MCP-HUB TOOLKIT: A RESOURCE FOR MCPS AND CALAIM PROVIDERS

DHCS CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES

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Welcome and Introductions

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Agenda

» **Welcome & Introductions**

» **MCP-Hubs Toolkit**

- Overview and Goals

- Toolkit Modules

  - Module 1: Functions of a Hub

  - Module 2: MCP-Hub Partnerships

  - Module 3: Oversight and Monitoring of Hubs

- Resources/TA

» **Next Steps and Q&A**

MCP-Hubs Toolkit

Overview

» In partnership with the California Health Care Foundation (CHCF) and Aurrera Health Group, DHCS **published a toolkit with information applicable to Medi-Cal MCPs and Hubs.**

» This toolkit:

- Is intended for MCPs, existing Hubs, and organizations interested in becoming Hubs
- Highlights basic requirements and considerations for MCPs and Hubs to operationalize voluntary partnerships
- **<u>Does not include any new policy or requirements</u>**

» DHCS does **not** formally define, certify, or designate entities as Hubs. To avoid confusion, DHCS refers to these arrangements as MCP-Hub Partnerships, emphasizing their voluntary and operational nature.

Toolkit Components

Component	Description
Module 1: Functions of a hub	Describes example Hub functions and spotlights Hubs currently operating in California
Module 2: MCP-Hub Partnerships	Outlines requirements and considerations for establishing partnerships between Hubs and MCPs, including delegation and contracting models
Module 3: Oversight and Monitoring	Covers requirements for MCP oversight and monitoring of Hubs, including requirements for network adequacy and reporting medical loss ratios, as applicable
Module 4: Resources	» Resource library » Practical tools/checklists » Information on hub-related topics (e.g. flex pools)

Module 1: Functions of A Hub

Hubs in Medi-Cal

» **Hubs** refer to entities that serve as intermediaries between Medi-Cal MCPs and community-based organizations (CBOs) and Providers that deliver services to address HRSNs.

» **Entities that may function as a Hub include, but are not limited to:**
  - CBOs
  - County health departments
  - Administrative Services Organizations (ASOs)/Third Party Administrators (TPAs)/Management Services Organizations (MSOs)
  - Independent Physician Associations (IPAs)
  - Medical Groups
  - Federally Qualified Health Center (FQHC) consortia
  - Non-profit organizations
  - For-profit organizations

Example Hub Functions

The functions offered by Hubs vary by organization and are determined through discussions between MCPs, providers, and the Hub.

Centralized Provider Contracting and Network Management	» Hold contracts with multiple Provider organizations » Provide readiness and onboarding support to Provider organizations » Engage, recruit, and manage the Network to ensure the quality of services » Build Provider capacity by providing training and technical assistance » Foster partnerships to coordinate care delivery and advance health equity
Streamlined Payment Operations for Providers	» Support contracted Providers to submit compliant electronic claims » Streamline Provider billing and payment processes
Data Infrastructure	» Provide software/platforms to support referral management and data collection » Centralize data management functions for data compliance, analysis, and reporting » Facilitate data sharing between partner organizations
Performance and Quality Management	» Establish quality and performance metrics, tools, and processes » Provide clinical support and training designed to improve quality of care » Facilitate peer learning opportunities to promote cross-sector collaboration

Hub Spotlight

Name	Agreements/Contracts	Medi-Cal Services	Hub Functions
Los Angeles County Department of Health Services	» Contracts with MCPs » Contracts with CBOs, Clinics, Mental Health Providers	ECM and Community Supports	» Contracting/negotiation support with MCPs » Claims/billing » Referral management » Compliance and reporting » Ongoing practice transformation support » Training

Hub Spotlight

Name	Agreements/ Contracts	Medi-Cal Services	Hub Functions
Integrated Health Partners	» Contracts with MCPs » Contracts with FQHCs	ECM	» Contracting/negotiation support with MCPs » Claims/billing » Referral management » Compliance and reporting » Ongoing practice transformation support » Training

Hub Spotlight

Name	Agreements/Contracts	Medi-Cal Services	Hub Functions
Aliados Health	» MOU/DSA with MCPs » Act as Administrative Services Entity with Provider network	ECM and Community Supports; exploring CHW	» Contracting/negotiation support with MCPs » Claims/billing » Referral management » Compliance and reporting » Ongoing practice transformation support » Training

Module 2: MCP-Hub Partnerships

MCP-Hub Partnerships

» Hubs are **optional**—MCPs are not required to contract with Hubs.

» Hubs with MCP contracts are subject to the **same requirements as other subcontractors** as applicable based on the Hub's scope.

» MCPs **must adhere to requirements set forth in the MCP Contract, respective program requirements, and All Plan Letter (APL) guidance,** as applicable.

Subcontractor Status

» When an MCP delegates certain duties and obligations under its contract with the state to an entity, the entity is considered a **Subcontractor** (e.g., delegation of utilization management, credentialling, or claims processing)

> » Hubs are typically **Administrative** or **Partially Delegated subcontracting entities**

» Hubs that **do not** take on duties and obligations of the MCP but support network providers in completing administrative activities may be **third-party vendors**, rather than a Subcontractor.

» Hubs are not **Fully Delegated Subcontractors**, which are responsible for all MCP functions except those that are prohibited in the MCP Contract.

MCP-Hub Contracting Types

» Subcontractors

» Downstream subcontractors

» Network providers

» Third-party vendors

Subcontractors/Downstream Subcontractors

» **Subcontractors**
(Subcontractor Agreement with MCP)

- Administrative: Provides administrative functions such as credentialing or claims processing.

- Partially Delegated: Takes on broader responsibilities, including obligations tied to specific Medi-Cal Member groups or service areas.

» **Downstream Subcontractors**
(Downstream Subcontractor Agreement with MCP)

- Downstream Administrative or Downstream Partially Delegated Subcontractors of an MCP.

- **Example**: An IPA with a partially delegated contract with an MCP enters into a Downstream Subcontractor Agreement with another organization (Org A) to provide claims processing support. Org A is a Downstream Subcontractor of the MCP.

Network Providers and Third-Party Vendors

» **Network Providers**
(Network Provider Agreement with MCP or MCP's Subcontractor/ Downstream Subcontractor)

- Some Hubs order, refer, or render Covered Services in addition to their other Hub functions. These Hubs would be Network Providers in addition to being a Subcontractor or Downstream Subcontractor.

- Contracts with these Hubs need to comply with the requirements for both (1) Subcontractor Agreements or Downstream Subcontractor Agreements, as applicable, and (2) Network Provider Agreements.

» **Third-Party Vendors**
(Agreements with MCP vary)

- Some Hubs centralize administrative functions for Network Providers without a direct or downstream contract with an MCP.

- **Note:** May require vendors to enter into a Business Associates Agreement (BAA) with the MCP to meet Medi-Cal requirements.

Subcontracting Legal Authority and Requirements

» Federal law and state policy allows Medi-Cal MCPs **to delegate functions** to Subcontractors or Downstream Subcontractors.

» The MCP **maintains ultimate responsibility for a subcontracted Hub's performance and compliance with applicable regulations**, regardless of the layers of subcontracting.

» Requirements for contracting, oversight, and monitoring of subcontracted Hubs **vary depending on the specific functions delegated and whether the subcontracted Hub assumes financial risk** on behalf of the MCP.

Subcontracting Requirements

» **At a minimum, MCPs must:**

- Ensure that subcontracted Hubs meet all requirements outlined in the MCP Contract Exhibit A, Attachment III and Exhibit J and APL 23-006 (or any superseding APL)
- Execute a Subcontractor Agreement that:
  - Specifies all delegated activities, obligations, and related reporting responsibilities
  - Includes the subcontracted Hub's agreement to perform the delegated activities, obligations, and reporting responsibilities in compliance with all applicable Medicaid laws and regulations and applicable state and federal laws
  - Provide for the revocation of delegation of activities or obligations or specify other remedies where DHCS or the MCP determines the subcontracted Hub is not performing satisfactorily
- Report all contracted services with Hubs to DHCS
- Tip: See Module 2 for tools and resources for assessing and operationalizing MCP-Hub subcontracting partnerships.

Subcontracting Considerations

» MCPs contracting with Hubs to administer Medi-Cal Enhanced Care Management (ECM), Community Supports, CHW services, and Doula benefits must ensure Hubs adhere to requirements set forth in the MCP Contract, respective program requirements, and related APL guidance.

ECM, Community Supports, and Hubs

» **Subcontracts with Hubs to administer ECM and Community Supports must reflect:**

- Requirements outlined in the ECM and Community Supports Contract Template
- ECM and Community Supports Provider Standard Terms and Conditions (STCs)
- APL 23-032 and APL 21-017, or any superseding APLs, as applicable

» MCPs must update their Models of Care (MOCs) to describe contracting arrangements.

ECM and Hubs

ECM Core Service Components

» Outreach and engagement to eligible Medi-Cal Members

» Comprehensive assessment and care management plans

» Enhanced coordination of care

» Health promotion

» Comprehensive transitional care

» Medi-Cal Member and family supports

» Coordination and referral to community and social support services

» MCPs are responsible for ensuring that ECM providers address the clinical and non-clinical needs of Medi-Cal Members and providing all core service components.

» MCPs may coordinate with the Hub to identify and offer ECM to the MCP's Members who meet the Populations of Focus (POF) criteria.

» See the ECM Policy Guide for program-specific requirements.

Community Supports and Hubs

» MCPs that contract with Hubs for partial or full administration of Community Supports services must ensure Hubs adhere to all relevant program and provider requirements for which they are subcontracted, including:

- All program and reporting requirements specified by DHCS, applicable state and federal laws and regulations, and the MCP Contract and APL requirements including appeal rights
- Reporting requirements for all Community Supports encounters

» Hubs interested in partnering with MCPs should coordinate to confirm which Community Supports are offered by the MCP.

» See the Community Supports Policy Guide Volume 1 and Volume 2 for program-specific requirements.

CHW Services Considerations

» MCPs subcontracting with Hubs for the administration and/or delivery of CHW services **must adhere to the requirements outlined in [APL 24-006](#) (or any superseding APL) as well as the Medi-Cal Provider Manual and the MCP Contract,** as applicable.

» See the Medi-Cal Provider Manual <u>for CHWs</u> for program-specific requirements.

Considerations	MCP Requirement:
Provider Requirements and Qualifications	» Develop and submit policies and procedures to ensure that CHW Supervising Providers are certifying their CHWs have the appropriate training, qualifications, and supervision » Establish process for verifying qualifications and experience of Supervising Providers
Medi-Cal Member Eligibility Criteria	» Ensure Supervising Providers comply with eligibility requirements for CHW services, incl. those related to data driven approaches for determining priority populations
Provider Enrollment	» Ensure Network Providers, including those operating as Supervising Providers of CHW services, are enrolled as Medi-Cal Providers per [APL 22-013](#) (or any superseding APL)
Access to Services	» Ensure Hubs promote access to and monitor sufficient Provider Networks within their service areas for CHW services

Doula Services Considerations

» MCPs subcontracting with Hubs for the administration and/or delivery of Doula services **must adhere to the requirements outlined in APL 23-024 (or any superseding APL) as well as the Medi-Cal Provider Manual and the MCP Contract,** as applicable.

» See the Medi-Cal Provider Manual <u>for Doulas</u> for program-specific requirements.

Considerations	MCP Requirement:
Provider Requirements and Qualifications	» Provide Doulas with initial and ongoing training and resources regarding relevant MCP services and processes, including any available services through the MCP for prenatal, perinatal, and postpartum members of the MCP » Provide technical support in the administration of Doula services
Medi-Cal Member Eligibility Criteria	» Ensure Hubs comply with eligibility requirements for the provision of Doula services
Provider Enrollment	» Ensure Network Providers who operate as Providers of Doula services are enrolled as Medi-Cal Providers consistent with APL 22-013 (or any superseding APL)
Access to Services	» Ensure Hubs promote access to Doula care and help monitor Provider Networks to ensure there are a sufficient number of Doulas to meet the needs of their members

Module 3: Oversight and Monitoring of Hubs

Oversight and Monitoring of Hubs

» MCPs **must provide oversight and monitoring** of all Administrative and Partially Delegated Subcontractors and Downstream Subcontractors, including Hubs.

» MCPs **may not** delegate their responsibility to ensure compliance with their contract with DHCS to a Subcontractor.

» **MCPs must:**

- Ensure that subcontracted Hubs comply with requirements associated with their subcontracting type per Exhibit A, Attachment III, Section 3.1.1(B) and Exhibit J of the MCP Contract, APL 23-006 or any superseding APL, and all relevant program requirements.

- Demonstrate that they have robust compliance, monitoring, and oversight programs for subcontracted Hubs to ensure Medi-Cal Members can access and receive quality care.

Example: Compliance Activities

Example	MCP Requirements for Compliance	Example Monitoring Process
MCP delegates claims adjudication and payments to a Hub	» Have mechanisms to ensure that claims processing is conducted timely and accurately in accordance with applicable state and federal requirements » Ensure that the Hub maintains compliance with rules for timely and accurate payment of claims to providers rendering services to Medi-Cal Members	MCPs requests monthly reports of claims adjudicated by the Hub and conducts periodic audits
MCP delegates provider enrollment and credentialing to a Hub	» Ensure Hubs set and adhere to enrollment and credentialing policies » Ensure the Hub maintains compliance with enrollment and credentialing requirements	MCP requests reports of the providers that the Hub enrolls/credentials and conducts periodic audits

Data Reporting Requirements

» **MCPs** must have mechanisms in place **to monitor subcontracted Hub's adherence to data reporting**, including systems to validate data are complete, accurate, reasonable and timely.

» This may include, but is not limited to:

- data that can support MCP reporting of encounter data
- monthly 274 Provider Network data files
- Managed Care Program Data (MCPD) reported via quarterly templates
- electronic visit verification reporting
- any other ad hoc data requests required by DHCS

Quality Improvement (QI) Requirements

» **MCPs** are accountable for QI and Health Equity functions delegated to subcontracted Hubs.

» **MCPs** must maintain adequate oversight and monitoring to ensure compliance with all delegated QI activities, including to, at minimum:

- Evaluate subcontracted Hub's ability to perform the delegated activities, including an initial determination that a subcontracted Hub has the administrative capacity, experience, and budgetary resources to fulfil contractual obligations
- Ensure the subcontracted Hubs meets QI and Health Equity requirements set forth in the MCPs contract with DHCS
- Ensure the MCP's continuous monitoring, evaluation, and approval of its delegated functions to subcontracted Hubs, including to make the evaluation process and findings available at least annually or when requested by DHCS

Additional Considerations for Hubs That Assume Financial Risk or Cover Specific Medi-Cal Member Populations

» **A Hub** assumes financial risk for an MCP through risk-sharing and risk-shifting arrangements.

» Hubs that do so are **subject to heightened oversight and monitoring to ensure compliance with Medi-Cal requirements**, including those related to:

- Financial Viability
- Population Needs Assessment
- Medical Loss Ratios (MLRs)

Financial Viability Requirements

» **MCPs** must evaluate and monitor the financial viability of all subcontracted Hubs that assume financial risk for the provision of Covered Services.

» **Subcontracted Hubs** that assume financial risk must comply with MCP's evaluation and monitoring protocols.

Population Needs Assessment Requirements

» **MCPs** must include any Medi-Cal Member populations covered by a Subcontractor or Downstream Subcontractor, **including Hubs**, in the Population Needs Assessment (PNA) process.

» See the PHM Policy Guide and MCP Contract for additional information.

Medical Loss Ratios (MLRs)

» **MCPs** must provide increased oversight of MLR reporting for Subcontracted Hubs that assume risk.

» See APL 24-018 or any superseding APL for guidance on MLR requirements applicable to Subcontractors and Downstream Subcontractors.

Resources and TA

» **MCPs** may direct questions to their DHCS contract managers.

» **Providers** interested in becoming Hubs should contact the MCP(s) in their area(s).

» In 2026, DHCS will release FAQs and other technical assistance to support implementation.

Q&A

Thank you for joining!

DHCS