

Medicaid Managed Care Final Rule: Network Adequacy Proposal

California Department of Health Care Services

February 16, 2017

Presentation Outline

1. Final Rule Network Adequacy Overview/Requirements

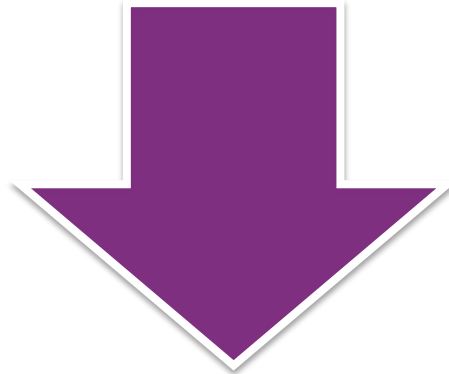
2. Current Network Adequacy Standards and Approach to Setting Proposed Standards

3. Proposed Network Adequacy Standards

4. Questions/Open Discussion/Next Steps

Final Rule Network Adequacy Overview/Requirements

Final Rule Network Adequacy Overview



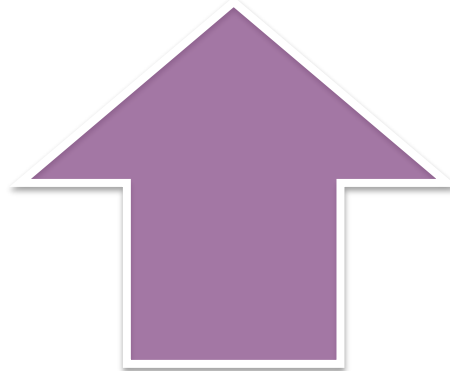
Federal rules¹

- Network adequacy standards established in the Final Rule



State flexibility

- State flexibility to implement network adequacy standards under the broad requirements of the Final Rule



¹ Managed Care Final Rule, Federal Register, Vol. 81, No. 88, §438.68 Network adequacy standards; §438.206 Availability of services; §438.207 Assurances of adequate capacity and services: <https://www.gpo.gov/fdsys/pkg/FR-2016-05-06/pdf/2016-09581.pdf>

Final Rule Network Adequacy Overview

Requirements

- Time and distance standards for specific provider types
- Network adequacy standards for Long-Term Services and Supports (LTSS) when the beneficiary travels to the provider
- Transparency and reporting requirements
- Annual network certification

Applicability

- Medi-Cal managed care health plans
- County mental health plans
- Substance Use Disorder – Drug Medi-Cal (DMC-ODS) Organized Delivery System health plans
- Dental managed care plans

Implementation

- July 1, 2018 contract year

Final Rule Network Adequacy Requirements

Time and Distance Standards

- Primary care (adult and pediatric)
- Specialty care (adult and pediatric)
- Behavioral health (adult and pediatric)
- OB/GYN
- Hospitals
- Pharmacy
- Pediatric dental

Timely Access Standards

- Primary care (adult and pediatric)
- Specialty care (adult and pediatric)
- Behavioral health (adult and pediatric)
- OB/GYN
- Hospitals
- Pharmacy
- Pediatric dental
- Long-Term Services and Supports (LTSS) providers that travel to the beneficiary

Transparency/Reporting Requirements

- Monitoring
- Annual Managed Care Program Report
- Network adequacy standards published on the website
- Standards made available in alternative formats

Annual Network Certification

- Certification of the adequacy of networks at least annually

Current Network Adequacy Standards and Approach to Setting Proposed Standards

Current Network Adequacy Standards

California has network adequacy standards in place today for managed care and dental managed care that meet and/or exceed many of the Final Rule requirements.

Knox-Keene Act (KKA)

- Sets forth time and distance standards for primary care, hospital, and dental health
- Sets forth timely access standards for primary care, specialist care, and dental health

DHCS Contracts

- Adopt Knox Keene standards
- Bind MCPs contractually to the KKA timely access and time and distance standards

Approach to Developing Proposed Standards

Mandated Elements

Anticipated Medicaid enrollment

Expected utilization of services

Characteristics/health care needs of specific populations

Number and types of network providers

Number of network providers not accepting new patients

Geographic location of network providers

Network provider communication in non-English languages

Culturally competent care to people with disabilities

Use of telemedicine or similar technologies

Approach to Developing Proposed Standards

Additional Factors Considered

Local, state, and national level discussions

Other states' standards

Other lines of business standards

Current standards and structures

Service utilization data

Provider availability data

Beneficiary demographics

Geographic variations between counties

Alternative modalities

Exceptions process

Proposed Network Adequacy Standards

Primary and Specialty Care

Provider Type	Time and Distance	Timely Access (Non-Urgent)
Primary care (adult and pediatric)	10 miles or 30 minutes from beneficiary's residence ³	Within 10 business days to appointment from request ³
Specialty care (adult and pediatric)	Based on county population size ² as follows: <u>Rural to Small Counties</u> : 60 miles or 90 minutes from the beneficiary's residence <u>Medium Counties</u> : 30 miles or 60 minutes from the beneficiary's residence <u>Large Counties</u> : 15 miles or 30 minutes from the beneficiary's residence	Within 15 business days to appointment from request ³

² County size categories adopted and modified from the Department of Finance.

Rural to Small: <55,000 to 199,999; Medium: 200,000 to 3,999,999; Large: ≥ 4,000,000

³ Requirement today

OB/GYN

Provider Type	Time and Distance	Timely Access (Non-Urgent)
Obstetrics/ Gynecology (OB/GYN)	<p>Primary Care or Specialty Care standards as determined by beneficiary access to OB/GYN provider as primary care provider or specialist</p> <p><i>Primary Care:</i> 10 miles or 30 minutes from beneficiary's residence³</p> <p><i>Specialty Care</i> is based on county population size² as follows:</p> <p><u>Rural to Small Counties:</u> 60 miles or 90 minutes from the beneficiary's residence</p> <p><u>Medium Counties:</u> 30 miles or 60 minutes from the beneficiary's residence</p> <p><u>Large Counties:</u> 15 miles or 30 minutes from the beneficiary's residence</p>	<p>Primary Care or Specialty Care standards as determined by beneficiary access to OB/GYN provider as primary care provider or specialist</p> <p><i>Primary Care:</i> Within 10 business days to appointment from request³</p> <p><i>Specialty Care:</i> Within 15 business days to appointment from request³</p>

Hospitals and Pharmacy

Provider Type	Time and Distance	Timely Access (Non-Urgent)
Hospitals	15 miles or 30 minutes from beneficiary's residence ³	
Pharmacy	<p>Based on county population size² as follows:</p> <p><u>Rural to Small Counties</u>: 60 miles or 90 minutes from the beneficiary's residence</p> <p><u>Medium Counties</u>: 30 miles or 60 minutes from the beneficiary's residence</p> <p><u>Large Counties</u>: 15 miles or 30 minutes from the beneficiary's residence</p>	<p>Request for prior authorization made via telecommunication: the greater of 24 hours or one business day response³</p> <p>Dispensing of at least a 72-hour supply of a covered outpatient drug in an emergency situation³</p>

Mental Health (Non-Physician)

Provider Type	Time and Distance	Timely Access (Non-Urgent)
Mental Health (adult and pediatric)	<p>Based on county population size² as follows:</p> <p><u>Rural to Small Counties</u>: 60 miles or 90 minutes from the beneficiary's residence</p> <p><u>Medium Counties</u>: 30 miles or 60 minutes from the beneficiary's residence</p> <p><u>Large Counties</u>: 15 miles or 30 minutes from the beneficiary's residence</p>	<p>Within 10 business days to appointment from request³</p>

Substance Use Disorder Services

Provider Type	Time and Distance	Timely Access (Non-Urgent)
Outpatient Services	<p>Based on county population size² as follows:</p> <p><u>Rural to Small Counties</u>: 60 miles or 90 minutes from the beneficiary's residence</p> <p><u>Medium Counties</u>: 30 miles or 60 minutes from the beneficiary's residence</p> <p><u>Large Counties</u>: 15 miles or 30 minutes from the beneficiary's residence</p>	Within 10 business days to appointment from request
Opioid Treatment Programs	<p>Based on county population size² as follows:</p> <p><u>Rural to Small Counties</u>: 30 miles or 45 minutes from the beneficiary's residence</p> <p><u>Medium Counties</u>: 15 miles or 30 minutes from the beneficiary's residence</p> <p><u>Large Counties</u>: 15 miles or 30 minutes from the beneficiary's residence</p>	Within 3 business days to appointment from request

Pediatric Dental

Provider Type	Time and Distance	Timely Access (Non-Urgent)
Pediatric Dental	10 miles or 30 minutes from beneficiary's residence ³	<i>Routine appointment:</i> Within 4 weeks to appointment from the request ³ <i>Specialist appointment:</i> Within 30 business days to appointment from the authorized request ³

LTSS

Provider Type	Time and Distance	Timely Access (Non-Urgent)
Skilled Nursing Facility (SNF)	None	Based on county population size ² as follows: <i>Rural to Small Counties:</i> Within 14 business days of request <i>Medium Counties:</i> Within 7 business days of request <i>Large Counties:</i> Within 5 business days of request
Intermediate Care Facility (ICF)	None	Based on county population size ² as follows: <i>Rural to Small Counties:</i> Within 14 business days of request <i>Medium Counties:</i> Within 7 business days of request <i>Large Counties:</i> Within 5 business days of request
Community Based Adult Services (CBAS)	None	Capacity cannot decrease in aggregate statewide below April 2012 level ³

Next Steps

Final Rule Network Adequacy Legislative Proposal

- DHCS is seeking public comment on the proposed standards.
- Please submit comments and questions to dhcsmcqmndnau@dhcs.ca.gov by **February 28, 2017**.