

Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR's Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR's website does not indicate CalHR support for the proposal.

A. GENERAL INFORMATION

1. Date

3/7/2016

2. Department

Department of Managed Health Care

3. Organizational Placement (Division/Branch/Office Name)

Office of Health Plan Monitoring

4. CEA Position Title

Deputy Director, Office of Health Plan Monitoring

5. Summary of proposed position description and how it relates to the program's mission or purpose. (2-3 sentences)

The Department of Managed Health Care (DMHC) is requesting to change the concept of a vacant CEA B position to a Deputy Director, CEA B in the Office of Health Plan Monitoring (OHPM). The incumbent will have responsibility for managing and directing statewide activities of the OHPM, including but not limited to decision-making, policy development and oversight of all aspects of health plan performance review for network adequacy and compliance with the Knox-Keene Health Care Service Plan Act of 1975 (the Act). The Deputy Director is charged with ensuring health plans meet specific standards of health care delivery and has the authority to develop, recommend, oversee and implement all policies, procedures and daily activities necessary for the successful operation of the OHPM.

6. Reports to: (Class Title/Level)

Chief Deputy Director, Department of Managed Health Care/ 1st level

7. Relationship with Department Director (Select one)

- Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.
- Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain):

8. Organizational Level (Select one)

- 1st
- 2nd
- 3rd
- 4th
- 5th (mega departments only - 17,001+ allocated positions)

B. SUMMARY OF REQUEST

9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

The Deputy Director is responsible for managing and directing the statewide activities of the OHPM, including but not limited to decision-making, policy development and oversight of all aspects of health plan performance review and provider network adequacy to ensure compliance with the Act. This includes evaluating and promoting health care service plan compliance regarding health care accessibility, utilization management, quality improvement and member grievances/appeals, quality improvement and network adequacy as related to health care delivery systems. The CEA reviews and oversees the work of health care and clinical professionals who plan and conduct on-site evaluations of all licensed health plans at least every three years and issue reports to the public that discuss plan performance as well as offer advice and assistance to health plans in these areas. The Deputy Director collaborates with other members of the Director's executive team by assisting in evaluating issues related to health care delivery and managed care operations.

The Deputy Director will be solely responsible for the following policy-setting duties and responsibilities: Plan, organize and direct activities to assess health care service plan performance, conduct medical surveys and participate in legal proceedings related to adequate provision of health plan services, access and continuity of care, denial of treatment and other services and standards as required by the Act and other laws, rules and regulations. The Deputy Director will set and implement priorities for completion of mission-critical goals and objectives related to the responsibilities of the OHPM. Additionally, the Deputy Director will direct the development of health care service plan evaluation policies, standards and procedures to ensure compliance with the Act and other State and federal laws and regulations, including but not limited to provider access requirements, timely access to care, provider directory standards, federal mental health parity and Section 1115 Medicaid Waiver. Ensures violations of standards are addressed timely through coordination with other Offices within the DMHC.

The CEA will participate as a member of the executive management team in the development and implementation of Department policy, including the assessment and implementation of the goals and objectives of the DMHC Strategic Plan. Identify and make recommendations to the Director on program and department-wide improvements. Develop strategies in response to changes in federal and State health care delivery laws and direct the development of corresponding policies and procedures as related to the review of health plan performance and compliance. Collaborate with other DMHC executives and program managers.

The CEA will plan, organize, direct, coordinate and review the work of senior level health care professionals, attorneys, subordinate managers and support staff in the OHPM, in connection with the provisions of the Knox Keene Act and the Director's vision and priorities in implementing the DHMC Strategic Plan. Participate in recruitment and hiring activities and ensure satisfactory performance and development of OHPM staff through regular training and performance evaluations.

Additionally, the CEA will coordinate with the DMHC's Office of Legislative Affairs in developing and analyzing legislation related to health care delivery and may represent the Director before the Legislature on matters involving the OHPM.

Finally, the CEA will represent the Director and the DMHC in meetings, conferences and/or hearings to other State, federal and local agencies and stakeholders.

B. SUMMARY OF REQUEST (continued)

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- Program is directly related to department's primary mission and is critical to achieving the department's goals.
- Program is indirectly related to department's primary mission.
- Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: The CEA position is critical to the Department's mission to protect consumers' health care rights and ensure a stable health care delivery system and supporting goals. The OHPM is responsible for evaluating and ensuring health care service plan compliance regarding health care accessibility, utilization management, quality improvement and member grievances/appeals, quality improvement for more than 25 million Californians enrolled in managed health care. Consequence of error may result in minor to major service unavailability, network inadequacy, financial insolvency, violations of the law and/or negative health care impacts and financial burden for enrollees.

The OHPM plays a critical role in successful delivery of the DMHC's mission by ensuring all routine and non-routine network review evaluations of licensed health plans are conducted and service delivery filings are reviewed for legal adequacy to ensure enrollees receive appropriate, sufficient and timely care.

B. SUMMARY OF REQUEST (continued)

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

The establishment of the OHPM is driven by several factors: a) to monitor health plans compliance with the Knox Keene and Affordable Care Acts (ACA), b) the need to merge relate the functions, duties and responsibilities of health plan compliance monitoring activities and c) to effectively address the significantly increased workload related to the implementation of SB 964 and SB 137.

Currently, the Office of Plan (OPL) Licensing currently houses the Division of Provider Networks and the Help Center houses the Division of Plan Surveys. To ensure robust monitoring of health plans to ensure 25 million Californians have meaningful access to necessary medical care, DMHC proposes to establish the OHPM and appropriately transition the increased workload from those divisions to the OHPM.

Mission of the new OHPM is to ensure compliance with the Act requirements for network adequacy, timely access and provider directories. This is accomplished through routine medical surveys of health plans every three years, and non-routine surveys more often, if necessary, as well as reviewing provider networks to ensure adequate access and availability of health care providers for enrollees of full service and specialized health plans.

SB 964, effective July 1, 2015, requires the DMHC to perform an annual review of health plans' compliance with timely access standards and all full service providers and mental health plan networks for adequacy and availability of providers. Throughout California's 58 counties, each health plan's multiple provider networks must be reviewed individually for network adequacy. For example, San Luis Obispo county alone will require 89 new annual network reviews and over 5,000 of those network reviews will need to be completed statewide. Subject to SB 964, a triple increase of timely access compliance reports is expected and an annual policies and procedures review of 45 health plans is now required.

Additionally, the OHPM must perform a comprehensive assessment of enrollee grievances regarding network adequacy and timely access submitted annually by health plans. The findings may serve as the basis for conducting non-routine surveys and other inquiries regarding barriers consumers may be facing in accessing care. Plan-to-plan comparisons using access-to-care metrics will undoubtedly impact consumers' choices in the marketplace.

To implement SB 137, DMHC is required to develop uniform provider directory data standards for and to ensure compliance from each of the 71 full service and 50 specialized health plans. The implementation of the ACA has enabled hundreds of thousands of individuals formerly lacking health coverage to obtain it, and therefore, health plans have attempted to control costs by offering products with 'narrow networks,' with more limited provider options than others. The DMHC is responsible for conducting routine medical surveys of each licensed full service and specialty health plan every three years as required by the Knox Keene Act, as well as any non-routine investigative medical surveys deemed necessary by DMHC's Director. The scope of surveys has expanded to assess if health plan processes ensure access and availability of health care services and reviews health plan provider directories as a result of these recent bills. Developing new policies and standardized methodologies will be a very time-intensive and highly sophisticated process requiring an advanced level of expertise. Successful implementation is crucial for consumers because without adequate provider networks and up to date provider directories, they cannot make informed decisions pertaining to enrollment in health plans that meet their needs.

The establishment of the OHPM and its CEA position will allow Plan Surveys and Provider Network divisions to merge their duties and responsibilities and relate the functions of health plan compliance monitoring activities they are tasked with. To ensure compliance with expanding requirements related to provider networks and health plan surveys, the DMHC is proposing to move the Division of Provider Networks from OPL and Division of Plan Surveys from Help Center under the new OHPM to better align those functions and to allow OPL to focus on reviewing new license applications, material modifications (those filings requesting approval of a major change such as a merger, acquisition, new product, etc.) and amendments to any previously approved documents of licensed health plans in California. Additionally, this realignment will allow the Help Center to focus specifically on consumer assistance and complaint management, provider complaints and independent dispute resolution.

C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

DMHC regulates plans across most commercial market segments (Individual, Small and Large Group, as well as the expanded Medi-Cal Managed Care program) that provide health coverage to 25 million people in each of the 58 California counties. All health care service plan products regulated by DMHC are required to establish a viable provider network that gives enrollees timely access to needed health care services within a reasonable geographic distance.

It is one of DMHC's core responsibilities to regulate health plans by performing network reviews and conducting routine medical surveys of health plans every three years and non-routine surveys, if good cause exists. The policy parameters for "good cause" are established and maintained by the OHPM CEA. Medical surveys of health care service plans include, but are not limited to, medical audits of Medi-Cal managed care health plans participating in the Seniors and Persons with Disabilities demonstration project under the MediCal 1115 Demonstration Waiver. Deficiencies and areas of non-compliance identified through medical surveys may form the basis of conditions for licensure or grounds for disciplinary action including, but not limited to, penalties, injunctions, cease and desist orders or license denial/revocation.

This CEA will create policies and solutions to address the issues affecting network adequacy, including the creation of telemedicine solutions and evaluation of the adequacy of alternative access standards in some areas. The CEA will need to anticipate emerging and evolving trends such as the existence and availability of primary care providers in rural areas, mergers and acquisitions of medical groups, etc., that could potentially have significant impacts on network adequacy.

Setting or revision of policies dealing with, and impacting, consumer access to all medically necessary health care services, timely access, accuracy of provider directories and network adequacy fall solely within the CEA's discretion and within the parameters of the Act.

The DMHC's jurisdiction in managed care covers a broad spectrum of highly controversial and politically sensitive managed care issues. As health plan compliance monitoring evolves in areas such as timely access, provider directories and network adequacy, the policy and regulation development responsibilities will increase. This will result in the development of new standards and requirements affecting the health care industry. As a regulator, the DMHC utilizes network review and survey processes to effect change within the health care service delivery system. The CEA is tasked with establishing and defending the policies, standards and requirements of the DMHC for the health care service plans we regulate. Without this pivotal position, this cannot be accomplished.

C. ROLE IN POLICY INFLUENCE (continued)

13. What is the CEA position's scope and nature of decision-making authority?

The OHPM CEA is responsible for managing and directing statewide activities, such as decision-making, policy development and oversight of all aspects of health plan performance review for network adequacy and compliance with the Act. As a key member of the DMHC executive management team, the CEA is charged with ensuring health plans meet specific standards of health care delivery. The Director relies on the CEA as an expert in the implementation of the Act and has delegated to the CEA the authority to develop, recommend, oversee and implement all policies, procedures and daily activities necessary for the successful operation of the OHPM.

The CEA will have authority over the development of new standardized methodologies for expanded network adequacy requirements and all other aspects of routine and non-routine surveys.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

The CEA works closely with executive management in the formulation of policy with potential statewide and department wide impact to ensure health care service regulatory compliance and network adequacy. Policy formulation will include review and revision of existing policy related to changes in health plan monitoring activities, formulation of policy related to new statutes affecting health plans and the development of policy, legislation and/or regulations related to changing requirements including but not limited to provider access, timely access to care, provider directory standards, federal mental health parity and Section 1115 Medicaid waiver. Policy related to health plan monitoring is a critical area within the DMHC in light of heightened public awareness and sensitivity around the departments charge to protect consumers' health care rights.