

From: [DMHC Licensing eFiling](#)
Subject: APL 19-013 (OPM) - Block Transfer Enrollee Transfer Notices
Date: Thursday, June 13, 2019 12:08:24 PM
Attachments: [APL19-013 \(OPM\) - Block Transfer Enrollee Transfer Notices \(6.13.19\).pdf](#)

Dear Health Plan Representative,

Please see attached All Plan Letter regarding the requirements for Block Transfer filings, and Enrollee Transfer Notices (ETNs).

Thank you.



Gavin Newsom, Governor
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ALL PLAN LETTER

DATE: June 13, 2019
TO: All Health Care Service Plans
FROM: Dan Southard, Deputy Director
Office of Plan Monitoring
SUBJECT: APL 19-013 (OPM) - Block Transfer Enrollee Transfer Notices

The purpose of this All Plan Letter (APL) is to remind plans of some of the requirements for Block Transfer Filings and, specifically, for Enrollee Transfer Notices (ETNs).

The Department of Managed Health Care (DMHC) reviews Block Transfer filings submitted by health care service plans (health plans or plans).¹ Plans must submit their Block Transfer Filings to the DMHC for review. Plans must include with the filing an example or “template” of the written ETN the health plan intends to send to affected enrollees regarding the date of the contract termination and reassignment (or redirection) to a new provider group (or hospital). The DMHC reviews the template ETNs to ensure the documents include all information required by law.

In addition, California Code of Regulations, title 22, sections 53852 and 53911 require Medi-Cal managed care health plans to obtain written approval from the Department of Health Care Services (DHCS) prior to making any substantial change in the availability or location of covered services.

A. ETN Letters for Contract Terminations with Hospitals

Rule 1300.67.1.3 requires plans to include the following information in plan ETNs when there is a contract termination with a general acute care hospital:

1. The name of the terminating general acute care hospital.
2. A brief explanation as to why the redirection to alternate hospitals for future hospital-based services is necessary due to the termination of the contract between the health plan and the terminating hospital.

¹California Health and Safety Code section 1373.65 and California Code of Regulations, title 28, section 1300.67.1.3. Unless otherwise indicated, references herein to “Section” are to sections of the California Health and Safety Code, and references to “Rule” refer to the California Code of Regulations, title 28.

3. The date of the contract termination and redirection to alternate hospitals.
4. A statement that the affected enrollee may contact the health plan's customer service department to request completion of care for an ongoing course of treatment from a terminated provider. This statement may include either:
 - a. A statement outlining the specific conditions set forth in Section 1373.96(c) (with each of the conditions specifically enumerated in bullet point format); or,
 - b. An explanation to the affected enrollee that his or her eligibility is conditioned upon certain factors as outlined in the health plan's written continuity of care policy and evidence of coverage or disclosure form (with identification of the specific page(s) of the enrollee's health plan contract, policy, evidence of coverage, or disclosure form describing the specific conditions set forth in Section 1373.96(c)).
5. The telephone number, clearly printed, through which affected enrollees may contact the health plan for a further explanation of the enrollee's rights to completion of care, including the health plan's written continuity of care policy.
6. A link that an affected enrollee may use to obtain a downloadable copy of the health plan's written continuity of care policy from the health plan's website (which, at a minimum, shall direct the enrollee to the initial webpage where the enrollee may begin to access health plan documents [e.g., member login page, health plan homepage with member login, member documents page, etc.]).
7. If applicable, a statement informing any enrollee of a point of service product that the affected enrollee may be required to pay a larger portion of costs if he or she continues to use his or her current providers.
8. The following statement in at least 8-point font:

If you have been receiving care from a health care provider, you may have a right to keep your provider for a designated time period. Please contact your HMO's customer service department, and if you have further questions, you are encouraged to contact the Department of Managed Health Care, which protects HMO consumers, by telephone at its toll-free number 1-888-HMO-2219, or at a TDD number for the hearing impaired at 1-877-688-9891, or online at www.hmohelp.ca.gov.

This above statement may be modified to substitute the health plan's name in place of the phrase "your HMO's."

9. Compliance with all applicable language assistance statutes and regulations, including Section 1367.04 and any regulations based upon Section 1367.04 (which, at a minimum, shall include a written notice of the availability of interpretation services in the health plan's identified threshold languages and in the top 15 languages spoken by limited-English-proficient individuals in California as determined by the DHCS).

B. ETN Letters for Provider Group Terminations

Health plans issuing ETN letters concerning provider group terminations shall include, **in addition to the requirements set forth in Section A. (except Sections A.1. to A.3.),** the following:

1. The name of the terminating provider group, and, where appropriate, the name of the assigned physician.
2. A brief explanation as to why the reassignment to alternate receiving providers or provider groups is necessary due to the termination of the contract between the health plan and the provider.
3. The date of the contract termination and reassignment to alternate receiving providers or provider groups.
4. An explanation to the affected enrollee outlining:
 - a. The affected enrollee's assignment to a new provider group, which, at a minimum, must briefly describe to the enrollee the reassignment process that occurs when the health plan's contract with the enrollee's provider terminates;
 - b. Options for selecting a physician within a new provider group; and,
 - c. Applicable timeframes to make a new provider group selection.
5. The explanation to the affected enrollee in Section B.4. must include a notification to the affected enrollee that he or she may select a different network provider by contacting the health plan as outlined in the health plan's written continuity of care policy and evidence of coverage or disclosure form.
6. The name, address and telephone number of the receiving provider group and assigned physician within that group, or a statement that the plan will send the enrollee, by a date specified in the ETN, a new member information card containing this information.

C. Submission of Amended ETN Letters to the DMHC

Pursuant to Sections 1373.95(a)(2)(A) and (C), a plan's continuity of care policy must include a description of the health plan's process for the block transfer of enrollees and the template(s) of the plan's ETNs. Plans must file continuity of care policies, as well as any material changes to those policies, with the DMHC.

The DMHC has found some plans have changed template ETNs significantly and that these templates no longer comply with the Knox-Keene Act's requirements. Such discrepancies may delay the DMHC's ability to approve block transfer filings, because the DMHC must work with the plans to correct the ETNs.

To ensure all plans have up-to-date ETNs on file with the DMHC, please file the information specified in either paragraph 1 or 2 below through the DMHC's eFiling portal no later than August 16, 2019.

1. If all of the template ETNs the plan currently uses were previously submitted to the DMHC for review and approval, please file an Exhibit E-1 listing the eFiling

number(s) in which the plan filed its template ETNs and any subsequent Amendments or Material Modifications related to the filed ETNs. This filing type should be submitted as a "Report/Other" and titled "Approved Template ETNs."

2. If the health plan has ETNs that were not previously filed with the DMHC or if the plan has made any changes or alterations to previously-approved ETNs (based upon clarifications set forth in this All Plan Letter, or otherwise), please file the ETNs with DMHC as an **Exhibit I-13: Enrollee Transfer Notices for Block Transfers**. The filing type should be submitted as an Amendment and titled "Template ETNs."

If you have any questions, please contact Monyrith Sey at Monyrith.Sey@dmhc.ca.gov or by phone at (213) 576-5735, or Chris Wordlaw at Christopher.Wordlaw@dmhc.ca.gov or by phone at (916) 414-0994.