CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES
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THIS LETTER SENT VIA EMAIL

All Medi-Cal Managed Care Plans
All Medi-Cal Skilled Nursing Facilities
Skilled Nursing Facility Associations

MANAGED CARE PLAN (MCP) LONG-TERM CARE (LTC) QUALITY ASSURANCE AND PERFORMANCE IMPROVEMENT (QAPI) PROGRAM REQUIREMENTS

This letter is to provide the requirements for the development and implementation of the Quality Assurance Performance Improvement (QAPI) programs specific to long-term care (LTC) provided to Members in skilled nursing facilities (SNFs). As established in All Plan Letter (APL) #24-009, DHCS requires MCPs to develop a standalone LTC QAPI program to monitor and improve the quality of care provided by contracted SNF so the State and MCPs can measure and quantify healthcare processes, outcomes, patient or resident perceptions, and organizational structure/systems that are associated with the ability to provide high-quality services related to one or more quality goals.

Continuous, data-driven performance improvement is critical to improving health care quality and to this end, DHCS requires MCPs' LTC QAPI programs to include the following:

- Contracted SNFs' QAPI programs, inclusive of the five key elements identified by CMS.[1]
  - MCPs should identify areas for improvement across their contracted SNFs, which can be informed through the SNF QAPIs
- Claims data for SNF residents, including but not limited to emergency room visits, healthcare associated infections requiring hospitalization, and potentially preventable readmissions as well as DHCS supplied WQIP data via a template provided by DHCS on a quarterly basis.
- Mechanisms to assess the quality and appropriateness of care furnished to Members using LTSS, including assessment of care between care settings and a comparison of services and supports received with those set forth in the Member's treatment/service plan.
- Efforts supporting Member community integration.

[1] QAPI five key elements are available at: https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/QAPI/Downloads/qapifiveelements.pdf

- DHCS and CDPH efforts to prevent, detect, and remediate identified critical incidents.

Medi-Cal Managed Care Delivery System Requirements

At the federal level, CMS requires state Medicaid programs that utilize capitated rates to develop and implement monitoring plans to ensure access and quality. Per Section 1915(b) of the Act[2] and 42 CFR 431.55[3], states must assure that 1915(b) waiver programs, including California Advancing and Innovating Medi-Cal (CalAIM), do not substantially impair access to services of adequate care where medically necessary. To fulfill this obligation, states must actively monitor the major components, namely: program impact, access, and quality of their waiver programs.

In accordance with 42 CFR 438.66[4] the State must have in effect a monitoring system, which must address all aspects of their managed care program(s) and managed care plan performance for at least the 13 specific program areas enumerated at 42 CFR § 438.66(b). These include, but are not limited to:

- appeal and grievance systems,
- medical management (including utilization management and case management),
- provider network management, and availability and accessibility of services (including network adequacy standards), and for all other provisions of the managed care contract, as appropriate.

The regulations at 42 CFR § 438.66(c) further require that each state uses the data collected from its monitoring activities to improve the performance of its managed care program(s). The regulations do not include an exhaustive list of performance areas in which data may be used for oversight; however, 42 CFR § 438.66(c) describes several types of data for various performance areas that are fundamental to managed care programs. The Medicaid Managed Care Regulations in 42 CFR part 438[5] also establish clear expectations on how access and quality must be assured in capitated programs. DHCS ensures compliance with these federal requirements through alignment with contractual Medi-Cal Managed Care Plan requirements.

DHCS establishes policy and contractual requirements for the MCPs to provide and administer benefits to Medi-Cal members under the Medi-Cal managed care delivery system. APL #24-009 identifies the minimum MCP LTC QAPI requirements as mandated by DHCS in alignment with federal requirements. MCPs may partner with SNFs to build a more robust LTC QAPI program, which may include requests for additional information within the contract agreement between the plan and the SNF. MCPs may request

[2] https://www.dhcs.ca.gov/provgovpart/Documents/CalAIM-1915b-Waiver-Proposal.pdf
[3] https://www.ecfr.gov/current/title-42/chapter-IV/subchapter-C/part-431/subpart-B/section-431.55
[4] https://www.ecfr.gov/current/title-42/chapter-IV/subchapter-C/part-438/subpart-B/section-438.66
[5] https://www.ecfr.gov/current/title-42/chapter-IV/subchapter-C/part-438

relevant materials as outlined in the contract agreement from their network SNF to develop focused and meaningful LTC QAPI programs or to better understand the community's needs.

The MCP LTC QAPI requirement was put in place to help foster collaborative partnerships between MCPs and network SNFs so Medi-Cal Members receive high quality and equitable care. Additionally, the MCP LTC QAPI programs function as a monitoring platform for DHCS to assess if MCPs are providing appropriate care coordination and transitional care services, working to help prevent repeated hospital admissions/infections, and helping address contracted SNFs' needs for additional support.

Teamwork and collaboration are core components to improving the quality of care provided across the network of contracted providers to make lasting and sustainable improvements.

Sincerely,

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