

From: DMHC Licensing eFiling

Subject: APL 23-019 (OPL) - Health Plan Expansion for Medicare Medi-Cal Plans

Date: Thursday, September 21, 2023 4:48 PM

Attachments: APL 23-017 - Health Plan Expansion for Medicare Medi-Cal Plans (9.21.23).pdf
Cal MediConnect Transition to Medicare Medi-Cal Plans Checklist (9.21.23).pdf
New Medicare Medi-Cal Plans Product and Benefit Expansion Checklist (9.21.23).pdf

Dear Health Plan Representative:

The Department of Managed Health Care (Department) issues this All Plan Letter (APL) 23-019 Health Plan Expansion for Medicare Medi-Cal Plans to provide background and identifies the subsets of health care service plans (plans) regulated by the Department that are required to submit a filing for Medicare Medi-Cal Plans (MMPs), the California-specific names for Exclusively Aligned Enrollment Dual Eligible Special Needs Plans (EAE D-SNPs).

Attached with this APL is the Cal MediConnect Transition to Medicare Medi-Cal Plans Checklist; and New Medicare Medi-Cal Plans Product and Benefit Expansion Filings Checklist.

Thank you.



Gavin Newsom, Governor
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ALL PLAN LETTER

DATE: September 21, 2023

TO: All Health Care Service Plans

FROM: Jenny Phillips
Deputy Director
Office of Plan Licensing

SUBJECT: APL 23-019 (OPL) Health Plan Expansion for Medicare Medi-Cal Plans

This All Plan Letter (APL) provides background and identifies the subsets of health care service plans (plans) regulated by the Department of Managed Health Care (Department) that are required to submit a filing for Medicare Medi-Cal Plans (MMPs), the California-specific names for Exclusively Aligned Enrollment Dual Eligible Special Needs Plans (EAE D-SNPs).

I. Background

In January 2022, the Department of Health Care Services (DHCS) implemented its California Advancing and Innovating Medi-Cal (CalAIM) initiative.¹ A portion of CalAIM is focused on integrated care for dual eligible beneficiaries via MMPs. An MMP is a Medicare Advantage plan for people who have both Medicare and Medi-Cal, combining Medicare and Medi-Cal managed care benefits and Medicare prescription drug benefits into one plan. MMPs coordinate all benefits and services across both programs, including all Medicare and Medi-Cal covered services.²

On January 1, 2023, Cal MediConnect plans were required to transition to MMPs.³ The January 2023 transition occurred in all seven Coordinated Care Initiative (CCI) counties, and health plans were required to transition members from the Cal MediConnect product to the MMP product.

In 2023, MMPs are available in Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo, and Santa Clara Counties. Beginning January 1, 2024, DHCS will

¹ <https://www.dhcs.ca.gov/calaim>

² <https://www.dhcs.ca.gov/services/Pages/Medi-Medi-Outreach.aspx>

³ <https://www.dhcs.ca.gov/provgovpart/Pages/Cal-MediConnect-to-D-SNP-Transition.aspx>

expand the availability of MMPs to five additional counties: Fresno, Kings, Madera, Sacramento, and Tulare. By January 2026, all Medi-Cal managed care plans (MCPs) will be required to operate MMPs unless determined otherwise by the DHCS exemption process.⁴

To support DHCS' January 2023 Cal MediConnect transition, in late 2021 the Department instructed plans with Cal MediConnect lines of business to submit a Notice of Material Modification filing in order to transition the product and beneficiaries to a D-SNP product. Plan reviewers communicated the filing requirement and provided the Checklist for Health Care Service Plans Medicare Advantage Dual Eligible Special Needs Plan (D-SNP) to affected plans. This APL describes additional filing requirements for plans that submitted a 2021 filing.

Additionally, some MCPs are currently licensed only as an MCP and need to expand their license to include a D-SNP product. The Filing Requirements discussed in Section II.c. address those plans and associated filing obligations.

II. Filing Requirements

a. Plans that submitted a 2021 Cal MediConnect Transition Filing

Plans⁵ that submitted a 2021 filing in response to the original Checklist for Health Care Service Plans Medicare Advantage Dual Eligible Special Needs Plan (D-SNP) must submit an Amendment filing, utilizing the updated 2023 Checklist for Health Care Service Plans Cal MediConnect Transition to Medicare Medi-Cal Plans (MMPs). This checklist can be found on the Department's website, [Cal MediConnect Transition to Medicare Medi-Cal Plans](#). The Amendment filing must describe all downstream plans and any contracts that were amended for the MMP product.

Plans that have submitted and received approval of their DHCS CY2024 Integrated Materials may continue to operationalize and offer the MMP product for CY2024.

b. Plans that did not submit a 2021 Cal MediConnect Transition Filing

1. Former Cal MediConnect primary plans and downstream plans

Former Cal MediConnect primary plans and downstream plans currently servicing MMP enrollment must submit a Notice of Material Modification filing to transition the Cal MediConnect product and beneficiaries to the MMP product. The Department will make Plan-specific modifications, as necessary, to the 2023 Checklist for Health Care Service Plans Cal MediConnect Transition to Medicare Medi-Cal Plans (MMPs).

⁴ <https://www.dhcs.ca.gov/CalAIM/Pages/timelines.aspx>

⁵ This also applies to County Organized Health Systems with a Knox-Keene license for Medi-Cal.

Although this is a Material Modification filing, plans that have submitted and received approval of their DHCS CY2024 Integrated Materials may continue to operationalize and offer the MMP product for CY2024.

2. Plans not previously licensed for Cal MediConnect

Plans currently operating an MMP, that were not previously licensed for Cal MediConnect, must submit a Material Modification filing requesting approval of the EAE D-SNP product. The Department will also make plan-specific modifications, as necessary, to the 2023 Checklist for New Medicare Medi-Cal (MMP) Product and Benefit Expansion Filings. This checklist can be found on the Department's website, [New Medicare Medi-Cal Plans Product and Benefit Expansion Filings](#).

Plans should request a prefiling conference within 30 days of the issuance of this APL. Filing deadlines will be established during the prefiling conference.

Although this is a Material Modification filing, plans that have submitted and received approval of their DHCS CY2024 Integrated Materials may continue to operationalize and offer the MMP product for CY2024.

c. Plans not licensed as a D-SNP

1. DMHC Licensed MCPs

MCPs licensed with the Department for Medi-Cal,⁶ but not licensed for a D-SNP under the same parent organization, must schedule a prefiling conference and file a Notice of Material Modification to expand their license to offer a D-SNP product. The Department will make Plan-specific modifications, as necessary, to the Checklist for Health Care Service Plans, Medicare Service Area Expansion. This checklist can be found on the Department's website, [Medicare Service Area Expansion](#).

Once the plan is licensed for a D-SNP product, the plan will submit a second Material Modification filing requesting approval of the MMP. Plans should request a prefiling conference, and the Department will make plan-specific modifications to the 2023 Checklist for New Medicare Medi-Cal (MMP) Product and Benefit Expansion Filings, as necessary. This checklist can be found on the Department's website, [New Medicare Med-Cal Plans Product and Benefit Expansion Filings](#). The prefiling conferences should be scheduled no later than 30 days after the issuance of the Order of Approval for the Medicare Advantage Application. Filing deadlines will be established during the prefiling conference.

2. County Organized Health Systems (COHS)

⁶ This includes County Organized Health Systems with a Knox-Keene license for Medi-Cal.

COHS plans that are not licensed for a D-SNP product must schedule a prefiling conference and file a Notice of Material Modification to expand its license to offer a D-SNP product. The Department will make Plan-specific modifications, as necessary, to the Checklist for Health Care Service Plans, Medicare Service Area Expansion. This checklist can be found on the Department's website, [Medicare Service Area Expansion](#).

Due to the COHS exemption from DMHC licensure, the DMHC will not require further information on the MMP product.

If you have questions or concerns regarding this APL, please contact your plan's assigned Plan Licensing reviewer.