

From: Chechi_Munir@DMHC
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["sheree.marzka@beaconhealthoptions.com"](mailto:sheree.marzka@beaconhealthoptions.com); ["jgrant@healthadvocate.com"](mailto:jgrant@healthadvocate.com)
Cc: Wong_Nancy@DMHC; McKnight_Kathleen@DMHC; Pheng_Nancy@DMHC; Jogani_Mahavir@DMHC
Subject: Section 1367.27 EAP Exemption
Date: Thursday, August 18, 2016 4:49:00 PM
Attachments: [Section 1367 27 EAP Compliance.pdf](#)

Dear Health Plan Reviewer:

This email regarding compliance with Section 1367.27 (SB 137) is being sent to all applicable plans which arrange for Employee Assistance Programs.

Attached you will find correspondence dated August 18, 2016.

For any questions, please contact Mahavir Jogani, Attorney, Office of Plan Licensing at (916) 445-4565 or Mahavir.Jogani@dmhc.ca.gov.

Thank you for your attention to this matter.

Regards,

Nancy Wong
Deputy Director
Office of Plan Licensing
916-323-1228
Nancy.Wong@dmhc.ca.gov

DATE: August 18, 2016

TO: Health Plans Offering an Employee Assistance Program (“EAP”)

FROM: Nancy Wong, Deputy Director, Office of Plan Licensing

SUBJECT: **Section 1367.27 EAP Compliance**

As of July 1, 2016, all health care service plans are required to publish and maintain a provider directory or directories with information on contracting providers that deliver health care services to the health plan’s enrollees pursuant to Section 1367.27 of the Knox-Keene Health Care Service Plan Act of 1975¹.

Pursuant to Section 1343(b), the Director is permitted to exempt the application of certain provisions of the Act. A health plan may seek an exemption relating to compliance with Section 1367.27 for its EAP business. Health plans seeking such an exemption must submit a Notice of Material Modification entitled “Section 1367.27 EAP Exemption” through the Department’s e-Filing web portal by **October 1, 2016**. The filing should include the Rule 1300.52.1 Form Notice of Material Modification and an Exhibit E-1 addressing the plan’s basis for exemption including, but not limited to, the following information:

- An overview of the EAP health care delivery model, including a detailed explanation regarding how enrollees access EAP providers;
- A description of how the plan internally maintains and updates an accurate list of contracted EAP providers;
- A description regarding an enrollee’s choice of provider consistent with the disclosure requirements of Rule 1300.63.2(c)(17);
- An explanation of whether the plan, upon request and at no charge, provides a list of providers currently available to an enrollee, including how such a list can be requested and what provider information would be included; and
- A clear explanation that describes how the plan’s exemption from compliance with Section 1367.27 would be in the public interest and not detrimental to the protection of subscribers, enrollees, or the general public seeking access to an EAP provider. See Section 1343.

The Department will consider exemption requests for EAPs on a case-by-case basis. Health plans which do not file a request for exemption for its EAP business must continue to demonstrate full compliance with Section 1367.27, as currently under review by the Department.

For any questions about submitting your health plan’s filing, please contact Mahavir Jogani, Attorney, Office of Plan Licensing, at 916-445-4565 or Mahavir.Jogani@dmhc.ca.gov.

¹ California Health and Safety Code Sections 1340 et seq. (the “Act”). References herein to “Section” are to sections of the Act. References to “Rule” refer to the regulations promulgated by the Department at California Code of Regulations, title 28.

From: [Chechi, Munir@DMHC](mailto:Chechi.Munir@DMHC) on behalf of [DMHC Licensing eFiling](#)
To: ["matthew@avantehealth.com"](mailto:matthew@avantehealth.com); ["peggy.wagner@rfl.com"](mailto:peggy.wagner@rfl.com); ["marcuss@holmangroup.com"](mailto:marcuss@holmangroup.com);
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["sheree.marzka@beaconhealthoptions.com"](mailto:sheree.marzka@beaconhealthoptions.com)
Subject: FW: Section 1367.27 EAP Exemption
Date: Tuesday, October 04, 2016 3:40:00 PM
Attachments: [Section 1367.27 EAP Compliance.pdf](#)

Dear Health Plan Reviewer:

The Department of Managed Health Care's August 18, 2016 correspondence advised the Plan that it could seek an exemption from Section 1367.27 for its EAP line of business. To date, the Department of Managed Health Care (the "Department") has not received a filing from the Plan seeking an exemption. To assist the Department in reviewing exemption filings, please confirm, in a "reply" response to this email, that the Plan will not request an exemption from Section 1367.27 for its EAP line of business.

Thank you for your attention to this matter.

From: Chechi, Munir@DMHC
Sent: Thursday, August 18, 2016 4:50 PM
To: 'matthew@avantehealth.com'; 'lorna.villacarlos-mora@cigna.com'; 'cecile_currier@concern-eap.com'; 'bweir@empathia.com'; 'peggy.wagner@rfl.com'; 'marcuss@holmangroup.com'; 'jgluzman@magellanhealth.com'; 'Larry.X.Tallman@healthnet.com'; 'jennifer.d.thompson@optumhealth.com'; 'sheree.marzka@beaconhealthoptions.com'; 'jgrant@healthadvocate.com'
Cc: Wong, Nancy@DMHC; McKnight, Kathleen@DMHC; Pheng, Nancy@DMHC; Jogani, Mahavir@DMHC
Subject: Section 1367.27 EAP Exemption

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Thank you for your attention to this matter.

Regards,

Nancy Wong
Deputy Director
Office of Plan Licensing
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Nancy.Wong@dmhc.ca.gov

