

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET
P.O. BOX 942732
SACRAMENTO, CA 94234-7320



November 21, 1994

(916) 657-2941

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons
All County Health Department Directors

Letter No.: 94-88

DENTAL MANAGED CARE

The Medi-Cal Dental program has been concerned about the issues of access to care for Medi-Cal beneficiaries. Costs of the dental program have grown from \$150 million in 1990 to over \$800 million in 1994-95 while at the same time these access issues remain. We believe that managed care can resolve these access concerns in a most cost efficient manner while assuring quality dental services.

The Department of Health Services (DHS) has been exploring managed care concepts related to dental care and in April 1994 released its concept in a Solicitation for Response. With the passage of Assembly Bill (AB) 2377, which added Section 14087.46 of the Welfare and Institutions Code, the DHS will be pursuing this managed care concept further by implementing a statewide Dental Managed Care (DMC) program for Medi-Cal beneficiaries. The DHS will: 1) Issue a Request for Proposal (RFP) and award contract(s) on a competitive bid basis to one or more Knox-Keene licensed contractors; 2) Contract, as may be necessary with County Organized Health Systems; 3) Award contract(s) only to contractors that agree to negotiate in good faith with providers; 4) Assign favorable weights in evaluating the plans to Contractors that include traditional and safety net providers; 5) Implement a process to inform all Medi-Cal beneficiaries of their provider choices; and 6) Achieve operational contract(s) by October 1, 1995.

On August 24, 1994, the DHS released the RFP (a copy of which was provided to all County Welfare Directors) for the implementation, operation, and maintenance of DMC projects in regions throughout the State. The RFP will be calling for the submittal of Technical Proposals from prospective bidders. The second step will be the actual evaluation and award of contract(s) based on those Technical Proposals, and then finally will be the actual implementation phase with beneficiaries expected to receive services on September 1, 1995.

Under this approach a single dental contractor would be selected per region. Beneficiaries in aid categories and counties covered by dental managed care would be enrolled in that plan and could select their own primary care dentist. Those beneficiaries who do not select a dentist will be assigned one. All beneficiaries would be guaranteed access to see their dentist or a specialist if needed. High priority will be placed on participation of traditional Medi-Cal and safety net dentists.

Pursuant to the provisions of AB 2377 and AB 2178, the County Organized Health Systems consisting of five (5) counties (San Mateo, Santa Barbara, Solano, Orange, and Santa Cruz) and San Diego County may participate. Each has indicated a very strong interest in providing dental services. As a result, these six (6) counties will be offered the opportunity to contract individually in DMC and be excluded from the procurement effort.

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Page 2

Significant dates projected for the procurement are as follows:

Released Final Request for Proposal:	August 24, 1994
Bidder's Conference	September 12, 1994
Letter of Interest	September 16, 1994
Technical Proposal Due	November 14, 1994
Invitation for Bids Due	December 29, 1994
Notice of Intent to Award Contracts	February 7, 1995
Begin Provision of Dental Services	September 1, 1995

If you have any questions about the plan or would like to have a copy of the RFP, you may contact:

Ray J. Nielsen
Dental Managed Care Unit
Payment Systems Division
Department of Health Services
714 P Street, Room 950
P.O. Box 942732
Sacramento, CA 94234-7320
(916) 324-1055

Sincerely,

ORIGINAL SIGNED BY,

Ricardo Bustamante, for
Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosures