislation which will significantly increase the beneficiary enrollment of managed care health plans. Senate Bill 208, which amends section 14182 of the Welfare and Institutions Code, requires Seniors and Persons with Disabilities (SPDs) to be assigned as mandatory enrollees into managed care health plans, effective June 1, 2011. This transition will affect approximately 400,000 SPD beneficiaries who are currently in the Medi-Cal fee-for-service program. This transition will apply to counties which operate under the Geographic Managed Care (GMC) and Two-Plan managed care models.

The increase in enrollment of this population will lead to increased demand for health care services. The DHCS is committed to insuring that all beneficiaries, including SPDs, have adequate access to health care. The transition will occur over a twelve month time period in order to gradually phase in these beneficiaries each month. As required by SB 208 and the Centers for Medicare and Medicaid Services (CMS), the DHCS must evaluate the ability of each plan's provider network to accommodate the additional demand. By January 2011, the DHCS intends to complete an assessment of each plan's ability to provide appropriate access to health care for the SPD population.

The DHCS wants to take a realistic approach for evaluating how each plan's provider network will be affected. Accordingly, the DHCS has created a process for evaluating each plan's provider network with particular attention to specialist providers. First, the DHCS has projected, to the extent possible, the additional demand on specialist providers by SPDs and compare the projected demand to the utilization of specialty care by each plan's current members. Next, the DHCS will share these projections and comparisons with each plan with focus on specific specialty areas where there may be concern about the plan's ability to meet the additional demand. Through this evaluation process, the DHCS will work with each plan to determine if the plan needs to take any action to meet forecasted levels of additional demand. This evaluation process also will

analyze the preparedness of each plan's entire provider network, including Primary Care Physicians (PCPs), hospitals, and other services as it exists today.

In order to forecast specialist provider usage as realistically as possible, the DHCS decided to use data from the County Organized Health Systems (COHS) managed care model to establish baseline reference points for specialty care usage. The DHCS selected the COHS plans as a reference because these plans already serve SPDs as well as other populations and have not demonstrated difficulty providing appropriate access to care for SPDs. The DHCS used the COHS data to estimate the increase in specialist provider usage that may occur in GMC and Two-Plan counties. By comparing each plan's current specialty care utilization with the estimated added usage by SPDs, the DHCS was able to identify specialty areas with potential access issues. The DHCS will provide each plan with a customized data spreadsheet showing projected additional demand by specialty area and identifying potential areas of concern that need to be addressed.

In order for the DHCS to complete the network evaluation, each plan must provide input regarding the accessibility and preparedness of its provider network in various areas. The input will particularly emphasize adequate access to specialty care. Please submit to DHCS the following documentation:

- Completed Specialist Provider Accessibility Form (with supporting documentation)
- Completed Provider Spreadsheets
- Geographic Access Report

Please provide the DHCS with this documentation no later than **12/20/10**. Thank you for your participation and cooperation during this process.

If you have any further questions, please contact Blue Sky, Contract Manager of the XYZ unit at (111) 111-1111 or Blue.Sky@dhcs.ca.gov.

Sincerely,

Javier Portela, Chief
COHS, GMC and Other Contracts Section

Attachments:

INSTRUCTIONS

GETTING STARTED

The **Resource Materials, Specialist Provider Accessibility Form** and **Provider Spreadsheet** will be sent electronically to: Jane Doe. Examples of what the form and spreadsheet should look like when completed will also be sent. The **Geographic Access Report** will not be sent to the plan because it must be generated by the plan.

After receiving the items, please follow the instructions below and return the completed items by emailing them to Blue.Sky@dhcs.ca.gov. The Department of Health Care Services (DHCS) must receive these items no later than **12/20/10**.

RESOURCE MATERIALS, ATTACHMENT A

The resource materials are included in order to explain the plan usage data and core specialty codes. The resource materials include the following:

- Background and Definitions for Data Developed for Initial Assessment of Plans' Specialty Care Access
- Cross Referenced Core Specialists
- Actual & Estimated Provider Specialty Usage data spreadsheet for your plan

SPECIALIST PROVIDER ACCESSIBILITY FORM, ATTACHMENT B

Please complete the **Specialist Provider Accessibility Form** by providing a response that explains how the specialist network accessibility will be fulfilled for each provider specialty listed in the form. Provide the response in the column entitled, "Explanation of Accessibility." The response will be limited to 400 characters. The columns, "Provider Specialty Code" and "Provider Specialty Description" have already been populated.

The following are sample responses:

- Amount of unused capacity within the plan's current network of contracted specialists.
- Agreements in place with non-contracted specialists.
- Limitations on the number of available specialists in certain categories.
- Amount of specialty care historically provided in emergency situations.
- Contracting efforts currently underway.
- Next Provider File update will more accurately reflect the plan's contracted specialists in specific areas.

Un-Coded Specialists: At the bottom of the Specialist Provider Accessibility Form are four core specialty descriptions which do not have any specialty codes associated with them. Please provide a response regarding your plan's ability to provide adequate access to these specialties.

In order to substantiate the response for each specialty, please provide additional documentation. In the column entitled, "Attachments," list the name of the additional documentation that substantiates each response. Attachments may include, but are not limited to, provider lists, Memorandums of Understanding (MOUs), contracts, etc. Please see the Specialist Provider Accessibility Form **EXAMPLE** for reference of what the completed form should look like.

PROVIDER SPREADSHEET, ATTACHMENT C

Please complete the **Provider Spreadsheet** in order to provide DHCS with the following provider network information:

- PCPs
- Mid-Level PCPs
- Specialist Providers
- Hospitals
- Other Services (Pharmacy, Vision, Lab, DME, Ambulatory, etc.)

The **Provider Spreadsheet** is made up of multiple worksheets with tabs that are identified by each provider type. Please complete each worksheet by filling in the information for each column heading.

Please see the Provider Spreadsheet **EXAMPLE** for reference of what the completed spreadsheet should look like.

GEOGRAPHIC ACCESS REPORT

Please provide a current **Geo Access Report**. This is the same report that is required in the managed care contract and was submitted to DHCS during the RFA process. The report includes the following information: accessibility summary, ZIP code access detail, and maps with member distribution plotting.

**ATTACHMENT A:
BACKGROUND AND DEFINITIONS FOR DATA DEVELOPED FOR
INITIAL ASSESSMENT OF PLANS' SPECIALTY CARE ACCESS**

The attached spreadsheet provides both historical and projected utilization data to be used by the DHCS and your plan for initial assessment of your plan's ability to provide adequate access to specialty care for both your current population and the projected additional SPD enrollment mandated by Senate Bill 208 (Chapter 714, Statutes of 2010). We've described below what each column of data represents:

- Column C, *Estimated Additional Average # of Medi-Cal Only SPDs Per Month in Plan* – This is the estimated average number of SPDs per month we expect to be enrolled in your plan each month *after* the 12-month phase-in period beginning June 2011 and ending May 2012. This projection was based on your plan's current market share of enrollment as reflected in monthly enrollment data and the number of Medi-Cal only SPDs in the Medi-Cal Fee-for-Service program in your county during 2009.
- Column D, *Estimated Encounters per Member per Month* – This is the estimated number of encounters for each specialty code per member per month and was derived using the Medi-Cal only SPDs utilization in the COHS plans in 2009.
- Column E, *Estimated Additional Encounters per Month (E= C x D)* – This is the estimated number of encounters for the projected Medi-Cal only SPDs it is anticipated your plan will receive for each specialty code. This is the product of the estimated encounters per member per month and the estimated additional Medi-Cal only SPDs per month.
- Column F, *Plan's Actual Calendar Year 2009 Encounter Count* – This is the actual number of encounters for each specialty code received by your current population for calendar year 2009 derived from the encounter data submitted to the DHCS by your plan.
- Column G, *Plan's Actual Calendar Year 2009 Average Encounters per Month (G = F ÷ 12)* – This is the average number of encounters for each specialty code received by your current members in calendar year 2009.
- Column H, *Estimated Total Encounters per Month (H = E + G)* – This is the estimated total number of encounters for each specialty code per month for your plan's projected combined membership.
- Column I, *Target Provider-to-Encounter Ratio* – This is the target provider-to-encounter ratio for each specialty code based on combined COHS data for all COHS members.

- Column J, *Estimated Target Provider Count (J = H x I)* –This is the target number of providers for each specialty code deemed to be acceptable based on the provider-to-encounter ratio and the estimated total encounters per month. **Note:** “Target” provider count does not mean that the DHCS expects your plan to have this many contracted specialists in your network. Rather it is an estimate of the number of specialists (contracted and non-contracted) expected to be needed to provide service to your current population and the additional Medi-Cal only SPDs who will be enrolled in your plan by the end of the 12-month phase-in period (June 2011—May 2012).
- Column K, *Actual Calendar Year 2009 Provider Count* – This is the actual number of providers (both contracted and non-contracted) in each specialty code that were accessed by your current members in 2009.
- Column L, *Number of Contracted Providers* – This is the number of contracted providers for each specialty code in the provider file that your plan submitted to the DHCS in August 2010. **Note:** Because specialty care is provided by a combination of contracted and non-contracted providers, we’ve provided this number simply to show the difference between the number of providers in each specialty area who provided care on 2009 (Column K) and the current number of contracted specialists in your plan’s network (Column L).

Prepared by MMCD Program Data and Performance Measurement Section
Version 11/10/10

Cross-Referenced Core Specialists

(Medi-Cal Managed Care Division core specialties list cross referenced to specialty codes used in the DHCS's MIS/DSS data warehouse)

Allergist/Immunologist 03, 43	Otolaryngologists 04, 17
Anesthesiologist 05	Pain Medicine Specialists NONE
Cardiologists 06, 35	Perinatologists NONE
Dermatologists 07	Physical Medicine and Rehabilitation 25
Endocrinologists 67	Podiatrists NONE
Gastroenterologists 10	Pulmonologists 29
Geneticists NONE	Radiologist/Nuclear Medicine Specialists 30, 31, 32, 42
Hematologists/Oncologists 68, 78	Rheumatologists 83
HIV/AIDS Specialists NONE	Surgeons
Infectious Disease 77	-General 02, 28, 84, 85, 89
Neonatologists NONE	-Neurological 14
Nephrologists 45	-Orthopedic 20, 46
Neurologists 13, 79	-Plastic 24
Obstetricians/Gynecologists 09, 15, 16	-Thoracic 33
Ophthalmologists 17, 18	-Vascular 23
	-Urologists 34

Note: The codes indicated in red after each core specialty type refer to the specialty codes used in the DHCS MIS/DSS data warehouse and which plans use in encounter data submissions. If more than one code is indicated after a specialty type (e.g. codes 03 and 43 shown for "allergist/immunologist,") plans should refer to both codes on the *Actual & Estimated Provider Specialty Usage* data spreadsheet provided by the DHCS for each plan when considering the plan's ability to provide adequate access to that type of specialty care. For specialty types where there are no pertinent MIS/DSS codes (indicated as "none"), the DHCS could not provide projected utilization data. Plans will be required to address adequate access to these specialty types as indicated on the submission form.

EXAMPLE

Actual & Estimated Provider Specialty Usage for 2-Plan and GMC Plans Using CY 2009 Data

(This spreadsheet shows how COHS utilization data, plan utilization data, and SPD enrollment projections were used to estimate encounters with Specialists and target Provider-to-encounter ratios.)
 (See cover sheet for additional explanation of column headings.)

Health Plan A
 Sunnysland

A	B	C	D	E	F	G	H	I	J*	K	L
Provider Spec Code	Provider Specialty Description	Estimated Additional Average # of M-O SPDs per month in Plan	Estimated Encounters per Member per month	Estimated Additional Encounters per month (E = C x D)	Plan's Actual CY09 Encounters per month	Plan's Actual CY09 Average Encounters per month (G = F + 12)	Estimated Total Encounters per month (H = E + G)	Target Provider to Encounter ratio	Estimated Target Provider Count (J = H x I)	Actual CY09 Provider Count	# of Contracted Providers
02	General Surgery	3.014	0.011171	34	659	54.9	89	0.235225	21	26	22
03	Allergy	3.014	0.001760	5	112	9.3	15	0.087440	1	2	3
04	Otology, Laryngology, Rhinology	3.014	0.006717	20	147	12.3	32	0.692725	3	10	5
05	Anesthesiology	3.014	0.017980	54	468	39.0	93	0.246080	23	40	24
06	Cardiovascular Disease (M.D. only)	3.014	0.030284	91	1,291	107.6	199	0.111911	22	28	18
07	Dermatology	3.014	0.004018	12	441	36.8	49	0.127907	6	4	3
09	Gynecology (D.O. only)	3.014	0.000332	1	0	0.0	1	0.159228	0	0	0
10	Gastroenterology (M.D. only)	3.014	0.016972	51	849	70.8	122	0.119406	15	10	8
13	Neurology (M.D. only)	3.014	0.010103	30	676	56.3	87	0.221784	19	14	3
14	Neurological Surgery	3.014	0.004075	12	192	16.0	28	0.211350	6	12	9
15	Obstetrics (D.O. only)	3.014	0.003347	10	0	0.0	10	0.022482	0	0	2
16	OB-Gynecology (M.D. only)	3.014	0.013452	41	9,692	807.7	848	0.083758	71	54	40
17	Ophthalmology, Otolaryngology, Rhinology	3.014	0.000626	4	23	1.9	4	0.191819	1	2	3
18	Ophthalmology	3.014	0.025122	76	740	61.7	137	0.093565	13	24	6
20	Orthopedic Surgery	3.014	0.010431	31	253	21.1	53	0.133812	7	16	17
23	Peripheral Vascular Disease or Surgery	3.014	0.000009	0	0	0.0	0	2.400000	0	0	3
24	Plastic Surgery	3.014	0.000946	3	34	2.8	6	0.469319	3	7	6
25	Physical Medicine and Rehabilitation	3.014	0.014012	42	1,164	97.0	139	0.058256	8	6	11
28	Proctology (colon and rectal)	3.014	0.000429	0	0	0.0	0	0.637681	0	0	2
29	Pulmonary Disease (M.D. only)	3.014	0.013105	39	784	65.3	105	0.158186	17	9	4
30	Radiology	3.014	0.056895	152	4,392	366.0	518	0.030084	16	65	7
31	Roentgenology, Radiology (M.D. only)	3.014	0.046523	140	0	0.0	140	0.100417	14	0	3
32	Radiation Therapy	3.014	0.004825	15	0	0.0	15	0.104921	2	0	1
33	Thoracic Surgery	3.014	0.002491	8	10	0.8	8	0.289026	2	3	6
34	Urology and Urological Surgery	3.014	0.005591	17	134	11.2	28	0.139794	4	9	7
35	Pediatric Cardiology (M.D. only)	3.014	0.001519	5	33	2.8	7	0.137563	1	8	2
42	Nuclear Medicine	3.014	0.002933	9	1	0.1	9	0.061001	1	1	2
43	Pediatric Allergy	3.014	0.000258	1	0	0.0	1	0.087071	0	0	2
45	Nephrology	3.014	0.020881	63	476	39.7	103	0.087063	9	11	5
46	Hand Surgery	3.014	0.000560	2	0	0.0	2	0.138158	0	0	1
67	Endocrinology	3.014	0.001976	6	129	10.8	17	0.195810	3	4	4
68	Hematology	3.014	0.013203	40	543	45.3	85	0.102337	9	9	7
77	Infectious Disease	3.014	0.007908	24	178	14.8	39	0.155337	6	4	2
78	Neoplastic Diseases/Oncology	3.014	0.000049	0	0	0.0	0	0.102916	0	0	1
79	Neurology-Child	3.014	0.001972	6	11	0.9	7	0.157149	1	1	3
83	Rheumatology	3.014	0.002562	8	294	24.5	32	0.196483	6	5	4
84	Surgery-Head and Neck	3.014	0.000005	0	5	0.4	0	0.623377	0	1	1
85	Surgery-Pediatric	3.014	0.000913	3	21	1.8	5	0.120401	1	3	1
89	Surgery-Traumatic	3.014	0.000028	0	0	0.0	0	0.742268	0	0	3

*Shading in column J indicates that Estimated Target Provider Count is greater than Actual (K) and greater than Contracted (L) provider counts.

EXAMPLE

Actual & Estimated Provider Specialty Usage for 2-Plan and GMC Plans Using CY 2009 Data

(This spreadsheet shows how COHS utilization data, plan utilization data, and SPD enrollment projections were used to estimate encounters with Specialists and target Provider-to-encounter ratios.)

(See cover sheet for additional explanation of column headings.)

Health Plan A
Sunnyland

Provider Spec Code(s)	Core Provider Specialty Description	*Estimated Target Provider Count (J = H x I)	*Actual CY09 Provider Count	*# of Contracted Providers
7	Dermatologists	6	4	3
10	Gastroenterologists	15	10	8
13, 79	Neurologists	20	15	6
9, 15, 16	Obstetricians/Gynecologists	71	54	47
29	Pulmonologists	17	9	4
30, 31, 32, 42	Radiologist/Nuclear Medicine Specialists	32	66	13
77	Infectious Disease	6	4	2
83	Rheumatologists	6	5	4

*When applicable, takes into account more than one specialty code.

ATTACHMENT B SPECIALIST PROVIDER ACCESSIBILITY FORM

Plan: Health Plan A
 County: Sunnyland
 Date: 10/10/10

Completed by: Andy Thomas
 Approved by: Sally Jackson
 Phone Number: (111) 111-1111

Specialty Code(s)	Specialty Description	Explanation of Accessibility	Attachments (Name and Type)
7	Dermatologists	There is unused capacity within our current network of contracted specialists. We also have agreements with specialists and IPAs as needed.	Specialist List , MOU's
10	Gastroenterologists	Agreements in place with non-contracted specialists.	Agreements
13, 79	Neurologists	Limited number of available specialists in region.	None
9, 15, 16	Obstetricians/Gynecologists	Contracting efforts currently underway	Contracts, MOUs
29	Pulmonologists	Limited number of available specialists in region.	None
77	Infectious Disease	There is unused capacity within our current network of contracted specialists. We also have agreements with specialists and IPAs as needed.	Agreements
83	Rheumatologists	Contracting efforts currently underway	Contracts, MOUs
Un-Coded Specialists			
NONE	HIV/AIDS Specialists		
NONE	Pain Medicine Specialists		
NONE	Perinatologists		
NONE	Podiatrists		

Provider Spreadsheet, Attachment C.1
 Plan: Your Health Plan
 County: Sunnyland
 PCPS

NPI#	Last Name	First Name	Title	Specialty / Type	Group Association	Address	City	State	Zip	Phone	Hospital Privileges	Member Capacity	Used Capacity	Serves SPD Aid Codes
12345	Smith	John	MD	General Practice	NA	54 A St.	Sunnyland	CA	12345	(111) 334-5678	General	500	200	yes
54321	Doe	Jane	DO	Family Practice	Alpha Medical Group	123 B St.	Sunnyland	CA	54321	(111) 334-5679	Mercy	200	50	yes
13579	Apple	Fred	MD	Pediatrics	Omega Clinic	713 C St.	Sunnyland	CA	98765	(111) 334-5680	Central	1000	400	no
97531	Orange	Ed	MD	Internal Medicine	Beta Healthcare Inc.	698 D St.	Sunnyland	CA	34567	(111) 334-5681	General	454	200	yes
12457	Grape	Bob	MD	General Practice	Epsilon Health Center	598 E St.	Sunnyland	CA	67894	(111) 334-5682	None	600	300	no

Provider Spreadsheet, Attachment C.2
 Plan: Your Health Plan
 County: Sunnyland

Mid-Level PCP

NPI#	Last Name	First Name	Title	Specialty / Type	Group Association	Address	City	State	Zip	Full Time	Member Capacity	Used Capacity	Serves SPD Aid Codes
12345	Smith	John	PA	Mid-Level	NA	54 A St.	Sunnyland	CA	12345	yes	500	200	yes
54321	Doe	Jane	NP	Mid-Level	Alpha Medical Group	123 B St.	Sunnyland	CA	54321	yes	200	50	yes
13579	Apple	Fred	FNP	Mid-Level	Omega Clinic	713 C St.	Sunnyland	CA	98765	yes	1000	400	no
97531	Orange	Ed	PNP	Mid-Level	Beta Healthcare Inc.	698 D St.	Sunnyland	CA	34567	yes	454	200	yes
12457	Grape	Bob	NP	Mid-Level	Epsilon Health Center	598 E St.	Sunnyland	CA	67894	yes	600	300	no

Provider Spreadsheet, Attachment C.3

Plan: Your Health Plan

County: Sunnyland

Specialist Providers

NPI#	Last Name	First Name	Title	Specialty / Type	Group Association	Address	City	State	Zip	Phone	Hospital Privileges
12345	Smith	John	MD	Allergy	NA	54 A St.	Sunnyland	CA	12345	(111) 334-5678	General
54321	Doe	Jane	MD	Anesthesiology	Alpha Medical Group	123 B St.	Sunnyland	CA	54321	(111) 334-5679	Mercy
13579	Apple	Fred	MD	Neurology	Omega Clinic	713 C St.	Sunnyland	CA	98765	(111) 334-5680	Central
97531	Orange	Ed	MD	Radiology	Beta Healthcare Inc.	698 D St.	Sunnyland	CA	34567	(111) 334-5681	General
12457	Grape	Bob	MD	Hand Surgery	Epsilon Health Center	598 E St.	Sunnyland	CA	67894	(111) 334-5682	None

Provider Spreadsheet, Attachment C.4

Plan: Your Health Plan

County: Sunnyland

Hospital Network

Name	Specialty / Type	In / Out of Area	Address	City	State	Zip	Contract Term
General	Community	In	1 Main St.	Sunnyland	CA	12345	1/1/10 - 1/1/15
Mercy	Community	Out	5 East St.	Sunnyland	CA	12346	1/1/09 - 1/1/12
Central	County	In	6 Central Ave.	Sunnyland	CA	12347	2/2/10 - 2/2/14

Provider Spreadsheet, Attachment C.5
Plan: Your Health Plan
County: Sunnyland
Pharmacy Network

Name	Specialty / Type	Contractor	Contract Term	Address	City	State	Zip
Health Care Drugs	Pharmacies	Medical Pharmacy Business Management	1/1/7-1/1/12	1 Main St.	Sunnyland	CA	12345
Medical Drugs	Pharmacies	Medical Pharmacy Business Management	1/1/7-1/1/12	5 East St.	Sunnyland	CA	12346
Central Pharmacy	Pharmacies	Medical Pharmacy Business Management	1/1/7-1/1/12	6 Central Ave.	Sunnyland	CA	12347
Main Street Pharmacy	Pharmacies	None	3/5/8-3/5/13	3 Main St.	Sunnyland	CA	12348

Provider Spreadsheet, Attachment C.6

Plan: Your Health Plan

County: Sunnyland

Laboratory Network

Name	Specialty / Type	Contractor	Contract Term	Address	City	State	Zip
First Diagnostics	Laboratory	Diagnostic Laboratories Group	1/17-1/1/12	1 Main St.	Sunnyland	CA	12345
Healthcare Lab	Laboratory	Diagnostic Laboratories Group	1/17-1/1/12	5 East St.	Sunnyland	CA	12346
Medical Testing Lab	Laboratory	Diagnostic Laboratories Group	1/17-1/1/12	6 Central Ave.	Sunnyland	CA	12347

FORNATS

