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ALL PLAN LETTER

DATE: February 13, 2017

TO: All Full Service and Behavioral Health Plans Required to Submit Annual Timely Access Compliance Reports

FROM: Dan Southard
Deputy Director, Office of Plan Monitoring

SUBJECT: TIMELY ACCESS COMPLIANCE REPORTS – MY 2016 & MY 2017

In February 2017, the Department of Managed Health Care (“DMHC”) issued its [Timely Access Report for Measurement Year \(MY\) 2015 \(“2015 Report”\)](#). The 2015 Report found individual compliance reports submitted by health care service plans (“health plans”) contained significant and extensive data errors. The report also outlined next steps to be taken by health plans and the DMHC to further protect enrollees and ensure timely access to care. This All Plan Letter provides additional information regarding the next steps that health plans are required to take in connection with the submission of *Timely Access Compliance Reports*¹ for MY 2016 and MY 2017.

¹ It is important to note that the Knox-Keene Act mandates two separate and distinct network compliance review processes that are overseen by the DMHC on an annual basis. The first network review process (referred to internally at DMHC as the *Timely Access Compliance Report*) involves submission by each health plan of an annual report (required under Cal. Code Regs., tit. 28, section 1300.67.2.2, subd. (g)(2)(A)-(F)) which provides detailed data concerning patient wait times related to appointment access and availability. Upon receipt, each *Timely Access Compliance Report* is reviewed and analyzed by the DMHC, the data is assembled and organized across the industry, and the process culminates in the DMHC’s Timely Access Report, published annually. The second network review process (referred to internally at DMHC as the *Annual Network Review Report*) involves the annual submission by each health plan of data concerning enrollment figures and detailed information concerning the plan’s network of contracted providers (required under Cal. Code Regs., tit. 28, section 1300.67.2.2, subd. (g)(2)(G)). Upon receipt, each *Annual Network Review Report* is reviewed by the DMHC and analyzed for compliance with network adequacy laws, and findings are issued concerning networks that are determined to be out-of-compliance with applicable network standards. The information in this All Plan Letter is primarily concerned with the first of these two compliance review processes – *Timely Access Compliance Reports*.

Based on the 2015 Report² findings and recommendations of the DMHC, all health plans required to submit annual *Timely Access Compliance Reports* must comply with the following:

MY 2016

1. Health plans must immediately take all steps necessary to ensure that, at all times, the plan maintains the level of administrative capacity necessary to analyze and validate data and rectify errors in Timely Access compliance data in accordance with the DMHC's mandatory methodology in a manner that is sufficient to ensure that all future compliance reports submitted to the DMHC are accurate. Health plans must maintain an adequate level of staffing with the appropriate level of expertise necessary to carry out these functions.
2. All health plans are required to utilize an external vendor ("external vendor") to validate the plan's Timely Access data and conduct a quality assurance review of the plan's *Timely Access Compliance Report*, prior to submission of the report to the DMHC. Each health plan is responsible for securing its own agreement with an external vendor and ensuring timely submission of its Timely Access Compliance Report, no later than April 30, 2017, for MY 2016.³
3. Based on the significant data errors discussed in the 2015 Report, health plans are no longer permitted to utilize Health Industry Collaboration Effort, Inc. ("ICE"), the ICE vendor (Call Logic, Inc.), and/or other vendors previously used by or coordinated through ICE to validate data and conduct the quality assurance reviews for MY 2016.
4. On or about February 14, 2017, the DMHC will issue the following standardized templates to be used in connection with MY 2016 *Timely Access Compliance Reports*:
 - a. *Provider Contact List Template*
 - b. *Raw Data Template*

MY 2017

1. All health plans are required to utilize an external vendor to validate the plan's Timely Access data and conduct a quality assurance review of the plan's *Timely Access Compliance Report*, prior to submission of the report to the DMHC. In

² The DMHC's annual findings concerning Timely Access are issued in accordance with Health and Safety Code section 1367.03, subd. (i).

³ The submission date of April 30, 2017 for MY 2016 applies only to Timely Access Compliance Reports required under Cal. Code Regs., tit. 28, section 1300.67.2.2, subd. (g)(2)(A)-(F). The DMHC has not changed the March 31, 2017 deadline for submission by each health plan of its *Annual Network Review Report* required under Cal. Code Regs., tit. 28, section 1300.67.2.2, subd. (g)(2)(G). If a health plan has questions related to the deadlines discussed above, it should immediately contact the DMHC for further information.

addition, each health plan that chooses to utilize the Provider Appointment Availability Survey methodology for determining Timely Access compliance is required to utilize an external vendor to conduct the survey and compile the plan's compliance data. Each health plan is responsible for securing its own agreement with an external vendor and ensuring timely submission of its Timely Access Compliance Report, no later than March 31, 2018, for MY 2017.

2. Health plans are no longer permitted to utilize the Health Industry Collaboration Effort, Inc. ("ICE"), the ICE vendor (Call Logic, Inc.), and/or other vendors previously used by or coordinated through ICE in connection with surveying providers, data gathering, analysis, validation, report preparation or submission and/or other compliance activities pertaining to *Timely Access Compliance Report* for MY 2017 and thereafter.

External Vendor Validation

In order to ensure accuracy and completeness of the health plan's submission, the external vendor shall validate the health plan's Timely Access data and conduct a quality assurance review of the plan's *Timely Access Compliance Report*, prior to submission of the report to the DMHC. As noted above, the health plan is required to file its *Timely Access Compliance Report* no later than April 30, 2017 for MY 2016 and no later than March 31, 2018 for MY 2017. At a minimum, the external vendor's data validation and quality assurance review must ensure all of the following:

- The health plan used the DMHC-issued required templates for MY 2016 and MY 2017, as applicable.
- The health plan reported survey results for all provider types that were required to be surveyed, as applicable, based on the composition of the health plan's network during MY 2016 and/or MY 2017.
- The *Timely Access Compliance Report* (including the *Provider Contact List Template*, the *Raw Data Template*, and the *Results Template*) accurately reflects and reports compliance for providers who were under contract with and part of the health plan's DMHC-regulated network(s) at the time the *Provider Contact List* was generated.
- All rates of compliance for the health plan reported on the *Results Template* are accurately calculated, consistent with, and supported by data entered on the health plan's *Raw Data Template*.
- The administration of the survey followed the mandatory DMHC methodology for MY 2016 and MY 2017, as applicable, including, but not limited to, conducting the survey during the appropriate measurement year and ensuring adherence to all target sample sizes and other parameters required under the methodology.

External Vendor Validation Report

As part of its *Timely Access Compliance Report* for MY 2016 and MY 2017, the health plan shall include an *External Vendor Validation Report* prepared by the external vendor outlining the results of the vendor's data validation and quality assurance review and including details regarding the vendor's review of each verification item identified in the previous section (External Vendor Validation). In addition, the *External Vendor Validation Report* shall summarize the vendor's findings and identify any changes and/or corrections made by the health plan or the external vendor as a result of the data validation and quality assurance review.

If the external vendor's data validation and quality assurance review identified errors or issues that the health plan is unable to correct (e.g., the survey was conducted during the wrong measurement year, the health plan failed to survey a mandated provider type that existed in the plan's network, or the health plan was unable to survey the required target sample size), the *External Vendor Validation Report* must include this information, and the health plan must explain why it was unable to comply with the mandatory DMHC methodology and identify steps to be taken by the health plan to ensure compliance during future reporting years.

The *External Vendor Validation Report* and any accompanying health plan explanations must be submitted through the DMHC Timely Access Web Portal, in the "Comment/Narrative" section.

Submission of J-13

1. Each health plan must submit an Exhibit J-13, no later than March 31, 2017, that includes the following information:
 - a. Identify the external vendor retained by the health plan to validate data and conduct the quality assurance review for MY 2016 in connection with its *Timely Access Compliance Report*, and provide a copy of the executed agreement with the external vendor.
 - b. Identify the external vendor selected by the health plan to conduct the provider appointment availability survey and data validation for MY 2017 and provide a copy of the executed agreement with the external vendor.
 - c. Demonstrate that the identified vendor meets:
 - i. Qualifications standards, including information reflecting that the vendor has the requisite expertise, knowledge, and experience to provide Timely Access compliance-related services to the health plan.

- ii. Administrative capacity standards to provide services to the health plan in a timely manner to avoid any delay.
- d. Details regarding the functions that are delegated to each external vendor, the process by which the health plan oversees each external vendor, and the identity of the specific health plan representative(s) who are responsible for overseeing the vendor.

The *Results Template* for MY 2016 *Timely Access Compliance Reports* has been posted on the DMHC public website at www.dmhc.ca.gov. All health plans utilizing the survey methodology are required to use the *DMHC Results Template, Provider Contact List Template*, and *Raw Data Template* in connection with submission of MY 2016 *Timely Access Compliance Reports*.

If you have any questions regarding this letter, please immediately contact the DMHC for additional information.