

Michelle Baass | Director

Date: August 12, 2025

TO: ALL MEDI-CAL DENTAL MANAGED CARE PLANS

SUBJECT: ALL PLAN LETTER (APL) 25-007: DENTAL MANAGED CARE (DMC)

PLAN MEMBER SOFT CAP LIMIT

PURPOSE:

The purpose of this Dental All Plan Letter (APL) is for the Department of Health Care Services (DHCS) to clarify and provide guidance to Medi-Cal Dental Managed Care (DMC) plans regarding the \$1,800.00 annual soft cap limit for Medi-Cal dental services for members 21 years of age and older, as outlined in Welfare and Institutions (W&I) Code Section 14080,¹ which was added by Assembly Bill (AB) 131 (Chapter 80, Statutes of 2005)². This APL affirms the conditions under which the soft cap limit applies, as well as the exceptions to the soft cap limit.

BACKGROUND:

The fiscal year 2005–2006 Budget Act directed DHCS to implement limitations on non-exempt dental services for Medi-Cal members aged 21 or older. Pursuant to AB 131 (Chapter 80, Statutes of 2005), the soft cap limits covered dental services to \$1,800.00 per member, per calendar year (CY), unless services are deemed medically necessary or certain other exceptions apply. Guidance related to this cap is further defined in the W&I Code Section 14080, as well as in the 2009³, 2013⁴, and 2017⁵ State Plan Amendments (SPAs).

POLICY:

Pursuant to W&I Code Section 14080, as added by Assembly Bill (AB) 131 (Chapter 80, Statutes of 2005) and amended by AB 1183 (Chapter 758, Statutes of 2008), DHCS imposes a soft cap of \$1,800.00 per CY on non-exempt dental services for Medi-Cal members who are 21 years of age or older. This policy applies to all DMC plans serving Medi-Cal members.

The \$1,800.00 soft cap limit for Medi-Cal members who are 21 years of age or older does not apply to dental services that DHCS deems medically necessary services authorized via Treatment Authorization Request (TARs) or documented as meeting the Medi-Cal Dental Manual of Criteria (MOC)⁶ or under the following exceptions:

⁶ Manual of Criteria is in Section 5 of the Medi-Cal Dental Provider Handbook



¹ WIC section 14080

² AB 131 Chapter 80, Statutes of 2005

³ SPA 09-001

⁴ SPA 13-018

⁵ SPA 17-027

- Emergency dental services.
- Services that are federally mandated under Part 440 of Title 42 of Code of Federal Regulations (CFR)⁷, including pregnancy-related services and services for other conditions that might complicate the pregnancy.
- Dentures.
- Maxillofacial and complex oral surgery.
- Maxillofacial services, including dental implants and implant-retained prostheses.
- Services provided in long-term facilities.

If the treatment is a covered service, DMC plans are required to pay appropriate provider fees even if the \$1,800.00 limit has been met. The DMC plan and associated providers may not bill members additional fees if the \$1,800.00 limit (dental soft cap) has been met for the CY.

REQUIREMENTS:

If the requirements contained in this APL, including any updates or revisions to this APL, necessitate a change in a DMC plan's contractually required Policy and Procedure (P&P), the plan must submit its updated P&Ps with and without Track Changes to DHCS' Medi-Cal Dental Services Division (MDSD) at dmcdeliverables@dhcs.ca.gov within 90 days of the release of this APL.

If a DMC plan determines that no P&P changes are necessary, the DMC plan must submit an email confirmation to dmcdeliverables@dhcs.ca.gov within 10 days of the release of this APL, stating that the DMC plan'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.

DMC plans 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. These requirements must be communicated by each DMC Plan to all subcontractors and Network Providers.

⁷ <u>42 CFR Part 440 -- Services: General Provisions</u>

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If you have any questions regarding this APL, please contact the Medi-Cal Dental Services Division, at dmcdeliverables@dhcs.ca.gov.

Sincerely,

Original Signed by

Dana Durham Chief, Medi-Cal Dental Services Division Department of Health Care Services