



TOBY DOUGLAS  
Director

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



EDMUND G. BROWN JR.  
Governor

**DATE:** December 24, 2013

ALL PLAN LETTER 13-010  
(REVISED)

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

**SUBJECT:** MANAGED CARE COMPLIANCE PLAN FOR SECTION 1202 OF THE AFFORDABLE CARE ACT

The purpose of this All Plan Letter (APL) is to request that Medi-Cal managed care health plans (MCPs) develop and submit a Managed Care Compliance Plan (MCCP) to the Department of Health Care Services. The MCCP must describe the processes that the MCP will implement to comply with Section 1202 of the Affordable Care Act (ACA) of 2010.

Section 1202 of the ACA is intended to encourage primary care physicians to participate in the Medi-Cal managed care program by increasing payment rates in calendar years 2013 and 2014. In order to receive increased rates, the physicians must have a primary care specialty designation of family medicine, general internal medicine, or pediatric medicine. MCPs will be responsible for ensuring that not less than 100 percent of the increased payments are paid to the eligible providers; data is reported timely and accurately; and a reconciliation process is implemented to account for all increased payments to eligible providers. The attached checklist is provided to assist MCPs with establishing a MCCP for Section 1202 of ACA.

Please submit a MCCP to Calvin Oshiro, Chief of the Financial Audit and Reviews Section of the Capitated Rates Development Division (CRDD) at [Calvin.Oshiro@dhcs.ca.gov](mailto:Calvin.Oshiro@dhcs.ca.gov) by February 1, 2014. Please provide a copy of the MCCP to your Medi-Cal Managed Care Division Contract Manager.

All Plan Letter 13-010 (REVISED)  
Page 2

If you have any questions or concerns, please contact Stuart Busby, CPA, DABFA, and Chief of CRDD, at (916) 449-5083.

Regards,

*Original Signed by Pilar Williams*

Pilar Williams, Deputy Director  
Health Care Financing

Attachment

**Affordable Care Act**  
**Section 1202**  
**Compliance Plan Checklist**

The following checklist will provide guidance to the health plans when preparing a Managed Care Compliance Plan (MCCP) to comply with Section 1202 of the Affordable Care Act (ACA). As discussed at the last All Plan Meeting on July 12, 2013, the Department of Health Care Services (DHCS) is requesting each managed care health plan to submit a MCCP to DHCS detailing how it will comply with ACA Section 1202. The four main elements to consider when preparing the MCCP for DHCS are outlined below. When preparing the MCCP, each health plan must first determine if they will attest provider eligibility or if providers will self-attest through the State of California website: [http://files.medi-cal.ca.gov/pubsdoco/aca/aca\\_form\\_landing.asp](http://files.medi-cal.ca.gov/pubsdoco/aca/aca_form_landing.asp)

**A. PROVIDER ATTESTATION:**

1.  Obtain name and address of providers requesting increased payment
2.  Determine the eligibility for increased payments by verifying providers have a specialty designation of one of the following:
  - Family Medicine
  - General Internal Medicine
  - Pediatric Medicine
3.  Provide a summary of how the health plan will verify provider eligibility
4.  Maintain a master list of all verified attested providers

**B. PAYMENTS TO PROVIDERS:**

1.  Establish protocol for timing of payments to eligible providers
2.  Provide a plan to ensure an audit trail exists for all payments to eligible providers
3.  Provide a plan to certify 100% of increased payments are paid to eligible providers

**C. DATA PLAN:**

1.  Establish protocol for timing of required data reporting
2.  Provide a plan to ensure data is timely, accurate, relevant, complete, reliable, and useful
3.  Provide a plan to ensure secure transmittal of data to DHCS

**D. RECONCILIATION PROCESS:**

1.  Provide detail of how the health plan will document payments to eligible providers
2.  Determine how the health plan will ensure data is sufficient and accurate
3.  Provide a detailed reconciliation plan (including timing and frequency) to ensure eligible providers received 100% of the increased rate