

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



MICHELLE BAASS
DIRECTOR



GAVIN NEWSOM
GOVERNOR

DATE: November 28, 2022

ALL PLAN LETTER 22-024
SUPERSEDES ALL PLAN LETTERS 17-012 AND 17-013

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: POPULATION HEALTH MANAGEMENT POLICY GUIDE

PURPOSE:

The purpose of this All Plan Letter (APL) is to provide guidance to all Medi-Cal managed care health plans (MCPs) regarding the implementation of the Population Health Management (PHM) Program and the role of the PHM Policy Guide.

BACKGROUND:

As part of the California Advancing and Innovating Medi-Cal (CalAIM) initiative and pursuant to state law, the Department of Health Care Services (DHCS) is implementing a PHM Program.¹ The PHM Program seeks to establish a cohesive, statewide approach to all populations that brings together and expands upon many existing population health strategies. Under PHM, MCPs and their Networks and partners will be responsive to individual Member needs within the communities they serve while also working with a common framework and set of expectations.

PHM is a comprehensive, accountable plan of action for addressing Member needs and preferences, and building on their strengths and resiliencies across the continuum of care that:

- Builds trust and meaningfully engages with Members;
- Gathers, shares, and assesses timely and accurate data on Member preferences and needs to identify efficient and effective opportunities for intervention through processes such as data-driven risk stratification, predictive analytics, identification of gaps in care, and standardized assessment processes;
- Addresses upstream factors that link to public health and social services;
- Supports all Members staying healthy;
- Provides care management for Members at higher risk of poor outcomes;

¹ See Welfare and Institutions Code Section 14184.204. State law is searchable at: <https://leginfo.legislature.ca.gov/>. For more information on CalAIM, see: <https://www.dhcs.ca.gov/calaim>. For more information on the PHM Program, see: <https://www.dhcs.ca.gov/CalAIM/Pages/PopulationHealthManagement.aspx>.

- Provides transitional care services for Members transferring from one setting or level of care to another; and
- Identifies and mitigates social drivers of health to reduce disparities.

DHCS published a PHM Policy Guide in September of 2022 that incorporated stakeholder feedback.² The CalAIM PHM Policy Guide is a key DHCS guidance document that sets forth comprehensive requirements for all MCPs for the implementation of PHM, beginning on January 1, 2023.

POLICY:

Effective January 1, 2023, MCPs are required to establish a comprehensive PHM Program. The PHM Policy Guide is a resource for MCPs that builds upon the vision and foundational expectations outlined in the Final PHM Strategy and Roadmap.³ DHCS' requirements for MCPs to implement the PHM Program are contained in the forthcoming 2024 MCP Contract⁴ and PHM Policy Guide.

The PHM Policy Guide outlines policies and contains DHCS operational requirements and guidelines on the PHM Program. The PHM Policy Guide is available on the DHCS PHM webpage and is also posted as an attachment to this APL. DHCS may update the PHM Policy Guide to reflect the latest PHM Program requirements and guidelines. DHCS will notify MCPs in writing within 30 days of an update to the PHM Policy Guide.

Changes to the Health Risk Assessments (HRA) Process

Effective January 1, 2023, MCPs will no longer be required to follow the requirements outlined in APLs 17-012 and 17-013 related to HRAs. MCPs will be required to follow the policy related to changes to Seniors and Persons with Disabilities HRA requirements as outlined in the PHM Policy Guide.

If the requirements contained in this APL, including any updates or revisions to this APL, necessitate a change in an MCP's contractually required policies and procedures (P&Ps), the MCP must submit its updated P&Ps to its Managed Care Operations Division (MCPD) contract manager within 90 days of the release of this APL. If an MCP

² The PHM Policy Guide is available at: <https://www.dhcs.ca.gov/CalAIM/Documents/PHM-Policy-Guide.pdf>.

³ The Final PHM Strategy and Roadmap is available at: <https://www.dhcs.ca.gov/CalAIM/Documents/Final-Population-Health-Management-Strategy-and-Roadmap.pdf>.

⁴ 2024 MCP Contract, Exhibit A, Attachment III, Population Health Management Requirements. MCP boilerplate contracts are available at: <https://www.dhcs.ca.gov/provgovpart/Pages/MMCDBoilerplateContracts.aspx>

determines that no changes to its P&Ps are necessary, the MCP must submit an email confirmation to its MCO contract manager within 90 days of the release of this APL, stating that the MCP's P&Ps have been reviewed and no changes are necessary. The email confirmation must include the title of this APL as well as the applicable APL release date in the subject line.

MCPs are responsible for ensuring that their Subcontractors and Network Providers comply with all applicable state and federal laws and regulations, contract requirements, and other DHCS guidance, including APLs and Policy Letters.⁵ These requirements must be communicated by each MCP to all Subcontractors and Network Providers. If you have any questions regarding this APL, please contact your MCO Contract Manager.

Sincerely,

Original Signed by Dana Durham

Dana Durham, Chief
Managed Care Quality and Monitoring Division

⁵ For more information on Subcontractors and Network Providers, including the definition and applicable requirements, see APL 19-001, and any subsequent APLs on this topic. APLs are available at: <https://www.dhcs.ca.gov/formsandpubs/Pages/AllPlanLetters.aspx>.