



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



EDMUND G. BROWN JR.  
GOVERNOR

**DATE:** November 7, 2017

**TO:** ALL MEDI-CAL DENTAL MANAGED CARE PLANS

**SUBJECT:** APL 17-008: NETWORK ADEQUACY STANDARDS FOR TIME AND DISTANCE

**PURPOSE:**

The purpose of this Dental All Plan Letter (APL) is for the Department of Health Care Services (DHCS) to provide Medi-Cal Dental Managed Care (DMC) plans with clarification regarding compliance with time and distance network adequacy standards. This APL also provides instruction to the DMC plans concerning reporting requirements related to these standards, which are due to DHCS no later than December 1, 2017.

**BACKGROUND:**

Federal and state law establish state specified network adequacy standards, which Medi-Cal DMC plans are required to meet as set forth under the DMC contracts. These standards are classified into two categories: 1) time and distance, and 2) timely access. This letter addresses Medi-Cal DMC plan compliance with regard to the first category--the time and distance network adequacy standards. Specifically, Title (tit.) 42 Code of Federal Regulation (CFR) §§438.68 and 438.207, which has been incorporated into state law pursuant to Welfare and Institutions Code §14197 (b)(3) and (f)(1), and memorialized in current DMC plan contract provisions in Exhibit A, Attachment 8, identify these network adequacy standards that Medi-Cal DMC plans are required to meet. As part of overall plan compliance efforts, under Exhibit A, Attachment 1, Provision F., plans must submit GeoAccess report (or similar) showing that the provider network meets the appropriate time and distance standards as set forth in Exhibit A, Attachment 8, Provision E.

Time and distance means how long (i.e. the number of minutes) and/or how far (i.e. the number of miles) a member has to travel in order to get to a dental provider. Pursuant to Assembly Bill 205 (Chapter 738, Statutes of 2017), which codifies the time and distance network adequacy standards for specified services consistent with federal regulation, and current DMC contract provisions set forth under Exhibit A, Attachment 8, DMC plans are required to maintain a network of primary care dental providers that are located within 10 miles or 30 minutes from a member's residence. Because the "10 miles or 30 minutes" network adequacy standards were included in the original executed contracts, these requirements remain unchanged for the DMC plans; this standard has been in place for the duration of the contracts.

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**REQUIREMENTS:**

In accordance with the state and federal provisions cited above, DMC plans must demonstrate to DHCS compliance with the time and distance network adequacy standards on an annual basis or at any time there has been a significant change in the DMC plans' operations that would affect the adequacy of capacity and services. Since the "10 miles or 30 minutes" network adequacy standard has been in place for the duration of the DMC contracts, DHCS emphasizes that this is not a new requirement. However, pursuant to tit. 42 CFR § 438.207, DHCS must ensure that the DMC plans' are maintaining compliance with the state established standards, and DHCS must submit to CMS an assurance of compliance that DMC plans are meeting the requirements. The submission to CMS must include documentation of an analysis that supports the assurance of the adequacy of the network for each contracted Managed Care Organization.

Pursuant to Exhibit A, Attachment 1. Provision F. of the DMC Contract, DMC plans have a continuing obligation to update deliverables, including network adequacy reports, whenever the information in the deliverables changes in any material respect, or upon revision requested by DHCS.

In light of the recent updates to federal and state law, and in accordance with the existing DMC contracts, DHCS directs the DMC plans to prepare and submit documentation to the Department of their overall network adequacy with regards to time and distance standards, including a GeoAccess or similar report. DMC plans shall submit this documentation by December 1, 2017, and may need to submit updated GeoAccess reports as specified in subsequent APLs or annual deliverables schedules.

Please note that the DMC plans must submit such a report for each separate DMC plan contract. Please also provide a GeoAccess report for child beneficiaries, and a separate report for adult beneficiaries. To present complete data, the report submitted by December 1, 2017 should reflect beneficiary and provider enrollment data from June 2017.

Also note, if a DMC plan is not complying with existing time and distance standards, it will need to take appropriate action, such as, but not limited to, delinquency contracting with additional providers to meet the standard and remedy the delinquency. DHCS expects DMC plans to achieve compliance no later than February 1, 2018, or a date determined necessary for compliance with federal and state provisions.

GeoAccess (or similar) reports are due to DHCS via electronic submissions to the DMC Deliverables inbox: [dmcdeliverables@dhcs.ca.gov](mailto:dmcdeliverables@dhcs.ca.gov) no later than **December 1, 2017**, and are subject to DMC plan contract, state and federal law reporting requirements.

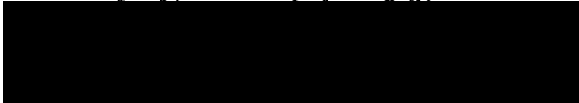
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If you have any questions regarding the information in this letter, please email [dmcdeliverables@dhcs.ca.gov](mailto:dmcdeliverables@dhcs.ca.gov).

Sincerely,



Alani Jackson, Division Chief  
Medi-Cal Dental Services Division  
Department of Health Care Services