



**HEALTHY FAMILIES PROGRAM  
TRANSITION TO MEDI-CAL**

**NETWORK ADEQUACY ASSESSMENT REPORT  
SECOND ADDENDUM TO PHASE 1**

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**Submitted by the California Department of Managed Health Care and  
the Department of Health Care Services**

**HEALTHY FAMILIES PROGRAM TRANSITION TO MEDI-CAL  
NETWORK ASSESSMENT – SECOND ADDENDUM TO PHASE 1**

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# PHASE 1 HEALTHY FAMILIES TRANSITION TO MEDI-CAL NETWORK ASSESSMENT

## SECOND ADDENDUM

### I. Introduction

On November 1, 2012, the Department of Health Care Services (DHCS) and the Department of Managed Health Care (DMHC) (hereinafter “the departments”) presented the “Healthy Families Program Transition to Medi-Cal – Network Adequacy Assessment Report – Phase 1” (hereinafter “Phase 1 Assessment”) to the state Legislature and the public at large. The departments subsequently submitted the “Healthy Families Program Transition to Medi-Cal – Network Adequacy Assessment Report – First Addendum to Phase 1” (hereinafter “First Addendum Report”) to the Legislature on January 1, 2013. This Second Addendum provides updated assessments for the Phase 1, Part C, networks that were not previously assessed for network adequacy and provides an update on Health Net’s network in Kern, Stanislaus, and Tulare counties. Please see the Phase 1 Assessment for a description of the methods and standards applied in conducting these network assessments.

The Phase 1, Part C counties are scheduled to transition on April 1, 2013. However, the DHCS and Centers for Medicaid and Medicare Services feel that it is important to provide Health Net with more time in which to contact and assist HFP enrollees in Los Angeles and San Diego Counties in selecting a new primary care provider and ensuring continuity of care of existing services. Thus, counties in Phase 1C will move on two separate dates:

- April 1, 2013— Kern, Sacramento, San Joaquin, Stanislaus, and Tulare Counties
- May 1, 2013—Los Angeles and San Diego Counties

### II. Health Net of California – Provider Network Assessment

Although the departments have previously reviewed Health Net’s (“Plan”) networks, the Plan’s networks could not be fully evaluated in the Phase 1 network assessment. In the First Addendum Report, the departments recommended delaying the transition of Health Net Healthy Families Program (HFP) enrollees into Medi-Cal until Part C of Phase 1, scheduled for April 1, 2013. The departments indicated they would conduct a complete reassessment of Health Net’s networks for all Phase 1 counties prior to the transition.

The Plan has been providing continual updates to the departments regarding its progress in obtaining new Medi-Cal providers and confirming that existing Medi-Cal providers will treat HFP enrollees post-transition. The Plan has indicated that its entire Medi-Cal network is available for all transitioning HFP enrollees in Kern, Stanislaus, and Tulare counties. The Plan has indicated that for Los Angeles, Sacramento, San Diego, and San Joaquin counties, a network

consisting of a combination of Medi-Cal and former HFP-only physicians will be available to treat HFP enrollees after they transition into Medi-Cal. In most cases, this has resulted in a larger network available to former HFP enrollees than would otherwise be available in the Medi-Cal network. In some cases, the new providers who have agreed to treat former HFP enrollees will also be available in the Medi-Cal network to treat existing Medi-Cal enrollees. For all counties, each assessment is based on the network that will be available to former HFP enrollees post-transition.

### ***Kern County***

In Kern County, Plan data indicate the Plan's Medi-Cal network contains 117 PCPs and 358 total physicians, whereas the Plan's Healthy Families Program ("HFP") network contains 125 PCPs and 431 total physicians. The Plan indicates that it assigns patients to clinics as well as to individual providers. Where relevant, the departments have provided separate data points for individual providers and clinics.

#### ***Provider Network Overlap.***

##### ***Primary Care Physicians.***

- The Plan indicates that 95% of its HFP enrollees will be able to keep their PCPs post-transition.
- Plan data indicate that 100% of clinics and 78% of individual providers that participate in the Healthy Families Program will also participate in the Plan's Medi-Cal program.
- With regard to PCPs who accept children, 95% of HFP pediatricians, 100% of HFP OB/GYNs, 97% of HFP family practitioners,<sup>1</sup> and 100% of HFP general practitioners are in the Plan's Medi-Cal network.

##### ***Specialists.***

- With regard to specialists, 61% of the Plan's HFP specialists are in the Medi-Cal network.
- While the Medi-Cal network does not include all of the specialty types available in the HFP network, all highly-utilized specialty types available in the HFP network are also available in the Medi-Cal network.
- The Plan's Medi-Cal network offers six pediatric specialists, comprising 2% of the Plan's specialist network, which is less than what is available in the Plan's HFP network (12 pediatric specialists comprising 4% of the Plan's HFP specialist network).<sup>2</sup>

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<sup>1</sup> The term "family practitioners" includes both family practice and family medicine designations.

<sup>2</sup> Per Health and Safety Code § 1367, subd. (i) and California Code of Regulations, title 28, § 1300.67, subd. (a), all plans are obligated under the Knox Keene Act to provide basic health care services, which includes access to medically necessary physician services, including services from specialist physicians. This would include pediatric specialists if medically necessary. If a health plan does not contain a certain specialist in its network, it is required to arrange for out-of-network care when it is medically necessary for an enrollee to see that specialty type. Therefore, the lack of a specific specialty type alone does not constitute a major concern with the network.

## *Provider Capacity.*

### ***Primary Care Physicians.***

- Plan data indicate that the Medi-Cal network will have one PCP for every 424 enrollees after the transition and one physician overall for every 150 enrollees after the transition.
- According to Plan data, 97% of Medi-Cal PCPs will be under the Plan-defined Medi-Cal enrollee assignment limit after the transition. For those enrollees assigned to a PCP who is over the enrollee assignment limit, they will continue to be able to switch to a PCP with fewer assigned enrollees if they so choose.<sup>3</sup>
- Plan data indicate that 64% of individual Medi-Cal PCPs and 100% of Medi-Cal clinics are accepting new Medi-Cal patients beyond those transitioning from HFP.

### ***Specialists.***

- With regard to specialty care, the Medi-Cal network will offer fewer individual providers than the HFP product in some specialty areas. However, given the patterns of utilization of these specialty areas by Medi-Cal enrollees, it is unlikely that the transition of the HFP members to Medi-Cal will generate network adequacy concerns with regard to the capacity of or access to specialists.

*Geographic Access.* The following cities in Kern County currently each have one HFP PCP but no Medi-Cal PCPs: Frazier Park and Rosamond. Only 20 enrollees are assigned to the HFP provider in Rosamond. Rosamond is within 30 minutes of the city of Lancaster. While Lancaster is in Los Angeles County, the Health Net Medi-Cal network in Los Angeles does offer PCPs in the city of Lancaster. Enrollees assigned to the PCP in Frazier Park will have access to providers in the neighboring city of Lebec, which is within a 30 minute driving distance of Frazier Park.

**Assessment:** The departments have no concerns about the Plan's network. There is a high degree of overlap between the Plan's HFP and Medi-Cal PCP networks. While there is not as high a degree of overlap of the specialist network, the Medi-Cal network appears to have adequate diversity and capacity to serve the specialty needs of the population. Overall, the network appears to have adequate capacity to take the additional HFP enrollment and provide services within the appropriate access standards.

## ***Los Angeles County***

In Los Angeles County, Plan data indicate the Plan's Medi-Cal network contains 1,099 PCPs and 3,831 total physicians, whereas the Plan's Healthy Families network contains 1,805 PCPs and 7,091 total physicians. The Plan has been reaching out to HFP and Medi-Cal providers to determine which providers will be available to treat HFP enrollees after their transition into

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<sup>3</sup> Please note that this percentage reflects the current number of Medi-Cal and HFP patients assigned to the PCPs who are confirmed to treat HFP enrollees post-transition.. As such, the post-transition assignment levels are not a result of the transition but simply reflect current assignment levels.

Medi-Cal. The Plan has confirmed that 1,143 PCPs and 3,875 physicians will be available to treat HFP enrollees post-transition. Based on Plan data, it appears that the 1,143 PCPs confirmed to treat HFP enrollees post-transition includes 956 PCPs from the Medi-Cal network and an additional 187 PCPs that were formerly only available through the HFP network. This network is larger than the Plan's currently contracted Medi-Cal network and, in some cases, the new providers who have agreed to treat former HFP enrollees will also be available in the Medi-Cal network to treat existing Medi-Cal enrollees. The Plan indicates that 105 Medi-Cal providers have still not confirmed whether they will treat HFP enrollees post-transition. The following network analysis and assessment for Los Angeles County is based on the provider network that is currently confirmed to be available to treat HFP enrollees post-transition.

#### *Provider Network Overlap.*

##### ***Primary Care Physicians.***

- The Plan indicates that 74% of HFP enrollees will be able to continue seeing their assigned PCP post-transition; however, the Plan indicates that it is continuing to update its network and expects that the percentage of HFP enrollees able to continue seeing their assigned PCP post-transition will increase by the date of transition.
- Plan data indicate that 72% of PCPs who participate in the HFP network will be available to treat HFP enrollees post-transition.
- With regard to PCPs who accept children, 75% of HFP pediatricians, 60% of HFP family practitioners, 100% of HFP OB/GYNs, 92% of HFP general practitioners, and 66% of HFP internal medicine practitioners will be available to treat HFP enrollees post-transition.

##### ***Specialists.***

- With regard to specialists, 48% of the Plan's HFP specialists are in the Medi-Cal network.
- While the Medi-Cal network does not include all of the specialty types available in the HFP network, all highly-utilized specialty types available in the HFP network are also available in the Medi-Cal network.
- The Plan's Medi-Cal network offers 575 pediatric specialists, comprising 7% of the Plan's specialist network, which is less than what is available in the Plan's HFP network (1,202 pediatric specialists comprising 7% of the Plan's HFP specialist network).<sup>4</sup>

#### *Provider Capacity.*

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<sup>4</sup> Per Health and Safety Code § 1367, subd. (i) and California Code of Regulations, title 28, § 1300.67, subd. (a), all plans are obligated under the Knox Keene Act to provide basic health care services, which includes access to medically necessary physician services, including services from specialist physicians. If a health plan does not contain a certain specialist in its network, it is required to arrange for out-of-network care when it is medically necessary for an enrollee to see that specialty type. Therefore, the lack of a specific specialty type alone does not constitute a major concern with the network.

### ***Primary Care Physicians.***

- Plan data indicate that the Medi-Cal network will have one PCP for every 479 enrollees after the transition and one physician overall for every 141 enrollees after the transition.
- According to Plan data, 99% of Medi-Cal PCPs will be under the Plan-defined Medi-Cal enrollee assignment limit after the transition. For those enrollees assigned to a PCP who is over the enrollee assignment limit, they will continue to be able to switch to a PCP with fewer assigned enrollees if they so choose.<sup>5</sup>
- The Plan data indicate that 86% of PCPs are currently accepting new Medi-Cal patients.

### ***Specialists.***

- With regard to specialty care, the Medi-Cal network will offer fewer individual providers than the HFP product in some specialty areas. However, given the patterns of utilization of these specialty areas by Medi-Cal enrollees, the transition of the HFP members to Medi-Cal should not generate network adequacy concerns in regards to the capacity of or access to specialists.

*Geographic Access.* The following cities in Los Angeles County currently each have HFP PCPs but no Medi-Cal PCPs: Montrose, Palos Verdes Estates, Porter Ranch, Rancho Palos Verdes, Rolling Hills Estates, Santa Fe Springs, Sierra Madre, Signal Hill, and Tujunga. Currently, 244 HFP enrollees are assigned to PCPs in these cities. Additionally, there are no PCPs in the cities of Altadena and Walnut who are accepting new Medi-Cal patients. Plan data indicate that the Plan has Medi-Cal PCPs in cities that are within 10 miles or 30 minutes of the above-listed cities, so the affected HFP enrollees will be able to access a PCP in accordance with geographic access standards.

**Assessment:** The departments have no concerns about the capacity of the network to accept transitioning HFP enrollees and to provide continuity of care. There is a moderately high degree of overlap between the HFP and Medi-Cal networks, and it appears that a significant number of HFP enrollees are likely to be able to keep their assigned PCP post-transition. For enrollees who will not be able to maintain their current PCP, the Plan is required to provide ongoing care with a non-network treating PCP for 12 months following the transition, if the PCP accepts the Medi-Cal rate. Therefore, enrollees whose PCP does not contract with the Plan may still continue to see their PCP for 12 months post-transition. The Medi-Cal PCP network appears to have ample capacity to take on the HFP enrollment, as illustrated by the low post-transition provider-to-enrollee ratios, high number of providers in the network, and overwhelming percentage of providers who are under their Plan-defined assignment limits. Furthermore, while there is a low

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<sup>5</sup> Please note that this percentage reflects the current number of Medi-Cal and HFP patients assigned to the PCPs who are confirmed to treat HFP enrollees post-transition.. As such, the post-transition assignment levels are not a result of the transition but simply reflect current assignment levels.

degree of overlap of the specialist network, the Medi-Cal network appears to have adequate diversity and capacity to serve the specialty needs of the population. Overall, the network appears to have adequate excess capacity to appropriately serve transitioning HFP enrollees in accordance with regulatory and contractual access standards.

### ***Sacramento County***

In Sacramento County, Plan data indicate the Plan's Medi-Cal network contains 107 PCPs and 1,476 total physicians, whereas the Plan's HFP network contains 157 PCPs and 1,881 total physicians. The Plan has been reaching out to HFP and Medi-Cal providers to determine which providers will be available to treat HFP enrollees after their transition into Medi-Cal. The Plan has confirmed that 125 PCPs and 1,494 physicians from both product lines will be available to treat HFP enrollees post-transition. Based on Plan data, it appears that the 125 PCPs confirmed to treat HFP enrollees post-transition includes 90 PCPs from the Medi-Cal network and an additional 35 PCPs that were formerly only available through the HFP network. This network is larger than the Plan's currently contracted Medi-Cal network and, in some cases, the new providers who have agreed to treat former HFP enrollees will also be available in the Medi-Cal network to treat existing Medi-Cal enrollees. The following network analysis and assessment for Sacramento County is based on the provider network that will be available to treat HFP enrollees post-transition.

#### ***Provider Network Overlap.***

##### ***Primary Care Physicians.***

- The Plan indicates that 74% of HFP enrollees will be able to continue seeing their assigned PCP post-transition.
- Plan data indicate that 66% of providers that participate in the HFP network will be available to treat HFP enrollees post-transition.
- With regard to PCPs who accept children, 78% of HFP pediatricians, 50% of HFP family practitioners, 91% of HFP general practitioners, and 70% of HFP internal medicine practitioners will be available to treat HFP enrollees post-transition.

##### ***Specialists.***

- With regard to specialists, 53% of the Plan's HFP specialists are in the Medi-Cal network.
- The Medi-Cal network includes all but one of the specialty types available in the HFP network. All highly-utilized specialty types available in the HFP network are also available in the Medi-Cal network.<sup>6</sup>

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<sup>6</sup> Per Health and Safety Code § 1367, subd. (i) and California Code of Regulations, title 28, § 1300.67, subd. (a), all plans are obligated under the Knox Keene Act to provide basic health care services, which includes access to medically necessary physician services, including services from specialist physicians. If a health plan does not contain a certain specialist in its network, it is required to arrange for out-of-network care when it



- The Plan’s Medi-Cal network offers 287 pediatric specialists, comprising 9% of the Plan’s specialist network, which is less than what is available in the Plan’s HFP network (308 pediatric specialists comprising 8% of the Plan’s HFP specialist network).<sup>7</sup>

*Provider Capacity.*

***Primary Care Physicians.***

- Plan data indicate that the network of providers who will be available to treat HFP enrollees post-transition will have one PCP for every 644 enrollees after the transition and one physician overall for every 54 enrollees after the transition.
- According to Plan data, 97% of PCPs who will be available to treat HFP enrollees post-transition will be under the Plan-defined Medi-Cal enrollee assignment limit after the transition. For those enrollees assigned to a PCP who is over the enrollee assignment limit, they will continue to be able to switch to a PCP with fewer assigned enrollees if they so choose.<sup>8</sup>
- The Plan data indicate that 76% of Medi-Cal PCPs are currently accepting new Medi-Cal patients.

***Specialists.***

- With regard to specialty care, the Medi-Cal network will offer fewer individual providers than the HFP product in some specialty areas. However, given the patterns of utilization of these specialty areas by Medi-Cal enrollees, the transition of the HFP members to Medi-Cal should not generate network adequacy concerns in regards to the capacity of or access to specialists.

*Geographic Access.* All HFP enrollees transitioning into the Medi-Cal network will have the same geographic access to providers that they currently have under the HFP. All cities currently served by the HFP contain providers who will be available to treat HFP enrollees post-transition and are continuing to accept new Medi-Cal patients.

**Assessment:** The departments have no concerns about the capacity of the network to accept transitioning HFP enrollees and to provide continuity of care. There is a moderately high degree of overlap between the HFP and Medi-Cal networks, and it appears that a significant number of HFP enrollees are likely to be able to keep their assigned PCP post-transition. Almost all PCPs will be under their Plan-defined assignment levels post-transition and the Medi-Cal PCP network appears to have ample capacity to take on the HFP enrollment, as illustrated by the post-

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is medically necessary for an enrollee to see that specialty type. Therefore, the lack of a specific specialty type alone does not constitute a major concern with the network.

<sup>7</sup> *Ibid.*

<sup>8</sup> Please note that this percentage reflects the current number of Medi-Cal and HFP patients assigned to the PCPs who are confirmed to treat HFP enrollees post-transition.. As such, the post-transition assignment levels are not a result of the transition but simply reflect current assignment levels.

transition provider-to-enrollee ratios. Furthermore, while there is a moderate degree of overlap of the specialist network, the Medi-Cal network appears to have adequate diversity and capacity to serve the specialty needs of the population. Overall, the network appears to have adequate excess capacity to appropriately serve transitioning HFP enrollees in accordance with regulatory and contractual access standards.

### ***San Diego County***

In San Diego County, Plan data indicate the Plan's Medi-Cal network contains 176 PCPs and 2,038 total physicians, whereas the Plan's Healthy Families network contains 258 PCPs and 2,667 total physicians. The Plan has been reaching out to HFP and Medi-Cal providers to determine which providers will be available to treat HFP enrollees after their transition into Medi-Cal. The Plan has confirmed that 195 PCPs and 2,159 physicians from both product lines will be available to treat HFP enrollees post-transition. Based on Plan data, it appears that the 195 PCPs confirmed to treat HFP enrollees post-transition includes 173 PCPs from the Medi-Cal network and an additional 22 PCPs that were formerly only available through the HFP network. This network is larger than the Plan's currently contracted Medi-Cal network and, in some cases, the new providers who have agreed to treat former HFP enrollees will also be available in the Medi-Cal network to treat existing Medi-Cal enrollees. The following network analysis and assessment for San Diego County is based on the provider network that will be available to treat HFP enrollees post-transition.

#### ***Provider Network Overlap.***

##### ***Primary Care Physicians.***

- The Plan indicates that 87% of HFP enrollees will be able to continue seeing their assigned PCP post-transition.
- Plan data indicate that 76% of providers that participate in the HFP network will be available to treat HFP enrollees post-transition.
- With regard to PCPs who accept children, 81% of HFP pediatricians, 57% of HFP family practitioners, 88% of HFP general practitioners, and 80% of HFP internal medicine practitioners will be available to treat HFP enrollees post-transition.

##### ***Specialists.***

- With regard to specialists, 81% of the Plan's HFP specialists are in the Medi-Cal network.

- The Medi-Cal network includes almost all of the specialty types available in the HFP network. All highly-utilized specialty types available in the HFP network are also available in the Medi-Cal network.<sup>9</sup>
- The Plan's Medi-Cal network offers 186 pediatric specialists, comprising 9% of the Plan's specialist network, which is less than what is available in the Plan's HFP network (202 pediatric specialists comprising 8% of the Plan's HFP specialist network).<sup>10</sup>

*Provider Capacity.*

***Primary Care Physicians.***

- Plan data indicate that the network of providers who will be available to treat HFP enrollees post-transition will have one PCP for every 224 enrollees after the transition and one physician overall for every 21 enrollees after the transition.
- According to Plan data, all PCPs available to treat HFP enrollees post-transition will be under the Plan-defined Medi-Cal enrollee assignment limit after the transition.
- The Plan data indicate that 91% of PCPs are currently accepting new Medi-Cal patients.

***Specialists.***

- With regard to specialty care, the Medi-Cal network will offer fewer individual providers than the HFP product in some specialty areas. However, given the patterns of utilization of these specialty areas by Medi-Cal enrollees, the transition of the HFP members to Medi-Cal should not generate network adequacy concerns in regards to the capacity of or access to specialists.

*Geographic Access.* The following cities in San Diego County currently have HFP PCPs but do not have PCPs who will be available to treat HFP enrollees post-transition: Lakeside, Ramona, and Spring Valley. Currently, 87 HFP enrollees are assigned to PCPs in these cities. The Plan has Medi-Cal PCPs in cities that are within 10 miles or 30 minutes of Lakeside, Ramona, and Spring Valley, so the affected HFP enrollees will be able to access a PCP within the appropriate geographic access standards.

**Assessment:** The departments have no concerns about the adequacy of the network to accept transitioning HFP enrollees. There is a moderately high degree of overlap between the HFP and Medi-Cal networks, and it appears that a significant number of HFP enrollees are likely to be able to keep their assigned PCP post-transition. The Medi-Cal PCP network appears to have ample capacity to take on the HFP enrollment, as illustrated by the low post-transition provider-

<sup>9</sup> Per Health and Safety Code § 1367, subd. (i) and California Code of Regulations, title 28, § 1300.67, subd. (a), all plans are obligated under the Knox Keene Act to provide basic health care services, which includes access to medically necessary physician services, including services from specialist physicians. If a health plan does not contain a certain specialist in its network, it is required to arrange for out-of-network care when it is medically necessary for an enrollee to see that specialty type. Therefore, the lack of a specific specialty type alone does not constitute a major concern with the network.

<sup>10</sup> *Ibid.*

to-enrollee ratios and the fact that the Medi-Cal network PCPs are all under their Plan-defined patient assignment limits. Furthermore, there is a high degree of overlap of the specialist network and the Medi-Cal network appears to have adequate diversity and capacity to serve the specialty needs of the population. Overall, the network appears to have adequate excess capacity to appropriately serve transitioning HFP enrollees in accordance with regulatory and contractual access standards.

### ***San Joaquin County***

Health Net became the commercial Medi-Cal managed care plan in San Joaquin county at the beginning of 2013. Because Health Net's Medi-Cal product line is relatively new in this county, the Plan continues to build its provider and enrollee base. The Plan currently has 5,652 enrollees in its San Joaquin Medi-Cal product. That number is expected to grow to 6,245 with the transition of HFP enrollees into the Medi-Cal product. At this time, Plan data indicate the Plan's Medi-Cal network in San Joaquin County contains 66 PCPs and 265 total physicians, whereas the Plan's HFP network contains 62 PCPs and 556 total physicians. The Plan has been reaching out to HFP and Medi-Cal providers to determine which providers will be available to treat HFP enrollees after their transition into Medi-Cal. The Plan has confirmed that all 66 PCPs and 265 physicians will be available to treat HFP enrollees post-transition.<sup>11</sup> The following network analysis and assessment for San Joaquin County is based on the provider network that will be available to treat HFP enrollees post-transition.

#### ***Primary Care Physicians.***

- The Plan data indicate that 40% of HFP enrollees will be able to continue seeing their assigned PCP.
- Plan data indicate that 29% of providers that participate in the HFP network will be available to treat HFP enrollees post-transition.
- With regard to PCPs who accept children, 33% of HFP pediatricians, 31% of HFP family practitioners, 100% of HFP OB/GYNs, 0% of HFP general practitioners, and 0% of HFP internal medicine practitioners will be available to treat HFP enrollees post-transition.

#### ***Specialists.***

- With regard to specialists, 26% of the Plan's HFP specialists are in the Medi-Cal network.
- The Medi-Cal network includes all but one of the specialty types available in the HFP network. The Medi-Cal network does not include pain medicine specialists. The Plan did not provide data related to utilization of these specialty types, so the departments cannot

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<sup>11</sup> Based on Plan data, it appears that all PCPs confirmed to treat HFP enrollees post-transition were participating in both the Medi-Cal and HFP networks prior to the transition.

evaluate whether the absence of these specialty areas will affect the transitioning population.<sup>12</sup>

- The Plan's Medi-Cal network offers five pediatric specialists, comprising 3% of the Plan's specialist network, which is less than what is available in the Plan's HFP network (10 pediatric specialists comprising 2% of the Plan's HFP specialist network).<sup>13</sup>

#### *Provider Capacity.*

##### ***Primary Care Physicians.***

- Plan data indicate that the network of providers who will be available to treat HFP enrollees post-transition will have one PCP for every 77 enrollees after the transition and one physician overall for every 19 enrollees after the transition.
- Plan data indicate that 91% of PCPs are accepting new Medi-Cal patients.

##### ***Specialists.***

- With regard to specialty care, the Medi-Cal network will offer fewer individual providers than the HFP product in some specialty areas.

*Geographic Access.* The city of Escalon in San Joaquin County currently has HFP PCPs but no Medi-Cal PCPs who will accept HFP patients post-transition. Currently, three HFP enrollees are assigned to PCPs in this city. The Plan has Medi-Cal PCPs in cities that are within 10 miles or 30 minutes of Escalon, so the affected HFP enrollees residing in that city will be able to access a PCP in accordance with geographic access standards.

**Assessment:** The departments have no concerns about the adequacy of the network to appropriately serve the HFP enrollment and have only minor concerns about the ability of the network to provide continuity of care to transitioning HFP enrollees. With regard to continuity of care, the departments have noted that there is a low degree of overlap between the HFP network and the Medi-Cal network that will be available to treat the transitioning population. The Plan indicates that only 40% of HFP enrollees will be able to keep their assigned PCP post-transition; however, given the low enrollment numbers in this county, only approximately 250 HFP enrollees will not be able to keep their PCP. Because the actual number of enrollees affected by this network change is relatively small, the departments do not believe the transition from the HFP network to the Medi-Cal network will have a significant impact on the care provided to the HFP population. Furthermore, the Plan is required to provide ongoing care with a non-network treating PCP for 12 months following the transition, if the PCP accepts the Medi-Cal rate. Therefore, enrollees whose PCP does not contract with the Plan may still continue to

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<sup>12</sup> Per Health and Safety Code § 1367, subd. (i) and California Code of Regulations, title 28, § 1300.67, subd. (a), all plans are obligated under the Knox Keene Act to provide basic health care services, which includes access to medically necessary physician services, including services from specialist physicians. This would include pediatric specialists and pain medicine specialists if medically necessary. If a health plan does not contain a certain specialist in its network, it is required to arrange for out-of-network care when it is medically necessary for an enrollee to see that specialty type. Therefore, the lack of a specific specialty type alone does not constitute a major concern with the network.

<sup>13</sup> *Ibid.*

see their PCP for 12 months post-transition. The Medi-Cal PCP network appears to have ample capacity to take on the HFP enrollment, as illustrated by the post-transition provider-to-enrollee ratios. With regard to specialty care, while there is a low degree of overlap of the specialist network, the Medi-Cal network appears to offer almost all of the same specialty types that were available in the HFP network, so it is likely to serve most of the population's specialty needs. Furthermore, the Plan is obligated under the Knox Keene Act to provide access to medically necessary specialty physician services.<sup>14</sup> If the Plan does not have a particular specialist in-network, the Plan will have to make arrangements with an out-of-network provider to deliver basic health care services.

### ***Stanislaus County***

In Stanislaus County, Plan data indicate the Plan's Medi-Cal network contains 66 PCPs and 351 total physicians, whereas the Plan's HFP network contains 71 PCPs and 400 total physicians. The Plan indicates that it assigns patients to clinics and facilities as well as to individual providers. Where relevant, the departments have provided separate data points for individual providers and clinics.

#### ***Primary Care Physicians.***

- The Plan indicates that 91% of its HFP enrollees will be able to keep their PCPs post-transition.
- Plan data indicate that 100% of clinics and 51% of individual providers that participate in HFP will also participate in the Plan's Medi-Cal program.
- With regard to PCPs who accept children, 64% of HFP pediatricians, 42% of HFP family practitioners, and 67% of HFP general practitioners are in the Plan's Medi-Cal network.<sup>15</sup>

#### ***Specialists.***

- With regard to specialists, 83% of the Plan's HFP specialists are in the Medi-Cal network.
- The Medi-Cal network includes all but one of the specialty types available in the HFP network. All highly-utilized specialty types available in the HFP network are also available in the Medi-Cal network.
- The Plan's Medi-Cal network offers 11 pediatric specialists, comprising 3% of the Plan's specialist network, which is slightly less than what is available in the Plan's HFP network (13 pediatric specialists comprising 3% of the Plan's HFP specialist network).

#### ***Provider Capacity.***

#### ***Primary Care Physicians.***

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<sup>14</sup> See Health and Safety Code § 1367, subd. (i) and California Code of Regulations, title 28, § 1300.67, subd. (a).

<sup>15</sup> OB/GYNs are not serving as PCPs in the Plan's HFP network for this county.

- Plan data indicate that the Medi-Cal network will have one PCP for every 709 enrollees after the transition and one physician overall for every 133 enrollees after the transition.
- According to Plan data, 96% of Medi-Cal PCPs will be under the Plan-defined Medi-Cal enrollee assignment limit after the transition. For those enrollees assigned to a PCP who is over the enrollee assignment limit, they will continue to be able to switch to a PCP with fewer assigned enrollees if they so choose.
- Plan data indicate that 68% of individual Medi-Cal PCPs and 89% of Medi-Cal clinics are accepting new Medi-Cal patients beyond those transitioning from HFP.

***Specialists.***

- With regard to specialty care, the Medi-Cal network will offer fewer individual providers than the HFP product in some specialty areas. However, given the patterns of utilization of these specialty areas by Medi-Cal enrollees, it is unlikely that the transition of the HFP members to Medi-Cal will generate network adequacy concerns with regard to the capacity of or access to specialists.

*Geographic Access.* All HFP enrollees residing in Stanislaus County will have the same geographic access to Medi-Cal PCPs as they currently have under the HFP. There are no PCPs in the city of Hughson who are accepting new Medi-Cal patients; however, there are PCPs located in neighboring cities who are accepting new Medi-Cal patients are within 10 miles or 30 minutes of the city of Hughson.

**Assessment:** The departments have no concerns about the adequacy of the network to accept transitioning HFP enrollees. There is a moderately high degree of overlap between the HFP and Medi-Cal networks, and a significant number of HFP enrollees will be able to keep their assigned PCP post-transition. The Medi-Cal PCP network appears to have ample capacity to take on the HFP enrollment, as illustrated by the post-transition provider-to-enrollee ratios. Furthermore, there is a high degree of overlap of the specialist network and the Medi-Cal network appears to have adequate diversity and capacity to serve the specialty needs of the population. Overall, the network appears to have adequate excess capacity to appropriately serve transitioning HFP enrollees in accordance with regulatory and contractual access standards.

***Tulare County***

In Tulare County, Plan data indicate the Plan’s Medi-Cal network contains 95 PCPs and 216 total physicians, whereas the Plan’s HFP network contains 118 PCPs and 273 total physicians. The Plan indicates that it assigns patients to clinics and facilities as well as to individual providers. Where relevant, the departments have provided separate data points for individual providers and clinics.

***Primary Care Physicians.***



- The Plan indicates that 80% of its HFP enrollees will be able to keep their PCPs post-transition.
- Plan data indicate that 100% of clinics and 75% of individual providers that participate in the HFP network will also participate in the Plan's Medi-Cal program.
- With regard to PCPs who accept children, 73% of HFP pediatricians, 73% of HFP family practitioners, 100% of OB/GYNs, 86% of HFP general practitioners, and 89% of internal medicine practitioners are in the Plan's Medi-Cal network.<sup>16</sup>

***Specialists.***

- With regard to specialists, 70% of the Plan's HFP specialists are in the Medi-Cal network.
- While the Medi-Cal network does not include all of the specialty types available in the HFP network, almost all highly-utilized specialty types available in the HFP network are also available in the Medi-Cal network. The Medi-Cal network does not include emergency medicine specialists, which are highly utilized and are available in the HFP network. However, emergency services are covered by the Plan even if received out of network, therefore, the absence of contracted emergency medicine specialists does not raise network adequacy concerns.
- The Plan's Medi-Cal network offers 20 pediatric specialists, comprising 7% of the Plan's specialist network, which is slightly less than what is available in the Plan's HFP network (21 pediatric specialists comprising 6% of the Plan's HFP specialist network).

*Provider Capacity.*

***Primary Care Physicians.***

- Plan data indicate that the Medi-Cal network will have one PCP for every 579 enrollees and one physician overall for every 177 enrollees after the transition.
- According to Plan data, after the transition 99% of Medi-Cal PCPs will be under the Plan-defined Medi-Cal enrollee assignment limit. For those enrollees assigned to a PCP who is over the enrollee assignment limit, they will continue to be able to switch to a PCP with fewer assigned enrollees if they so choose.
- Plan data indicate that 89% of individual Medi-Cal PCPs and 100% of Medi-Cal clinics are accepting new Medi-Cal patients beyond those transitioning from the Healthy Families program.

***Specialists.***

- With regard to specialty care, the Medi-Cal network will offer fewer individual providers than the HFP product in some specialty areas. However, given the patterns of utilization of these specialty areas by Medi-Cal enrollees, it is unlikely that the transition of the HFP

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<sup>16</sup> OB/GYNs are not serving as PCPs in the Plan's HFP network for this county.



members to Medi-Cal will generate network adequacy concerns with regard to the capacity of or access to specialists.

*Geographic Access.* All HFP enrollees transitioning into the Medi-Cal network will have the same geographic access to providers that they currently have under the HFP. All cities currently served by the HFP network contain Medi-Cal providers who are continuing to accept new Medi-Cal patients.

**Assessment:** The departments have no concerns about the adequacy of the network to accept transitioning HFP enrollees. There is a moderately high degree of overlap between the HFP and Medi-Cal networks and 80% of HFP enrollees will be able to continue seeing their treating PCP. Furthermore, the Plan is required to provide ongoing care with a non-network treating PCP for 12 months following the transition, if the PCP accepts the Medi-Cal rate. Therefore, enrollees whose PCP does not contract with the Plan may still continue to see their PCP for 12 months post-transition. Additionally, there is a moderately high degree of overlap of the specialist network and the Medi-Cal network appears to have adequate diversity and capacity to serve the specialty needs of the population. Overall, the network appears to have adequate excess capacity to appropriately serve transitioning HFP enrollees in accordance with regulatory and contractual access standards.

### **III. Health Plan of San Joaquin – Provider Network Assessment**

Health Plan of San Joaquin (“Plan”) is the local initiative plan operating in San Joaquin and Stanislaus counties. The Plan is included in Phase 1 of the Healthy Families Program (HFP) transition because it operates both a Medi-Cal managed plan and an HFP plan in Stanislaus and San Joaquin counties. The departments’ original Phase 1 assessment did not include Stanislaus or San Joaquin counties because both counties were undergoing a change in Medi-Cal managed care plans. As clarified in the First Addendum Report, the departments decided to postpone the transition in these counties until Phase 1, Part C, to allow time for the new plans operating in these counties to build and establish their Medi-Cal networks. The following assessments evaluate the Plan’s provider networks in those two counties in preparation for the transition scheduled on April 1, 2013.

#### ***San Joaquin County***

In San Joaquin County, Plan data indicate the Plan’s Medi-Cal network contains 206 PCPs and 3,284 total physicians, whereas the Plan’s HFP network contains 207 PCPs and 3,422 total physicians. The Plan indicates that it assigns patients to clinics as well as to individual providers. Where relevant, the departments have provided separate data points for individual providers and clinics. Additionally, the Plan states that all of its contracted specialists are available to all enrollees, regardless of location. Therefore, all enrollees in the Plan from all counties have access to all specialists contracting with the Plan’s Medi-Cal network..

#### ***Provider Network Overlap.***

##### ***Primary Care Physicians.***

- The Plan indicates that 96% of its HFP enrollees will be able to keep their PCPs post-transition.
- Plan data indicate that 100% of clinics and 96% of individual providers that participate in the HFP network will also participate in the Plan’s Medi-Cal network and will continue seeing their HFP patients post-transition.
- With regard to PCPs who accept children, 95% of HFP pediatricians, 100% of HFP OB/GYNs, 97% of HFP family practitioners,<sup>17</sup> and 100% of HFP general practitioners are in the Plan’s Medi-Cal network.

##### ***Specialists.***

- With regard to specialists, 95% of the Plan’s HFP specialists are in the Medi-Cal network.
- All specialty types available in the HFP network are also available in the Medi-Cal network.

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<sup>17</sup> The term “family practitioners” includes both family practice and family medicine designations.

- The Plan’s Medi-Cal network offers 500 pediatric specialists, comprising 16% of the Plan’s specialist network, which is slightly less than what is available in the Plan’s HFP network (504 pediatric specialists comprising 16% of the Plan’s HFP specialist network).

*Provider Capacity.*

***Primary Care Physicians.***

- Plan data indicate that the Medi-Cal network will have one PCP for every 542 enrollees and one physician overall for every 32 enrollees after the transition.
- According to Plan data, 94% of clinics and 97% of individual PCPs will be under the Plan-defined Medi-Cal enrollee assignment limit after the transition. For those enrollees assigned to a PCP who is over the enrollee assignment limit, they will continue to be able to switch to a PCP with fewer assigned enrollees if they so choose.
- Plan data indicate that 67% of individual Medi-Cal PCPs and 87% of Medi-Cal clinics are accepting new Medi-Cal patients beyond those transitioning from the Healthy Families program.

***Specialists.***

- With regard to specialty care, the Medi-Cal network will offer fewer individual providers than the HFP product in some specialty areas. However, given the level of overlap between the networks, it is unlikely that the transition of HFP members to Medi-Cal will generate network adequacy concerns with regard to the capacity of or access to specialists.

*Geographic Access.* All HFP enrollees transitioning into the Medi-Cal network will have the same geographic access to providers that they currently have under the HFP. All cities currently served by the HFP contain Medi-Cal providers who are continuing to accept new Medi-Cal patients.

***Stanislaus County***

In Stanislaus County, Plan data indicate the Plan’s Medi-Cal network contains 169 PCPs and 3,247 total physicians, whereas the Plan’s HFP network contains 201 PCPs and 3,408 total physicians. The Plan indicates that it assigns patients to clinics and facilities as well as to individual providers. Where relevant, the departments have provided separate data points for individual providers and clinics. Additionally, the Plan states that all of its contracted specialists are available to all enrollees, regardless of location. Therefore, all enrollees in the Plan from all counties have access to all specialists contracting with the Plan’s Medi-Cal network.

### *Provider Network Overlap.*

#### ***Primary Care Physicians.***

- The Plan indicates that 75% of its HFP enrollees will be able to keep their PCPs post-transition.
- Plan data indicate that 100% of clinics and 35% of individual providers that participate in the HFP network are currently participating in the Plan's Medi-Cal program. The Plan indicates that it has contracts pending with a number of providers and if those contracts are finalized, 93% of individual providers that participate in the HFP network will also be available in the Medi-Cal network.
- With regard to PCPs who accept children, 80% of HFP pediatricians, 62% of HFP family practitioners, and 100% of HFP general practitioners are in the Plan's Medi-Cal network. The Plan indicates that it has contracts pending with a number of providers and if those contracts are finalized, 87% of HFP pediatricians, 100% of HFP OB/GYNs, and 99% of family practitioners will be in the Plan's Medi-Cal network.<sup>18</sup>

#### ***Specialists.***

- With regard to specialists, 95% of the Plan's HFP specialists are in the Medi-Cal network.
- All specialty types available in the HFP network are also available in the Medi-Cal network.
- The Plan's Medi-Cal network offers 500 pediatric specialists, comprising 16% of the Plan's specialist network, which is slightly less than what is available in the Plan's HFP network (504 pediatric specialists comprising 16% of the Plan's HFP specialist network).

### *Provider Capacity.*

#### ***Primary Care Physicians.***

- Plan data indicate that the Medi-Cal network will have one PCP for every 208 enrollees and one physician overall for every 11 enrollees after the transition.
- According to Plan data, 100% of clinics and 100% of individual PCPs will be under the Plan-defined Medi-Cal enrollee assignment limit after the transition.
- Plan data indicate that 45% of the Plan's individual Medi-Cal PCPs and 74% of Medi-Cal clinics are accepting new patients beyond those transitioning from the HFP network.

#### ***Specialists.***

- With regard to specialty care, the Medi-Cal network will offer fewer individual providers than the HFP product in some specialty areas. However, given the level of overlap

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<sup>18</sup> Plan data also indicate that 0% of HFP OB/GYNs serving as PCPs are currently in the Medi-Cal network; however there are currently no HFP enrollees assigned to OB/GYNs for primary care.

between the networks, it is unlikely that the transition of HFP enrollees into Medi-Cal will generate network adequacy concerns with regard to the capacity of, or access to, specialists.

*Geographic Access.* All HFP enrollees transitioning into the Medi-Cal network will have the same geographic access to providers that they currently have under the HFP. All cities currently served by the HFP contain Medi-Cal providers who are continuing to accept new Medi-Cal patients.

*Continuity of Care.* The Plan indicates that it will work with the PCPs who are not currently in the Medi-Cal network to bring them into that network. If the Plan is not able to bring these providers into its Medi-Cal network, the Plan will assign these members to new providers. Any treatment authorizations in place prior to the transition will be honored.

*Assessment.* The departments have no concerns with the current status of the Plan's network in San Joaquin County. The Plan's HFP and Medi-Cal networks have a high level of overlap, so there is unlikely to be major disruptions in care for members or change in assigned patients for any of its providers. While the Medi-Cal network has fewer providers in certain specialty areas, it appears that the Medi-Cal network still has sufficient capacity to meet the utilization needs of existing and transitioning members. The Plan's overall network is within the regulatory ratio and Plan data indicate that it has ample providers with adequate capacity to see transitioning members.

The departments have minor concerns regarding the ability of the Plan's network in Stanislaus County to provide continuity of care but believe that the overall capacity of the network is sufficient to serve the needs of the transitioning HFP enrollees. A significant percentage of enrollees will be able to retain their current PCP and the Plan offers ample overlap with regard to specialty care to preserve continuity of care for the vast majority of enrollees. The current Medi-Cal network provides a relatively low degree of overlap between the HFP and Medi-Cal individual PCP networks, suggesting that many Plan HFP PCPs do not participate in the Medi-Cal network. Despite this lower degree of overlap, 75% of HFP enrollees will be able to continue seeing their treating PCP, thereby suggesting that the degree of overlap will not affect continuity of care for the majority of HFP enrollees. Additionally, the Plan is required to provide ongoing care with a non-network treating PCP for 12 months if the provider meets certain conditions.<sup>19</sup> Therefore, enrollees whose PCP does not contract with the Plan may be able to continue to see their PCP for 12 months post-transition if the PCP accepts the Medi-Cal rate. With regard to new Medi-Cal patients, the majority of the Plan's PCPs are accepting new Medi-Cal patients and it appears that every city within the county has PCPs who are accepting new patients. New Medi-Cal enrollees should have a geographically accessible PCP readily available when they join the network. Overall, the Plan provides a large number of PCPs and specialists

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<sup>19</sup> In order to provide continuity of care, the PCP must not have any identified quality of care concerns and the PCP must be willing to accept either the Plan's contracted Medi-Cal rate or the Medi-Cal fee-for-service rate, whichever is higher.

for its enrollees in this county and the network appears to have adequate capacity and geographic diversity to serve all transitioning HFP members.

Overall, the Plan's network in both San Joaquin and Stanislaus counties appears adequate to absorb the transitioning HFP enrollees.

**ATTACHMENT 1 – SUMMARY NETWORK ASSESSMENT DATA**

<b>Plan</b>	<b>County</b>	<b>Medi-Cal PCP to enrollee ratio post-transition (1:_____)</b>	<b>Medi-Cal Physician to enrollee ratio post-transition</b>	<b>Total Number of PCPs in the network who will treat HFP enrollees post-transition</b>	<b>Total Number of Physicians in the network who will treat HFP enrollees post-transition</b>	<b>Total Number of PCPs in the Healthy Families Network</b>	<b>Total Number of Physicians in the Healthy Families Network</b>	<b>% of PCPs Accepting New Patients</b>	<b>% of HFP Enrollees Who Will Keep Their PCP Post-Transition</b>
Health Plan of San Joaquin	San Joaquin	542	32	206	3473	207	526	77*	96
Health Plan of San Joaquin	Stanislaus	208	11	169	3295	201	3408	62*	75
Health Net	Kern	424	150	117	358	125	431	82*	95
Health Net	Los Angeles	479	141	1,143	3,875	1,805	7,091	86	74
Health Net	Sacramento	644	54	125	1,494	157	1,881	76	74
Health Net	San Diego	224	21	195	2,159	258	2,667	91	81
Health Net	San Joaquin	77	19	65	264	62	556	91	40
Health Net	Stanislaus	709	133	66	351	71	400	79*	91
Health Net	Tulare	579	177	95	216	118	273	95*	80

\* This number represents individual providers and clinics combined.

**ATTACHMENT 2 – PHASE 1C ENROLLMENT BREAKDOWN**

<b>Healthy Families Program Transition to Medi-Cal Phase 1C Enrollment Breakdown</b>				
Upon implementation of the transition (Phase 1A), all new applicants will be evaluated for coverage under the Medi-Cal program.				
<b>Phase 1c (Effective 4/1/2013)</b>				
<b>County</b>	<b>Medi-Cal Plan Model</b>	<b>Health Plan (HP)</b>	<b>Approx. Enrollment</b>	<b>Medi-Cal Dental Program</b>
Kern	2Plan	Heath Net	4,271	Denti-Cal
Tulare	2Plan	Health Net	2,949	Denti-Cal
Sacramento	GMC	Health Net	9,143	Dental Managed Care
San Joaquin	2Plan	Health Plan San Joaquin	9,176	Denti-Cal
		Health Net HMO	611	Denti-Cal
Stanislaus	2Plan	Health Plan San Joaquin	8,242	Denti-Cal
		Health Net HMO	1,628	Denti-Cal
		<b>Total</b>	<b>36,020</b>	
<b>Phase 1c (Effective 5/1/2013)</b>				
Los Angeles	2Plan	Health Net	53,485	Dental Managed Care & Denti-Cal
San Diego	GMC	Health Net	9,072	Denti-Cal
		<b>Total</b>	<b>62,557</b>	