

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



MICHELLE BAASS
DIRECTOR



GAVIN NEWSOM
GOVERNOR

DATE: March 17, 2022

ALL PLAN LETTER 22-004

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: STRATEGIC APPROACHES FOR USE BY MANAGED CARE PLANS TO MAXIMIZE CONTINUITY OF COVERAGE AS NORMAL ELIGIBILITY AND ENROLLMENT OPERATIONS RESUME

PURPOSE:

The purpose of this All Plan Letter (APL) is to provide instruction to Medi-Cal managed care health plans (MCPs) about strategies that must be used by MCPs in collaboration with counties to help ensure eligible beneficiaries retain coverage in Medi-Cal and ease transitions for individuals eligible for coverage through Covered California as the Department of Health Care Services (DHCS) prepares for the resumption of normal operations after the end of the COVID-19 Public Health Emergency (PHE).

BACKGROUND:

The COVID-19 outbreak and implementation of federal policies to address the PHE have disrupted routine Medi-Cal eligibility and enrollment operations. As described in State Health Official (SHO) Letter #21-002, Updated Guidance Related to Planning for the Resumption of Normal State Medicaid, Children's Health Insurance Program (CHIP), and Basic Health Program (BHP) Operations Upon Conclusion of the COVID-19 Public Health Emergency, and updated in SHO Letter #22-001, states will have a 12-month unwinding period in addition to two months, totaling 14 months post PHE, to complete renewals for all enrolled individuals and restore routine operations.¹ The Centers for Medicare and Medicaid Services (CMS) is working closely with states and other stakeholders to ensure, as states resume routine operations, that renewals of eligibility occur in an orderly process that minimizes beneficiary burden and promotes continuity of coverage for eligible individuals, including those who no longer qualify for

¹ SHO Letter #21-002, Updated Guidance Related to Planning for the Resumption of Normal State Medicaid, Children's Health Insurance Program (CHIP) and Basic Health Program (BHP) Operations Upon Conclusion of the COVID-19 Public Health Emergency, is available at: <https://www.medicaid.gov/federal-policy-guidance/downloads/sho-21-002.pdf>. SHO Letter #22-001, Promoting Continuity of Coverage and Distributing Eligibility and Enrollment Workload in Medicaid, the Children's Health Insurance Program (CHIP), and Basic Health Program (BHP) Upon Conclusion of the COVID-19 Public Health Emergency, available at: <https://www.medicaid.gov/federal-policy-guidance/downloads/sho22001.pdf>

Medi-Cal and therefore may transition to a different form of coverage, such as Covered California.

POLICY:

The unwinding of the PHE necessitates a coordinated and phased approach to conducting outreach, issuing communications, and providing support to Medi-Cal beneficiaries using all modalities possible (telephone, electronic notice, email, letters, text messaging). Both CMS and DHCS recognize that during the PHE, there has been minimal or no contact with many beneficiaries for an extended period, as many have not successfully completed a renewal of eligibility due to the continuous enrollment requirement. As such, there is an inherent risk that eligible individuals may lose coverage after the continuous eligibility requirement expires once the PHE ends because they have a new address or other contact information, which has not been updated since their last completed renewal (in most cases prior to the COVID-19 PHE). Further, beneficiaries may not be aware that they must now complete their renewal of eligibility to continue to maintain coverage, or know when their renewal would occur during the unwinding period. It is critical that DHCS, in partnership with counties and MCPs, conduct extensive outreach to reestablish communication with beneficiaries and to ensure eligible individuals maintain coverage. DHCS is issuing a companion Medi-Cal Eligibility Division Information Letter (MEDIL) to inform counties of the collaboration expectations outlined in this APL.

This APL outlines the two phases of the DHCS PHE Unwind Communications Strategy to support the PHE Unwind operational planning as DHCS prepares to resume normal eligibility and enrollment operations:

- **Phase 1: Updating Medi-Cal Beneficiary Contact Information**

Phase 1 is fundamental to retaining continuity of coverage for Medi-Cal beneficiaries. **This phase must be launched immediately.** MCPs must utilize all modalities available and permitted, including but not limited to, in person point-of-care visits, text messaging, email, phone campaign, website banners, social media messages, flyers, and newsletters to conduct outreach and educate Medi-Cal beneficiaries about updating their contact information with their county social services agencies if it has changed since their last contact with the social services agency and they have not already done so. Due to the impacts of the COVID-19 PHE, obtaining updated contact information is critical to avoiding coverage loss. As such, MCPs must seek updated information immediately. MCPs must also remind beneficiaries to respond to all county requests for information.

- **Phase 2: 60-Days Prior to the COVID-19 PHE Termination**

Phase 2 is anticipated to commence 60 days prior to the COVID-19 PHE termination date upon notification from CMS of the expected PHE end date. MCPs must conduct additional outreach campaigns and educate Medi-Cal beneficiaries on the importance of contacting their local county social services agencies to update their contact information if it has changed and they have not already done so, and also to fill out any Medi-Cal redetermination paperwork that may come through regular mail. MCPs are encouraged to conduct multiple outreach campaigns using all modalities available and permitted, to support the Medi-Cal redetermination process and to remind beneficiaries to contact their local county social services agencies if they have updates on their circumstances. DHCS anticipates that there will be overlap between Phase 1 and 2 of the communication strategy due to the uncertainty of the PHE end date. DHCS will issue updated guidance regarding the timing of Phase 2 once the end date for the COVID-19 PHE is known.

Outreach conducted based upon the guidance found in this letter must be provided to beneficiaries in their preferred language or alternative format as outlined in APL 22-002.²

During the COVID-19 PHE, MCPs can continue to leverage the Telephone Consumer Protection Act (TCPA) “emergency purposes” exception. The Federal Communications Commission (FCC) rules define “emergency purposes” to mean “calls made necessary in any situation affecting the health and safety of consumers.” The FCC confirms that the COVID-19 pandemic constitutes an “emergency” under the TCPA. Further guidance from CMS will be forthcoming regarding the emergency exception.

DHCS COVID-19 Global Outreach Language

MCPs must use the COVID-19 Global Outreach Language in Medi-Cal Eligibility Division Information Letter (MEDIL) I 21-21, which includes approved messaging for social media posts, call scripts, website banners, and flyers.³ MCPs must submit their outreach package along with an attestation that there has been no language modification to their DHCS Contract Manager as file and use. MCPs can customize with their branding as needed without requiring additional DHCS approval. Translations of the COVID-19 Global Outreach Language can be found in MEDIL I 21-39.⁴

² APLs can be found at: <https://www.dhcs.ca.gov/formsandpubs/Pages/AllPlanLetters.aspx>

³ MEDIL I 21-21 can be found at: <https://www.dhcs.ca.gov/services/medi-cal/eligibility/letters/Documents/I21-21.pdf>

⁴ MEDIL I 21-39 can be found at: <https://www.dhcs.ca.gov/services/medi-cal/eligibility/letters/Documents/I21-39.pdf>

CMS Guidance: Four Strategies to Maximizing Continuity of Coverage

To further underscore the importance of MCPs during the PHE Unwind, CMS released guidance in December 2021 and March 2022 on four key strategies for use by MCPs to assist with the continuity of coverage for Medi-Cal beneficiaries.⁵ **The four strategies outlined must be used for both Phase 1 and Phase 2 outlined above.**

1. Partnerships to Obtain and Update Beneficiary Contact Information

MCPs must look for opportunities to improve communications with counties such as sharing with counties any updated beneficiary contact information including:

- Mailing addresses;
- Telephone numbers; and
- Email addresses.

MCPs should only provide updated contact information received directly from or verified by the beneficiary, or their authorized representative, and not from a third party or other source. MCPs must continue to follow guidance provided in All County Welfare Directors Letter (ACWDL) 15-30 regarding Medi-Cal Managed Health Care Plans–Beneficiary Contact Information – Changes or Updates.⁶ MCPs can utilize updated contact information directly received and verbally verified by a beneficiary who is being assisted by a Community-Based Organization (CBO), including a health enrollment navigator as long as the verification from the beneficiary is received with all three entities (beneficiary, CBO, and MCP) present, whether in-person, via phone, or in writing (when signed by the beneficiary). MCPs that receive third party updates from providers, delegated entities, or others may transmit information to counties if the MCP confirms the accuracy of the information with the beneficiary. MCPs are

⁵ CMS' Overview of Strategic Approach to Engaging Managed Care Plans to Maximize Continuity of Coverage as States Resume Normal Eligibility and Enrollment Operations can be found at: <https://www.medicaid.gov/resources-for-states/downloads/health-plan-strategy-12062021.pdf>. Also see SHO Letter #22-001, Promoting Continuity of Coverage and Distributing Eligibility and Enrollment Workload in Medicaid, the Children's Health Insurance Program (CHIP), and Basic Health Program (BHP) Upon Conclusion of the COVID-19 Public Health Emergency.

⁶ ACWDL 15-30 can be found at: <https://www.dhcs.ca.gov/services/medi-cal/eligibility/letters/Documents/c15-30.pdf>

encouraged to direct a beneficiary to their local social services agency when reporting changes other than updated contact information.

Additionally, to help beneficiaries update their contact information at counties, MCPs may currently provide direct assistance through a member portal, by calling the county's call center while the member is on the line to provide updates, or via warm phone transfers to the county call center. Network providers, subcontractors, and other third parties may also provide assistance to members to update contact information directly with counties.

To further strengthen all efforts to maximize continuity of coverage for Medi-Cal beneficiaries, CMS released State Health Official Letter 22-001 on March 4, 2022, allowing states to pursue time-limited Section 1902(e)(14)(A) waiver authority to accept updated enrollee contact information from managed care plans without additional confirmation with the beneficiary. Under this time-limited waiver authority through the PHE Unwind Period (12 months after the month in which the PHE ends), counties can treat updated contact information received from MCPs as reliable and update the beneficiary record with the new contact information without having to send a notice to the address on file in the Statewide Automated Welfare System (SAWS), the case management system used by counties for Medi-Cal eligibility. DHCS will be submitting this waiver request to CMS in the coming weeks. This waiver authority, once obtained, will temporarily supersede any such conflicting requirements in ACWDL 15-30. DHCS will notify counties and plans through a follow up letter.

MCPs can solicit opt-in consent directly from members via text messaging if permitted by contract and the law, including the TCPA. This can be a simple and straightforward text message that requests members to "opt-in" using "Yes" or "No" to future reminders and communications with their MCP. The consent received from members, if permitted by contract and the law, will allow MCPs to engage in various outreach opportunities to remind members to update their contact information and provide other important reminders related to their renewals. As a reminder, MCPs must follow the guidelines in ACWDL 15-30 to transmit updated information to counties, unless those specific requirements are superseded by a CMS approved Section 1902(e)(14)(A) waiver.

As a long-term strategy, DHCS is adding the consent to contact question in the Single Streamlined Application, which requires a State Plan Amendment (SPA) and is in the early stages of SPA submission to CMS. However, federal approvals are not anticipated until the fall of 2022, and thus MCPs are encouraged to use

text messaging to solicit “opt-in” consent of members as a short-term strategy, to the extent permitted by contract and the law.

DHCS is currently working with counties and MCPs to enhance the process outlined in ACWDL 15-30. DHCS is gathering information from counties and MCPs by means of a survey, which solicits information regarding the tracking and collection of updated information, how it is shared, and how often it is shared with counties. DHCS will utilize this information to determine what enhancements are possible and will work with counties and MCPs to effectuate these enhancements. Changes to this process will be provided to counties and MCPs in a future ACWDL and APL, respectively.

2. Sharing Renewal Files to Conduct Outreach and Provide Support to Individuals Enrolled in Medi-Cal during their Renewal Period

In order to assist with encouraging beneficiaries to complete and return their annual renewal forms or provide needed information to the counties, MCPs must connect with county partners to look for opportunities to obtain updated annual renewal dates to support outreach to these individuals. These opportunities can include MCPs working with counties to obtain monthly files containing information about beneficiaries for whom the county is mailing renewal packets to enable MCPs to conduct outreach and provide assistance with the annual renewal process. This action will support beneficiaries who need to submit their annual renewal form or additional documentation and are at risk of losing coverage. If annual renewal information cannot be obtained through these efforts, MCPs must conduct general outreach to Medi-Cal beneficiaries to encourage them to complete and return annual renewal forms or otherwise provide needed information to the counties, to the extent permitted by federal and state law and contract. As a reminder, some beneficiaries will have their Medi-Cal automatically renewed (without needing to submit information).

Medi-Cal beneficiaries can complete their annual renewal and report changes to their Medi-Cal case online. MCPs are encouraged to direct Medi-Cal beneficiaries to the web portal to create an online account in preparation for renewal activities. Beneficiaries can create an online account by going to www.benefitscal.com.

As part of this DHCS PHE Unwind Communication Strategy, MCPs must outreach to all members in both HCP statuses of “01” and “05” to the extent

permitted, and use the DHCS approved COVID-19 Global Outreach Language as file and use.⁷

To the extent permitted by law and contract, MCPs must conduct outreach campaigns using contact information available through avenues including, but not limited to, standard enrollment files provided by DHCS or information provided to the MCP through the beneficiary helpline to remind Medi-Cal beneficiaries to update their information with their counties and/or MCPs in advance of the PHE termination. If beneficiaries report updated contact information to MCPs, the MCPs must follow the guidelines in ACWDL 15-30 to transmit information to counties.

3. Conduct Outreach to Individuals Who Have Recently Lost Coverage for Procedural Reasons

To the extent permitted by law and contract, MCPs must conduct general outreach to individuals terminated from Medi-Cal within 90 days for procedural reasons, such as not returning their renewal form timely. Once terminated from Medi-Cal, a consumer is not considered a plan member and marketing regulations may apply. In accordance with Title 42 Code of Federal Regulations (CFR) Section 438.104, managed care plans generally cannot seek to influence enrollment in conjunction with the sale or offering of any private insurance (excluding Qualified Health Plans (QHPs)), and managed care plans cannot, directly or indirectly, engage in door-to-door, telephone, email, texting, or other cold-call marketing activities.⁸ By definition, marketing includes any communication from an entity to a Medi-Cal beneficiary who is not enrolled in that entity, that can reasonably be interpreted as intended to influence the beneficiary to enroll in that particular entity. General outreach from the MCPs on behalf of DHCS would not be considered marketing. MCPs and DHCS may collaborate to develop and share standardized messaging for outreach in order to comply with marketing regulations.

CMS clarified that beneficiaries in an HCP status of 05 during the 90-day cure period may still be considered a beneficiary for outreach purposes and would not be subject to the limitations outlined in this section.

⁷ Global outreach language can be found in MEDIL I 21-21.

⁸ CFR is searchable at: <https://www.ecfr.gov/>

4. Assist Individuals to Transition to and Enroll in Covered California if Ineligible for Medi-Cal

In the CMS guidance⁹, CMS clarified that MCPs may offer information about QHPs to their own members who are determined ineligible for Medi-Cal to assist in the transfer of members to Covered California without the need for a new application where applicable. Regulations do not prohibit MCPs from providing information on a QHP to members who could potentially enroll in a QHP due to a loss of Medi-Cal eligibility, or to potential members who may consider the benefits of selecting an MCP that has a related QHP in the event of future eligibility changes.

Currently, DHCS and Covered California are collaborating to implement Senate Bill (SB) 260 (Chapter 845, Statutes of 2019) which authorizes Covered California to enroll individuals in a QHP when they lose coverage in the Medi-Cal, Medi-Cal Access Program, and the County Children's Health Initiative Program and gain eligibility for financial assistance through Covered California. The auto-plan selection program will be launched in July 2022 and will seamlessly transition individuals into Covered California once annual renewals resume at the conclusion of the PHE. The provisions of SB 260 will ensure that individuals losing Medi-Cal will not experience a gap in coverage as long as they confirm their selection of the QHP and pay a premium if required for Covered California coverage within a month of their disenrollment from Medi-Cal.

In instances when an MCP learns that a member is losing Medi-Cal coverage either through the county or from the member self-reporting, the MCP may reach out to the member before they lose Medi-Cal coverage, offer information about QHPs, and assist them to complete the enrollment process to avoid a gap in coverage. MCPs may also collaborate with Covered California to develop standardized messaging for talking points, call scripts, and outreach language for this type of outreach. MCP must also inform the member of their right to

⁹ CMS' Overview of Strategic Approach to Engaging Managed Care Plans to Maximize Continuity of Coverage as States Resume Normal Eligibility and Enrollment Operations can be found at: <https://www.medicaid.gov/resources-for-states/downloads/health-plan-strategy-12062021.pdf>. Also see SHO Letter #22-001, Promoting Continuity of Coverage and Distributing Eligibility and Enrollment Workload in Medicaid, the Children's Health Insurance Program (CHIP), and Basic Health Program (BHP) Upon Conclusion of the COVID-19 Public Health Emergency.

continuity of care to the terminating provider under Health and Safety Code section 1373.96.

DHCS Coverage Ambassadors!

As part of the DHCS PHE Unwind Communications Strategy, DHCS will be looking to MCPs, counties, health enrollment navigators, and community stakeholders to serve as [DHCS Coverage Ambassadors!](#) to push communications on both Phases to Medi-Cal members, using the DHCS COVID-19 Global Outreach Language. DHCS will be providing additional materials in the form of a Communications Toolkit to our *DHCS Coverage Ambassadors!* in the upcoming weeks. Until the release of the Continuous Coverage Toolkit, MCPs must begin Phase 1 outreach immediately with the DHCS COVID-19 Global Outreach Language. MCPs can also sign up for the [DHCS Coverage Ambassadors! mailing list](#) for new updates and toolkits when they are available.

If you have any questions regarding this APL, please contact your Managed Care Operations Division Contract Manager.

Sincerely,

Original Signed by Dana Durham

Dana Durham, Chief
Managed Care Quality and Monitoring Division