

# DMHC Update

## 2022 CAHP Conference

October 19, 2022

Mary Watanabe, Director

Dan Southard, Chief Deputy Director

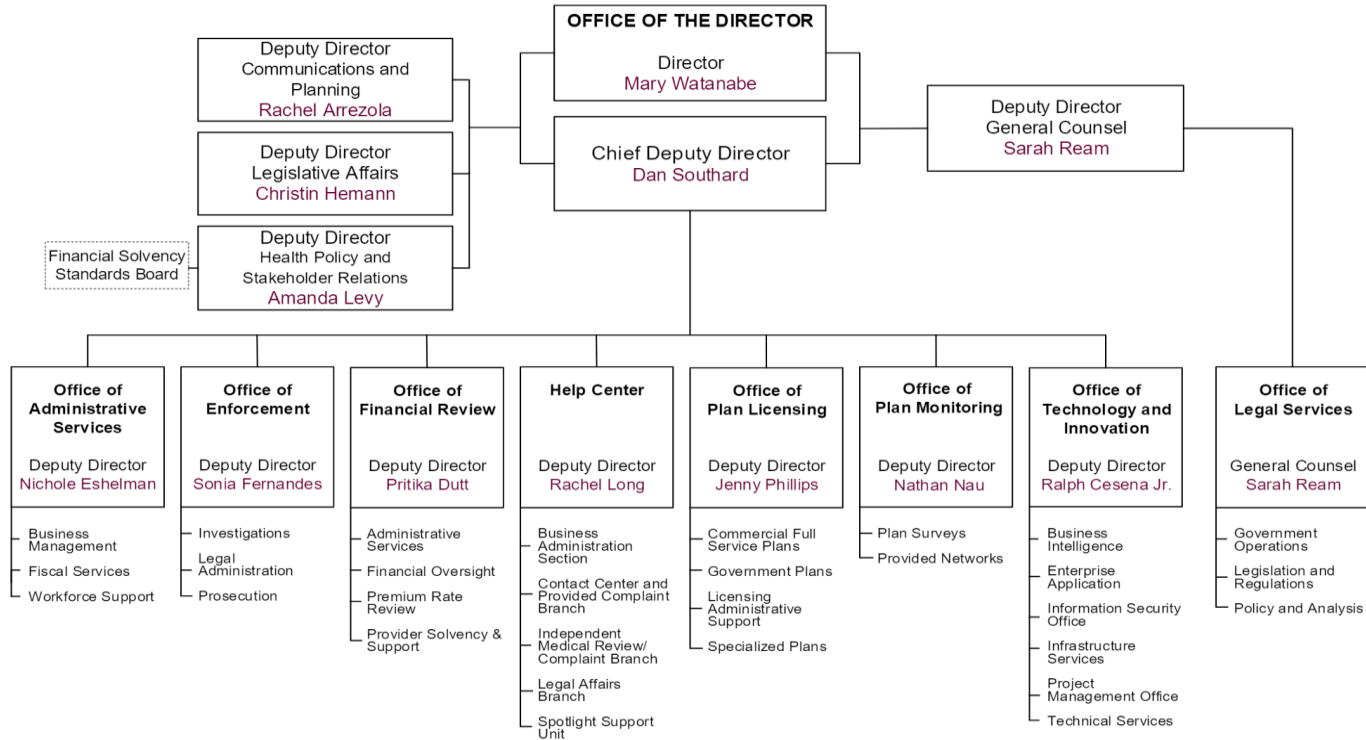
Amanda Levy, Deputy Director for Health Policy  
and Stakeholder Relations

Christin Hemann, Deputy Director for Legislative Affairs

# DMHC Mission Statement

The California Department of Managed Health Care protects consumers' health care rights and ensures a stable health care delivery system.

# DMHC Leadership Team



# Our Accomplishments



**2.6 MILLION**  
**CONSUMERS ASSISTED**

The DMHC Help Center educates consumers about their rights, resolves consumer complaints, helps consumers navigate and understand their coverage, and ensures access to health care services.



**\$86.3 MILLION**

dollars assessed against health plans that violated the law

**140**  
LICENSED  
HEALTH PLANS



**94** FULL SERVICE



**46** SPECIALIZED



**\$296.1 MILLION**

dollars saved on Health Plan Premiums through the Rate Review Program since 2011

**28.4 MILLION**  
CALIFORNIANS' HEALTH CARE RIGHTS  
ARE PROTECTED BY THE DMHC



**96%**

of state-regulated commercial and public health plan enrollment is regulated by the DMHC



**\$38.5 MILLION** dollars recovered from health plans on behalf of consumers



**\$177.8 MILLION**

dollars in payments recovered to physicians and hospitals

Approximately

**68%**

of consumer appeals (IMRs) to the DMHC resulted in the consumer receiving the requested service or treatment from their health plan

June 2021

# DMHC Priorities

- COVID-19 Response and Recovery
- Health Equity and Quality
- Behavioral Health
- Affordability and Market Stability
- Access to Care
- Legislation Implementation and Regulations

# COVID-19 Response and Recovery

- Since March 2020, the DMHC issued over 30 All Plan Letters and two emergency regulations related to the COVID-19 pandemic.
- The pandemic highlighted the social, economic, and health inequities that contributed to disproportionately higher infection and mortality rates.
- SB 510, COVID-19 Cost Sharing
- SB 1473, COVID-19 Therapeutics

# Health Equity and Quality Initiative

- In FY 2021-22, the DMHC received funding and authority to convene a Health Equity and Quality Committee to provide recommendations on health equity and quality measures and benchmark standards.
- Applies to commercial, Medi-Cal, and behavioral health specialized plans.
- Health plans must obtain and maintain National Committee for Quality Assurance (NCQA) accreditation by January 1, 2026.

# Health Equity and Quality Committee

- The DMHC convened the Health Equity and Quality Committee on February 24, 2022.
- The Committee met nine times from February – September 2022.
- The Committee recommended 13 measures to be stratified by race and ethnicity.
- The Committee recommended using the NCQA Quality Compass National Medicaid data for benchmarking but did not reach consensus on a percentile.



# Health Equity and Quality Measures

1. Colorectal Cancer Screening
2. Breast Cancer Screening
3. Hemoglobin A1c Control for Patients with Diabetes
4. Controlling High Blood Pressure
5. Asthma Medication Ratio
6. Depression Screening and Follow-Up for Adolescents and Adults
7. Prenatal and Postpartum Care

# Health Equity and Quality Measures

8. Childhood Immunization Status
9. Well-Child Visits in the First 30 Months of Life
10. Child and Adolescent Well-Care Visits
11. Plan All-Cause Readmissions
12. Immunizations for Adolescents
13. Consumer Assessment of Healthcare Providers and Systems (CAHPS) Health Plan Survey, Version 5.0 (Medicaid and Commercial): Getting Need Care

# Key Dates

- October 2022: Health Equity and Quality Committee Report with recommendations released
- By December 31, 2022: The DMHC to release an All Plan Letter with guidance for health plans
- Measurement Year 2023: Health plans begin collecting data on health equity and quality measures
- 2024: Health plans submit MY 2023 data to the DMHC
- 2025: First annual report published

# Behavioral Health

- Unprecedented demand during COVID-19
- Behavioral Health Investigations
- Children and Youth Behavioral Health Initiative
- SB 855, Mental Health/Substance Use Disorder Coverage Requirements
- SB 221, Timely Access

# Affordability and Market Stability

- SB 184: Office of Healthcare Affordability
- Medi-Cal Coverage Expansion
- Covered California
- Annual Reporting and Transparency
- Mergers and Acquisitions
- Risk Regulation

# Access to Care

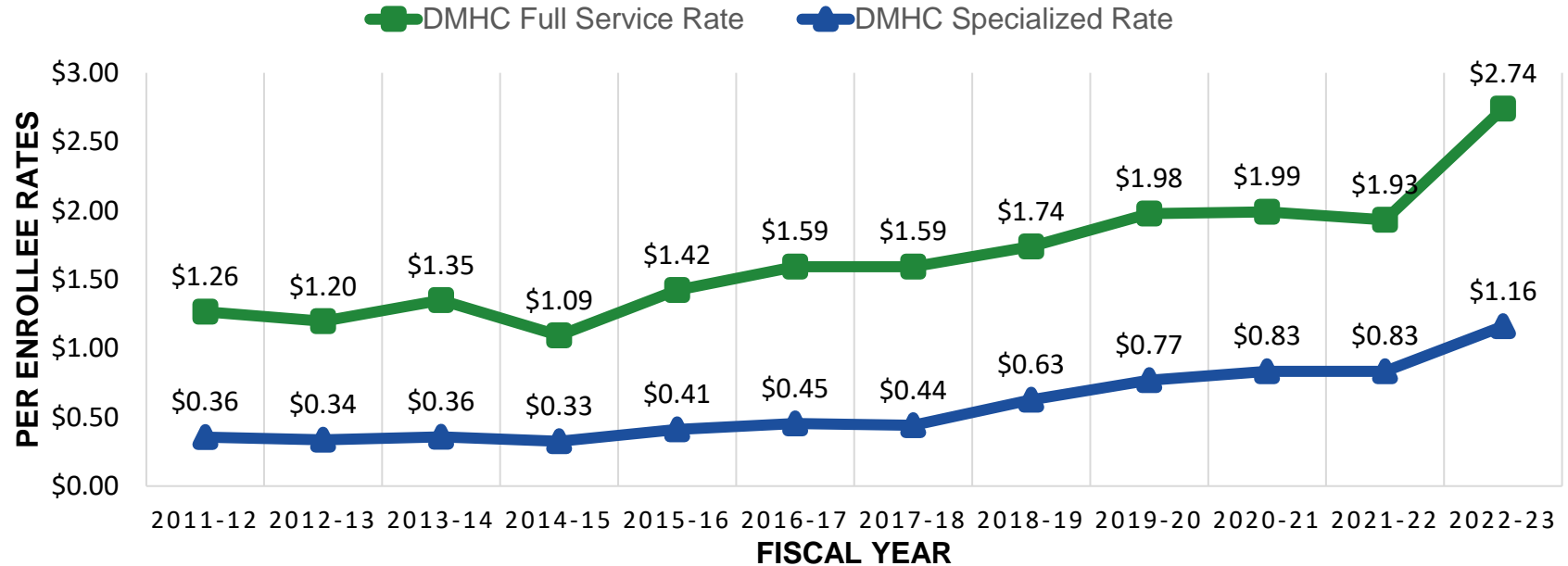
- Telehealth
- Network Adequacy
- Timely Access to Care
- SB 221, Timely Access
- SB 225, Timely Access Clean-up

# DMHC Growth (Dollars in millions)

	2018-19	2019-20	2020-21	2021-22	2022-23
Funding	\$83.9	\$91	\$96	\$103	\$125.7
Positions	451	482	505	516	610

# DMHC Assessments

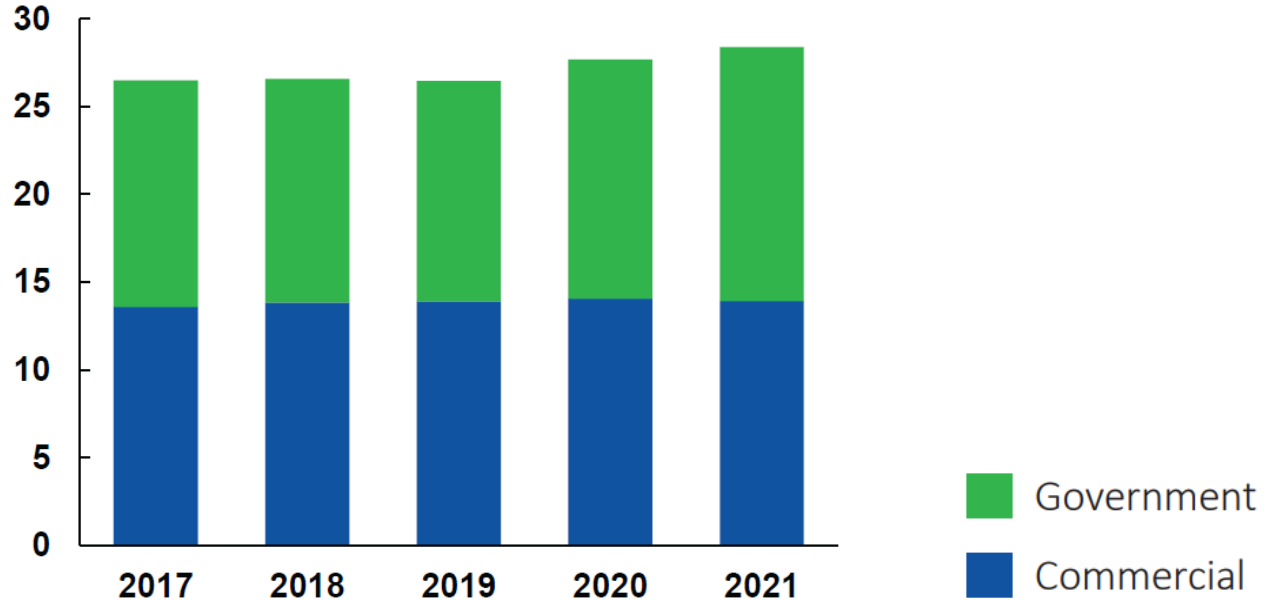
## DMHC Assessment Per Enrollee Rates by Fiscal Year





# DMHC Enrollment Over Time

Full Service Enrollment (In Millions)



# Recently Approved Regulations

- Transfer of Enrollees Per a Public Health Order
  - Effective on January 26, 2022
- Timely Access/Network Reporting
  - Effective on April 1, 2022
- Health Plan Annual, Quarterly, and Monthly Financial Reporting
  - Effective on July 1, 2022
- Summary of Dental Benefits and Coverage Disclosure Matrix
  - Effective on January 1, 2023

# Regulations in Process

- Update to AB 72, Surprise Balance Billing
  - Rulemaking to commence November 2022
- SB 855, Mental Health/Substance Use Disorder Parity
  - Rulemaking to commence October/November 2022
- Iatrogenic Fertility Preservation
  - Rulemaking to commence Fall 2022
- SB 137, Provider Directories
  - Rulemaking to commence Winter 2022

# Upcoming Regulations

- Grievances and appeals
- Large group rate review
- Individual and small group aggregate rate reporting
- General licensure/risk regulation amendment
- Regulations needed to implement recent legislation

# Children and Youth Behavioral Health Initiative Updates

- The Children and Youth Behavioral Health Initiative (CYBHI) requires commercial and Medi-Cal plans to reimburse for certain behavioral health services for individuals 25 years of age or younger provided or arranged by local educational agencies and public institutions of higher education.
- These services will be provided without utilization management and will not be subject to copayment, coinsurance, deductible, or any other form of cost sharing.

# Children and Youth Behavioral Health Initiative Updates

- DMHC will issue guidance via an All Plan Letter by December 31, 2023 to address commercial plan coverage of school-linked Behavioral Health services.
- DMHC will be working with the Department of Health Care Services (DHCS) to stand up a workgroup to discuss policy and operational issues with education representatives, health plans, and consumer advocates.

# 2022 Enacted Bill Summary

- AB 1982 (Santiago): Dental Plan Telehealth Disclosures
- AB 2127 (Santiago): Dependent Adult Notice
- SB 225 (Weiner): SB 221 Timely Access Cleanup
- SB 979 (Dodd): DMHC Emergency Authority
- SB 1207 (Portantino): Maternal Mental Health
- SB 1419 (Becker): Application Programming Interfaces

# Abortion Related Bills

- AB 2134 (Weber): Requires a health plan that provides health coverage to employees of a religious employer to provide enrollees with written information on excluded abortion and contraception benefits or services.
- AB 2205 (Carrillo): Requires health plans to annually report the amount of funds held in the segregated account.
- SB 245 (Gonzalez): Requires health plans to cover abortion and abortion-related services without a co-payment, deductible, or any type of cost-sharing requirement.



# AB 988 (Bauer-Kahan): Mental Health Crisis Hotline

- Requires the California Health and Human Services Agency to create a five-year implementation plan for the 988 system, including funding strategies.
- Health plans and insurers must reimburse 988 centers and mobile crisis units for the medically necessary treatment of a mental health or substance use disorder they provide to a plan enrollee.
- Effective: Immediately

# AB 2352 (Nazarian): Prescription Drug Disclosures

- Requires a health care service plan to furnish specified information about a prescription drug upon request by an enrollee or their prescribing provider.
- Prohibits a health plan from restricting a prescribing provider from sharing the information or penalizing a provider for prescribing a lower cost drug.
- Effective for health care service plan contracts issued, amended, delivered, or renewed on or after July 1, 2023.

# AB 2581 (Salas): Mental Health/Substance Use Disorder Provider Credentialing

- Requires health plans to complete the credentialing process for mental health and substance use disorder providers within 60 days from the time the provider submits their completed credentialing application.
- Requires health plans, upon receipt of the application, to notify the provider within seven business days, verify receipt, and confirm that their application is complete.
- Effective: January 1, 2023.

# SB 523 (Leyva): Contraceptive Coverage Expansion

- Requires health plans to cover contraceptive drugs, devices, and products for all enrollees without a prescription.
- Enrollees would not be charged cost-sharing for over-the-counter contraceptives obtained at in-network pharmacies, or for voluntary tubal ligation and vasectomy services.
- Effective: January 1, 2024.

# SB 858 (Wiener): Corrective Action Plans & Fines

- Revises the administrative and civil penalty provisions of the Knox-Keene Act and increases various specified penalty amounts assessed against health plans.
- Provides the DMHC with specific authority to impose corrective action plans.
- Effective: January 1, 2023.

# SB 923 (Wiener): Gender-Affirming Care Training

- Health plan staff who are in direct contact with enrollees, are required to complete evidence-based cultural competency training so that they can provide trans-inclusive health care to individuals who identify as transgender, gender diverse, or intersex (TGI).
- Effective: January 1, 2023.

# SB 1338 (Umberg): CARE Court

- Creates a court-ordered Community Assistance, Recovery, and Empowerment (CARE) plan for adults who are suffering from untreated schizophrenia spectrum and psychotic disorders and are in need of support and services.
- Implementation will be staggered so seven counties will begin in October 2023, and the remaining in December 2024.
- Health plans will be required to cover services for enrollees pursuant to the CARE plan.

# SB 1473 (Pan): Open Enrollment & COVID-19 Therapeutics

- Establishes an open enrollment period for products offered through Covered California from November 1 of the preceding calendar year to January 31 of the benefit year.
- Requires health plans to cover the costs of COVID-19 therapeutics, without cost-sharing, prior authorization, utilization management, or in-network requirements.
- Effective: Immediately.



# Questions?