

NEWS RELEASE



DHCS DELIVERS ON PROMISE TO HOLD HEALTH PLANS ACCOUNTABLE FOR QUALITY CARE

Commits to Help Plans Improve Their Care of Californians

SACRAMENTO — The Department of Health Care Services (DHCS) today followed through on its commitment to hold Medi-Cal managed care plans (MCPs) accountable for improving health outcomes for their members, an important step in DHCS' sweeping transformation of Medi-Cal. As part of a pledge to increase transparency and accountability for MCPs, [DHCS is publicly issuing quality measure ratings](#) for all MCPs and requiring immediate and concrete action from MCPs to improve their quality ratings. These efforts are aimed at improving health outcomes for millions of Californians.

Under their contract with DHCS, MCPs are required to meet or exceed the performance levels DHCS [established](#) for each required performance measure. In calendar year 2021, according to validated [performance measures](#) from the External Quality Review Organization, more than half of MCPs fell below Minimum Performance Levels (MPL) for immunization rates, well-infant and well-child visits, breast cancer screenings, and cervical cancer screenings, leaving significant room for improvement in children's and women's preventive services. The majority of MCPs performed above MPL for the management of chronic conditions, including controlling high blood pressure and diabetes care.

"Our top priority is to maximize health and healthy outcomes for Medi-Cal members by ensuring members receive medically necessary services in a timely manner," said DHCS Director Michelle Baass. "We will continue to enforce quality standards and work in close collaboration with Medi-Cal managed care plans to ensure they're meeting our targets and improving quality of care for all members."

DHCS is sanctioning 22 plans due to poor performance on quality and requiring immediate and concrete action. All MCPs failing to meet MPL are required by January 31, 2023, to:

- Submit a revised comprehensive quality strategy, including new interventions designed to meet or exceed the required 2023 milestones.
- Detail how the plan intends to devote adequate resources and staff to quality improvements.
- Work closely with DHCS' quality team on data-driven improvement efforts that will address disparities experienced throughout the state on an ongoing basis.

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[Assembly Bill 1642](#) (Chapter 465, Statutes of 2019) provides DHCS with the authority to increase monetary sanctions for failure to meet certain performance levels. For the first time since DHCS set a higher bar for quality performance in Medi-Cal managed care (increasing the MPL from the 25th to 50th percentile) the Department is taking action by levying monetary sanctions. Sanctions range from \$25,000 to \$437,000 based on various factors, including how many Medi-Cal members were impacted, the degree to which an MCP fell below MPL, and the degree of improvement or decline from the previous measurement year.

DHCS is also taking these additional actions to support MCPs and statewide quality efforts:

- Initiating an enhanced review of consumer satisfaction surveys to assess MCPs' understanding of their members' needs.
- Reviewing MCPs' contracts with culturally competent providers who are trained in equity, diversity, and sensitivity so members can feel supported and confident in the care they receive.
- Working closely with community partners to improve well-infant visits, in collaboration with plan partners and the Centers for Medicare & Medicaid Services, as a part of the broader Bold Goals 50x2025 initiative.

“California continues to be a leader in improving how health care is delivered by setting a new standard. This enables us to hold our health plan partners accountable for providing person-centered and equity-focused care,” said Jacey Cooper, State Medicaid Director and DHCS Chief Deputy Director for Health Care Programs.

As DHCS continues to work with MCPs on quality improvement, promoting health equity, and improving access to care for preventive services, Medi-Cal members can expect to see more plan engagement and outreach to ensure their medical needs are prioritized. MCPs will be providing more targeted outreach for preventive services, screenings, and health education. Members should also expect to have better care coordination for all of their services, such as behavioral health, that may be delivered across different delivery systems. Through these combined efforts, DHCS seeks to [empower members](#) and support providers in achieving overall better health outcomes for all Medi-Cal members.

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